

Data from Two Years of Immigrant Surveys:

# The Failures of Banks to Provide Essential Services to Vulnerable Immigrants in Israel in 2022-2024

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# Wars. Political persecution. Pogroms. Antisemitic attacks: In 2024, immigration to Israel is at a 25-year high. So why are local banks standing in the way?

At a time of rising global antisemitism, Israel is under pressure to stand ready to integrate more new immigrants. And in the last two years alone, in an immigration wave triggered by Russia's invasion of Ukraine, the country saw over 100,000 people seeking to rebuild their lives in Israel permanently. The need for a strong Israeli economy has never been greater.

From 2022-2024, the EIO and its founders received over 1,000 survey responses detailing the barriers faced by new immigrants when dealing with Israeli banks. These two years of survey findings are a wake-up call to the banking regulator and the banks.

The fates of families and their futures hang in the balance, with blocked international transfers of legitimate, audited funds: a staggering 50% of new immigrants faced obstacles in transferring their savings, salaries, and other documented funds to Israel from abroad. Not to mention, humiliating treatment in banks, leading to many reporting feeling unwanted in their new country - countless giving up, leaving Israel for good, to contribute their talents, ideas, and tax payments to other countries.

The ones that leave will no longer believe in the Israeli dream of shared economic security.

These findings highlight **the pressing need to establish a substantial, uniform policy to guide banks** in their application of international sanctions, allowing immigrants to go through compliance in a standardized workflow, with dignity and respect.

**All parties—customers, banks, the State of Israel, and the judicial system— will benefit from** a transparent, organized policy on banking services:

1. **Customers and Immigrants:** Gain certainty and protection from unfair or subjective treatment.
2. **Banks:** Operate with more certainty under unified regulations that mitigate their risk.
3. **State of Israel:** Benefits from legal and appropriate funds, supporting economic growth and immigrant integration.
4. **Judicial System:** Saves time by reducing unnecessary legal proceedings, thanks to clear policies.

The time is now. The country cannot delay the resolution to this problem for one day more. Our shared economic future depends on every single immigrant to Israel receiving equal access to banking services. It's time to stand together, for justice, fairness, and democratic values.

-- *Sophia Tupolev-Luz*

Founder, The Economic Integration Org

## We surveyed 1000+ immigrants.

## Here's what they told us.

Between 2022-2024, The Economic Integration Organization and its founders conducted surveys among new immigrants in Israel.

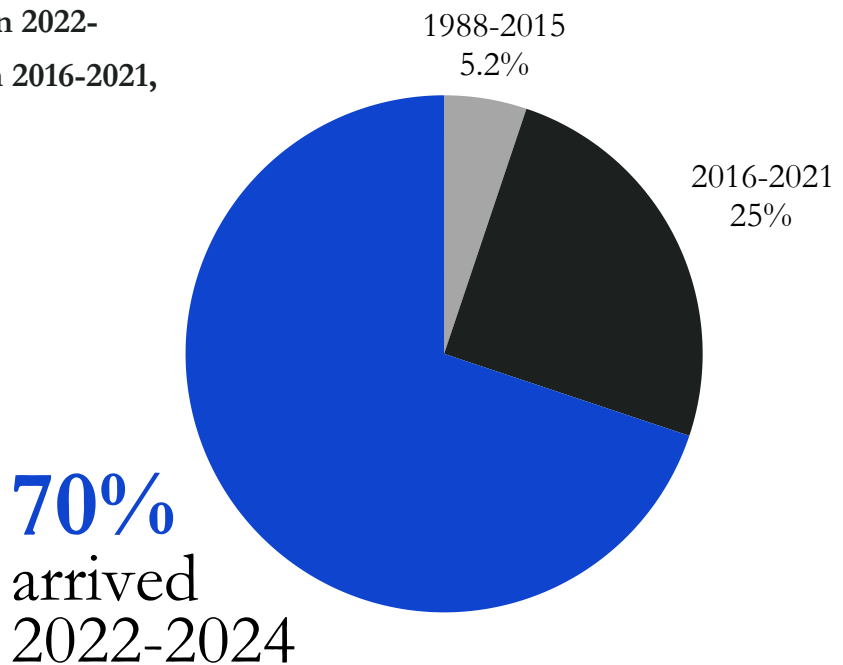
Over 1000 responses from people identifying as immigrants were received.

- 70% arrived between 2022-2024
- 53% of the responses were given in 2024.
- The surveys reported at least 3000 cases.

