

BANK OF ISRAEL

Office of the Spokesperson and Economic Information

Press release

March 12, 2023

**The Banking Supervision Department held its annual update meeting on the “Financial Availability Covenant”**

**The Covenant makes it easier for victims of violence and women in the process of leaving the prostitution cycle to cope financially.**

The “Financial Availability Covenant”, which was launched in 2016, is a voluntary charter that aims to help victims of violence.[[1]](#footnote-1) The Covenant has been joined by the Association of Banks in Israel, the banks themselves, the credit card companies, the Postal Bank, social organizations, and the Enforcement and Collections Authority. As part of the Covenant, victims of violence have access to financial solutions that are adapted to their needs, with the aim of helping them overcome the crisis they have experienced and embark on a new and independent financial path. The assistance is currently provided to women in shelters and half-way houses, to those receiving assistance at all family violence prevention and treatment centers throughout Israel, and to woman who lack status.

Since the Charter was launched, approximately 2,115 women have received assistance in dealing with economic violence in a variety of ways: opening a new account, debt arrangements and clarification of liens, freezing mortgages, requests to exit a joint account and deletion of account holders from the account, cancellation of credit cards, and more.

**Expansion of the Covenant to include people in the process of rehabilitation and leaving the cycle of prostitution**

As part of the meeting, the Banking Supervision Department announced that starting in March 2023, the assistance given as part of the Covenant will be expanded to include the survivors of prostitution. This expansion is being made with the understanding that the financial state of people in this population group has a tremendous impact on the success of their rehabilitation, and that difficulty in financial conduct poses a main barrier in the process of leaving the cycle and rehabilitating.

Recognition of the complex state of prostitution survivors will help financial institution employees act toward them with extra sensitivity, in line with their unique needs. They will also be able to help these survivors make changes in their financial conduct from unregulated behavior that leads to the accumulation of debts to a controlled and planned exit from such a state, while providing access to all services and assistance in maximizing their rights.

Supervisor of Banks Yair Avidan said, “The Banking Supervision Department expects the banking corporations to be fully involved and socially responsible, to think about and deal with weighty issues relating to the future of society, so that we can live in a better society. This expectation is realized partly through the welcome activity as part of the Covenant, in which the banking system is enlisted to help victims of violence by providing broad, immediate, and fully available assistance together with a strong desire to find creative solutions to ease the victims’ situations as they embark on new paths and independent lives. Today, after more than seven years of activity within the Covenant, I can state with satisfaction that the Covenant provides a tangible and effective answer that is enveloped in sensitivity. In addition, the involvement of all financial institutions is worthy of tremendous appreciation.”

The meeting was opened by the Supervisor of Banks, whose full remarks are attached to this press release. The meeting also featured other speakers who enriched the participants with their remarks: Smadar Berber-Tsadik, CEO of First International Bank; Eitan Madmon, Director General of the Association of Banks in Israel; and Meli Orgad, Head of the Trauma and Crisis Services Center at the Ministry of Welfare. Bank of Israel Spokesperson Uri Barazani provided details of the special team established at the Bank of Israel to help people break the cycle of prostitution and how the services that the financial institutions provide as part of the Covenant will be expanded to help this population group. Osnat Kitron, Head of Government Relations at the Struggle Against Trafficking in Women and Prostitution, shared the unique challenges of exploited women. Miri Benshalom-Dor, formerly the head of a women’s shelter, interviewed Olessia Kantor, formerly a shelter resident and currently a curator at the Vatican, on the burden of shame and hiding. Naomi Schneiderman, Director General of the Woman to Woman organization, interviewed Dr. Adham Abdallah, who grew up in a shelter, about his childhood experience in the shadow of violence. Dr. Merav Shmueli, Head of Policy Change and Legislation at the “Ruach Nashit” (Women’s Spirit) organization, led a panel discussion on the challenges and successes in implementing the Covenant. The panel included Hadil Abu-Habla, who manages a shelter; Shira Hausy of Ruach Nashit; Chaya Schreiber, Ombudsman at Bank Mizrahi-Tefahot; and Arielle Bar, daughter of Rachel Eisenstadt, ob’m.

**The Supervisor of Banks’s remarks are attached.**

**The Financial Availability Covenant can be viewed (in Hebrew) at:**

1. Since most victims of violence treated at centers are women, the charter was drafted in reference to the female gender. However, it is intended for women and men and provides for assistance to victims of violence from both genders.​ [↑](#footnote-ref-1)