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European Training Foundation

KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT

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ISRAEL

THE EU AGENCY SUPPORTING COUNTRIES TO DEVELOP THROUGH LEARNING

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ABOUT THIS PAPER

Each year, the ETF monitors developments in education, skills and employment in its partner countries to support informed decision-making by identifying trends, opportunities and challenges. The results are reported by country, across countries and by selected theme.

This document is the 2025 country-level report (country fiche) for Israel. Like all ETF monitoring, it draws on multiple sources of evidence and is the culmination of a year-long process of data collection, analysis and consultations. One key source of evidence is the ETF KIESE database, which provides internationally comparable indicators on areas such as country demography, economy, education and employment. The indicators are sourced mainly from international repositories, including UNESCO, the World Bank, the OECD, Eurostat and the ILO, while some come directly from partner countries: for instance, from their labour force surveys[1].

Another source of evidence is the Torino Process, a flagship monitoring initiative of the ETF which compiles system performance indices (SPIs) on the basis of KIESE data and expert surveys. The SPIs combine selected KIESE indicators to track policy and system performance in education and vocational education and training (VET) in key areas such as access, quality and system management. Where KIESE data are missing, the SPIs rely on expert surveys to fill gaps and contextualise the findings at the stage of analysis. 'Performance' in this context refers to the extent to which policies and systems deliver results in these areas[2]. In 2025, the ETF compiled SPIs for a total of 32 areas and sub-areas of performance, including for groups of learners such as young people and adults, males and females, socio-economically disadvantaged young people and adults with no or low education.

ETF country missions complement these data sources by engaging with key policy stakeholders, gathering qualitative insights on policy developments, recently enacted legislation and major reform measures. Finally, where necessary, the ETF draws on third-party publications and analytical work to fill gaps in available evidence or to clarify developments that are not fully captured in the ETF monitoring evidence.

The country fiche begins with Chapter 1 – a country profile that describes the demographic and socio-economic conditions in the country. Chapter 2 presents recent policies in education and training, together with the structure of the education system, including adult learning. Chapter 3 provides an overview of employment and labour market policies and introduces the main strategies, institutions and programmes. Chapter 4, which is the final chapter, presents the results of policies and arrangements in education, training and employment.

[1] The full selection of KIESE indicators for 2025 can be found here: https://bit.ly/4j6taZW.
[2] The subset of KIESE indicators used for the calculation of the Torino Process SPIs in 2025 can be found here: https://bit.ly/433OR8j. The full list of questions used in the 2025 round of Torino Process system performance monitoring can be found here: https://bit.ly/3YUIbXE. For a full overview of the Torino Process system performance monitoring framework, see https://bit.ly/47YGA6l. The methodology for the calculation of the SPIs can be found here: https://bit.ly/3XJg101.

CONTENTS

KEY TAKEAWAYS

- **Country profile and developments**: Israel combines strong demographic growth and high human development with structural and political pressures. The population is young and expanding, and GDP per capita and the level of human capital development are high in comparison to international standards. However, income inequality, labour market segmentation and educational disparities contribute to unequal access to high-quality employment, leading to lower employment rates and earnings among Arab and ultra-Orthodox communities and in peripheral regions.

  Since October 2023, the Gaza conflict has placed exceptional demands on public institutions, public finances and social cohesion. Large-scale mobilisation, displacement and service disruption have coincided with declining trust in government, civil unrest and contested fiscal priorities, reinforcing uncertainty across social and economic domains.

- **Developments in education and training**: Israel has a well-established legal basis for access to education, but governance and delivery remain fragmented across language, religious and administrative lines. In general education, long-standing equity commitments coexist with uneven compliance with the core curriculum, particularly in the ultra-Orthodox sector, which raises concerns given its growing demographic weight and weak labour-market integration. In vocational education, responsibilities are split between the Ministries of Education and Labour, with no single VET law, limiting system-wide coherence despite recent reforms to strengthen labour market relevance, employer engagement and performance-based funding. Progress on a national qualifications framework and work-based learning has been incremental, while recognition of non-formal learning remains underdeveloped. Governance involves a dense mix of national authorities, municipalities and semi-public providers, which supports diversity but complicates coordination, strategic planning and equal learning conditions across regions and population groups.

- **Employment and labour market developments**: Israel has a well-established legal framework for the labour market and a clear strategic focus on inclusion. Employment policy prioritises higher participation among Arab women and ultra-Orthodox men, supported by training measures, incentive schemes and complementary services. Governance remains centralised, led by the Ministry of Labour and the Public Employment Service, and is reinforced by tripartite dialogue and an expanding role for public–private partnerships. Active labour market programmes are modest in scale and narrowly targeted, relying mainly on short-term training, wage subsidies and selective retraining, while public expenditure on ALMPs remains well below the OECD average.

  The October 2023 conflict exposed vulnerabilities in employment resilience, particularly in tourism, construction and small businesses, and revealed limits in the capacity of activation services. Despite the gradual modernisation of the Public Employment Service, challenges remain in skills matching, systematic programme evaluation and the delivery of comprehensive support to jobseekers facing multiple barriers.

- **Trends in access, retention, completion**: academic entry requirements, territorial disparities and weak articulation between pathways limit access to vocational learning in Israel, particularly for Arab Israeli and Haredi young people. Young women face additional barriers related to mobility, geographic access and the availability of support arrangements. Access for adults to continuing vocational education and training is more restricted, particularly for women. Educational prerequisites, childcare barriers, transport limitations and fragmented governance further narrow access to adult learning. While targeted initiatives and adapted programme models demonstrate that access can be improved, system performance continues to deliver selective rather than broad access to vocational learning, with gender remaining a decisive factor in participation outcomes.

- **Quality and relevance of learning**: education and training in Israel deliver strong outcomes in terms of qualification attainment and employment, including for graduates of initial vocational education and training. However, the learning outcomes in compulsory education point to early gaps in core competences that are not systematically addressed within IVET programmes, while a

sizeable share of adults may benefit from improving their numeracy, digital and problem-solving skills. These gaps are most visible among adults outside the high-tech sector and among women with lower educational attainment.

Employment outcomes in Israel differ clearly by educational attainment. Adults with medium and high levels of education achieve employment rates broadly comparable to the EU27 average. In contrast, adults with low educational attainment remain far less integrated into employment, indicating that, in Israel, limited formal education constitutes a stronger impediment to employment than in the EU27 and other countries in the monitoring sample.

- **System management and organisation**: public investment in education in Israel is high and provides a strong funding base for vocational education and training. However, this level of spending does not translate consistently into effective delivery across the VET system. A fragmented provider network and governance weaken the coherence and efficiency of resource allocation. Consequently, learning conditions are unequal across pathways and programmes due to disparities in resource availability, especially in disadvantaged settings and technical programmes. Recent reforms, including performance-based funding, seek to address these challenges, but at the time of monitoring, issues related to efficiency, equity and infrastructure remained.
- Administrative data indicate no teacher shortages in public education up to the upper secondary level. This evidence, however, does not extend to adult learning or continuing VET, which limits system-wide assessment of human resource adequacy. Fragmented governance across education segments further constrains workforce planning and contributes to uneven deployment of teaching staff. While professional development frameworks and recent wage increases support recruitment and retention, shortages persist in STEM-related teaching profiles.
- For VET learners and providers, data on labour market outcomes are increasingly used to describe employment and wage returns by field of study. Quality assurance, however, relies largely on provider-level arrangements rather than system-wide mechanisms. More structural enablers of system learning remain limited, including the systematic linking of administrative and survey data for longitudinal analysis, common arrangements for the recruitment, training and evaluation of VET leaders and sustained international cooperation in VET.

1. COUNTRY PROFILE

Table 1.1 Demographic and socio-economic context: key indicators, Israel

Indicator	Value	Year	Source
Total population (in thousands)	9 756.6	2023	UN DESA, World Bank
Relative size of youth population (%)	25.6	2023	UN DESA
Population growth rate (%)	2.1	2023	World Bank, UN DESA
Dependency ratio	66.8	2023	World Bank, UN DESA
Immigrant stock as % of total population	22.3	2024	UN DESA
Emigrant stock as % of total population	3.5	2024	UN DESA
GDP growth rate (%)	2.4	2023	World Bank
GDP per capita (PPP)	54 057.0	2023	World Bank
Migrant remittance inflows (USD mil.) as % of GDP	0.2	2023	World Bank
Inflation rate (%)	4.2	2023	IMF
Poverty headcount ratio (USD 8.30/day)	4.2	2021	World Bank
Gini coefficient (income inequality)	37.9	2021	World Bank
Human development index (HDI)	0.919	2023	UNDP, World Bank

Source: ETF KIESE database.

1.1 Demography

'Total population' indicates the overall volume of young people and adults who may require education and training opportunities, as well as labour market services. The relative size of the youth cohort (15–24) provides an indication of the number of young people who may potentially continue into upper secondary, tertiary or vocational education, or transit into initial employment. It is a proxy of forthcoming demand for educational and training provision at upper-secondary and tertiary levels, as well as services supporting young people in their early careers. Population growth rate projections indicate demographic changes that may influence future demand for education, employment or related services.

The dependency ratio shows how many children (aged 0–14) and older people (aged 65+) depend on every hundred adults of working age, on average. This indicator helps gauge the potential tax and social-protection burden placed on the economically active population. It is also useful when assessing the sustainability of education funding and broader social spending. Finally, immigrant stock and emigrant stock indicate the scale of inward and outward migration relative to the total population, which provides a context for a reflection on how migration may be reshaping the size and skill profile of the resident population.

In 2023, the population of Israel stood at 9.8 million. Young people under the age of 25 accounted for 25.6%, and population growth reached 2.1%. The dependency ratio was 66.8, meaning that the share of people outside of working age was large relative to the population of working age. Migration continues to play a significant role in the demography of the country: in 2024, immigrants accounted for 22.3% of the total population, while the emigrant stock was only 3.5%.

1.2 Economy

GDP growth rate provides an insight into the overall economic performance of the country and into the potential capacity of its economy for investments in social services and infrastructure. **GDP per capita (PPP)** provides an indication of the average economic output per person. It offers context for

understanding the overall level of economic development and average income available in the country. **Migrant remittance inflows as a percentage of GDP** illustrate the economic role played by the diaspora through funds they send back. Such funds (remittances) often support household consumption and influence household-level economic decisions, such as spending on food, education or health. In this way, remittances can also stimulate the local economy and contribute to its growth. Finally, the **inflation rate** shows how quickly prices are rising, which directly affects the purchasing power of people, their living standards and economic stability more generally.

In 2023, economic growth reached 2.4%, which is relatively modest compared to other countries in the ETF monitoring sample, but above the average for the OECD and the EU. At the same time, GDP per capita (PPP) amounted to USD 54 057, which places Israel at a high level of economic output per person compared with most other ETF partner countries. However, inflation reached 4.2% in the same year (Table 1.1).

Unlike many ETF partner countries that are countries of origin for migration, Israel does not rely on diaspora remittances. In 2023, such inflows accounted for only 0.2% of GDP.

1.3 Income and living standards

The **poverty headcount ratio** shows the share of the population living below a defined poverty threshold (in this case USD 8.30/day). This indicator gives a sense of the extent to which the population experiences economic hardship and faces constraints in meeting basic needs. The **Gini coefficient** measures the prevalence of income inequality in the country. Such inequality may suggest the presence of disparities in economic opportunities and access to resources across the population. Last but not least, the **Human Development Index (HDI)** summarises key dimensions of human development – such as life expectancy, educational attainment and standard of living – into a single indicator. This provides a broader context for understanding how well the country is meeting the social and economic needs of its population beyond income alone.

Income and living standards in Israel are generally high, and the share of the population living in poverty is low (4.2% in 2021). At the same time, income inequality remains sizeable (Gini coefficient of 37.9). This is mostly due to structural features rather than weak overall economic or human development outcomes. The labour market in Israel is highly segmented – it combines a globally competitive, high-wage high-tech sector with a large low-wage segment characterised by lower productivity and more precarious employment. This results in a wide dispersion of wages (OECD, 2023). There are also educational disparities which can be traced back to a fragmented school system that leads to uneven learning outcomes and skills gaps that limit access to high-quality employment for large parts of the population (OECD, 2023; Taub Center, 2022).