The respondents came from 15 countries, with a focus on former Soviet Union countries - Belarus, Ukraine, Russia, Moldova, Uzbekistan, as well as Argentina, Canada, Mexico, Hungary, the United Kingdom, Latvia, Finland, South Africa, and the USA.

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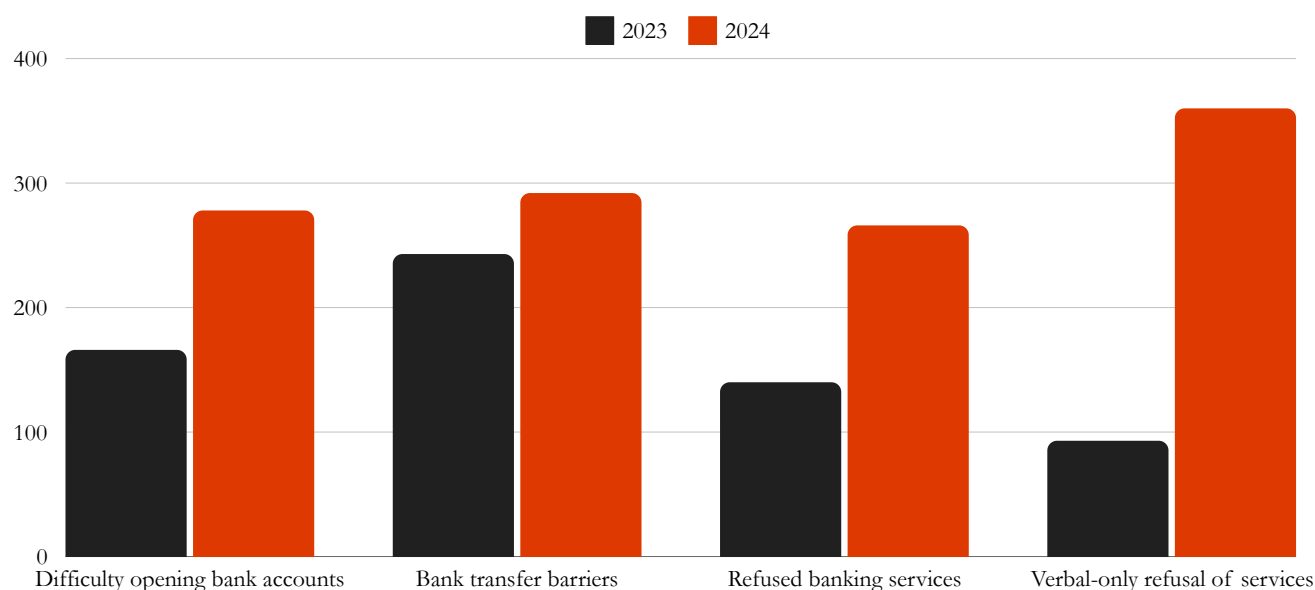
**Chart: 70% of the immigrants who responded immigrated between 2022-2024. 25% immigrated between 2016-2021, and 5% between 1988-2015.**



## Key Findings from Data Analysis

- **50%** of the immigrants reported being denied banking services in 2023-2024;
- **55%** reported waiting over 10 days to receive any response from the bank;
- Between 2022-2024, **80%** of respondents reported receiving only verbal responses;
- As of May 2024, **76%** of banking issues were reported unresolved or only partially resolved.
- The number of survey responses indicating barriers to receiving banking services increased in 2024 compared to 2023.

**Chart: The survey shows an increase in reported cases of barriers in opening bank accounts, transferring funds, and receiving only verbal responses (without written confirmation)**

