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**NATIONAL BANK OF ETHIOPIA**  
አዲስ አበባ / ADDIS ABABA

**International Remittance Service**  
**(As Amended)**  
**Directive No. FXD/74/2021**

**WHEREAS**, it is necessary to improve the operations of formal remittance transfer system in Ethiopia by reducing remittance costs and increasing access to cost effective, reliable, fast and safe services that benefit migrants;

**WHEREAS**, it is deemed necessary to set conducive and transparent legal framework to facilitate in-flow of the remittance;

**WHEREAS**, it is necessary to use the infrastructures and innovative payment mechanisms of payment instrument issuers for the reliable, safe and convenient international remittance services as well as to improve foreign currency generation through international remittance;

**WHEREAS**, payment instrument issuers are allowed to engage in international inward remittance services under "Licensing and Authorization of Payment Instrument Issuers Directive";

**NOW, THEREFORE**, pursuant to the authority vested on it by Article 23(3) and Article 27(2) of the National Bank Ethiopia Establishment Proclamation No. 591/2008, the National Bank of Ethiopia has issued this Directive.

1. **Short Title**

This Directive may be cited as "International Remittance Service (as Amended) Directive No. FXD/74/2021".

2. **Definition**

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

- 1) "**Application Programing Interface (API)**" means the interface between International Remittance Service Provider's system and Representative's system for the purpose of providing international remittance service.
- 2) "**Bank**" means company licensed by the of Ethiopia to undertake banking business and a bank owned by the Government;

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- 3) **“Bank Identifier Code (BIC)”** means a unique address which, in a telecommunication message, identifies the bank;
- 4) **“Exclusivity condition”** means a condition where IRSP allows its Representatives to offer its remittance service only on condition that they do not offer any other remittance service;
- 5) **“Inter Bank Account Numbers (IBANs)”** means a code that uniquely identifies an account held in correspondent banks;
- 6) **“International Remittance Service Provider (IRSP)”** means a business organization licensed internationally or in jurisdiction country where it mainly operates and regulated that provides money-transferring services in association with Representative(s);
- 7) **“National Bank”** means the National Bank of Ethiopia
- 8) **“Payment Instrument Issuer”** means a person licensed by the National Bank to issue payment instruments against receipt of funds in Ethiopian Birr as per “Licensing and Authorization of Payment Instrument Issuers Directive”.
- 9) **“Pay Point”** means location such as bank branch, post office, payment instrument issuer agent, where remittance services are provided.
- 10) **“Person”** means any Natural or Judicial Person
- 11) **“Remittance Service”** means a service that enables customers to send and/or receive fund transfers;
- 12) **“Representative”** means a bank, Ethiopian Postal Service, payment instrument issuer or any other financial institution to be determined by the National Bank of Ethiopia.
- 13) **“Sub representative”** means a person who is engaged by a representative of a money transfer service

### 3. Scope of the Directive

This Directive shall be applicable to Inward International Remittance Services only, where funds transferred to The Federal Democratic Republic of Ethiopia from foreign countries.



