

DIRECTIVE NO. FXD/19/2001
AMENDMENT TO DIRECTIVE NO. FXD/07/1998

Issuing Authority

These directives are issued by the National Bank of Ethiopia (NBE), hereinafter called the "Bank" pursuant to authority vested in it by Article 39(1) and 92) of the Monetary and Banking Proclamation No. 83/1994.

Short Title

These Directives may be cited as "procedure for handling of Import Documents Received from Banks Abroad "

Amendments

The National Bank of Ethiopia Directive No. FXD/07/1998 to transfer NBE's foreign exchange functions to commercial banks Article 3 and article 5.17 are hereby amended as follows to include more definitions and procedure of handling of import documents received from banks abroad.

Definitions

- 'Import Documents' - shall mean original documents of airway bill, final invoices
and other relevant certificates which have been forwarded through a negotiating bank confirming the handling of the documents in compliance with a letter of credit term specified by the issuing bank or documents sent by Remitting Bank with collection instructions.
- b) 'Airway Bill' - shall mean a document issued by an airline or its agent evidencing the receipt of cargo for conveyance by air to a specific destination. The airway bill bears a title document to the goods airlifted.
- c) 'Final Invoice' - shall mean an invoice that indicates the type of commodity, unit price total value, shipment terms

and payment terms generally indicating the sales of the items to a named buyer specified in the invoice for the given amount certified to be true and correct.

SECTION 5 - IMPORTS

The following sub-article is added next to article 5.17.

Article 5.17.1 Procedure for Handling Import Documents Received Through Banks

Documents with Airfreight Consignments

A.1 Actions Deemed Necessary for Goods Airfreighted Under L/C Payment Arrangement to Addis Ababa or to Other Airports in Ethiopia

A.1.1 Upon arrival of goods but before receipt of documents

Banks may facilitate in issuing delivery order to clear the goods against payments or other facilities at the request of importers who wish to expedite the clearance of their goods.

A.1.2 After arrival of documents

Upon receipt of documents by the bank, the concerned Department of Branch office shall send advice within five days from the date of receipt of documents in writing/fax or telephone informing the customer to collect the documents.

In the event that the customer does not collect the documents within fifteen days of the 1st advice, a 2nd reminder should be served informing the customer again to collect the documents within five days from the date of 2nd reminder.

If the importer does not take up the documents within five days after the expiry of the 2nd reminder, banks shall send a final reminder informing the customer the seriousness of the issue and the implications on future

dealing with banks. A copy of the advice should be sent to the NBE.

Upon failure to pick up the documents after the last reminder is served, the bank should notify the NBE, Ministry of Revenues and the Customs Authority, stating the reluctance of the importer to collect the documents. The Bank shall provide details of the content of the document in a format prepared for this purpose and attached to the procedure.

After all the above steps have been taken and the documents remained uncollected for the goods that are consigned to the order of commercial banks and have lien on the documents received, the banks shall take appropriate action based on the financial interest it may have and legal ownership they possess. Such actions will be taken within ten days after the elapse of forty-five days from the date of receipt of documents and in due time the information be communicated to the NBE within five days. However, as a whole the necessary actions should not take more than sixty days.

Actions to be Taken on Documents Covering Airfreighted Goods with Payment Arrangements CAD at sight

Upon receipt of documents, the bank shall advise immediately to the customer about the receipt of documents and instruct to collect against payment (customer advice should be sent within five days from the date of receipt of documents)

If the documents have not been collected the banks shall send a second reminder within fifteen days from the date of the first reminder and inform the client that the bank would be obliged to take the appropriate action unless there is response within five days.

If the second reminder could not subside as expected on the documents settlement, the bank shall send a final reminder informing the customer that it will return back the documents to the Remitter Bank unless the importer takes action within the next five days.

However, if the importer failed to pay and collect the documents after the elapse of five days given under the final reminder, stated under (3) above, then the bank arranges to

send back the documents to the remitting bank, at most in sixty days from the date of receipt of documents and immediately inform in writing with a summary detail of the documents returned to the following organizations.

National Bank of Ethiopia
Ministry of Revenues
Ethiopian Customs Authority
The Importer
The Remitter Bank

Actions to be taken by the National Bank of Ethiopia

The National Bank of Ethiopia will arrange with Ministry of Revenues procedural framework to establish the route and facilities for banks to deal with the Customs Authority on goods consigned to their orders and documents lying with them because of importers failure to collect.

Based on receipt of details of documents uncollected from banks submitted as per article A1.2 (c), (d) and B(4), the NBE shall take appropriate measures and advise all banks on the action taken.

Penalty Clause

The NBE may impose penalty on concerned commercial banks for not performing in accordance with the conditions of these Directives and as per Proclamation No. 83/94.

Effective Date

This Directive shall come into force as of 1st day of December, 2001.

Teklewold Atnafu
Governor
National Bank of Ethiopia

List of Customers (Importers) who Failed to Collect
Documents Covering Shipment of
Goods Delivered By Air

Name _____ of _____ Reporting Bank: _____
 Reporting Date: _____
 Telephone No. _____
 Fax No. _____

Details of the Items Imported

Item Ref.	Name of Importer	Type of Commodity	Invoice Value F/CY	AWB* NO. & Date	Date Doc. Received	Remarks

Signed: _____
