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NATIONAL BANK OF ETHIOPIA
ADDIS ABABA

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**Fixation of the Daily Foreign Exchange
Cash Notes and Transaction Rate
(as Amended)
Directive No. FXD/60/2018**

WHEREAS; there is a need to amend NBE directives issued with regards to fixation of daily foreign exchange buying and selling rates to create a clear computation among banks;

NOW, THEREFORE, this directive is issued by the National Bank of Ethiopia pursuant to Article 27(2) of the National Bank of Ethiopia Establishment (as amended) Proclamation No, 591/2008.

1. Short Title

This Directive may be cited as “**Fixation of the daily foreign exchange cash notes and Transaction rate (as Amended) Directive No. FXD/59/2018.**”

2. Definitions

In this Directive, unless the context provides otherwise, the following terms shall have the meanings ascribed below.

1/ “**NBE**” means the National Bank of Ethiopia;

2/ “**bank**” means any bank and/or its forex bureau engaged in foreign exchange transactions;

3/ “**Foreign Exchange daily Indicative rate**” means the daily indicative rates issued by NBE in a daily basis;

3.Foreign Exchange Rate Fixation

The foreign exchange daily rate for both cash and transaction shall be fixed and utilized as follows:

- 1) The foreign exchange buying rate of a bank shall be the NBE interbank foreign exchange market indicative buying rate of the day.
- 2) The margin set between the buying and selling rate of the bank shall not exceed 2% (two percent) from NBE interbank foreign exchange market indicative buying rate of the day.
- 3) Daily buying and selling rate shall be posted in a publicly visible place and bank shall use the posted rate throughout the day.
- 4) A bank may buy foreign exchange from the retention account holder at negotiable rate not exceeding its selling rate of the day.

4 Penalty

- 1) Any bank that fails to comply with the requirements of any provision of this directive by any means shall be subject to a fine of Birr 10,000(Ten Thousand Birr) for each violation.
- 2) The National Bank of Ethiopia, in addition to the penalty provided under sub-article (1) of this article may take any other measure it considers necessary in line with Article 17 of the Banking Business Proclamation No. 592/2008.

5 Repealed Directive

- 1) "Fixation of the daily foreign exchange cash notes and Transaction rate Directive No. FXD/43/2014 is here by repealed and replaced by this Directive

6. Effective Date

This Amendment Directive shall enter into force as of February 15,2019