

BANK OF ISRAEL

Office of the Spokesperson and Economic Information

Press release

November 8, 2023

**The Bank of Israel announces the expansion of the assistance program to residents of the north dealing with the impact of the “Swords of Iron” war**

With the outbreak of the “Swords of Iron” war, the Bank of Israel announced a [comprehensive program that was adopted by the banks](https://www.boi.org.il/en/bank-of-israel/iron-swords/boi-outline-banks/), and an additional [program that was adopted by the credit card companies](https://www.boi.org.il/en/bank-of-israel/iron-swords/boi-outline-creditcards/). The aim of those programs is to help customers deal with the implications of the war. These programs include people who live or own a business within a range of 30 km from the Gaza Strip; those who were evacuated from their homes by an official state agency as of the date of publication of the programs (those evacuated from communities in the south); those serving in the reserves or called up through emergency mobilization orders; and those who are first-degree relatives of someone killed in the war, kidnapped, or missing (hereinafter – first-degree customers in the program).

**Today, the Banking Supervision Department announced an expansion of the definition of first-degree customers in these programs to include people living in communities in northern Israel or those who own a business in those communities,** who have been evacuated by an official state agency as of November 7, 2023, and who live in one of the communities appearing in the [list published on the Bank of Israel website](https://www.boi.org.il/en/bank-of-israel/iron-swords/boi-outline-banks/).

Bank of Israel Governor Prof. Amir Yaron: “The expansion of the program as published today is another element in the set of economic tools that the Bank of Israel is advancing in order to ease the cash flow for the target population groups, increase financial certainty, and help the public get through this challenging period, with an emphasis on households and small businesses. We will continue to act in parallel with regard to all financial aspects of our responsibility. I would like to thank the Banking Supervision Department for expanding the program, and the banks and credit card companies for joining with us.”

Supervisor of Banks Daniel Hahiashvili: “The expansion of the assistance programs to include residents of the north who were evacuated from their homes is a continuation of the many steps we have taken since the outbreak of the war to assist customers and make things easier for them. In all the measures we are advancing, we examine the optimal and most effect assistance that we can give customers, and we act accordingly. I thank the banks and the credit card companies for agreeing to expand the programs, and for other actions that they are taking at their own initiatives to help customers during this period.”

The programs that have been formulated enable people who have suffered direct damage from the war (first-degree customers) to defer loan and mortgage repayments without interest or fees, to obtain an exemption from most fees and an exemption from interest on overdraft amounts up to NIS 10,000, all for a period of three months from when they join the program.[[1]](#footnote-1) We also emphasize that for other customers throughout Israel (second-degree customers), there are programs that provide the option of deferring loan and mortgage repayments for up to three months without fees, though the deferred payments will bear interest of no more than the interest rate in the loan documents, with the payments generally being tacked on to the end of the loan period. The full and detailed conditions of the programs are published on the [Bank of Israel website](https://www.boi.org.il/en/bank-of-israel/iron-swords/boi-outline-banks/).

A further expansion of the program, which is being made in conjunction with the Accountant General at the Ministry of Finance, includes loans that were provided through the Fund for Small and Medium Businesses backed by the State as part of the loans that can be deferred within the assistance program adopted by the banks and credit card companies.

More information on the programs, including a list of frequently asked questions (FAQ) and information on additional measures adopted to benefit customers, can be found on the [emergency information page](https://www.boi.org.il/en/bank-of-israel/iron-swords/) on the Bank of Israel’s website.

* The Banking Supervision Department’s Consumer Enquiries and Inspection Unit can be reached at 02-655-2680 or \*9086.
* The Bank of Israel’s Supervisor of Credit Data call center can be reached at \*6194.
1. People may join the program until December 31, 2023. [↑](#footnote-ref-1)