Demographic factors also shape the distribution of income. Some segments of the population have lower rates of employment and lower earnings, in particular Arab Israelis and ultra-Orthodox communities, who together account for a significant and growing share of the population (World Bank, 2023). There are also regional inequalities, as economic activity and high-paying jobs are concentrated in central areas.

Nevertheless, the level of human development in Israel is high (HDI of 0.919). What distinguishes Israel in the ETF partner-country context is the simultaneous strength across all three HDI dimensions (UNDP, 2024): income, education and health – a combination that is relatively uncommon. In many partner countries, high outcomes in one dimension coexist with weaker outcomes in others; here, they do not.

1.4 Recent developments

In 2025, Israeli domestic politics were still shaped by the ongoing war with Hamas and unresolved internal tensions that pre-dated the conflict. The government led by Prime Minister Benjamin Netanyahu retained its parliamentary majority but operated under conditions of reduced public trust

and ongoing sustained civil unrest. The judicial overhaul process, suspended at the start of the war, returned to the agenda following a January 2024 ruling by the Supreme Court of Israel that invalidated the 2023 'reasonableness' amendment. The amendment had removed the Court's ability to review government decisions using the reasonableness standard[3]. The ruling, which passed narrowly (8–7), marked the first time the Court had nullified a Basic Law amendment and maintained the judiciary's capacity to oversee executive actions (Rabinovitch, 2024).

The October 2023 attack by Hamas, in which over 1 200 Israelis were killed, triggered calls for accountability from across the political spectrum. While no formal inquiry had concluded as of 2025, the perception of failure in both intelligence and response functions led to a measurable decline in trust in the executive. Survey data from early 2025 indicated that 70% of respondents expressed no confidence in the Netanyahu government (Israel Democracy Institute [IDI], 2025). A divergence between official war policy and public opinion also emerged. While the government continued to pursue the stated objective of dismantling Hamas's military and governance capabilities, a growing majority of the population expressed support for a ceasefire agreement tied to hostage release. By March 2025, 69% of Israelis, including a majority of coalition voters, supported a deal exchanging all remaining hostages for a full ceasefire (Times of Israel Staff, 2025).

The withdrawal of National Unity leader Benny Gantz from the wartime emergency cabinet in June 2024 highlighted increasing disagreement within the political leadership. Gantz cited the lack of a clear operational strategy in Gaza and dissatisfaction with long-term planning as reasons for his departure (Lubell, 2024). The government remained reliant on its original coalition partners, including the ultra-Orthodox and far-right parties. Policy disagreements over the military draft continued, particularly with regard to long-standing exemptions for Haredi men. Proposals for universal national service were introduced but blocked by coalition members representing the Haredi sector (Feldman, 2025).

Budget policy in 2025 reflected both the demands of wartime spending and the persistence of pre-war coalition agreements. The 2025 state budget (NIS 755 billion) included expanded allocations for defence and emergency social spending, but most discretionary funding for coalition-aligned sectors remained unchanged. Critics argued that budget allocations continued to prioritise political interests over emerging socioeconomic needs. A public poll conducted around the passing of the budget found that 54% of respondents believed it would negatively affect their household finances, while 66% saw the government's fiscal priorities as politically motivated (IDI, 2025). Protests in August 2025, involving an estimated one million participants nationwide, focused on the lack of progress in hostage recovery and perceived government inaction. These demonstrations were notable both for their scale and for the breadth of participants, including families of the hostages and residents of frontline communities (Feldman, 2025).

1.5 The crisis/war and its impact

The Israel–Hamas war, which began in October 2023, has caused substantial disruption to public institutions, infrastructure and essential services. The mobilisation of over 360 000 reservists, including individuals from the civil service, education and healthcare sectors, significantly affected the capacity of institutions to provide routine services (Wrobel, 2024). Legislative activity in the Knesset narrowed to focus on security and emergency measures, while ministerial operations were reorganised to support war-related functions. The judiciary remained active, processing wartime litigation and overseeing executive actions, including the January 2024 ruling that invalidated a key judicial reform (Rabinovitch, 2024). Fiscal costs of the conflict were estimated at ILS 215 billion (approximately USD 57 billion) by early 2024, driving the national deficit to 7.7% of GDP and prompting measures including a 3.3% cut in public sector salaries (Stein, 2024).

Evacuations from the Gaza and Lebanon border areas displaced approximately 115 000 civilians in late 2023, with estimates rising to 200 000–250 000 at peak displacement (Maoz-Breuer & Waitzberg,

[3] The reasonableness standard is a legal doctrine that allows judges to block decisions considered extremely arbitrary or lacking due consideration of relevant factors.

2024). Host municipalities such as Arad and the Dead Sea region reported infrastructure overload due to a rapid population influx. Water, sanitation and energy networks were stretched beyond normal capacity. The Ministry of Health suspended regular competition among HMOs, enabling displaced persons to access services without restriction. Additional clinics, mental health centres and pharmacies were established in areas hosting displaced populations. Educational services were similarly affected. Over 48 000 students were displaced from their schools, with 16 000 still studying outside their home districts in late 2024. Dropout risk among this group was estimated at 20–30%, with higher risk identified among girls and older students (Ben-Ezra & Geva, 2024).

The labour market went through short-term adjustments following the outbreak of the war in October 2023. According to the original Labour Force Survey series, the unemployment rate stood at 3.4% in 2023 and 3.4% in September and October 2023. It declined to 3.0% in November and 3.1% in December 2023, returned to 3.4% in January 2024 and fell to 2.6% by December 2024 (Central Bureau of Statistics, 2024). Under the Labour Force Survey methodology, reservists who had been in employment are counted as employed during reserve service.

While the aggregate unemployment rate remained low, labour developments differed across sectors. Agriculture and construction experienced acute worker shortages after the revocation of work permits for Palestinian labourers. The government increased quotas for foreign workers in response. Tourism and hospitality recorded a contraction of more than 19 000 jobs. In contrast, employment in healthcare and education expanded due to emergency needs (Stein, 2024). The high-tech sector recorded workforce departures and reduced investment; by April 2024, around 8 300 employees had relocated abroad. Public stimulus measures and defence exports mitigated part of the employment and output losses, and inflation was contained through monetary intervention (Stein, 2024).

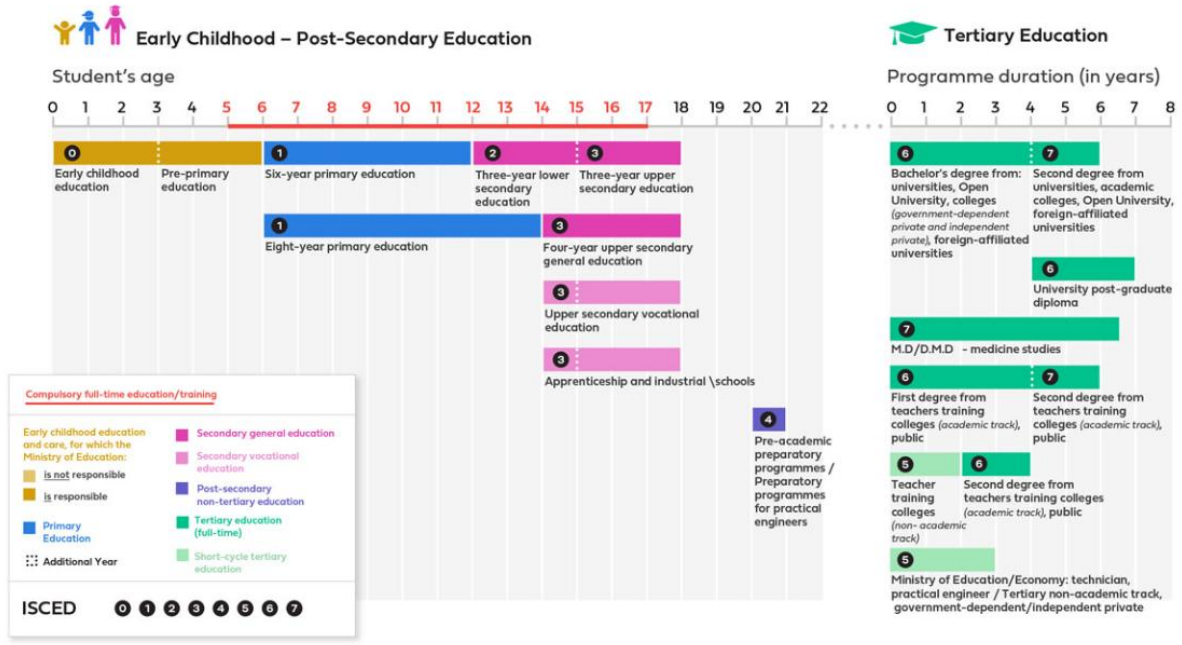
The impact on vulnerable populations has been widespread. Families of those killed or kidnapped on 7 October have required sustained psychological and financial support. Many communities in southern Israel lost essential services and housing, while rebuilding timelines remain uncertain. Children exposed to prolonged stress and educational disruption have exhibited elevated signs of trauma. Arab citizens of Israel, while not directly affected by conflict zones, have faced increased social tension, employment volatility and political marginalisation. Social protection measures, including stipends, grants and expanded mental health services, have addressed part of the civilian burden, but public dissatisfaction with the overall crisis management by the government remains high (IDI, 2025).

2. EDUCATION AND TRAINING: POLICIES AND DEVELOPMENTS

2.1 Structure and levels of education, including VET

This section provides a brief description of how the education system is organised across different levels, including pre-primary, primary, secondary (distinguishing between general and vocational tracks), tertiary and adult learning. It uses the UNESCO ISCED classification (see Figure 2.1) and is based on monitoring information collected through the Torino Process expert survey[4].

Figure 2.1 Structure of the education system: Israel (2025)



Source: UNESCO Institute for Statistics (2021).

Formal education

Formal education in Israel is characterised by extended compulsory schooling and parallel ethno-religious education streams. These include Arab, Haredi (ultra-Orthodox), state secular Hebrew (Jewish) and state religious Hebrew (Jewish) sectors, each operating separate schools with differences in curriculum content, teaching standards and resource allocation. Education is compulsory from the age of three to seventeen, covering early childhood education, primary education and secondary education.

Early Childhood Education and Care (ISCED 0) is the first stage of formal education and begins at birth. It is divided into early childhood education and pre-primary education, each lasting approximately three years. From the age of three, participation becomes compulsory and falls under the supervision of the Ministry of Education. Provision at this level is subject to regulatory requirements, including standards for learning environments and staff qualifications.

Primary education (ISCED 1) begins at the age of six and lasts six years. It forms part of compulsory education and focuses on the acquisition of foundational skills in literacy, numeracy and core curriculum subjects. Alongside this standard structure, an eight-year primary education pathway

[4] The full questionnaire can be found here: https://bit.ly/418jfwC. In this document, the survey may be referred to interchangeably as the 'monitoring survey', 'expert survey' or 'Torino Process monitoring survey'.

continues to exist in a limited number of locations and sectors (such as the Ultra-Orthodox education system), reflecting earlier organisational models of schooling.

Lower secondary education (ISCED 2) starts at around the age of 12 and lasts three years. Teaching at this level becomes more subject-based and is typically delivered by specialist teachers. Compulsory education in Israel includes ISCED 3, meaning that it formally ends upon completion of upper secondary education.

Upper secondary education (ISCED 3) generally begins at the age of 15 and lasts three years. It offers both general and vocational pathways, including technological tracks overseen by the Ministry of Education. Completion of upper secondary education is commonly linked to success in the matriculation examinations (Bagrut), which also serve as a key requirement for entry into tertiary education. In parallel, several four-year upper secondary pathways operate outside the mainstream structure. These include a four-year general education track that continues from the eight-year primary pathway and remains under the responsibility of the Ministry of Education; vocational upper secondary programmes designed for specific groups, such as young people at risk of dropping out; and apprenticeship or industrial school programmes led by the Ministry of Labour[5] for learners who have not followed the mainstream route.

Post-secondary non-tertiary education (ISCED 4) comprises programmes lasting between six months and two years. These programmes are primarily vocational and are intended either to facilitate direct entry into employment or to support transition to tertiary education. They also include academic preparation and levelling courses for students planning to enter university.

