

**LICENSING AND SUPERVISION OF**  
**THE BUSINESS OF CAPITAL GOODS FINANCE COMPANIES**

**Minimum Paid Up Capital Requirement Directives No.**  
**CGFB/01/2013**

Whereas, there is a need to ensure the smooth and sustainable operation of capital goods finance companies in a manner that best supports the activities of Micro and Small Enterprises;

Whereas, capital goods finance business by nature is capital intensive business;

Whereas, promoting strong and viable capital goods finance business in the country is essential for supporting investment in all businesses;

Now therefore, pursuant to the authorities vested in it under articles 4 (4/c) and 18 (4) of Capital Goods Leasing Business (Amendment) Proclamation No. 807/2013, the National Bank of Ethiopia has issued these directives.

**1. Short Title**

These directives may be cited as “Minimum Paid up Capital Requirements Directives No. CGFB/01/2013”.

**2. Scope of Application**

The provisions of these directives shall be applicable to capital goods finance companies.

**3. Minimum Paid-up Capital**

The minimum initial paid up capital required to obtain a capital goods finance business license shall be Birr 200,000,000 (Birr Two Hundred Million), which shall be fully paid in cash and deposited in a bank in the name and to the account of the capital goods finance company under formation.

**4. Effective Date**

These directives shall be effective as of the 1<sup>st</sup> day of October 2013.