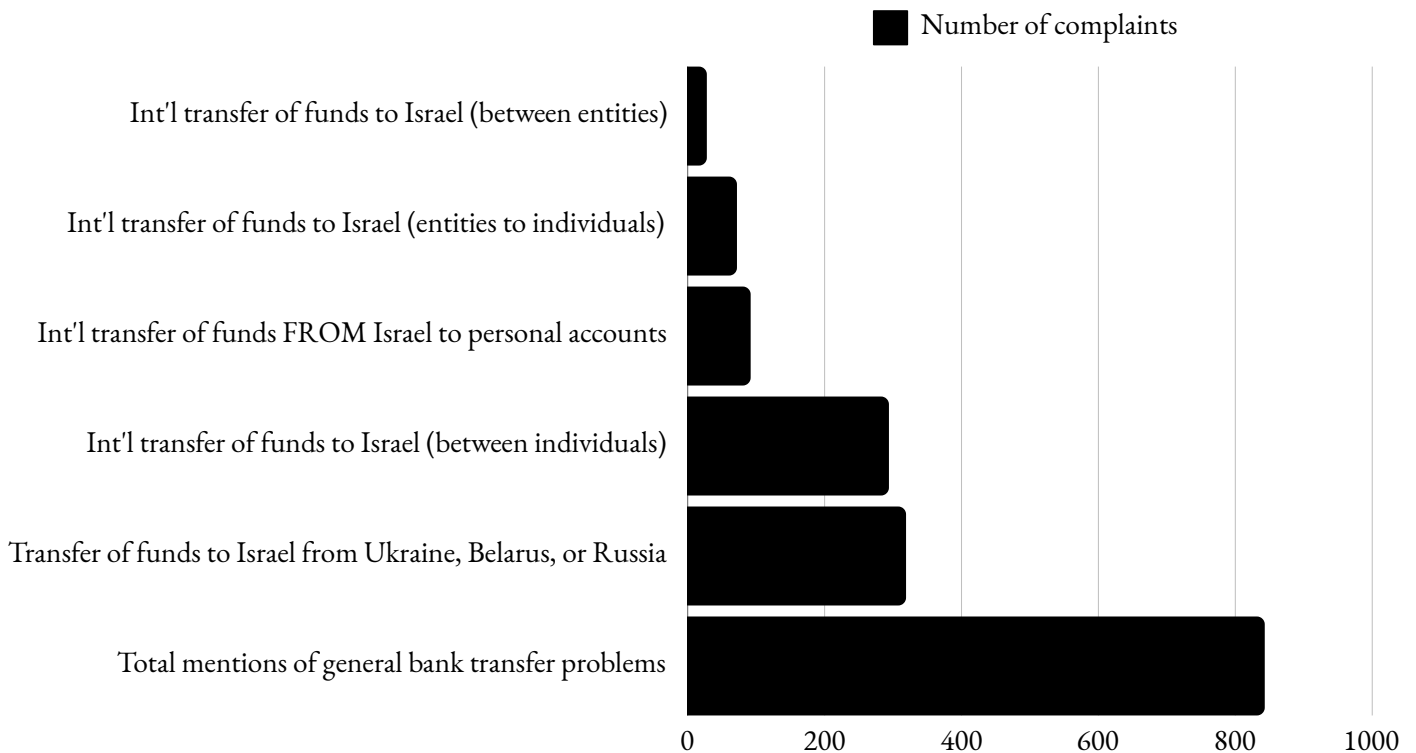


## Part 2: Data Regarding Bank Transfers

### Failures in critical international bank transfers to Israel:

- In 2024, **55%** of respondents reported barriers in bank transfers.
- Immigrants reported obstacles in their ability to transfer savings, salaries, and documented and audited funds to Israel from abroad.
- **1.6** total transfer barriers per respondent on average
- **843** total number of reported transfer barriers
- **536** total respondents reporting transfer barriers

Chart: Complaints Regarding Barriers in Transfers During 2022-2024



## Complaints about Salary Transfer Issues



"I work for an organization registered in the UK. I opened a freelancer account and an account at Discount Bank in September 2023 to receive my salary. Every month, I invest a lot of time, effort, and nerves just to receive my salary (which is very modest by Israeli job market standards). When I opened the account, I provided my tax registration form and explained where I work and what the account would be used for. Payments arrive once a month or every two months since September 2023, and each time the money tries to reach the account, the bank refuses to accept it without asking me for an additional document (the contract, a document from my accountant stating that I am an Israeli tax resident, etc.).

- **Immigrated to Israel in 2022, reported this unresolved case on 20/02/2024.**



"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."

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

# Frequent Reports of Audited and Notarized Funds Not Accepted by Banks



"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.**



"I have an account in Canada because Bank Leumi adamantly refuses to accept money from Russia. Each transaction takes a month. There are ongoing questions about the legality of the money, despite all documents being personally submitted to the department. Several particularly important documents were translated into Hebrew and notarized."

