

For Immediate Release

Israel's High Court of Justice To Hear Petition Seeking Bank of Israel Policy Change

*The Economic Integration Association seeks relief by having the Supervisor of Banks issue regulations that would enable new immigrants to receive banking services currently denied to them, due to the blanket, de facto application of international sanctions imposed on foreign banks overseas. Israel's High Court of Justice will hear the case on **July 14, 2025 at 11:30 AM** in Jerusalem.*

Tel Aviv, July 1, 2025: The Economic Integration Association, an immigrant-led organization dedicated to advancing the economic integration of newcomers in Israel, has filed a precedent-setting petition with the High Court of Justice against the Bank of Israel (as supervisor of the banking system) and several leading Israeli banks.

The petition argues that the absence of substantive, proper banking procedures fails to strike a fair balance between the fundamental rights of new immigrants and the commercial environment in which banks operate.

It calls for urgent regulatory reforms to create financial and business certainty and to resolve cases in which immigrants were denied banking services, thereby safeguarding their rights and ensuring their successful economic integration into Israeli society.

Relief sought:

The EIO seeks court intervention to mandate the Supervisor of Banks to:

- **Establish clear, substantive, uniform policies for banking corporations regarding the application of international sanctions.**
- Ensure these policies balance the risk to banks with the rights of customers and the public interest.
- Provide transparency and accountability in banking decisions affecting new immigrants.

Background and Key Issues

This legal action comes at a time when rising global antisemitism puts pressure on Israel to stand ready to integrate more new immigrants, and in the aftermath of the immigration wave triggered by Russia's invasion of Ukraine, where the country saw over 100,000 people seeking to rebuild their lives in Israel permanently.

The EIO has initiated this legal action in response to widespread reports it received over two years, with over 1,000 survey responders detailing the barriers faced by new immigrants when dealing with Israeli banks.

70% of respondents arrived between 2022-2024.

Two Years of Survey Findings Call for Urgent Policy Change

- **First party data collected from 2022-2024:** According to surveys conducted by the EIO, new immigrants reported facing significant barriers in obtaining basic banking services between 2022 and 2024. The report highlighted that **50% of respondents were denied banking services in 2023-2024**. At the time of filing the petition, 70% of reported issues remained unresolved or were only partially resolved.
- **Delays and lack of response:** 55% of respondents waited over 10 days to receive any response from their bank, and 80% reported that the responses were only verbal, both of which are against the Bank of Israel's regulations.
- **Millions of dollars hang in the balance, with blocked international transfers of legitimate, audited funds:** A staggering 50% of new immigrants experienced obstacles in transferring their savings, salaries, and other documented funds to Israel from abroad. This issue was particularly pronounced among those transferring money from countries like Russia, Ukraine, and Belarus. Transfers of salaries, proceeds from sales of property are critical for immigrants to establish the center of their lives in Israel.

Quotes from immigrants impacted:

"It is not possible to transfer salary funds from Russia. Despite the income being verified, taxes being paid, and all documents submitted to Bank Leumi... it is impossible to transfer money to Israel from Russia or other jurisdictions."

- Respondent immigrated to Israel in 2022, reported this unresolved case on 19/05/2024.

"I have been unable to transfer money to Israel for three months. The bank does not accept the

money, despite it being audited and the bank acknowledging the audit. This makes it difficult for me to live and develop my business in Israel."

- A.B. immigrated to Israel, reported this unresolved case on 12/12/2024.

[Access to 1000 testimonies from Olim available upon request.]

Regulatory inaction led to legal proceedings

The findings highlight the banks' lack of a clear, substantive, workflow or regulatory framework to provide banking services to immigrants who may be from countries under sanctions, but who are not under sanctions themselves.

Despite ongoing appeals and evidence of harm to immigrants, the Supervisor of Banks has not acted to establish a substantial, uniform policy to guide banks in their application of international sanctions, in practice. This means immigrants cannot go through compliance in a standardized workflow, and, as a result, cannot carry out essential transactions with the banks.

The petition specifically names the Supervisor of Banks, Bank Hapoalim, Bank Leumi, Mizrahi Tefahot Bank, Discount Bank, the First International Bank of Israel, and Israel's Foreign Ministry.

About the Economic Integration Organization:

The Economic Integration Org works to promote the economic rights of new Israelis, to integrate them into the Israeli economy, and support economic growth that they drive. The Org is committed to addressing the challenges faced by new immigrants and advocating for fair treatment in all aspects of economic integration.

For more information or supporting materials, please contact:

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