

Directive No. MFI/2/1996

LICENSING AND SUPERVISION OF THE BUSINESS OF MICRO-FINANCING INSTITUTIONS CONTRIBUTION IN KIND

1. Issuing Authority

These directives are issued by the National Bank of Ethiopia pursuant to the authority vested in it by Article 41 of the Monetary and Banking Proclamation No. 83/1994 and by Article 5(1) of the Licensing and Supervision of the Business of Micro-financing Institutions Proclamation No. 40/1996.

2. Contribution in kind

Items like building, essential vehicles, built in vault and others that are acceptable to the National Bank of Ethiopia may be considered as capital contribution;

Contributions in kind should be valued by professional and certified valuers acceptable to the National Bank of Ethiopia;

Capital contributions in kind shall not be considered for the purpose of fulfilling minimum required capital and shall not exceed 10% (ten percent) of paid up capital in excess of the minimum required capital.

These directives shall enter into force as of 21st day of October 1996.

Dubale Jale
Governor
National Bank of Ethiopia