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

## Part 3: Reports of Discriminatory Treatment

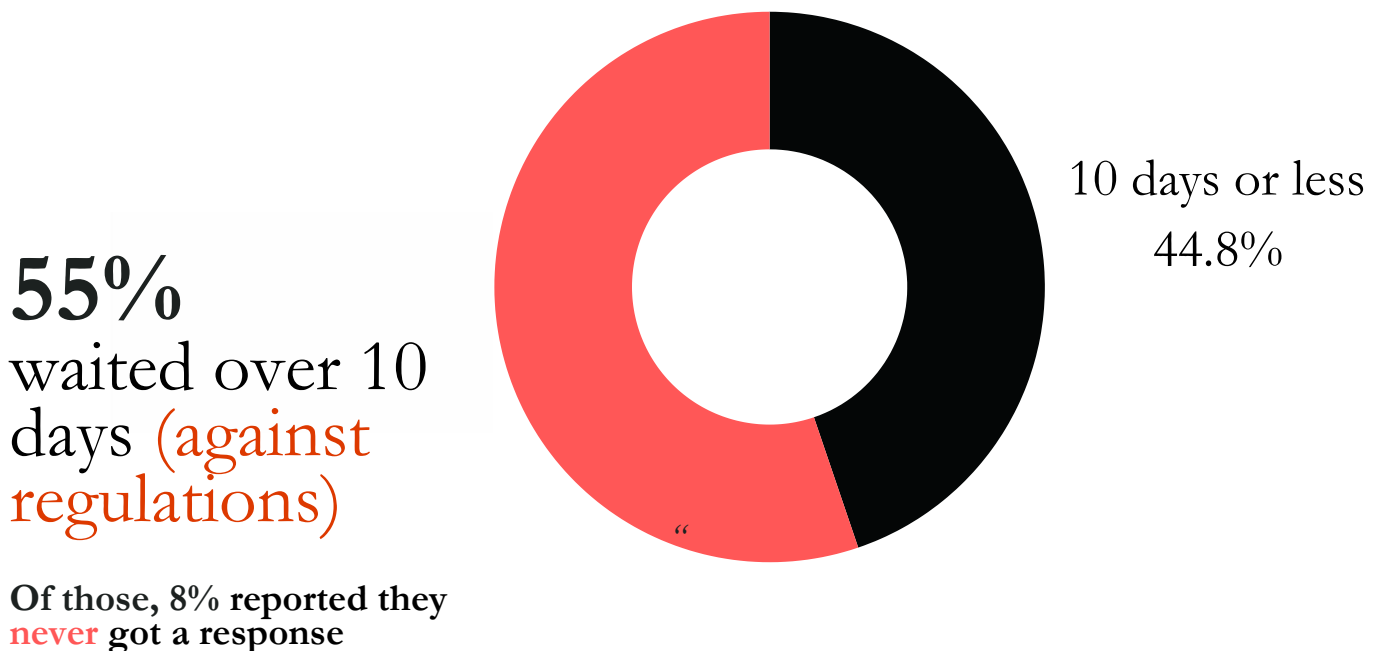
### Reports of discriminatory practices, refusal of service, and poor treatment in banks.

- 2024: Response times from banks exceeding what regulation allows, many only-verbal responses by banks, and lack of adequate response.
  - 55% waited over 10 days.
    - 8% of the aforementioned 55% reported that they did not receive any response at all.

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#### Chart: Answers to the question:

“When you requested banking services, how much time passed since you finished submitting required documents, before you received a response?”





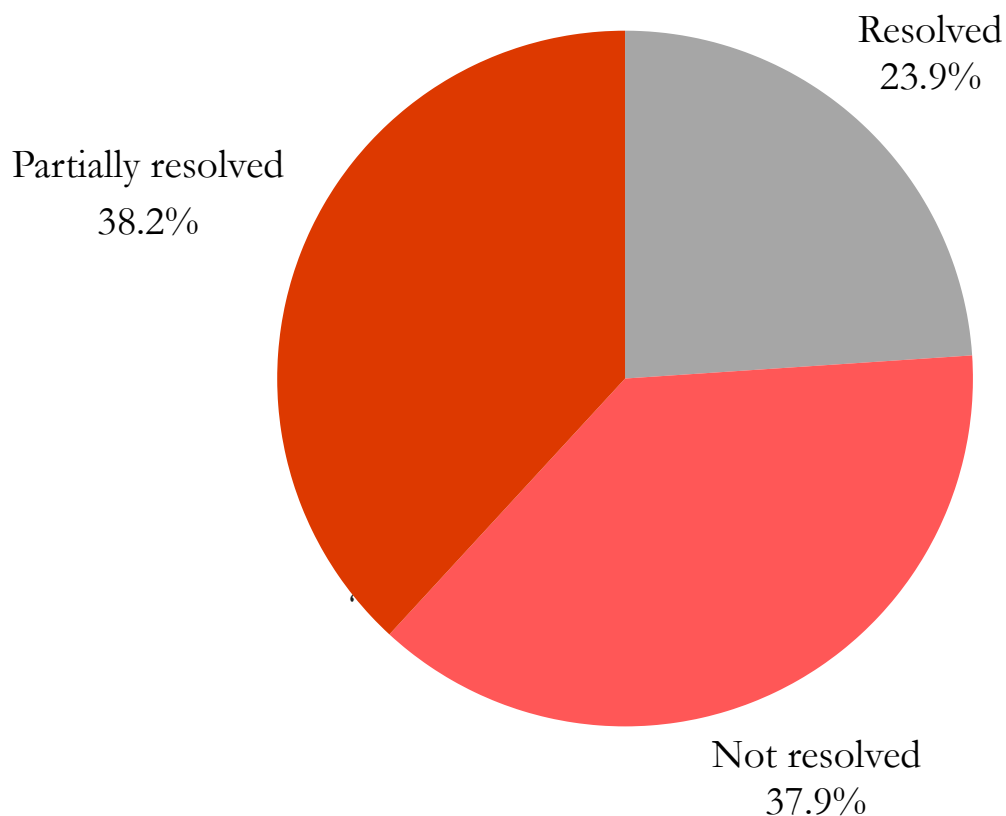
## Part 3: Reports of Discriminatory Treatment



