

Global Compliance and International Sanctions

Supervisor of the Banks issues guidance on the provision of banking services to new immigrants from Russia in light of the Ukraine-related sanctions



As discussed in our [previous update](#) on this matter, in June 2022 the Supervisor of the Banks in Israel (the “Supervisor”) issued a [letter](#) to the CEOs of the banks regarding risks involved in engagements with persons and entities that are subject to sanctions imposed by other countries and international organizations. On August 16, 2022, the Supervisor issued an [additional letter](#) (the “Letter”), which is intended to provide guidelines to the banks with respect to the opening of bank accounts for new immigrants from Russia (“Olim Chadashim”).

The Letter follows media reports according to which the Minister of Treasury had requested that the banks allow Israeli citizens to receive funds from Russian banks that are not subject to sanctions. In that context, the Letter mentions public complaints regarding difficulties in transferring funds to Israeli banks, and the importance that the Supervisor sees in the provision of high-standard banking services to Olim Chadashim.

The Letter includes the following guidelines:

- Banks should conduct themselves with high sensitivity due to the situation in which Olim Chadashim find themselves with respect to the opening of bank accounts and their management, including regarding money transfers and deposits, subject to the relevant legal and regulatory framework (namely in the fields of anti-money laundering and anti-terrorism financing, as well as in the field of risk management).
- Banks should make sure that there are no inconsistencies in the services provided to Olim Chadashim by different branches of the bank, including with respect to the timeframes for the provision of certain services.
- Banks should make basic banking services available in the Russian language and shall provide detailed information regarding actions which Olim Chadashim ask to perform via the bank. It is also recommended to make such information available on the bank’s website.

Please feel free to contact us with any questions that you may have on this matter.



Assaf Harel, Partner
assafh@gornitzky.com



Rebecca Genis, Senior Associate
rebeccage@gornitzky.com

