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The Wait is Over: the EU Reaffirms Israel's Data Protection Adequacy

Client Updates

On 15 January 2024, the European Commission (the "**Commission**") released its [report](#) on the first review of the functioning of the eleven adequacy decisions adopted pursuant to Directive 95/46/E (the "**Report**"). **The Report concluded that Israel continues to provide an adequate level of protection for personal data that is transferred from outside of the European Union (EU).**

In the Report, the Commission recognizes the developments in the Israeli legal framework since the adoption of the original adequacy decision regarding Israel in 2011. The Commission mentions specific safeguards that Israel introduced to reinforce the protection of European Economic Area ("**EEA**"), including the Privacy Protection Regulations (Instructions for Data that was transferred to Israel from the European Economic Area), 5783-2023 (which were discussed in our [client update](#) dated May 2023), as well as the Privacy Protection Regulations (Data Security), 5777-2017. The Commission also mentioned the Privacy Protection Bill (Amendment No. 14), 5722-2022, that is currently being discussed at the Knesset, and views it as an important opportunity to consolidate and codify the additional protections that were developed at the sub-legislative level and case law.

What does the adequacy status mean?

Under Article 45 of the EU General Data Protection Regulation ("**GDPR**"), the Commission has the authority to decide if a country outside the European Union provides an adequate level of protection for personal data. The Commission is obligated to periodically review its adequacy decisions made under GDPR and report its findings to the European Parliament and the Council.

Once a country is deemed adequate, no additional mechanism (such as Standard Contractual Clauses) is required under the GDPR for the transfer of personal data outside of the EEA. Accordingly, entities in Israel that receive personal data from the EEA are now able to continue doing so based on the adequacy decision.

How will the adequacy finding affect Israel?

This recognition is important for the Israeli economy as it strengthens trade relations with Europe, facilitates research collaborations, and simplifies the flow of personal data to Israel, thereby reducing costs for businesses and organizations, and creating a competitive edge for Israeli companies.

Please feel free to contact us with any questions that you have on this matter.

This client update was prepared with the assistance of Melisa Poiron.

This client update is designed to provide general information only, is not a full or complete analysis of the matters presented, and may not be relied upon as legal advice.

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