"My complaint to the legal advisor at Mizrahi-Tefahot was not addressed at all; he did not try to understand the problem and help. The only result was that I received a rejection letter with vague explanations ('Russia, sanctions, risks') and no information on how to solve the problem ('the money will remain in the transit account until the situation changes')."

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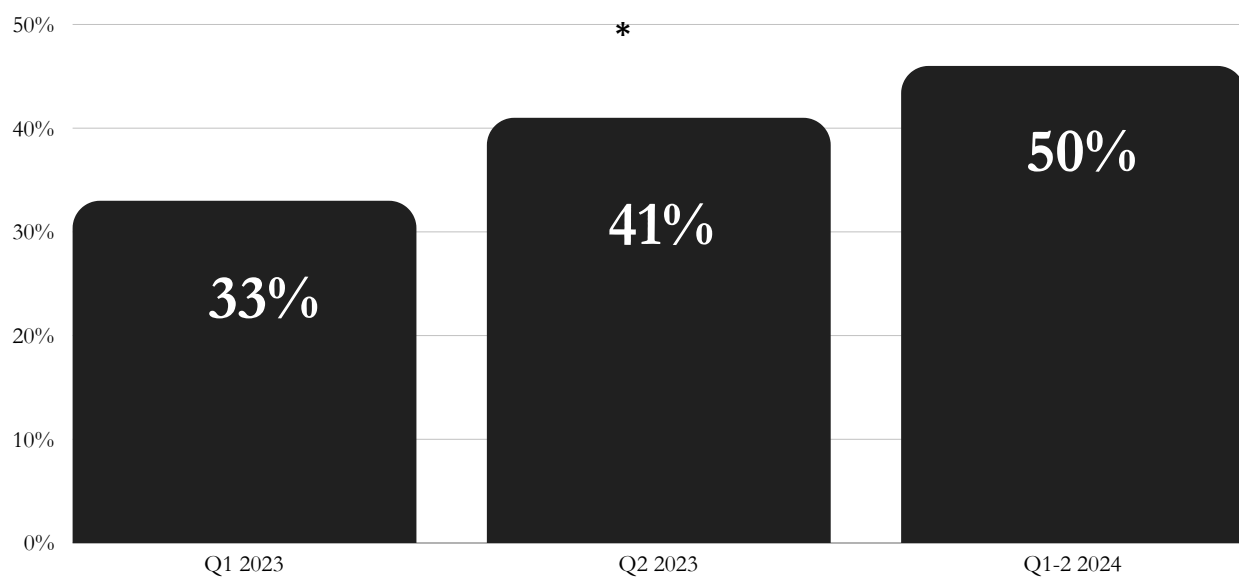
**76% of the banking issues reported in May 2024 remain unresolved or are only partially resolved**



## In 2024, banks continue to deny immigrants services

- In 2024, about 50% reported being denied banking services.

There is an increasing trend in refusals from quarter to quarter during the years 2022–2023.



