

Leveraging Progressive Regulation Cultivating Fintechs in the World's 30th Largest Economy

FinTech Connect 2024
London

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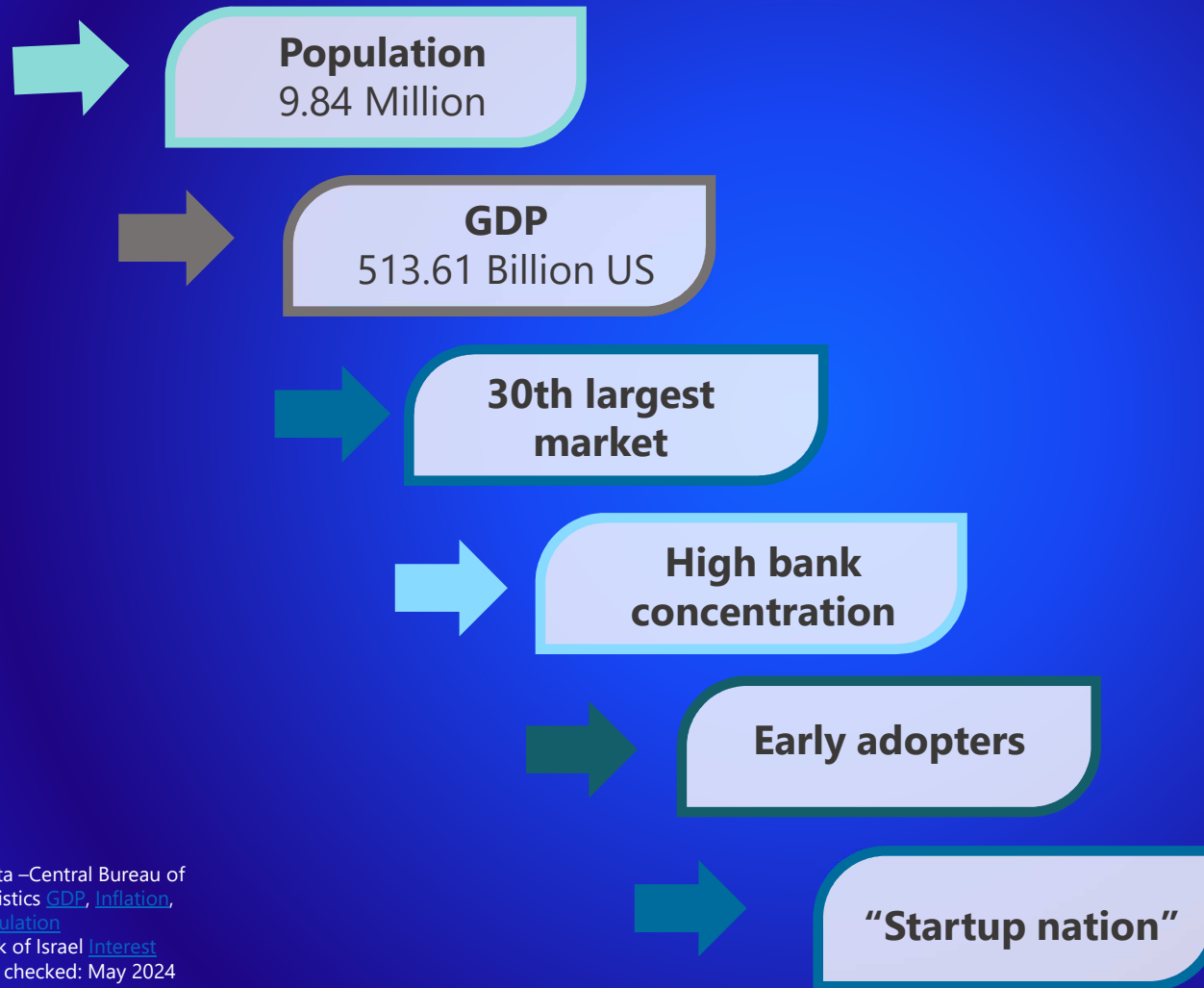
Member of Management
& Director of Payment Systems

Bank of Israel

5th December, 2024



Israel market snapshot



*Data –Central Bureau of
Statistics [GDP](#), [Inflation](#),
[Population](#)
Bank of Israel [Interest](#)
Last checked: May 2024

