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NATIONAL BANK OF ETHIOPIA
አዲስ አበባ / ADDIS ABABA

**Directive for Amendment of Retention and Utilization of
Export Earnings And Inward Remittances**
Directives No. FXD /79/2022

Whereas, it is necessary to reconsider and incentivize eligible exporter of goods and services and recipients of inward remittance in line with power and responsibility vested in the National Bank of Ethiopia (NBE);

Now, therefore, in accordance with Article 27 (2) of the National Bank of Ethiopia establishment as amended Proclamation No. 591/2008, these Directives are hereby issued as follows:

Article 1

Short Title

These Directives may be cited as "The Retention and Utilization of Export Earnings and Inward Remittances Directives No." FXD/79/2022.

Article 2

Definitions

For the purpose of these Directives, unless the context requires otherwise:

1. "Forex Retention Accounts" shall mean foreign currency accounts maintained by eligible exporters of goods and services and recipients of inward remittances in accordance with the provisions of these Directives.
2. "Delinquent list" is a list containing names of exporters who have not settled their foreign exchange commitments with NBE.
3. "Eligible Customer" shall mean a regular recipient of foreign exchange remittances from abroad and/or an exporter of goods or services whose name does not appear on the delinquent list.



4. "Recipient of Inward Remittances" shall mean a resident company, institution or individual, other than government organizations and diplomatic mission, who receives foreign exchange transfers from abroad.
5. "Eligible Exporter of Goods and Services" shall mean an exporter who has fully settled his/her foreign exchange commitments with the NBE and whose name does not appear on the delinquent list.

Article 3

Opening of Forex Retention Accounts

A bank is authorized to open foreign exchange retention accounts for eligible exporters of goods, services and inward remittances.

Article 4

Retention Right

1. Banks are required to surrender Seventy percent (70%) of the foreign currency earnings from export of goods & services, private transfers (remittance) and NGO's transfers to the National bank of Ethiopia.
2. Exporter of goods and services and recipients of inward remittance shall have the right to retain Twenty percent (20%) of their export earnings in foreign currency indeterminately in a retention account after deduction of Seventy percent (70%) surrender requirement from the total earnings. Whereas the remaining Ten percent (10%) shall be surrendered to the respective bank at the prevailing buying exchange rate immediately on the day of the receipt and the bank effect the payment of the equivalent Birr to an eligible customer.
3. A bank can credit funds in retention accounts only when the recipient (beneficiary) has given written authority.
4. A bank can credit funds in retention account for merchants and/or entities licensed by the NBE to collect credit card/debit card/prepaid card/payments for goods and service they sale;



