



FIS/BSD/192/11
June 1, 2011

All Banks
Addis Ababa

Subject: NBE Circular No. BSD/01/2011

We have come to learn that some banks, once authorized to open a branch, do not notify the NBE the date they plan to commence operation in the new branch 15 days before the planned date of commencement of operation, as per sub-article 3(5) of the NBE directives No. SBB/40/2006.

As a result, the NBE had been unable to verify as to whether the newly opened branch meets the requirements stipulated in the sub-article of the aforementioned directives.

All banks are, therefore, strictly required to comply with sub-article of the above directives effective from June 1, 2011.

To this end, we have attached a format to accompany the notification letter after duly completed and signed by manager, branch operations.

Sincerely yours,

Solomon Desalegn
Director, Bank Supervision Directorate

CC:

- H.E. The Governor
 - The Vice Governor, Financial Institutions Supervision
- National Bank of Ethiopia**

Attachment to NBE Circular No. BSD/01/2011

Bank: _____

Branch: _____

I. Please tick (✓) “Yes” or “No”

No.	Minimum standard required as per sub-article 3(5) of the NBE Directive No. SBB/40/2006	Is the minimum standard required fulfilled?	
		Yes	No
	Before commencing operation a bank authorized to open a branch shall fulfill the following		
1	Are the bank’s relevant policy and procedure manuals, and NBE directives distributed to appropriate staff members of the branch to be opened?		
2	Is the branch adequately guarded?		
3	Are working hours, copy of the bank’s license and branch authorization displayed in a visible area of the branch?		
4	Are the banking hall and staff operating area suitable for the type of business to be undertaken in the premises housing the branch including but not limited to:		
	4.1 Proper ventilation and circulation of fresh air?		
	4.2 Suitable and clean sanitary service?		
	4.3 Sufficient and suitable lighting?		
	4.4 Cashiers’ Till, access to which is restricted to authorized persons?		
5	Does the branch have appropriate strong room or safe/vault?		
6	Are fire extinguishers placed in appropriate area?		
7	Does the branch have insurance policy at least for the following:		
	7.1 Fire and other perils?		
	7.2 Burglary and theft?		
	7.3 Fidelity?		
	7.4 Cash and valuable in premises and transit?		
8	Are outer doors of the building housing the branch of heavy duty metal?		
9	Are all windows and glass walls of the building housing the branch reinforced with metal grills?		

II. If your response to questions in the table above is “No”, please state the reason:

No.---- _____

No. ---- _____

No. ---- _____

No. ---- _____

Completed by _____ Date _____ Signature _____