Tertiary education (ISCED 5–8) is provided by universities, academic colleges accredited by the Council of Higher Education and vocational colleges accredited by the Ministry of Labour. Short-cycle tertiary programmes (ISCED 5), such as practical engineering qualifications, are mainly vocational and offered in technological colleges. Bachelor's, Master's and Doctoral programmes (ISCED 6–8) require admission based on performance in the matriculation examinations and a national psychometric test. Despite the coexistence of vocational and academic routes, articulation between these pathways remains limited. Tools such as the Avodata website support learners by providing information on education and labour market outcomes, reflecting an increasing focus on informed transitions within the system.

Adult education

Opportunities for adult learning outside formal tertiary education in Israel include post-secondary vocational provision, second-chance education, professional development initiatives and other non-formal learning channels, all with the declared purpose of responding to labour market needs, supporting social inclusion and facilitating lifelong learning.

VET opportunities for adults include post-secondary technical programmes, such as two-year practical engineering qualifications and training for certified practical engineers and technicians. These programmes (classified at ISCED level 5) are delivered through technological colleges, part of which are overseen by the Ministry of Labour, and others by the Ministry of Education. In addition, shorter VET courses aimed at upskilling or reskilling are offered to adults, particularly unemployed individuals, through local employment centres and Active Labour Market Policies. These courses often incorporate work-based learning elements and are supported by digital tools, including Avodata.

Adult education leading to school-level certificates provides second-chance opportunities for individuals who did not complete upper secondary education. These programmes enable adults to obtain essential credentials required for labour market participation and are an important instrument for supporting social mobility. Provision often includes flexible learning arrangements and recognition of prior informal learning to facilitate re-entry into formal education.

[5] In January 2023, the Knesset re-established the Ministry of Labour (https://www.gov.il/en/departments/labor/govil-landing-page), separating it from the Ministry of Economy and Industry and from the Welfare Ministry.

Professional development and Active Labour Market Policies constitute another significant component of adult learning. Short, non-formal training programmes are widely used to respond to changing skill demands and to support underrepresented groups. Recent policy reforms have removed financial penalties for jobseekers who participate in training, thereby encouraging engagement in reskilling and upskilling activities.

Non-formal adult learning is delivered through a variety of short courses, workshops and structured training initiatives that do not necessarily lead to formal qualifications. Although governance of these initiatives is fragmented across different ministries, they contribute to lifelong learning by complementing formal education and training pathways.

2.2 Strategy and legal framework

General education

Israel's general education system is governed by a combination of long-standing laws and new and evolving policies. The Compulsory Education Law (1949) and its subsequent amendments provide the legal foundation for access to education and mandate free schooling from ages 3 to 18. The State Education Law (1953) introduced a centralised system under the Ministry of Education and established the distinction between state secular and state religious education streams. In parallel, Arabic-language schools (serving the Arab citizens of Israel) and the ultra-Orthodox (Haredi) education system operate under different regulatory frameworks, with varying degrees of adherence to the national core curriculum (Piron, 2024; Farkas, 2022). Compliance is particularly limited in the Haredi sector, where many institutions omit core subjects such as mathematics and science. This raises equity concerns given the growing demographic weight of the sector and its limited integration into the labour market (ETF, 2024).

The Israeli Ministry of Education has undertaken efforts to modernise the education system through national strategies such as Education 2030, introduced in 2021. This strategy prioritises technological education, blended learning and inclusivity. Budgetary allocations to education increased significantly between 2021 and 2023, with targeted investments in early childhood education, STEM programmes and teacher salaries (ETF, 2024). At the same time, quality assurance and teacher policy reforms introduced earlier – Ofek Hadash (2008) and Oz LeTmura (2011) – remain in effect. These reforms extended teaching hours, formalised professional development requirements and introduced performance-based evaluation systems. Their objective has been to improve teaching quality and retention, while enabling more effective learning time (UNESCO GEM, 2023).

Equity remains a policy priority. The Pupils' Rights Law (2000) prohibits discrimination in educational settings and mandates equal treatment for all students, regardless of background (UNESCO GEM, 2021). However, there are disparities between Hebrew-language and Arabic-language schools in terms of infrastructure, teaching staff and quality of learning outcomes. Addressing these gaps has been part of wider efforts to support underserved communities. The Ministry continues to monitor access, dropout rates and learning achievements across regions and population groups. Nonetheless, the fragmentation of the education system by language, religious orientation and administrative status remains a structural feature which has implications for both educational quality and societal cohesion.

Vocational education

Vocational education in Israel is delivered through a dual framework comprising technological education under the Ministry of Education and vocational training programmes administered by the Ministry of Labour. The system is not established under a single VET law; rather, it is governed by regulations and administrative decisions across ministries, which limits system-wide integration of VET policies and practices. The Ministry of Education is responsible for secondary-level technological education, which serves around 90% of VET students and leads to diplomas. The Ministry of Labour operates shorter training programmes targeting both young people and adults. These programmes are

typically focused on practical trades and are delivered through dedicated vocational training centres (ETF, 2024; Committee of the Regions, n.d.).

Reforms since 2021 have aimed to strengthen the relevance and responsiveness of vocational education. The Ministry of Labour, in partnership with employers and the Histadrut labour federation, established the Employers and Human Capital Development Administration to align training programmes with labour market needs. Employer participation in curriculum design has increased, and work-based learning elements such as internships and apprenticeships have been scaled up. The funding model for training providers now includes performance-based components, rewarding outcomes such as job placement. There is a growing focus on outreach to under-represented groups, including Haredi and Arab communities, through targeted development plans (ETF, 2024).

Efforts to establish an Israeli National Qualifications Framework (INQF) have been ongoing since a 2015 government resolution. As of 2025, the framework had been designed but not yet formally adopted. The INQF is expected to support transparency of qualifications, improve mobility between learning tracks and eventually enable validation of non-formal and informal learning (ETF, 2024). In the interim, sector-specific committees, comprising representatives from government, industry and education, continue to define occupational standards and update curricula. Quality assurance is administered separately by the two ministries, with the National Authority for Measurement and Evaluation (RAMA) overseeing general and technological education, and the Ministry of Labour setting quality criteria for its training centres (ETF, 2024).

Although no specific VET legislation exists, the sector operates within a framework defined by several complementary laws. Israel's accession to the European Alliance for Apprenticeships (EAfA) in 2021 reflects its commitment to aligning with international practices. However, gaps remain in recognition of prior learning, governance integration and long-term strategic planning. Ongoing collaboration between the education and labour ministries, together with incremental improvements in employer engagement, access and quality assurance, is gradually strengthening the development of a coherent national VET system.

2.3 Main actors and governance

National level

Israel's education and training system is governed centrally, while policy implementation is shared between ministries, municipalities and non-governmental providers. The Ministry of Education has primary responsibility for early childhood, primary, secondary and technological education. It supervises curricula, teacher policy and most state-funded schools, including vocational upper secondary tracks, which enrol around 90% of all VET students (ETF, 2020). The Ministry of Labour oversees non-academic vocational training, post-secondary technical training and short-cycle programmes for jobseekers, including apprenticeships, as well as upper secondary level apprenticeships for young people and courses delivered through its network of training institutes (ETF, 2023). Adult education remains a 'shared space': the MoE operates basic adult learning programmes, while the Ministry of Labour offers vocational re-skilling and labour market reintegration support. No standalone adult education law is in force, so provision is coordinated via policy initiatives and ministry budgets (UNESCO Institute for Lifelong Learning [UIL], 2012).

Municipal authorities play a significant operational role. Local governments are responsible for maintaining schools, employing support staff and coordinating school enrolment. Many upper secondary institutions, including vocational schools, are operated by municipalities in line with national curricula and MoE directives (OECD, 2016). Funding is primarily state-driven, but municipalities have discretion over budget allocation, and wealthier localities often provide supplementary resources. This decentralised administration within a centralised policy framework requires coordination to address disparities across regions and communities (SEA, 2025). Municipalities are also important actors in implementing adult learning initiatives and community education programmes.

Non-governmental and semi-public providers are embedded in the delivery of VET and adult learning. Two major networks – ORT Israel and Amal – operate state-funded but independently managed technological schools under MoE oversight. These two networks alone account for around 40% of Israel's upper secondary VET enrolment and are partners in reform initiatives, curriculum design and employer engagement (ETF, 2018). Other providers include independent religious schools and ultra-Orthodox institutions, which operate under specific regulatory frameworks with varying compliance with state curricula (UNESCO, 2021). In adult education, NGOs and third-sector organisations such as JDC-Israel co-implement literacy, digital skills and second-chance education programmes in coordination with MoE and MoLSA. The Manufacturers' Association of Israel plays an advisory role in vocational curriculum development, although there is no formalised social partnership model. Governance of education and training in Israel remains fragmented, particularly in VET and adult learning, with responsibilities distributed across a variety of actors without a unifying legislative framework (ETF, 2023).

International level: donors

Although Israel is not a traditional recipient of international aid, it participates in a number of donor-funded and international cooperation initiatives targeting education and training. A notable example is the EU-funded Twinning project (2018–2020), which supported the development of an Israeli National Qualifications Framework aligned with the European Qualifications Framework. The project facilitated institutional capacity building in the Ministry of Education and aimed to create a unified reference framework for qualifications across education levels and sectors, including vocational and adult education (EU Delegation to Israel, 2018). As of 2025, the INQF has not yet been formally adopted, but the foundational work completed under the Twinning partnership continues to inform Israel's qualification and recognition reforms (ETF, 2023).

Israel also participates in the EU's Erasmus+ programme, particularly in the VET and higher education strands. Under Erasmus+, Israeli institutions collaborate with EU member states on capacity-building initiatives, curriculum innovation and skills recognition practices (Erasmus+, n.d.). These projects support VET reform and the introduction of work-based learning practices, drawing on European best practices. Israel's education ministries also participate in the ETF-led Torino Process, a policy monitoring platform that enables peer learning and comparative analysis of national education and training reforms (ETF, 2023).

In adult and non-formal education, Israel has engaged in regional and global initiatives, often coordinated by UNESCO. The Youth Employment in the Mediterranean (YEM) project, funded by the EU and implemented by UNESCO from 2018 to 2020, aimed to improve school-to-work transitions through better skills anticipation and work-based learning. Israel participated in the knowledge exchange and piloting of labour market analysis tools within that project (UNESCO-UNEVOC, 2020). Additionally, the city of Modi'in is a member of the UNESCO Global Network of Learning Cities, contributing to international dialogue on lifelong learning and inclusive education policy at the local level (UIL, 2023). These platforms allow Israeli stakeholders to align with international standards in lifelong learning, skills development and education quality, even in the absence of direct donor financing.

2.4 Policies and developments

Overview

Israel has advanced a number of education and training reforms over the past five years which focus on strengthening technological education, improving access and aligning the development of skills development with labour market needs. The 2021 Education 2030 strategy laid the groundwork for a more integrated approach to formal, vocational and lifelong learning, supported by the Ministry of Education and other national actors (ETF, 2024a). Noteworthy developments include investment in hybrid learning infrastructure and efforts to digitise curricula, which includes targeted teacher training in digital pedagogy. Budgetary allocations were increased significantly from late 2022 to raise

teachers' starting salaries, reduce class sizes, expand early childhood education (including day-care provision) and provide financial support for technology-related studies, especially in peripheral and underserved areas (Government of Israel, 2022). Israel also engages in cooperation with the EU in support of these reforms, including participation in Erasmus+ and continued collaboration with the ETF.

Qualifications, validation and recognition

Israel is working on its NQF, which is intended to harmonise qualification levels across sectors and improve transparency. While not yet formally adopted at the time of writing this report, the NQF remains under active development with inter-ministerial coordination led by the Ministry of Education and guided by a steering committee under the Prime Minister's Office (ETF, 2024a). Recent technical support missions (e.g. via the EU's TAIEX instrument) have focused on defining learning outcomes and improving the classification of qualifications, particularly in vocational education (ETF, 2024b).

At present, Israel does not have a national system for the validation of non-formal and informal learning, although the INQF aims to establish such mechanisms. Draft provisions include modular certification and a recognition process for skills acquired outside the formal system, including through military service, industry training or NGO-led programmes (ETF, 2024a). These reforms are designed to enhance mobility and promote lifelong learning.

Work-based learning

Work-based learning has gained prominence in policy and programme design. As already noted, Israel joined the European Alliance for Apprenticeships in 2021, and since then, the Ministry of Labour has worked to expand apprenticeship schemes and dual education models, particularly in industrial and high-tech sectors (ETF, 2024c). Some of Israel's newer employment and training programmes are now being designed in closer collaboration with employers. Public funding for these programmes is increasingly conditional on results, especially actual job placements.