## Banks continue to provide verbal-only responses to service requests:

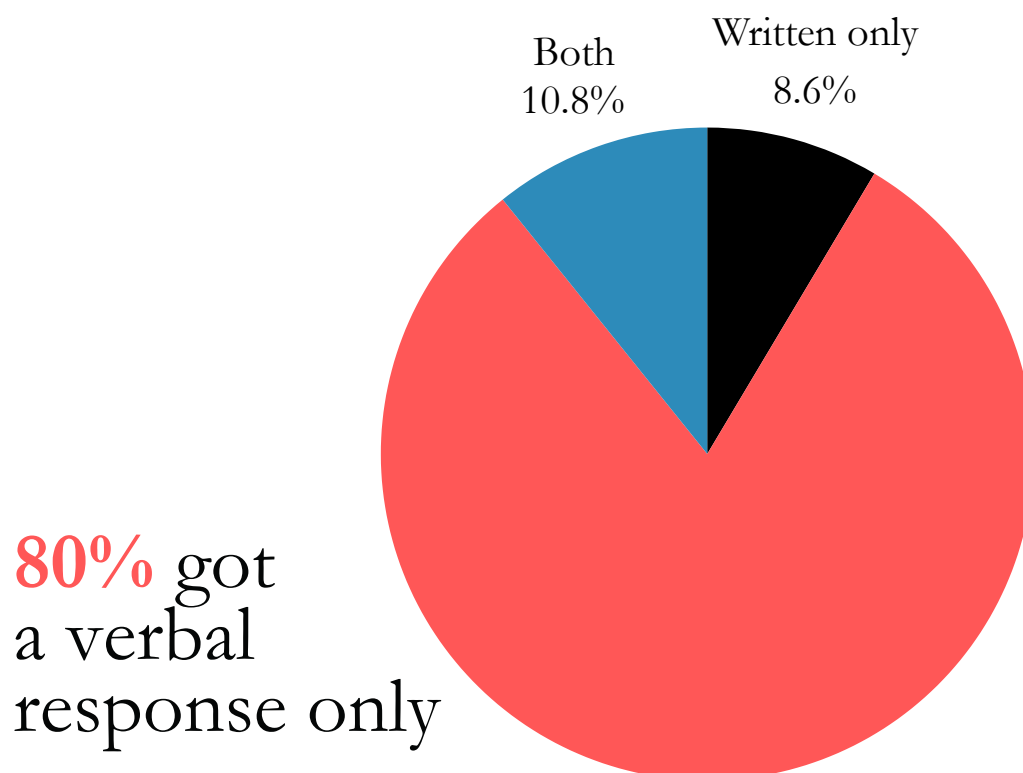
- Between 2022-2024, 80% of respondents reported receiving verbal-only responses.

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**There is an increasing trend in refusals from quarter to quarter during the years 2022–2023.**

Answers to the question:

“Did you receive a written or verbal response after you requested banking services?”



# Immigrants Reported Reasons Banks Gave for Refusals

The main reasons mentioned include, from 106 individuals who responded to the question about explanations given by the bank for the refusal:

- "Russia/Sanctions": 25% (*even to individuals from Ukraine, Belarus, not under sanctions*)
- "Additional documentation required": 17%
- "Problems with scheduling appointments, or being sent to other branches": 10%

## Other reported reasons:

- "Risk/Compliance" without further explanation
- "We don't serve immigrants"
- "No job/no credit history"
- "Too much money"
- "Too little money"
- "Not a citizen/resident."
- "Provide proof of residency like lease agreement."

## Detailed Responses on Reasons for Refusal, Received from Immigrants in the Surveys



"The first question when visiting the bank is where you were born. I cannot receive money from Germany (I sent the goods). There is an invoice and a receipt in the mail. They say I am not entitled to receive money due to sanctions."

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"The bank still hasn't credited the amount of approximately \$10,000 that was transferred from BCS Bank in Russia, citing sanctions, even though there were no sanctions against me or BCS Bank!"

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"The money was sent from the Russian Federation to Israel at the beginning of February 2023. While the transfer was being processed in Israel, sanctions were imposed on the Russian bank; the transfer was not accepted, even though according to OFAC there was still time until May to complete open transactions. As a result, until August (six months), the money was stuck between countries (Israel did not accept it, and it could not return to the Russian Federation due to sanctions). Since August, the money has been in a blocked account with a European correspondent bank, without access to it."

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"The bank does not want to accept money from Russia and said it was in a sanctioned bank - even though it was money from my old job/salary and was paid to me before the war started and before sanctions were imposed."

## Detailed Responses on Reasons for Refusal, Received from Immigrants in the Surveys



"One Zero Bank refused to open an account without explanation."

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"Initially, they refused to accept the money. The justification was that the banks from which my salary was withdrawn were sanctioned. They set a card payment limit of 1,000 shekels and refused to increase it several times. They constantly pointed to the inadmissibility of small transfers to the account."

