



- 4.3 A bank authorized to open a branch or sub-branch shall commence operation within six months from date of the grant of license.
- 4.4 A bank authorized to open or relocate a branch or sub-branch shall request the National Bank, in writing, approval to commence operation in the new or relocated branch or sub-branch 15 days before the planned date of commencement of operation enclosing duly completed and signed form, as specified under **Annex II**.
- 4.5 Before commencing operation, a bank authorized to open or relocate a branch or sub-branch shall fulfill the following requirements:
- 4.5.1 place adequate and appropriate staff;
 - 4.5.2 ensure that the bank's relevant policies and procedures manuals and the National Bank directives are distributed to appropriate staff members of the branch or sub-branch to be opened;
 - 4.5.3 ensure that the branch or sub-branch is adequately guarded;
 - 4.5.4 all windows and glass walls of the branch or sub-branch shall be well secured or grilled;
 - 4.5.5 cash loading and unloading area should be suitable;
 - 4.5.6 display in a visible area of the branch or sub-branch a signboard stating “ _____ Branch or Sub-Branch of _____ Bank S.C.”, working hours, copy of the bank's business license and branch or sub-branch license;
 - 4.5.7 the staff operating area and banking hall include:
 - i. proper ventilation and circulation of fresh air,
 - ii. suitable and clean sanitary services,
 - iii. sufficient and suitable lighting,
 - iv. fire extinguishers at appropriate places, and
 - v. strong room (vault) with a minimum carrying capacity of 8 cubic meters for the branch, or a suitable safe deposit box for the sub-branch.
 - 4.5.8 having insurance policy at least for:
 - i. fire and other perils for bank's own premises,
 - ii. cash and valuables in premises and in transit, and
 - iii. fidelity or appropriate provisions for such risks.



5. Limitations on Operations of a Sub-Branch

No sub-branch shall execute the following functions:

- i. international banking or trade finance; and
- ii. loan processing or underwriting.

6. Obligation of the National Bank

The National Bank shall give a written response within half-day of receipt of full application.

7. Prohibition

- 7.1 No bank shall relocate or close its branch or sub-branch without prior request, enclosing duly completed and signed format, as specified under **Annex III** and authorization by the National Bank.
- 7.2 A bank shall return old license and pay investigation fee, the amount of which is provided under article 8 below, to relocate a branch or sub-branch, upgrade a sub-branch or downgrade a branch.
- 7.3 No bank shall upgrade a sub-branch to a branch or downgrade a branch to a sub-branch without prior request, enclosing duly completed and signed format, as specified under **Annex IV** and authorization by the National Bank.

8. Fee

A bank applying to open a new branch or sub-branch, relocate existing branch or sub-branch, upgrade a sub-branch to a branch or downgrade a branch to a sub-branch shall pay an investigation fee of Birr 1,000 for each branch or sub-branch to be opened or relocated, each sub-branch to be upgraded or each branch to be downgraded.

9. Repeal

Amendment of Branch Opening Directives No. SBB/40/2006, and Circulars BSD/01/2011 and BSD/02/2011 are hereby repealed and replaced by these Directives.

10. Effective Date

These Directives shall enter into force as of the **1st day of January 2015**.


TEKLEWOLD ATNAFU
GOVERNOR



Annex I

Application Form to Open a Branch or Sub-Branch Office

1. Name of applicant (bank) _____
2. Proposed name of branch or sub-branch
Amharic _____ English _____
3. Address of the proposed branch or sub-branch
Region _____ P. O. Box _____
City/sub-city _____ Telephone _____
Woreda _____ Fax _____
House number _____ Email _____

I hereby confirm that the foregoing statements are correct and true.

Name: _____

Designation: _____

Signature: _____

Date: _____



**Form to Confirm Minimum Standards are Met
to Open or Relocate a Branch or Sub-Branch**

Name of Bank _____

Name of Branch or Sub-Branch _____

I. Please tick "Yes" or "No"

No.	Minimum standard required as per sub-article 4.5 of the Directives No. SBB/58/2014	Is the minimum standard required fulfilled?	
		Yes	No
	Before commencing operation, a bank authorized to open or relocate a branch or sub-branch shall fulfill the following requirements		
1	Are adequate and appropriate staffs placed?		
2	Are the bank's relevant policies and procedure manuals, and the National Bank directives distributed to appropriate staff members of the branch or sub-branch to be opened?		
3	Is the branch or sub-branch adequately guarded?		
4	Are all windows and glass walls of the building housing the branch or sub-branch well secured or grilled?		
5	Is cash loading and unloading area suitable?		
6	Are the branch or sub-branch a signboard stating "_____ Branch or Sub-Branch of _____ Bank S.C.", working hours, copy of the bank's business license and branch or sub-branch license displayed in a visible area of the branch or sub-branch?		
7	Are staff operating area and banking hall suitable for the type of business to be undertaken in the premises housing the branch or sub-branch including but not limited to:		
	7.1 proper ventilation and circulation of fresh air?		
	7.2 suitable and clean sanitary services?		
	7.3 sufficient and suitable lighting?		
	7.4 fire extinguishers at appropriate places?		
	7.5 strong room (vault) with a minimum carrying capacity of 8 cubic meters for the branch or a suitable safe box for the sub-branch?		
8	Are there, at minimum, insurance policy for:		
	8.1 fire and other perils for bank's own premises?		
	8.2 cash and valuables in premises and in transit?		
	8.3 fidelity or appropriate provisions for such risks?		

II. If your responses to questions in the table above are "No", please state the reasons:

Number --- _____

Number --- _____

Number --- _____

Number --- _____

I hereby confirm that the foregoing statements are correct and true.

Name: _____

Designation: _____

Signature: _____ Date: _____



Annex III

Application Form to Relocate or Close a Branch or Sub-Branch Office

1. Name of bank _____
2. Name of the branch or sub-branch to be relocated or closed
Amharic _____ English _____
3. Address of the new branch or sub-branch location (if relocation)

Region _____ P. O. Box _____
City/sub city _____ Telephone _____
Wereda _____ Fax _____
House number _____ Email _____
4. Approximate distance (in K/Ms) of the new branch or sub-branch location from the old one (if relocation) _____
5. Reason(s) for the branch or sub-branch relocation or closure _____

6. Would there be any anticipated problem(s) to existing customers that may result from the branch or sub-branch relocation or closure? (Yes/No) _____
7. If yes, please indicate the anticipated problem(s) and how it would be resolved

I hereby confirm that the foregoing statements are correct and true.

Name: _____

Designation: _____

Signature: _____

Date: _____



Annex IV

Application Form to Upgrade a Sub-Branch or Downgrade a Branch

1. Name of bank _____
2. Name of the branch to be downgraded or sub-branch to be upgraded
Amharic _____ English _____
3. Name of the new branch upgraded or the new sub-branch downgraded
Amharic _____ English _____
4. Reason(s) for upgrading the sub-branch or downgrading the branch _____
5. Would there be any anticipated problem(s) to existing customers that may result from downgrading the branch or upgrading the sub-branch? (Yes/No) _____
6. If yes, please indicate the anticipated problem(s) and how it would be resolved _____

I hereby confirm that the foregoing statements are correct and true.

Name: _____

Designation: _____

Signature: _____

Date: _____