The Ministry of Labour supports on-the-job training models in vocational programmes, and employers are incentivised through co-financing and public-private partnerships. Israeli stakeholders participate in EAfA peer-learning activities, including partner-country seminars, although planned engagement in 2023 was disrupted by security developments. Nevertheless, work-based learning through pilot programmes and targeted initiatives remains the exception. Most students still follow school-based VET, where workplace experience, if included, is short-term or peripheral rather than a structured apprenticeship model.

Career guidance

Career guidance services are delivered through a multi-channel approach. The Public Employment Service (PES) provides nationwide guidance to jobseekers and unemployed individuals (ETF, 2015), reaching around half a million clients annually through approximately 70 field offices (OECD, 2015). Services include vocational counselling, job matching and employability workshops. In parallel, secondary schools maintain school-based guidance counsellors who advise on academic and vocational tracks. Recent innovations include pilot digital platforms using artificial intelligence to connect students with professionals in various sectors for virtual mentoring (ETF, 2024c). Targeted programmes are offered for groups such as Arab-Israeli young people and Haredi learners, often implemented with NGOs and local authorities. The national approach combines institutional delivery with digital and community-based services.

Quality assurance

Quality assurance in general and vocational education is coordinated across ministries, with the Ministry of Education responsible for school-based provision and the Ministry of Labour for vocational training. The National Authority for Measurement and Evaluation in Education (RAMA) plays a central role in external assessment, student evaluation and performance monitoring (ETF, 2024a). In VET,

employer participation in curriculum design and skills assessment has increased. Accreditation procedures require providers to meet national standards, including facility conditions, teacher qualifications and labour market relevance. Annual curriculum updates in VET fields are carried out based on economic forecasts and input from sectoral committees. Israel's involvement in ETF's Torino Process also facilitates peer-based monitoring and supports alignment with international quality benchmarks.

Centres of excellence

While not formalised as a branded network, Israel supports high-performing vocational institutions through targeted innovation projects. The country participates in the ETF-led Network for Excellence (ENE), and two major school networks – ORT and Amal – have piloted the ETF's READY model[6] since 2023, focusing on the evolving role of vocational teachers and technology-enhanced pedagogy (ETF, 2024d).

Some vocational colleges are recognised for excellence in renewable energy, ICT and high-tech training, often developed in collaboration with industry. Self-assessment tools developed by the ETF, such as ISATCOVE, are used by selected institutions to benchmark against European standards. These efforts aim to scale good practices and improve systemic performance.

Digital education and skills

The Israel National Digital Agency was established in 2021 as part of a government restructuring that merged the Government ICT Authority and the Israel Digital National Initiative headquarters into a single national digital body to support digital transformation across the public sector. This agency now serves as the central government body responsible for advancing digital government services and coordinating digital policy frameworks. Campus IL is a digital learning venture developed under the National Digital Agency together with the Council for Higher Education. It aims to make high-quality digital learning accessible and free to all citizens in Israel, offering courses for upskilling and lifelong learning. Since 2017, it has been building on previous initiatives such as Israel's national Digital Israel programme, which provided a strategic basis for widespread integration of digital tools in education. Since the COVID-19 pandemic, hybrid teaching models and digital assessments have been scaled up in both general and vocational schools (Ministry of Education, 2021). In-service teacher training in digital pedagogy has been intensified, and national repositories of digital content are widely used. The Campus IL platform offers MOOCs and online training modules for learners and professionals and is increasingly being used for adult learning and career reskilling. Across the economy, digital skills are a national priority, as nearly all workers (albeit to varying degrees) use ICT tools in their jobs (ETF, 2024c).

Green transition

Climate change and sustainability are now embedded in the national curriculum. Since the 2022–2023 academic year, climate education has been mainstreamed from early childhood to upper secondary levels (Ministry of Environmental Protection, 2022). Environmental education coordinators are active in each district, and institutions are encouraged to pursue 'green school' certification. Higher and vocational education providers are expanding provision in renewable energy, environmental engineering and sustainable agriculture.

These developments are aligned with Israel's 2050 net-zero target and national sustainability strategies. While integration into core VET programmes is still limited, pilot training schemes in green technologies are in progress.

[6] **READY** stands for **Reference model for Educators' Activities and Development in the 21st-century**. It is part of ETF's Creating New Learning initiative and provides a structured reference framework to help identify and reflect on the **professional practices and development needs** of contemporary educators – from novice teachers to experienced trainers.

Adult learning

Adult learning policy is increasingly focused on relevance and access to employment. The Ministry of Labour operates a voucher system and co-financed training programmes that prioritise jobseekers, women from minority groups and low-income adults (ETF, 2024c). Outcome-based funding models reward training centres based on employment and employer feedback. However, overall participation in adult learning remains below the OECD average, and declined to just 7.2% of the adult population by 2024 (see Table 4.1). To address this, the government supports modular, short-course formats and online platforms, such as Campus IL, to expand flexibility. Coordination efforts continue between government agencies, employers and NGOs to deliver non-formal and community-based learning, though a unified system for adult education governance remains absent.

3. LABOUR MARKET AND EMPLOYMENT: POLICIES AND DEVELOPMENTS

3.1 Strategy and legal framework

Israel's labour market regulation is grounded in a set of foundational legal instruments and guided by mid-term policy frameworks with a strong focus on inclusion. Central among these is the 1959 Employment Service Law, which established the Israeli Public Employment Service as the statutory body responsible for job placement and employment services (ETF, 2024). Other core instruments include the Minimum Wage Law, Hours of Work and Rest Law and the Equal Opportunities Law, which jointly regulate labour rights and employment conditions. The national minimum wage, which is subject to periodic tripartite agreements, was raised to NIS 6 247 in 2025 (Jerusalem Post, 2025).

The Summary Report published in 2020[7] of the Employment 2030 Committee set strategic employment targets for increasing labour force participation among Arab women and ultra-Orthodox (Haredi) men, both of which are groups with historically low rates of participation[8]. The committee proposed increasing employment among Arab women to 53% and among Haredi men to 65–70% by 2030, while also improving wages and employment quality (ETF, 2024). These objectives have shaped public investment in training programmes, incentive schemes and supportive services such as childcare and transportation.

Recent legal reforms also reflect growing attention to equity and worker protections. An amendment to the Prevention of Sexual Harassment Law, effective from January 2025, expands employers' obligations to subcontracted workers (Paul Hastings LLP, 2023). Furthermore, a 2023 legislative change prohibits employers from requesting or considering candidates' criminal records in hiring decisions (Paul Hastings LLP, 2023). Broader structural reforms include the gradual increase of the retirement age for women from 62 to 65 (by 2032), introduced in the framework of the 2021 Economic Arrangements Law, coupled with financial incentives for older workers (FIAP, 2022).

3.2 Main actors and governance

National level

The governance of employment policy in Israel is centralised at the national level but involves multiple ministries. The Ministry of Labour holds primary responsibility for policy development and implementation, while the Israeli Employment Service (IES), established under the 1959 Employment Service Law, delivers core services such as job-matching and activation measures (ETF, 2024). The Ministry of Welfare and Social Affairs manages employment-related social assistance and supports reintegration programmes for populations not eligible for insurance-based support, including the long-term unemployed and young NEETs. The National Insurance Institute (NII) administers unemployment insurance and provides vocational rehabilitation for persons with disabilities (ETF, 2024).

Tripartite dialogue remains a central component of employment governance. The Histadrut trade union and employer associations (such as the Manufacturers Association of Israel) engage in collective bargaining and national policy dialogue. For instance, minimum wage adjustments have historically resulted from tripartite agreements (OECD, 2023). Public–private partnerships also play a growing role. Programmes developed by JDC-Tevet – a collaboration between the American Jewish Joint Distribution Committee and the Government of Israel – have pioneered models for supporting

[7] https://www.runi.ac.il/media/btsj0s5f/the_committee_for_employment_advancement.pdf.
[8] The Employment Committee 2030 was established in 2017 by the Israeli government to chart long-term employment policy and targets for the labour market by 2030.

Arab, ultra-Orthodox and disabled jobseekers, many of which have been scaled up nationally (Social Impact Israel, 2022).

While Israel does not host large-scale donor-funded employment programmes, it participates in international technical cooperation. Since Israel joined the OECD as a member in 2010, the OECD has provided peer review and policy benchmarking, and Israel is a long-standing partner of the European Training Foundation in employment diagnostics and system monitoring (OECD, 2023; ETF, 2024). Additional knowledge partnerships with German and other European institutions support VET and employment service reforms, though without significant financial assistance.

3.3 Policies and developments

The inclusion of underrepresented groups remains the dominant objective and axis of Israel's employment policy. National strategies focus on improving labour market access for Arab citizens, Haredim, persons with disabilities and older women. Government Resolutions and dedicated budget lines support sector-specific and location-based interventions in Arab-majority municipalities and peripheral regions. Measures include vocational training subsidies, employment placement services and wage incentives for employers who hire target-group candidates (ETF, 2024). For Haredim, tailored employment centres and post-secondary training have been expanded, especially in the health and IT sectors (Social Impact Israel, 2022).

These initiatives build on a 'make-work-pay' model. Unemployment benefits are modest and short in duration. Combined with an earned income tax credit (known locally as the Work Grant), they are meant to promote rapid re-entry into employment (OECD, 2023). Nonetheless, skill mismatches remain a challenge. OECD reviews highlight the need for better vocational pathways and stronger employer engagement in training design (OECD, 2023). In response, Israel's Innovation Authority and the Ministry of Labour are supporting regional training hubs and fast-track bootcamps for tech skills development, including for jobseekers outside the high-tech core (Innovation Authority, 2025).

Geopolitical instability disrupted recent employment dynamics. The October 2023 Hamas attack and the ensuing conflict led to the mobilisation of reservists and temporary business closures in border areas. According to the official Labour Force Survey series, the aggregate unemployment rate did not increase sharply during this period. However, economic activity was temporarily affected in several sectors. Tourism, construction and hospitality were among those most exposed to the immediate effects of the conflict.

Employment levels stabilised during 2024, yet the episode highlighted the need for rapid-response employment support mechanisms, including targeted measures for small business owners and workers in sectors exposed to sudden demand shocks (Bank of Israel, 2024).

3.4 Active labour market programmes (ALMPs)

ALMP provision in Israel is selective and modest in scale. Public expenditure on ALMPs represents around 0.15% of GDP (OECD, 2023), below the OECD average. The core instruments include short-term vocational training, wage subsidies for employers and entrepreneurship support. Vocational courses are delivered through Ministry of Labour contracts with public and private providers. Beneficiaries include unemployed jobseekers and individuals receiving income support, who can access training vouchers under schemes like Hachme (ETF, 2024). Other initiatives include Mobility to High-Tech, a fast-track retraining programme for unemployed university graduates, and the Oferet programme targeting women's digital skills (Innovation Authority, 2025).

The Public Employment Service has undergone gradual modernisation. Digital services have expanded to include online registration and job-matching platforms. According to prior research, employment counsellors are overstretched, however, with high caseloads limiting service intensity (OECD, 2023). To mitigate this, the government has outsourced some activation services to

specialised centres for Arab and Haredi communities, often run by NGOs. These have demonstrated improved placement outcomes and are being scaled up (ETF, 2024).

Evaluation of programme effectiveness remains limited, though recent reviews by the State Comptroller have recommended improved monitoring and differentiated services for complex cases (State Comptroller, 2021). Gender and age disaggregation of ALMP beneficiaries is incomplete, but the data available at the time of monitoring indicate slightly lower female participation in vocational training. Most ALMPs remain narrowly targeted: Israel doesn't widely use government-created jobs (like infrastructure projects to absorb unemployed workers), and it doesn't run large universal re-employment programmes for all unemployed individuals. However, the government has signalled its intention to expand retraining opportunities in line with the Employment 2030 goals and has committed to improving the PES's strategic capacity and integration with other services (ETF, 2024; OECD, 2023).

4. KEY INDICATORS: EDUCATION, SKILLS, EMPLOYMENT

4.1 Headline indicators

Education and VET

Monitoring a complex education and training system typically starts with three straightforward questions: who takes part, what do they achieve and what supports the process?