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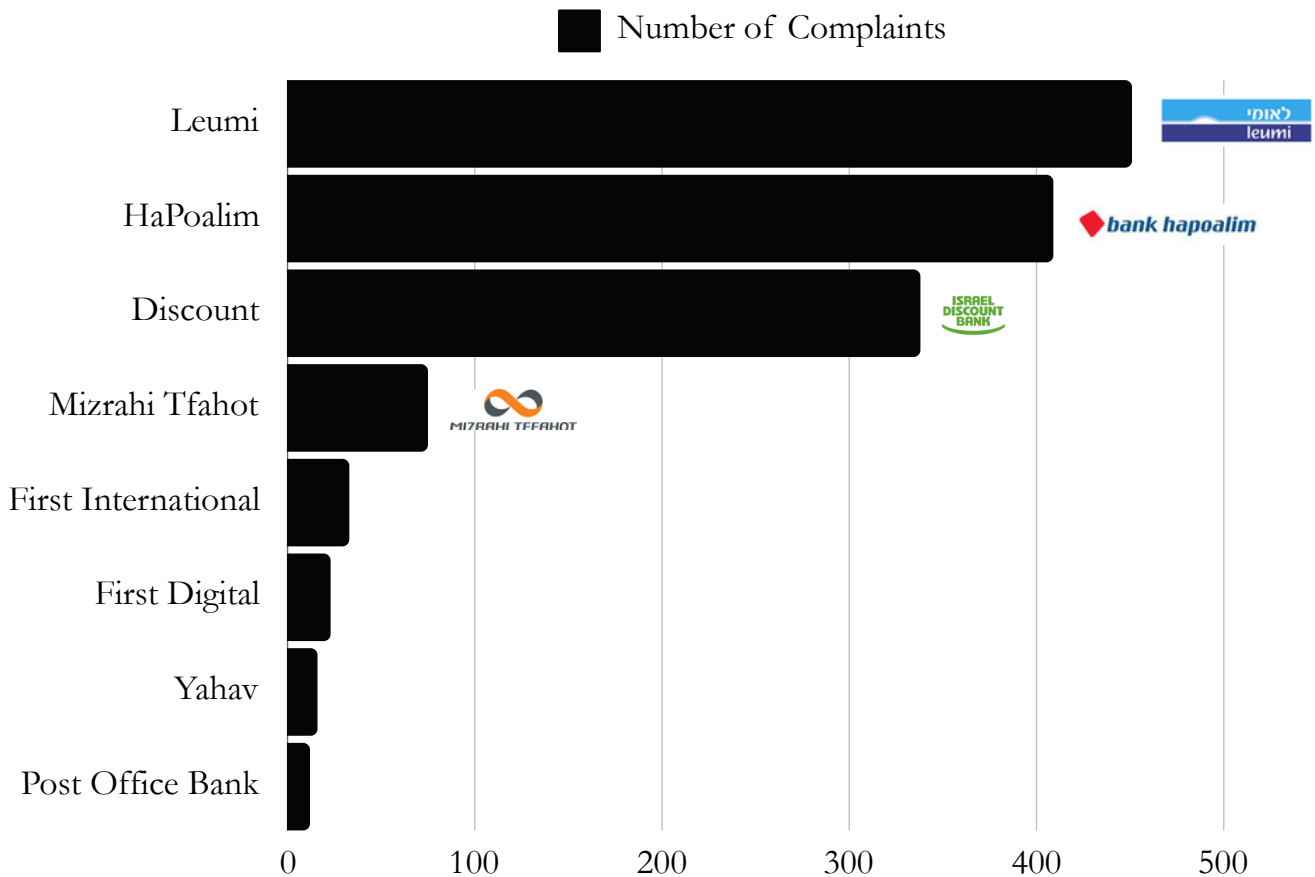
"I asked the manager how my father, a Russian citizen living in Russia, could give me \$20,000 to buy a car. The deputy manager at Discount Bank verbally responded that he would need to open an account in Israel, transfer the money from Russia to his bank account, and then gift it to me. I informed her that he did not have Israeli citizenship, and she replied that he needed to obtain it and open an account. No written response was received, even though I emailed them at the provided address."

- **Immigrated to Israel in 2022, reported this unresolved case on 22/05/2024.**

## Part 4: Top Banks Mentioned in Complaints

In the years 2022-2024, respondents faced barriers at multiple banks:

- At least 1353 attempts to receive banking services
- At least 1.4 attempts on average per respondent
- In 2022-2023, the average was 1.2 banks, and in 2024, the average increased to 1.4. This indicated that respondents try more than one bank after not receiving service or proper treatment at others.

