

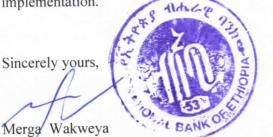
# የኢትዮጵያ ብሔራዊ ባንክ NATIONAL BANK OF ETHIOPIA አዲስ አበባ / ADDIS ABABA

FIS/MFISD/429/2022 October 5, 2022

## All Capital Goods Financing Companies Addis Ababa

### Subject: -Directive No. CGFB/13/2022

Enclosed herewith, please find "Licensing and Credit Information Fees of Capital Goods Finance Companies Directive No. CGFB/13/2022" for your information and strict implementation.



Director, Microfinance Institutions Supervision Directorate

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CC:

W. Lan Lan

- > H.E The Governor
- > Vice Governors
- > Senior Advisor
- > Advisors

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- All Directorates
  - National Bank of Ethiopia



# የኢትዮጵያ ብሔራዊ ባንክ NATIONAL BANK OF ETHIOPIA አዲስ አበባ / ADDIS ABABA

## LICENSING AND SUPERVISION OF Capital Goods Financing Business Licensing and Credit Information Fees of Capital Goods Finance Companies Directive No. CGFB/13/2022

**Whereas**, it is essential that the National Bank has to improve its service quality with a view to satisfy its customers;

**Whereas**, it is found necessary to revise existing fees as well as introduce some new ones on National Bank services provided to capital goods finance companies;

Now, therefore, in accordance with powers vested in it under Article 4 (4a) and 18 (4) of Capital Goods Leasing Business Proclamation No. 103/1998 as amended of the Capital Goods Leasing Business (Amendment) Proclamation No. 807/2013, the National Bank of Ethiopia has issued this Directive.

### 1. Short Title

This Directive may be cited as "Licensing and Credit Information Fees of Capital Goods Finance Companies Directive No. CGFB/13/2022."

### 2. Definition

For the purpose of this Directive, unless the context provides otherwise:

- 2.1. " **aggregate loans and advance**" mean the sum of all types of loans and advances being approved and disbursed to a borrower at one time, or simultaneously;
- 2.2. "capital goods finance company" means a company licensed by National Bank to undertake capital goods finance business.
- 2.3. "National Bank" means National Bank of Ethiopia.

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### 3. Scope of the Directive

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The provisions of this Directive shall be applicable to all Capital Goods Finance Companies operating in Ethiopia.

### 4. Fees

- 4.1. A company applying to obtain new capital goods finance business license shall pay:
  - 4.1.1. investigation/application fee of Birr 50,000 (fifty thousand Birr ), and
  - 4.1.2. licensing fee of Birr 100,000 (one hundred thousand Birr).
- 4.2. A capital goods finance company applying for renewal of its business license or replacement thereof shall pay renewal fee of Birr 100,000 (one hundred thousand Birr).
- 4.3. A capital goods finance company shall renew its business license every year between August 1 and October 31.
- 4.4. A capital goods finance company applying for a branch license or replacement thereof, shall pay licensing fee of Birr 4,000 (four thousand Birr) per branch.
- 4.5. A capital goods finance company applying to obtain credit information shall pay:
  - i) no fee for aggregate loans and advances less or equal to Birr 100, 000 (one hundred thousand Birr) requested,
  - ii) Birr 1,000 (one thousand Birr) for aggregate loans and advances more than Birr 100,000 (one hundred thousand Birr) and less or equal to Birr 1,000,000 (one million Birr) requested, and
  - iii) Birr 2,000 (two thousand Birr) for aggregate loans and advances more than Birr 1,000,000 (one million Birr) requested.

#### 5. <u>Repeal</u>

- 5.1) Article 9 of Directive No. CGFB/02/2013 is hereby repealed.
- 5.2) Sub-article 10.1 of Directive No.CRB/02/2019 is hereby repealed.

#### 6. Effective Date

This Directive shall enter into effect as of 5<sup>th</sup> day of October 2022.

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