The first question explores the extent to which learners engage in education or training. It is addressed by indicators grouped under 'Participation and access' in Table 4.1: net enrolment rates at lower and upper secondary levels, the share of students in upper secondary VET, the gross enrolment ratio in tertiary education and adult participation rates in lifelong learning. The second question – what learners achieve – examines key education outcomes, such as learner progression and the skills or qualifications they obtain. These are reflected in the indicators under 'Attainment, completion and outcomes': the share of adults with tertiary qualifications, the rate of early leavers from education and training and the percentage of 15-year-olds underachieving in mathematics. The third question considers the financial, physical and informational resources that sustain the education process, reflected by the indicators under 'Resources and data': public expenditure on education as a share of GDP, the adequacy of infrastructure and the availability of internationally comparable data.

Table 4.1 Headline indicators: education and VET (Israel, EU average) (2022–2024)

Participation and access	2022	2023	2024	EU (1)	Source
Total net enrolment rate (in %, lower secondary)	96.8	96.3	96.8	98.1	CBS
Total net enrolment rate (in %, upper secondary)	95.6	96.6	96.9	93.6	CBS
Students in VET as a % of total upper secondary students	40.6	40.4	40.2	48.8	CBS
Gross enrolment ratio (tertiary)	57.6	55.8	54.4	79.7	UIS UNESCO
Participation in training/lifelong learning in the previous 4 weeks (% aged 25–64)	8.1	7.7	7.2	13.3	LFS
Attainment, completion and outcomes	**2022**	**2023**	**2024**	**EU (1)**	**Source**
Educational attainment of total population: % with ISCED 5–8	39.8	39.8	39.8	30.2	LFS
Early leavers from education and training (% aged 18–24)	5.3	5.1	9.1	9.3	LFS
Underachievers in maths (% aged 15)	37.3	N/A	N/A	31.1	PISA OECD
Resources and data	**2022**	**2023**	**2024**	**EU (1)**	**Source**
Public expenditure on education (as % of GDP)	5.8	5.9.	5.8.	4.7	CBS
Inadequate or poor-quality physical infrastructure (2)	47.1	N/A	N/A	27.9	PISA OECD
Availability of internationally comparable data on education	N/A	M.D.	M.D.	N/A	TRP (3)

Notes: 1. EU average, latest available year. PISA data: OECD average. 2. Percentage of students in schools whose headteacher reported that the school's capacity to provide instruction is hindered at least to some extent by inadequate or poor-quality physical infrastructure. 3. ETF Torino Process (TRP).
Source: ETF KIESE database.

Indicators under **participation and access** measure the extent to which learners are involved in education and training at different life stages. **Net enrolment rates** at **lower and upper secondary levels** indicate how close the education system is to achieving full participation among children and adolescents. The **share of students enrolled in VET** at the upper secondary level reflects the importance of vocational pathways in the overall educational and training offer in the country. The **gross enrolment ratio** at the tertiary level captures the extent to which young people transition into

higher education. Finally, **adult participation rates in lifelong learning** illustrates how actively the adult population (aged 25–64) is engaging in the continuous development of skills.

The headline indicators under **attainment, completion and outcomes** focus on learner progression and on learning outcomes. The **share of adults with tertiary qualifications** (ISCED levels 5–8) serves as a proxy for higher-level knowledge and specialised skills in the country (in full awareness that formal credentials do not always translate directly into advanced competencies). The **rate of early leavers from education and training** (aged 18–24) shows how many young people exit the system prematurely, without completing upper secondary education. The **percentage of 15-year-old students who are underachieving in mathematics** assesses basic proficiency during compulsory schooling and provides insight into learning quality.

Indicators in the third and final group shown in Table 4.1, on **system metrics**, focus on some of the enabling conditions that support the functioning of the education and training system. **Public expenditure on education**, measured as a percentage of GDP, is a proxy for the relative importance given to education in terms of resources. Data on **inadequate or poor-quality infrastructure** point to the presence of physical constraints that could affect teaching effectiveness and student learning experiences. The **availability of internationally comparable education data** suggests what capacity there is in the education and training system for informed decision-making, transparent monitoring and accountability.

Participation in compulsory and post-compulsory schooling in Israel is high, and most young people remain in education until the end of upper secondary schooling. Net enrolment in lower secondary education reached 96.8% in 2022, while upper secondary enrolment stood at 95.6%. VET accounts for 40.6% of upper secondary enrolment, which means that VET is an important, but not dominant, pathway at this level. With a gross enrolment ratio of 57.6%, participation in higher education is more limited.

At the same time, educational attainment among adults is high. Almost 40% of the population holds a tertiary qualification (ISCED 5–8), and this share remained unchanged between 2022 and 2024. Early leaving from education and training was low in 2022 and 2023 at just above 5%, but rose to 9.1% in 2024. This increase points to greater difficulty in retaining some young people in education. Learning outcomes at compulsory level remain uneven: 37.3% of 15-year-olds are underachievers in mathematics, indicating difficulties in ensuring strong foundational skills for all learners (Table 4.1).

Engagement in adult learning is limited and has weakened over time. Participation in education or training among adults aged 25–64 declined from 8.1% in 2022 to 7.2% in 2024. In terms of resources, public expenditure on education reached 6.5% of GDP in 2022, which is high in comparison to international standards. However, this level of spending does not consistently translate into adequate learning conditions. Nearly half of students report inadequate or poor-quality physical infrastructure, which points to challenges in the allocation of resources, as will be discussed in Section 4.2 below.

Employment and demand for skills

The set of labour market indicators follows the same question-and-answer logic applied to education and training, but from the perspective of employment. The indicators are organised into two complementary groups. The first group shown in Table 4.2, Employment and labour market outcomes, addresses how effectively the labour market absorbs people. The indicators in that group capture immediate employment outcomes for the overall population, for young people and for recent graduates, as well as unemployment and inactivity (NEET rates).

The second group of indicators in Table 4.2, Demand for skills, looks at the types of jobs and skills that the country's economy generates. It shows employment across economic sectors, the quality and security of available jobs and the degree to which the qualifications of workers align with job requirements.

Table 4.2 Headline indicators: employment (Israel, EU average) (2022–2024)

Employment and labour market outcomes	2022	2023	2024	EU (1)	Source
Employment rate (% aged 15+ or similar age group)	60.9	61.3	60.9	54.7	LFS
Employment rate (% aged 15–24 or similar age group)	41.6	42.9	42.4	35.0	LFS
Employment rate of recent graduates aged 20–34 (ISCED 3–8)	79.6	79.8	79.3	82.4	LFS
Unemployment rate (% aged 15+ or similar age group)	3.8	3.4	3.0	5.9	LFS
Unemployment rate (% aged 15–24 or similar age group)	6.9	6.0	4.6	14.9	LFS
NEET rate (% aged 15–29 or similar age group)	16.6	16.2	17.0	11.0	LFS
Demand for skills	**2022**	**2023**	**2024**	**EU (1)**	**Source**
Employment by broad economic sectors (%): agriculture	0.8	0.8	0.8	3.3	LFS
Employment by broad economic sectors (%): industry	15.9	15.6	15.7	24.1	LFS
Employment by broad economic sectors (%): service	83.3	83.5	83.5	72.1	LFS
Incidence of vulnerable employment (%)	9.1	9.1	9.4	10.0	LFS
Employment by 'educational mismatch': % matched	63.6	63.5	M.D.	M.D.	ILOSTAT

Notes: 1. Data refer to 2019.

Source: ETF KIESE database.

The indicators under **employment and labour market outcomes** measure the capacity of the economy to provide jobs and the ease with which different population groups enter and remain in employment. Together, these indicators show who is (and who is not) successfully finding employment across selected segments of the population.

In this group of indicators, the **overall employment rate (aged 15+)** reflects the general ability of the economy to create jobs for the working-age population. **Employment rates specifically for young people (aged 15–24)** and **recent graduates (aged 20–34, ISCED 3–8)** show how well young people manage to transition from education to employment, and how effectively their qualifications translate into job opportunities. **Unemployment rates for the overall population (aged 15+)** and specifically the **unemployment rate for young people (aged 15–24)** can suggest whether there are structural challenges that affect the ability of people, and of young people in particular, to find and maintain employment. Finally, the **share of young people (aged 15–29) who are neither in employment nor in education or training (NEET)** serves as a proxy for disengagement and highlights the risk of long-term economic and social exclusion among young people of working age.

Indicators in the **demand for skills** group, on the other hand, describe the structure and quality of jobs available and how these jobs relate to the skills and qualifications of workers. They help to answer the question of what kinds of jobs exist and what skills these jobs require, and they also provide context for interpreting employment and unemployment data. Specifically, the **share of employment by broad economic sector** (agriculture, industry and services) reflects the overall structure of the economy and provides an indication of the broad types of skills that are most likely to be in demand. **The incidence of vulnerable employment** measures the prevalence of jobs characterised by low security or informality, which is a proxy for the quality of jobs available. Finally, **educational mismatch** shows how closely workers' qualifications align with job requirements and helps to assess how effectively the labour market uses the skills that are available.

The monitoring data suggest that Israel's labour market is characterised by high participation and low unemployment. In 2024, the employment rate of the population aged 15+ stood at 60.9%, and it remained broadly stable over the monitoring period, while the unemployment rate declined to 3.0%. Among young people aged 15–24, employment reached 42.4% in 2024, alongside a decline in the unemployment rate to 4.6%.

At the same time, not all young people are integrated into employment or education. In 2024, 17.0% of those aged 15–29 were not in employment, education or training. Employment outcomes for recent graduates aged 20–34 remained around 79% and showed little change throughout the reference period shown in Table 4.2.

The sectoral composition of employment in Israel is dominated by services. In 2024, services accounted for 83.5% of total employment, while industry represented 15.7% and agriculture less than 1%. The limited share of industrial employment implies a narrower set of mid-skill production-oriented job opportunities than in more industry-intensive economies.

Most employment is formal, and vulnerable employment remained low and stable at 9.4% in 2024 (Table 4.2). However, skills utilisation remains incomplete across the workforce: as of 2023, only around two-thirds of workers were employed in jobs corresponding to their level of education.

4.2 Data on system performance

As noted in the introduction to this paper, 'performance' in the context of ETF monitoring describes the extent to which VET systems deliver on their commitments to learners and stakeholders in support of lifelong learning. These commitments typically cover three key areas: ensuring broad and equitable access to opportunities for education and training; delivering high-quality and relevant education; and maintaining effective and efficient organisation and management of the education system, including adequate resourcing.

To measure performance systematically, the ETF uses system performance indices (SPIs), which summarise the extent to which education and training systems fulfil each of their commitments. Each SPI is presented on a scale from 0 to 100, with higher scores indicating stronger performance.

Both the headline indicators in Section 4.1 and the SPIs presented in this section are guided by the same core questions: Who takes part? What do they achieve? How do education and training systems support them? The main difference between these two sets of data lies in how these questions are answered. Headline indicators answer the questions with single, stand-alone measures drawn directly from international data sources. The SPIs, on the other hand, are evaluative, composite measures. They are designed explicitly to assess how well VET systems fulfil broader policy commitments that cannot be adequately captured through individual statistics.

Access and participation

This section presents system performance in VET and adult learning against two specific policy outcomes: support for equitable access and participation for young people and adults, and support for young people in initial VET (IVET) to successfully complete their programmes.

The scope of SPIs tracking access differs according to the target group of learners. For young people, the SPI assesses access specifically to IVET, while for adults it captures access to continuing VET (CVET) and other adult learning opportunities, such as those provided through active labour market policies (ALMPs). A separate SPI measures how effectively young learners in IVET are supported in progressing through their programmes and reaching graduation.

In both cases, performance depends on the policies and measures the country is implementing. They provide the opportunities, incentives and guidance needed to encourage participation and successful completion. The SPI results therefore reflect how effectively these policies deliver on their intended objectives.

Access by age and gender

IVET is formally open to young people in Israel, but participation differs across groups (SPI of 39 for girls and 42 for boys, Figure 4.1).

Upper secondary IVET includes programmes delivered under both the Ministry of Education and the Ministry of Labour. The SPI results and participation data presented here refer to this combined system.