Robust Fintech Ecosystem in Israel



Hundreds of
Fintech
companies



Dozens of
VCs



Dozens of
Fintech
unicorns



Global Fintech
R&D Centers

Regulatory motivation to enhance the payments industry and cultivate Fintech companies

**Grow
GDP**

**Lower
total cost
of
payment**

**Increase
competition
in the
financial
sector**

Regulatory initiatives in financial services (other than payments)



Financial incentives for Fintech R&D & Innovation



Credit data registry / credit bureaus



Open finance

- Account information services (part of open banking)
- Credit data from NBFIs



Cloud banking



Incentives for Insuretech investments, lighter licensing for digital insurance companies



Israeli Banking as a Service (platform)



Account switching



Lighter bank licensing requirements

Regulatory initiatives in payments



Digital Shekel – CBDC (exploration)



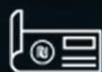
Cross-border targets



Proximity payments



Faster payments



Digital cheque - forthcoming



Payment initiation (part of open banking)



Open access to designated payment systems

Open access to designated payment systems

RTGS



**National ACH
Clearing House
operated by
Masav**



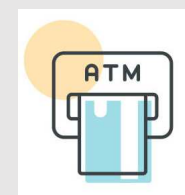
**Faster
Payments
System
operated by
Masav**



**National
Card Switch
operated by
Shva**



**National
ATM Switch
operated by
Shva**



Designated payment system access entitles Fintech to a

code identifier

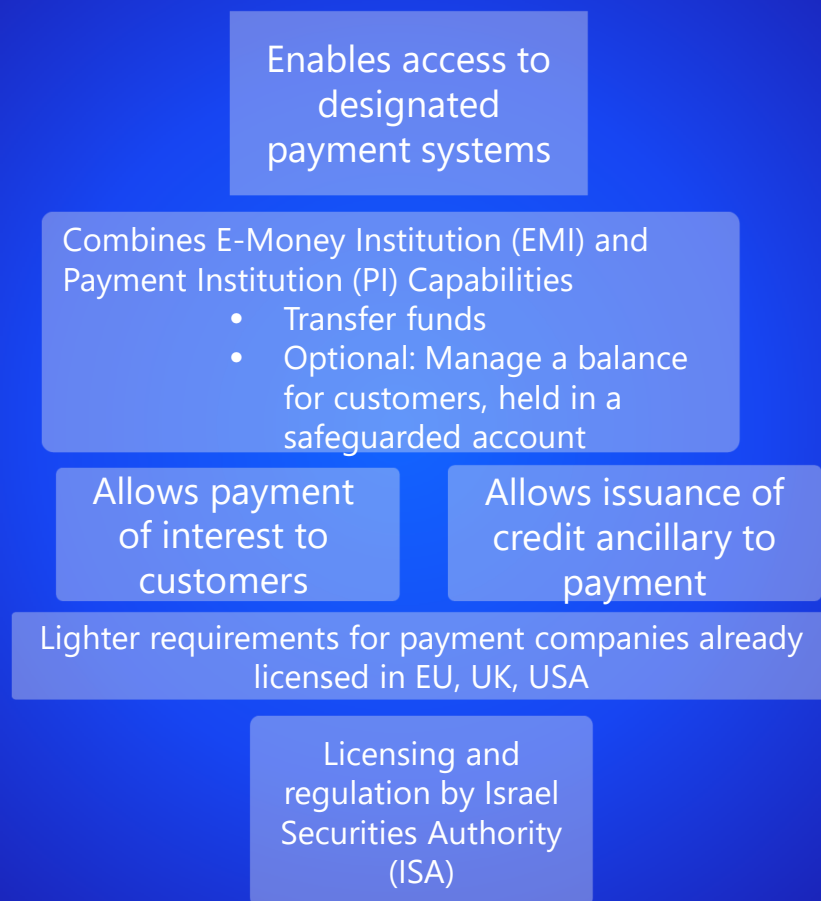
Israeli equivalent of a UK "sort code" or US "ABA routing number"

FinTech Connect 2024



"Payment Company" License

The "Israeli PSD2"



Vision

**In the coming years,
dozens of payment service
providers and hundreds
of new digital value
propositions in the Israel
payments market**



Join us!