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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.

Sincerely yours,


Merga Wakweya

Director, Microfinance Institutions Supervision Directorate



CC:

- H.E The Governor
- Vice Governors
- Senior Advisor
- Advisors
- All Directorates

National Bank of Ethiopia



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NATIONAL BANK OF ETHIOPIA
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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.

3. Scope of the Directive

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. Repeal

- 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 5th day of October 2022.