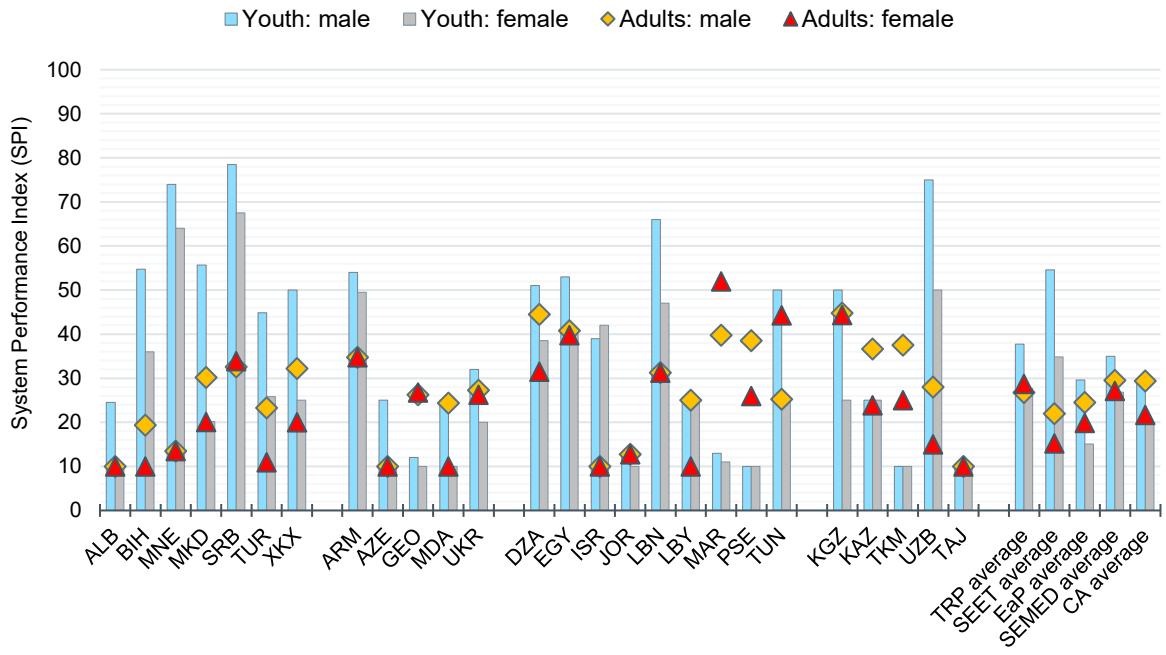
IVET is integrated into upper secondary education, which is compulsory until age 17. Vocational pathways are therefore embedded in the mainstream system. Around 42% of girls and 39% of boys are enrolled in IVET programmes (KIESE SPI Indicator 4). While this is a comparatively solid result, enrolment does not fully correspond to the formal capacity of the system.

Many vocational programmes require the Bagrut matriculation certificate. The monitoring survey notes that this requirement limits access for some learners because Bagrut is academically oriented. Lower attainment of this certificate among some population groups reduces progression from lower secondary education into IVET and from IVET into post-secondary vocational pathways. In addition, some prospective learners, including girls from Arab Israeli and Haredi communities, encounter additional barriers linked to mobility, geographic access and support arrangements. Although higher than the regional and monitoring sample averages, Israel's SPI result in this domain remains limited.

Geographical disparities also affect access to IVET. In peripheral areas with higher concentrations of Arab Israeli populations, VET provision is less dense and public transport links are weaker. Long commuting times reduce participation, especially for girls for whom daily travel or relocation may be socially or practically difficult. Dormitory provision or subsidised housing is not widely offered to VET students, which further narrows options for those living far from training centres.

The attractiveness of IVET is also affected by weak articulation between pathways and unclear progression routes linked to governance fragmentation across multiple authorities. The monitoring survey reports that, combined with a strong societal preference for academic education, this lowers the perceived value of IVET as a pathway leading to further learning or stable employment.

Figure 4.1 Access to vocational learning opportunities by country, age and gender of learners – system performance index, ETF partner countries and international average (2025)



Note: Theoretical index range: min/low performance=0, max/high performance=100[9].
Source: ETF KIESE and Torino Process databases.

[9] The Torino Process makes a distinction between theoretical (full) index range and index range used for reporting purposes. For reporting purposes, rare instances of extreme values on the low end (SPI < 10) and on the high end (SPI > 90) of the index scale are truncated at the upper (10) and lower (90) decile end. This means that the reporting does not discriminate SPI values below 10 and above 90. The international average, on the other hand, is calculated using the full range of the index.

System performance in support of access for adults to CVET and other forms of adult education is more limited in scale than for young people (Figure 4.1), and results differ across population groups. In 2022, 14% of adults aged 25–64 participated in education or training in the four weeks prior to the labour force survey. Participation among women was around 5%, compared to slightly over 9% for men (KIESE SPI Indicator 15). In many other countries in the ETF monitoring sample, women participate in adult learning at higher rates than men.

The monitoring survey reports that barriers to access for adults are both educational and practical. Adults without upper secondary education cannot enter many CVET programmes, while gaps in mathematics, English and Hebrew reduce access to technical and higher-value training. Women from certain groups are more strongly affected due to earlier educational inequalities and limited programme formats.

Practical obstacles further restrict participation. Many prospective learners live in peripheral areas with limited training provision, weak transport links and insufficient childcare services. Family responsibilities and rigid course schedules reduce the feasibility of participation in learning, especially for women combining training with paid work or care duties. Even where tuition is subsidised, indirect costs related to commuting, materials or foregone earnings deter enrolment.

The organisation of CVET provision adds to these difficulties. Despite solid performance results in this domain of monitoring, VET for adults in Israel remains fragmented and delivered through a mix of short courses and employment-oriented programmes across multiple ministries. Progression routes are often unclear, and credential recognition is limited, partly due to the absence of a fully implemented national qualifications framework.

Targeted initiatives such as training vouchers, coding bootcamps and adapted post-secondary vocational programmes for Haredi women have expanded access for specific groups and produced positive labour market outcomes. The monitoring survey notes, however, that these initiatives operate at limited scale.

Retention and programme completion

The monitoring outcomes of Israel in support of retention and programme completion are relatively high (SPI of 69) (see Figure 4.2). In IVET across both the Ministry of Education (MoE) and Ministry of Labour strands, a substantial share of learners reaches formal qualification, while others leave programmes before completion. Within the Division of Vocational and Technological Training (DVTT) under the MoE, around two-thirds of enrolled learners ultimately obtain a diploma. The diploma achievement rate reached 66% in 2023, with a target of 67% set for 2024. Completion is assessed over a seven-year window, which allows learners to interrupt and resume studies beyond the standard three-year duration. Learners who take longer to graduate are included in official statistics with lower weighting, enabling extended trajectories to be recognised without overstating completion levels.

Consolidated completion data for the Ministry of Labour apprenticeship track are less prominently documented in the monitoring material, although apprenticeship provision constitutes an important pathway for young learners in occupationally specific fields. Practical engineering programmes culminate in MAHAT diplomas under the authority of the Ministry of Labour. These programmes are delivered across institutional settings and form part of the broader IVET architecture.

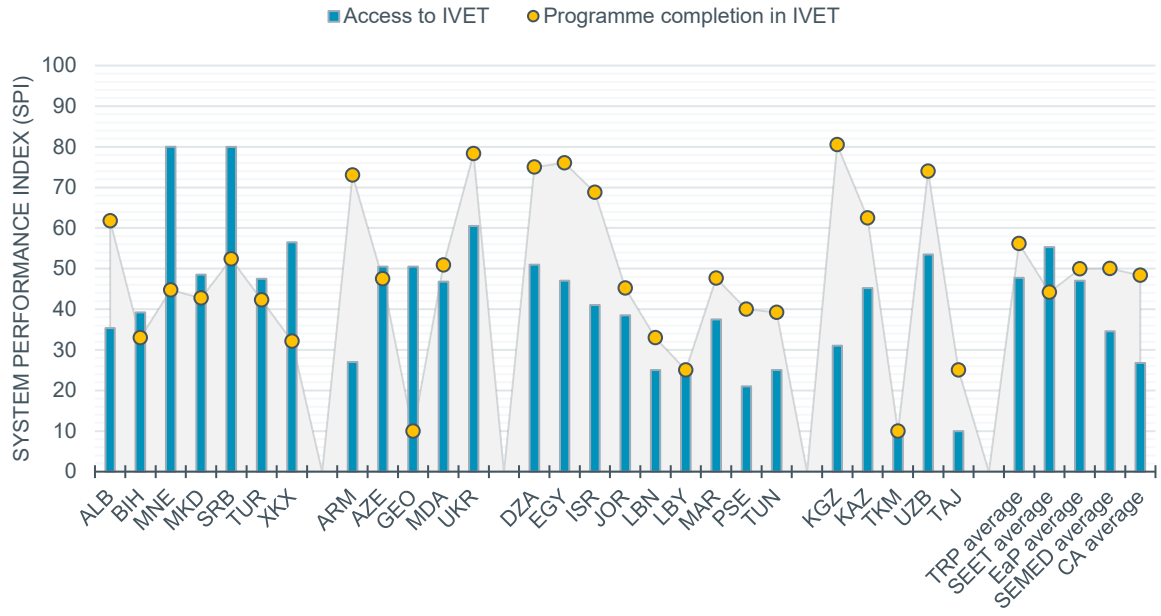
For a considerable share of learners, progression through IVET is less secure. Completion rates at upper secondary level differ sharply by family background and gender. Learners from families with lower parental education who enrol in vocational pathways are significantly less likely to finish their programmes than peers from more advantaged households. Although comprehensive data on early leaving from IVET are not available, the size of these gaps points to a significant number of learners exiting programmes before qualification. At secondary level more broadly, 4% of girls and 7% of boys leave education early (KIESE SPI Indicator 19).

Limited progression opportunities beyond upper secondary education weaken incentives to persist. Many vocational learners do not obtain the Bagrut certificate, which remains the main entry requirement for tertiary education. Holders of practical engineering diplomas (MAHAT), regulated by

the Ministry of Labour, do not benefit from automatic access to higher education, and continuation often depends on decisions taken by individual institutions. Progression from practical engineering qualifications into academic engineering degrees remains dependent on institution-specific credit recognition procedures. In the absence of nationally standardised articulation arrangements between vocational and academic sectors, permeability relies on bilateral decisions rather than system-level guarantees. This structural separation between VET and higher education governance limits vertical mobility and may weaken the attractiveness of vocational pathways for learners seeking longer-term academic progression.

As in other countries, learners' engagement over time is influenced by structural and cultural factors. The monitoring survey confirms that vocational pathways are often perceived as lower status than academic tracks, which can undermine motivation, especially for learners with weaker prior attainment.

Figure 4.2 Access and programme completion in IVET – system performance index, ETF partner countries and international average



Note: Theoretical index range: min/low performance=0, max/high performance=100.
Source: ETF KIESE and Torino Process databases.

There are limited opportunities for structured work-based learning, which reduces exposure to workplaces and hands-on experiences that could strengthen commitment to completion. While employment guidance centres and labour-market information tools are in place, their contribution to the progression and graduation of learners is not tracked systematically. At the time of monitoring, the prospect of learners in IVET completing their studies still depended more on their social background and the availability of credible progression routes than on the systematic capacity of providers to retain learners and support them through to graduation.

Quality and relevance of learning outcomes

In this section, the SPIs capture the quality of the provision of basic skills and key competences to learners in IVET, as well as the degree to which adults possess foundational skills. These results are complemented by selected KIESE indicators, which track the relevance of learning outcomes by examining employment rates of individuals aged 15 and older, disaggregated by educational attainment in ETF partner countries.

ETF monitoring keeps quality and relevance separate because, although they often reinforce each other, they do not always coincide. Learners with strong foundational skills may still struggle to find

suitable employment, while individuals might secure jobs without acquiring a comprehensive skillset. By tracking these aspects separately, the reporting hopes to identify both the intrinsic benefits of education and how effectively it aligns with the needs of the labour market.

Quality of learning by age and gender

System performance in support of the quality of foundational skills and competences in Israel scores relatively high in monitoring terms (SPI of 81 for girls and 75 for boys). However, this performance is reflected more clearly in labour market outcomes than in direct evidence on skills acquisition. Among young people in initial vocational education and training, employment rates for VET-related upper secondary and post-secondary non-tertiary graduates reach around 69% for those aged 25–34, compared to 56% among peers with lower educational attainment. These outcomes point to the labour market relevance of IVET pathways.