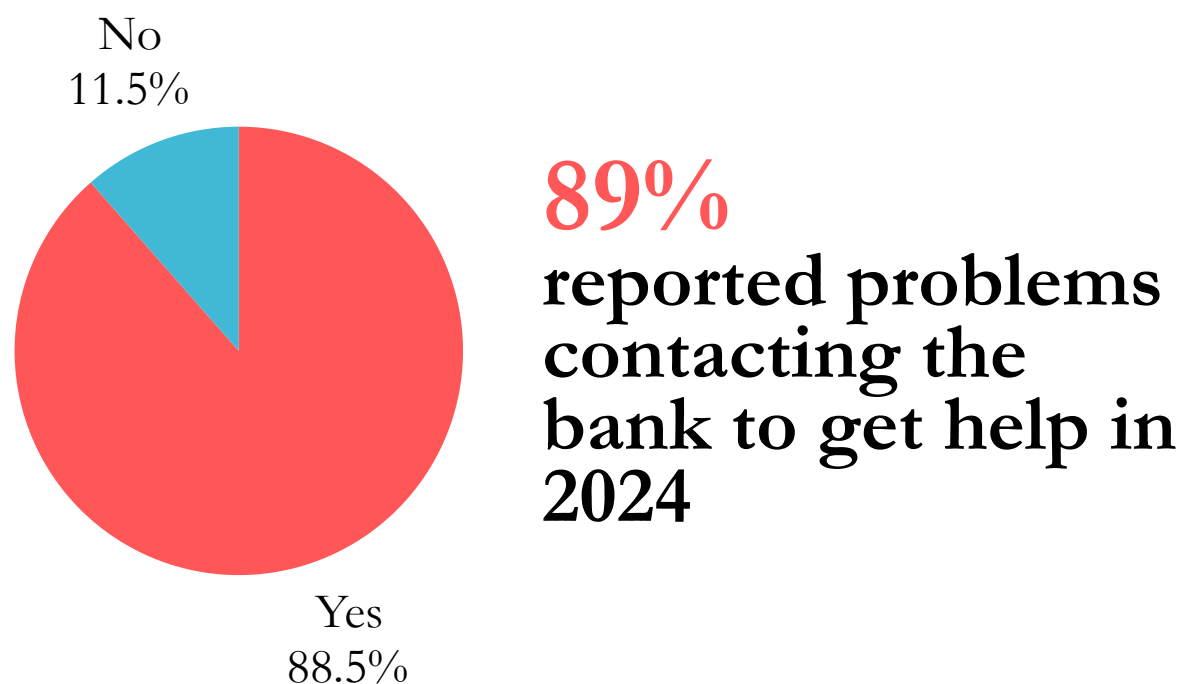


## Lack of Communication with Banks

89% reported issues in contacting the bank to get help in 2024

### Answers to the question:

“Have you had problems contacting the bank to get help?”





## Detailed Responses on Reasons for Refusal, Received from Immigrants in the Surveys



"At Mercantile Bank, when they found out I have a vision problem, they wouldn't let me open an account until they ordered and provided a Braille contract in Hebrew. I don't know Hebrew or Braille, and I came to open an account with a volunteer translator. In the end, we crossed the street and opened an account at Leumi."

- **Immigrated from Ukraine in 2022. Reported this partially resolved case on May 16, 2024.**



"There are many refugees at my work. They all have work permits, but the banks are very obstructive when it comes to opening accounts. They only address problems verbally, from the clerk to the branch manager. Only one person has an account. Recently, they opened accounts at Hapoalim, but the rest have been waiting for a year."

- **Immigrated from the Soviet Union in 1991, speaking on behalf of refugee colleagues, reported this unresolved case on May 17, 2024.**



"The manager and branch manager ~~lied~~ that Israeli banks are not allowed to receive transfers from Georgia, where I had savings. A month later, I found out there is no such restriction. I switched to another bank and wasted over three months legalizing the funds."

- **M.G., an immigrant, reported this unresolved case on December 11, 2023.**

# About the Economic Integration Org

We are an NGO dedicated to accelerating the economic impact of immigrants and displaced professionals. We focus on publishing key, timely, first-party data from the field, and partnering with leaders across society for real-world solutions like policy change and private sector engagement.

## Contact:

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## Acknowledgements:

This two-year study was made possible by the support of the **immigrant community** who documented first-person accounts of their experiences in the Israeli banking system, by **community leaders** who donated their time to supporting the work, by local **Israeli professionals** who lent their subject matter expertise, by **non-profit organizations** who partnered with us, by **lawmakers** who believed in fairness and gave us a platform to share stories and data from the field, and by **members of the press** who spread our message. You are too numerous to name individually. We are eternally grateful for your efforts to build a better, stronger economic system in Israel, by welcoming thousands of taxpayers at a time.