

Licensing and Authorization of Payment Instrument Issuer (Amendment) Directive No. 395/2022



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National Bank of Ethiopia

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OVERSIGHT OF THE NATIONAL PAYMENT SYSTEM

Licensing and Authorization of Payment Instrument Issuer (Amendment)

Directive No.395/2022

Whereas, it is necessary to promote the safety, growth and efficiency of digital payments and financial inclusion;

Now, therefore, in accordance with sub-article 4(2a)/2, 4(2)/e, 10(1)/c, 19/3, 20(2), 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 “**Licensing and Authorization of Payment Instrument Issuer (Amendment) Directive No.ONPS/06/2022**”

2. Amendment

Licensing and Authorization of Payment Instrument Issuer Directive No. 314/2020 is hereby amended as follows:

1. Sub article 1 of Article 8 is deleted and replaced by the following new sub article 1;
“1) A payment instrument issuer shall put in place systems and procedures to keep and identify at least two categories up on opening of an electronic account.”
2. Sub articles 1(a) and (b) of Article 8 are deleted and replaced by the following new sub articles 1(a) and (b);
“**a) Level 1** accounts shall be subject to a maximum daily electronic account balance of Ethiopian Birr 5,000.”
“**b) Level 2** accounts shall be subject to a maximum daily electronic account balance of Ethiopian Birr 30,000.”
3. Sub article 1 (c) of Article 8 is deleted.
4. The following new sub articles are added after sub article (6) of Article 8 and sub article (7) is renumbered as sub article 9.

“7) Notwithstanding sub article 1(a) and (b) hereinabove the maximum daily electronic account balance limit may not apply to the following services;

- inward remittance;
- payment for the purchase of airline tickets;
- salary payments; and
- payment for utilities.”

“8) A payment instrument issuer shall ensure that its system has capability to segregate the above services from other services and establish strong internal control to monitor the maximum daily electronic account balances.”

5. Sub article 2(b) of Article 11 is deleted and replaced by the following new paragraph (b);
“b) For Level 2 accounts name, date of birth, residential / business address, telephone number, recent photo and identity card of the user shall be captured in the system.”
6. Sub article 2(c) of Article 11 is deleted and sub articles 2 (d) and (e) are renumbered as sub articles 2 (c) and (d).

4.3 Effective Date

This Directive shall enter into force as of the **28th day of February 2022.**