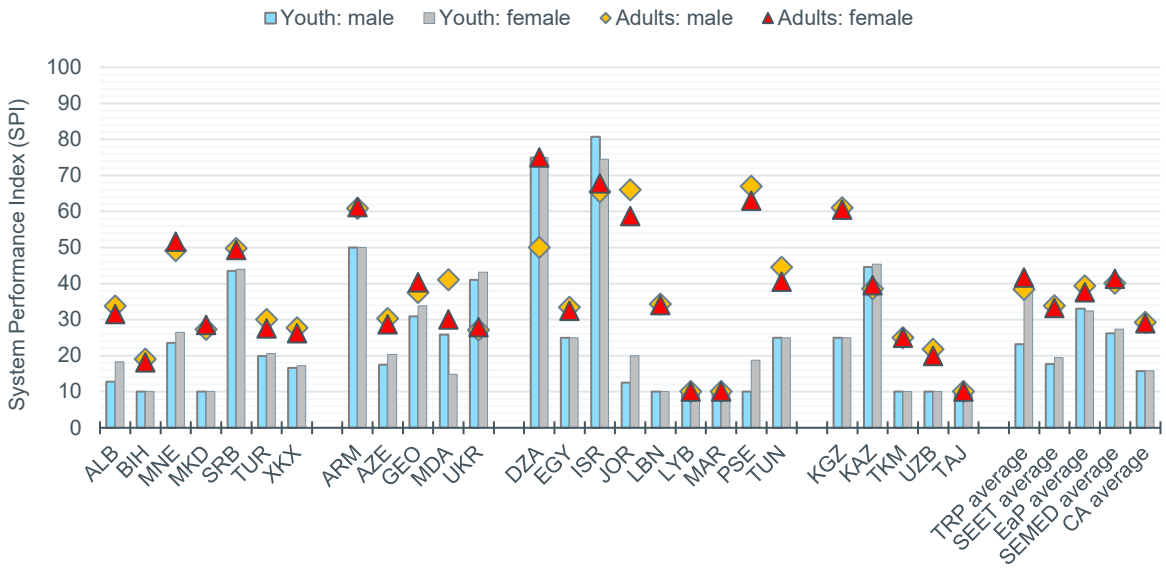
At the same time, learning outcome data from compulsory education indicate weaknesses in foundational skills that are likely to shape entry into vocational tracks. At lower secondary level, average mathematics and science achievement remains below international benchmarks (TIMSS grade VIII mathematics score of 480 and science score of 480–481; KIESE SPI Indicators 30 and 31), which points to uneven mastery of core competences prior to entry into IVET.

Learning outcomes also differ by sex. More than one-third of students underachieve in mathematics (around 37%), and close to 30% underachieve in science, with slightly higher shares among girls in science (KIESE SPI Indicators 25 and 26). At the other end of the distribution, the share of top achievers remains limited, particularly in mathematics and science, where it ranges from around 4% to 12% depending on subject and sex (KIESE SPI Indicators 28 and 29).

According to the monitoring survey, the development of foundational skills in IVET remains weakly documented at programme level. There is no systematic assessment of literacy, numeracy, digital skills or transversal competences in VET programmes, which limits the ability to judge how consistently such skills are developed, particularly in non-technological tracks where academic content is more limited.

Recent reforms seek to address these gaps through curriculum revisions in technological training, efforts to strengthen institutional recognition and the gradual development of the INQF. However, the monitoring survey notes that fragmented accreditation arrangements and relatively limited workplace-based learning continue to hamper the transparent development and validation of basic and transferable competences. As a result, system performance in support of foundational skills for young people in IVET remains insufficiently evidenced, even where employment outcomes are verifiably favourable.

Figure 4.3 Quality of skills and competences by country, age and gender of learners – system performance index, ETF partner countries and international average (2025)



Note: Theoretical index range: min/low performance=0, max/high performance=100.
Source: ETF KIESE and Torino Process databases.

Among adults, the monitoring outcomes point to strong labour-market integration alongside uneven foundational skills. Overall performance in this area is above the regional average, with SPI scores of 65 for men and 68 for women. High levels of formal educational attainment (KIESE SPI Indicator 35) and low unemployment across educational groups support these results and suggest effective labour market absorption. Unemployment remains low even among adults with upper secondary or post-secondary non-tertiary education (KIESE SPI Indicator 36). At the same time, evidence on skill proficiency among adults gathered through the Torino Process monitoring survey and a skills and jobs survey (ETF, 2023b) points to wide variation in basic and transferable competences. Favourable employment outcomes coexist with persistent weaknesses in numeracy, digital and problem-solving skills, according to the monitoring survey.

International surveys confirm below-average literacy and numeracy performance, alongside the widest dispersion of adult skills. While more than 90% of adults report basic reading skills, far fewer demonstrate higher-order competences such as numeracy, problem solving or digital tasks, with substantial variation across skill domains (KIESE SPI Indicators 38, 40, 42 and 43). Only around 35% of adults aged 25–35 are able to solve problems in technology-rich environments, compared to an OECD average of about 45%.

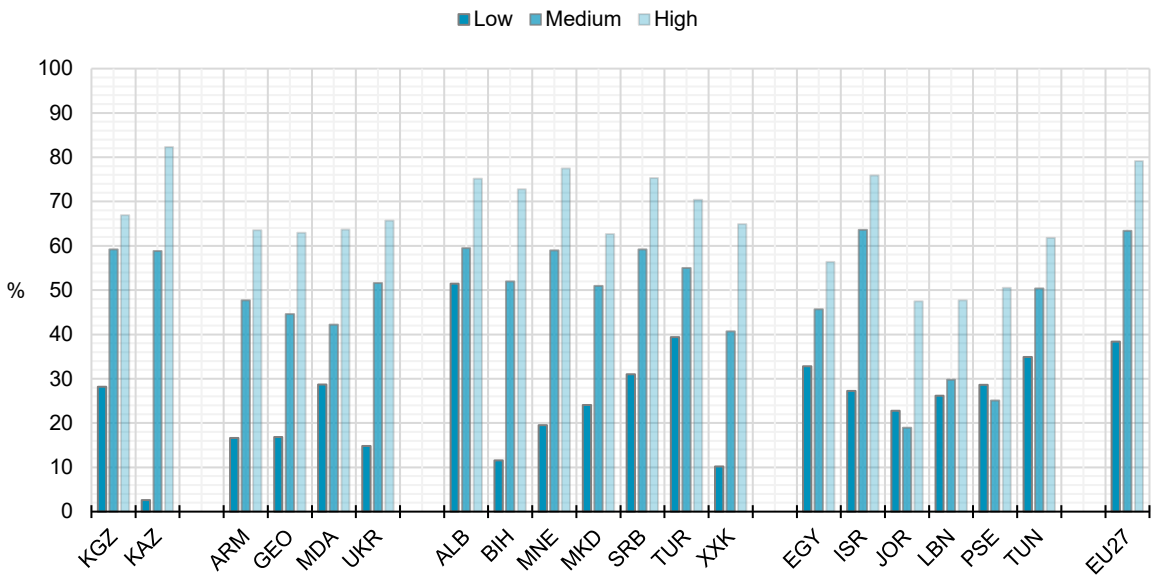
Women aged 25–34 are significantly more likely than men to hold tertiary qualifications, yet this advantage does not translate into equal participation in high-skill technical fields or digital-intensive occupations. The monitoring survey notes that women account for only around one-third of employment in the high-tech sector. Among adults with lower educational attainment, employment rates remain considerably lower for women than for men (around 41% compared to 66%), which points to persistent disadvantages where foundational skills are weak or insufficiently updated.

Participation in adult learning and training is relatively high overall but remains uneven by sex and educational background (KIESE SPI Indicators 56 and related participation measures). Targeted programmes, such as Plus Hebrew, which reached around 4 000 participants in 2024, and initiatives focusing on Haredi and Arab women, signal policy attention to these gaps, but rarely include systematic measurement of gains in basic or transversal competences.

Relevance and labour market outcomes

This section uses employment data to gauge how effectively education in Israel meets labour market needs. Specifically, it compares employment rates by the highest education level adults have reached with EU27 averages.

Figure 4.4 Employment rate (age 15+) by educational attainment, ETF partner countries (2024)



Source: ETF KIESE database.

Employment outcomes in Israel vary substantially by educational attainment. Among adults aged 15 and above, the employment rate is 27.2% for those with low educational attainment, 63.6% for those with medium attainment and 75.9% for those with high attainment. The size of these differences shows a strong association between formal education and access to employment. Consequently, the gaps between adults with low educational attainment and the rest of the population are wide.

The largest divergence from the EU27 concerns adults with low educational attainment. In the EU27, the employment rate for this group reaches 38.4%, which is more than 11 percentage points higher than in Israel. This difference suggests that limited formal education is a stronger barrier to employment in Israel than in the European Union. In contrast, employment among adults with medium educational attainment in Israel (63.6%) is almost identical to the EU27 average (63.4%), pointing to broadly comparable levels of labour market integration at this level of education.

For adults with high educational attainment, employment in Israel reaches 75.9%, compared with 79.1% in the EU27. The gap at this level is smaller, but still present.

System management and organisation

In the final section on policy and system performance, the focus shifts to the organisation and management of the education and training system, with particular attention to VET.

The analysis presents data on system performance in the form of SPIs in three areas: effective allocation and use of financial resources in VET; allocation, use and professional capacity of human resources, including leadership skills and professional competence of school management and staff; and system steering and management, which includes data, quality assurance, school leadership and the internationalisation of VET.

Financial resources in VET and lifelong learning

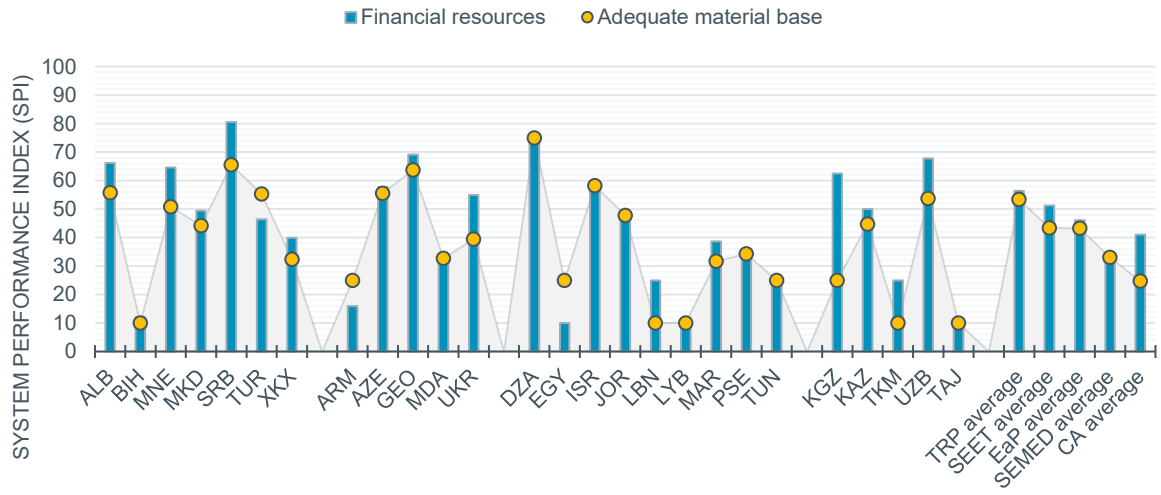
This section examines the availability of funding for VET in Israel and discusses how effectively this funding translates into tangible resources, such as well-equipped teaching facilities, workshops and appropriate instructional materials.

Public investment in education in Israel is high by international standards and provides a strong funding base for vocational education and training (VET) (SPI of 57 for financial resources). Education spending exceeds 6% of GDP and accounts for more than 13% of total government expenditure, placing Israel among the countries with the highest proportional investment across all levels of education. This level of effort is consistent with relatively strong system performance in mobilising public resources for education and training (KIESE SPI Indicator 105). The monitoring survey confirms that compulsory education is fully publicly funded up to age 18, and education remains heavily subsidised thereafter, which limits direct financial barriers for participation in initial and post-secondary VET.

Despite this strong aggregate effort, system performance in the use of financial resources for VET is less consistent. The monitoring survey suggests that funding is channelled through a fragmented institutional landscape, involving several accreditation authorities and a wide range of providers, particularly in adult and post-secondary training. This fragmentation weakens coherence in planning and constrains the efficiency of resource allocation; an issue reflected in more moderate performance in indicators related to the organisation and use of financial resources (KIESE SPI Indicator 104) and a more moderate system performance result (SPI of 58). Recent policy measures, including performance-based funding for post-secondary VET linked to minimum graduate wage returns, signal an effort to strengthen the relationship between public investment and labour market outcomes, although this mechanism currently applies only to parts of the system.

