

Fees for National Bank's Payment System Oversight, Licensing, and Authorization Services (Directive No. 944/2022)



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National Bank of Ethiopia

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NATIONAL BANK OF ETHIOPIA
ADDIS ABABA

Oversight of the National Payment System

Fees for National Bank's Payment System Oversight, Licensing and Authorization Services Directive 944/2022

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's payment system oversight, licensing, and authorization service;

Now therefore, in accordance with Article 30 and 37(2) of the National Payment System Proclamation No. 718/2011, the National Bank of Ethiopia has issued this Directive.

1) Short Title

This Directive may be cited as “**Fees for National Bank's Payment System Oversight, Licensing and Authorization Services Directive No. 944/2022**”.

2) Definition

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

- 2.1. “**big, medium, or small bank**” means a category as per Annex I&II of this directive to which a payment system operator or payment instrument issuer belongs to and as may be assigned by the National Bank from time to time;
- 2.2. “**National Bank**” means the National Bank Ethiopia;
- 2.3. “**payment instrument issuer**” means any person authorized or licensed by the National Bank to issue payment instrument;

2.4. **“payment system operator”** means a financial institution or any other person authorized or licensed by the National Bank to own, operate and administer a payment system;

2.5. **“payment system oversight fee”** means a financial charge for National Bank services provided to payment instrument issuer or payment system operator including on-site examination and off-site surveillance, and

3) **Scope of the Directive**

This Directive shall apply to all payment instrument issuers and payment system operators licensed or authorized by the National Bank.

4) **Fees**

4.1) A payment instrument issuer or national switch applying to obtain new license shall pay:

- i) investigation fee of Birr 100,000 (One Hundred Thousand Birr), and
- ii) licensing fee of Birr 300,000 (Three Hundred Thousand Birr).

4.2) A payment system operator other than national switch applying to obtain new license shall pay:

- i) investigation fee of Birr 20,000 (Twenty Thousand Birr), and
- ii) licensing fee of Birr 30,000 (Thirty Thousand Birr).

4.3) A payment instrument issuer or national switch applying for renewal of its business license shall pay annual renewal fee of Birr 200,000 (Two Hundred Thousand Birr);

4.4) A payment system operator other than national switch applying for renewal of its business license shall pay annual renewal fee of Birr 30,000 (Thirty Thousand Birr)

4.5) A bank or a microfinance institution applying to obtain authorization to be a payment instrument issuer shall pay authorization fee of Birr 50,000 (Fifty Thousand Birr);

4.6) A payment instrument issuer shall pay annual oversight fee of:

- i) Birr 1,000,000 (One Million Birr) if it is big payment instrument issuer or national switch,
- ii) Birr 750,000 (Seven Hundred Fifty Thousand Birr) if it is medium payment instrument issuer, and
- iii) Birr 500,000 (Five Hundred Thousand Birr) if it is small payment instrument issuer.

- 4.7) A payment system operator other than national switch shall pay annual oversight fee of:
- i) Birr 200,000 (Two Hundred Thousand Birr) if it is a big operator;
 - ii) Birr 150,000(One Hundred Fifty Thousand Birr) if it is a medium operator ; and
 - iii) Birr 100,000 (One Hundred Thousand Birr) if it is a small operator.

5) Repealed Provisions

The following provisions of the National Bank directives have been repealed:

- 5.1) Sub-articles 4.8 and 4.24 of Licensing and Authorization of Payment System Operators Directive. No.313/2020, and
- 5.2) Sub-articles 4.8 and 4.23 of Article 4 of Licensing and Authorization of Payment instrument issuers Directive No.314/2020.

6) Effective Date

This Directive shall enter into force as of 3rd day of **October 2022**.

ANNEX I

Category of Small, Medium and Large Payment Instrument Issuer

S.N	Category	Number of Registered payment Instrument User	Remark
1.	Small	Bellow 500,000 Users	
2.	Medium	From 500,0001 to 1,000,000 users	
3.	Large	Above 1,000,000 Registered users	

ANNEX II

Category of Small, Medium and Large Payment System Operators

S.N	Category	Number and type Payment System being operated by Payment System operator	
1.	Small	If the operator only operates Payment gateway or POS.	
2.	Medium	If the operator operates Automated Teller Machine (ATM) or payment switch or payment gateway and PoS systems together.	
3.	Large	If the operator operates national switch or Automated Teller Machine (ATM), Payment gateway, PoS and Switch together.	