

Houthoff Class Action Survey: Israel

The Houthoff Class Action Survey 2024 provides an eye-opening journey into the future of class actions. It includes around 40 interviews with thought leaders from 12 different countries, preceded by an overview of the current class action regime in each jurisdiction. This is the overview for Israel.

Israel has a long history of numerous class actions, since alternative methods for collective redress are not customary. Class actions are limited to certain areas of law or types of actions, although the Class Actions Law 5766-2006, which was enacted during 2006, has broadened their scope. Class actions can concern, for example, the infringement of consumer and competition law, securities issues, environmental issues and product liability. Monetary remedies can be sought.

The general procedure is that a claimant submits a motion for judicial approval of their personal claim as a class action, seeking to serve as the representative claimant. Non-profit organisations and some public authorities can bring class actions under certain conditions. The court has to certify the class. In principle, class actions have an opt-out mechanism, although the Class Actions Law provides the court with the option to require class members to opt in.

On 8 April 2018, new regulations introduced court fees for class action lawsuits. The fees are meant to discourage class actions that are ill-founded or that have negligible importance or value.

Since the Class Actions Law was enacted, the majority of the class actions in Israel have been resolved either by settlements or consensual dismissal. Both must be approved by the court in order to protect the interests of the class members.

Class actions

Scope	Broad list of claims, based on the infringement of e.g. consumer, securities and competition law; environmental claims; product liability.
Access granted to	Class representative and certain non-profit organisations and public authorities.
Opt-in or opt-out	Opt-out; the court can choose an opt-in regime.
Declaratory relief or damages	Both.
Frequently used	Yes.
Regulatory framework	Class Actions Law 5766-2006, Class Actions Regulations.
Alternatives used in practice	No.

Class settlements

Class settlements		
Binding class members after court approval	Yes.	
Opt-in or opt-out	Opt-out.	

Third party funding

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Regulated by law	No, but public funding is regulated.
Frequently used	Yes, but still increasing.

Good to know

Israel has the largest number of class actions per capita worldwide.

In October, we are holding an interactive seminar where the main results of this research will be presented. Read more about this event on our website and pre-order the Houthoff Class Action Survey 2024.

CONTACT

If you have any questions about class actions or the survey, please feel free to contact Albert Knigge or Isabella Wijnberg.



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