Equity in funding allocation remains a structural challenge. There are differences across education streams, with lower per pupil expenditure in Arab education compared to Hebrew state schools at secondary level. The data provided in the monitoring survey show that in 2022, average annual spending amounted to around ILS 37 400 per pupil in Hebrew state secondary schools, compared to about ILS 31 200 in Arab Israeli schools. Among learners from the lowest socio-economic quintile, the gap widens further, reaching approximately ILS 50 500 per pupil in Hebrew state schools versus ILS 32 500 in Arab Israeli schools. These disparities point to uneven system performance in distributing financial resources in line with equity objectives (KIESE SPI Indicator 103) and directly affect parts of the VET system serving disadvantaged learners.

Figure 4.5 Allocation and use of financial resources in education and training – index of system performance, ETF partner countries and international average (2024)



Note: Theoretical index range: min/low performance=0, max/high performance=100.
Source: ETF KIESE and Torino Process databases.

The availability of adequate material base for teaching and learning in VET is similarly uneven. While overall education spending covers both capital and operational costs, the monitoring survey describes a context in which shortages of learning materials, ICT equipment, laboratories and libraries persist in under-resourced schools and training centres. Gaps in physical infrastructure, including problems with buildings, climate control, lighting and acoustics, are more prevalent in disadvantaged regions and streams. These conditions are consistent with weaker performance in indicators related to shortages in educational resources and infrastructure (KIESE SPI Indicator 97). They also weigh particularly heavily on vocational programmes with strong practical and technical components, where facilities and equipment are essential for learning quality.

Recent reforms implicitly acknowledge these gaps. The gradual development of a National Qualifications Framework is intended to strengthen transparency and learning-outcome expectations, which in turn increases pressure on providers to ensure that facilities and resources are fit for purpose (KIESE SPI Indicator 102). Efforts to expand work-based learning and employer involvement may partially offset infrastructure constraints in some sectors, although their reach remains uneven.

Human resources: allocation, use, professional capacity

Administrative data for the 2022/23 academic year report no teacher shortages across public education up to upper secondary level in Israel, and the monitoring results are also relatively high (SPI of 68). This suggests that staffing levels in initial vocational education and training are, in quantitative terms, sufficient – a reading that is also supported by school-level reporting, which shows that only a limited share of students is enrolled in institutions where headteachers indicate difficulties in filling teaching posts (KIESE SPI Indicators 107–110).

This evidence, however, relates to public education and initial VET only. The monitoring survey underlines that comparable information for adult learning and continuing VET is not reported, which limits the extent to which system performance in support of adequate human resources can be assessed across the full VET and lifelong learning system.

The organisation of education and training provision complicates human resource planning. According to the survey, VET falls under several authorities, including the Ministry of Education, the Ministry of Labour, the Council of Higher Education and the military system, alongside a wider education structure segmented into Arab, Haredi and Jewish streams. These arrangements are associated with disparities in funding levels, teacher qualifications (KIESE SPI Indicator 111) and pupil–teacher ratios in general education, and similar imbalances are likely to affect VET provision. Fragmentation limits coordination, common standard-setting and the equitable deployment of teaching staff, which weakens the coherence and efficiency of human resource management in VET.

Arrangements to support teacher development exist at system level. A national in-service training framework links participation in professional development to salary progression, and participation in training activities is relatively widespread among teachers, including those working in vocational pathways (KIESE SPI Indicator 112). In addition, a recent wage agreement increased starting salaries for teachers across education, including VET, with the aim of supporting recruitment and retention.

However, participation in professional development remains partly voluntary, and financial incentives remain modest when compared with performance-based allowances. There are shortages in STEM-related teaching profiles, as many potential educators with relevant qualifications opt for higher-paid employment in the private sector. These pressures have been reinforced by the ongoing war, which has widened staffing gaps and placed additional strain on the system, particularly in areas central to the modernisation of VET.

System steering and management

This section summarises the system performance results in the domains of data availability and capacity for informed decision-making, quality assurance, school leadership and internationalisation in VET in Israel.

Data

System performance in support of better data for VET monitoring and policymaking in Israel benefits from strong participation in international data initiatives, including OECD education statistics, PISA and PIAAC, as well as the UNESCO-OECD-Eurostat data collection. These sources provide internationally comparable evidence on educational attainment, skills and inequalities, supporting high-level benchmarking. Accordingly, the monitoring results in this domain are well above the regional and monitoring sample averages (Figure 4.6).

At national level, administrative and survey data from the Labour Force Survey, the Israel Central Bureau of Statistics, the Ministry of Finance and the Ministry of Economy allow detailed analysis of employment outcomes and wage returns by education level and population group. A notable development is the Avodata platform, which translates administrative data into publicly accessible information on graduate outcomes, including wage returns for VET and tertiary programmes, and is being expanded to link fields of study with occupations.

There are also some challenges. The otherwise strong system performance in the area of data is limited by fragmentation across data holders. Ministries and agencies have limited access to each other's datasets, which restricts longitudinal tracking of learners and weakens the evaluation of pilot initiatives and targeted interventions. The absence of a central labour-market or skills data hub reduces the ability to assess regional skills demand or programme effectiveness across the full VET and lifelong learning system. The non-existence of a National Classification for Fields of Education may represent a significant obstacle to achieving this goal. The Central Bureau of Statistics aims to run such a pilot in the near future.

These limitations are more pronounced in VET than in other parts of education, reflecting lower policy attention and resulting in uneven depth and coverage of VET-specific data, including in areas such as ICT skills and some financial indicators.

According to national stakeholders, the Central Bureau of Statistics has the capacity to fulfil such a role. It is the one organisation legally competent for hosting and integrating large microdata databases from all types of public agencies and ministries, so as to allow for centralised and detailed in-depth analyses and research.

Quality assurance

Evidence from school-level reporting points to the widespread presence of internal quality assurance arrangements (SPI of 76), including formal QA frameworks, regular self-evaluation and the systematic use of student assessment results to monitor quality (reported by over 90% of headteachers for core internal QA practices; KIESE indicators 84, 86, 88, 89). Feedback mechanisms involving learners and external stakeholders are also commonly used, though slightly less systematically (around 88%; KIESE indicators 91, 93). In contrast, practices that anchor quality assurance more strongly in external reference points, such as the systematic use of external evaluation results or benchmarking against other providers, are less consistently embedded (around 62–64%; KIESE indicators 90, 92). This pattern underlines the concentration of QA efforts at institutional level and helps explain why quality assurance remains uneven across the system.

A key instrument is the outcome-based funding model for post-secondary VET institutions, under which public funding is conditional on graduates achieving minimum wage returns of 6% for most programmes and 4% for shorter courses. This directly links institutional funding to labour market relevance and introduces a results-oriented accountability mechanism. Its effectiveness, however, depends on the availability and consistency of graduate outcome data, which remain affected by fragmentation across administrative systems. The more limited integration of externally generated outcome evidence into school-level quality assurance practices reinforces this constraint (as reflected in the lower prevalence of QA practices based on external evaluation; KIESE indicator 90).

Figure 4.6 System steering and management – index of system performance, selected dimensions, Israel, SEMED and Torino Process averages (2024)

Note: Theoretical index range: min/low performance=0, max/high performance=100.
Source: ETF KIESE and Torino Process databases.

Broader QA coherence is expected to improve through the gradual development of the National Qualifications Framework, which aims to standardise qualifications, clarify learning outcomes and reduce fragmentation in accreditation across governing bodies. In the absence of a fully consolidated framework, quality assurance continues to rely largely on provider-level processes rather than on system-wide standards and validation mechanisms.

For learners, QA is addressed mainly through transparency rather than formal assurance processes. Tools such as Avodata provide information on employment and wage outcomes by study path, supporting informed choice, but they do not constitute systematic QA of teaching and learning. While information on outcomes is increasingly available, it is not yet embedded in structured mechanisms that assure the quality of learning experiences across providers.

Teacher-focused QA remains underdeveloped. Despite the prevalence of school-level quality management processes, there is limited evidence that quality assurance systematically addresses teaching practices, pedagogical quality or staff professionalism. This remains a structural gap in a context marked by persistent challenges related to pay levels, shortages in STEM fields and the need for stronger pedagogical and digital competencies in VET.

School leadership

System performance in support of professional leadership in VET is mid-range and shaped by structural and incentive-related factors. School leaders are responsible for a wide range of tasks, including pedagogical oversight, financial management and human-resource decisions. However, compensation for leadership roles largely follows standard teacher salary frameworks, with only modest allowances, making these positions less attractive compared to opportunities in the private and high-tech sectors. This particularly affects the recruitment and retention of candidates with STEM or management backgrounds.

Fragmented governance further weakens leadership professionalisation. Oversight of VET is split across multiple authorities, including the Ministry of Education, the Ministry of Labour, the Council of Higher Education and the military system, preventing the development of a coherent national leadership pathway or common competency standards for VET leaders. While national in-service training programmes exist and are linked to salary progression, there is no dedicated policy framework addressing the recruitment, development or evaluation of leadership and administrative staff in VET. The National Qualifications Framework could eventually support clearer role definitions and professional recognition, but progress remains slow.

Internationalisation

Support for the internationalisation of VET is relatively strong (SPI of 75), in part due to the participation of Israel in the Erasmus+ programme. The main strategic effort, however, is the development of the National Qualifications Framework, modelled on the European Qualifications Framework and developed in cooperation with the European Training Foundation. In principle, this alignment could enhance transparency, comparability and international recognition of Israeli VET qualifications by defining learning outcomes and qualification levels in a way that supports portability across systems.

In practice, despite stronger-than-average results in this domain of monitoring, slow progress towards full implementation delays these potential benefits. Beyond the NQF, internationalisation activities are modest. Learner and staff mobility in VET is rare, participation of VET providers in international projects is limited and hosting of international teachers is uncommon. Broader challenges in the recognition of foreign qualifications for regulated professions further limit openness and mutual recognition, affecting the wider qualifications environment in which VET operates.

ABBREVIATIONS

CBS	Central Bureau of Statistics
DVTT	Division of Vocational and Technological Training
EAfA	European Alliance for Apprenticeships
ENE	ETF Network for Excellence
GDP	Gross domestic product
HDI	Human Development Index
HMO	Health maintenance organisation
ICT	Information and communications technology
IDI	Israel Democracy Institute
IES	Israeli Employment Service
EU	European Union
EU27	European Union (27 Member States)
ETF	European Training Foundation
INQF	Israeli National Qualifications Framework
ISATCOVE	International Self-Assessment Tool for Centres of Vocational Excellence
ILS	Israeli new shekel (currency code)
ILO	International Labour Organization
IMF	International Monetary Fund
ISCED	International Standard Classification of Education
IT	Information technology
KIESE	Key Indicators in Education, Skills and Employment (ETF database)

LFS	Labour Force Survey
LMIS	Labour market information system
MAHAT	Ministry of Labour practical engineering diploma (Israel)
MOE	Ministry of Education
MoLSA	Ministry of Labour, Social Affairs and Social Services
MOOC	Massive open online course
NEET	Not in employment, education or training
NGO	Non-governmental organisation
NII	National Insurance Institute
NQF	National Qualifications Framework
NIS	New Israeli shekel
OECD	Organisation for Economic Co-operation and Development
ORT	ORT Israel (education network)
PES	Public Employment Service
PIAAC	Programme for the International Assessment of Adult Competencies
PISA	Programme for International Student Assessment
PPP	Purchasing power parity
QA	Quality assurance
RAMA	National Authority for Measurement and Evaluation
SDG	Sustainable Development Goal
SDG8	Sustainable Development Goal 8 (Decent work and economic growth)
SPI	System performance index
STEM	Science, technology, engineering and mathematics

TAIEX	Technical Assistance and Information Exchange (European Commission instrument)
TIMSS	Trends in International Mathematics and Science Study
TRP	ETF Torino Process
UIS	UNESCO Institute for Statistics
USD	United States dollar
UIL	UNESCO Institute for Lifelong Learning
UNESCO	United Nations Educational, Scientific and Cultural Organization
UN DESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
VET	Vocational education and training
WBL	Work-based learning
YEM	Youth Employment in the Mediterranean

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