

Banking Supervision Department

January 17, 2022

Circular no. C-06-2692

To:

The banking corporations and credit card companies

**Re: Implementation of an Open Banking Standard in Israel
(Proper Conduct of Banking Business Directive no. 368)**

Introduction

1. In February 2020, the Banking Supervision Department published Proper Conduct of Banking Business Directive no. 368 on “The implementation of an open banking standard in Israel” (hereinafter, “Directive 368”). Within the framework of Circular no. C-06-2606 (hereinafter, “Circular 2606”), the start dates of the Directive (Sections 66–68 of the Circular) were established. It was established that the first stage would go into effect on December 31, 2020.
2. In March 2020, against the background of the development of the COVID-19 event and its ramifications on the economy worldwide and in Israel, the reduction of the human resources in the banking system and in the credit card companies, and their focus on dealing with the urgent matters arising due to the crisis, it was decided to defer the start dates of the Directive by 3 months for each of its stages. Accordingly, in Circular C-06-2613, it was determined that the start date for the first stage would be March 31, 2021.
3. In April 2021, Circular C-06-2658 (hereinafter, “Circular 2658”) was published, which determined that the start date of the first stage would be April 18, 2021. It was also determined that there would be a deferral of the other stages, as stated in the Circular.
4. Within the framework of the discussions in the Knesset for legislating a Financial Information Service Law, 5782-2021, (hereinafter, “the Law”), the Economic Affairs Committee requested to shorten the gap between the date that the banking system would be able to receive information about a customer’s payment card activity, via the open banking interfaces, and the date when all the supervised entities, according to the new Law, will be able to do so (the date that the Law goes into effect). As such, and in view of the difficulty at this time in differentiating between providing access to payment card information and providing access to payment initiation together with it as well (the second stage), I intend to update the start dates of the obligation to provide access to information on the activity of a payment card customer, and the obligation to provide access to a customer’s current account for payment initiation needs, as established in Directive 368. In terms of providing access to information on credit and deposits, the timetables were aligned with those established in the Law.

5. After consultation with the Advisory Committee for Banking Business Affairs and with the approval of the Governor, I hereby defer the start date of the Directive with regard to information regarding payment cards and with regard to providing access to a payment initiation service provider as follows:

Start

6. In place of the provisions of Section 66.1 in Circular 2606, as adjusted in Section 6 of Circular 2658, shall be:

66.1 “The obligation to provide access to information of the type detailed in Sections 36.6 to 36.8 of the Directive (payment card information, payment card balances, and payment card transactions) as well as in Section 38 (payment initiation) and all the provisions related to these sections—their start date shall be March 31, 2022.”

In place of the provisions of Section 66.2 in Circular 2606, as adjusted in Section 6 of Circular 2658, shall be:

66.2 “The obligation to provide access to information of the type detailed in Sections 20.7 to 20.8 (information on credit, savings, and deposits) and all the provisions related to these sections shall go into effect on October 31, 2022.”

Sincerely,

Yair Avidan
Supervisor of Banks