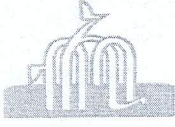


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NATIONAL BANK OF ETHIOPIA
ADDIS ABABA

Legal Tender Currency Notes Redemption
Directive No. CMD/2/2020

Whereas, the age of the current notes in circulation is relatively long and steadily exposed to deceptions and frequent counterfeiting attempts;

Whereas, it is found necessary to improve the quality of the Legal Tender of the country by applying modern security features that can deter the illegal motives of counterfeiting notes;

Whereas, it is found necessary to introduce high denomination, Birr 200 note with a view to improve cash services thereby satisfying the need of the public;

Whereas, it is found necessary to collect and redeem the current notes, except 5 Birr note, from circulation and fully replace them with a series of new banknotes issued by the Bank.

Now therefore, pursuant to the authority vested in it by sub-articles 5(1), 18 (1), and 27 (2) of the National Bank of Ethiopia Establishment (as Amended) Proclamation Number 591/2008, the National Bank of Ethiopia has issued this Directive.

1. Short Title

This Directive may be cited as “Legal Tender Currency Notes Redemption Directive No. CMD 2/2020”.

2. Definition

Unless the context provides otherwise in this Directive:

2.1 “Bank” means the National Bank of Ethiopia.



- 2.2 “Legal Tender” means Ethiopian Banknotes of 200 Birr, 100 Birr, 50 Birr, 10 Birr and 5 Birr;
- 2.3 “Proclamation” means the National Bank of Ethiopia Establishment (as Amended) Proclamation Number 591/2008;
- 2.4 “Person” means any natural or juridical person;
- 2.5 Any expression in the masculine gender includes the feminine.

3. Legal Tender Redemption and Value

Banknotes in circulation prior to a date to be notified to the public by the Bank shall be exchanged at the rate of one Birr equals one Birr of the new notes.

4. Applicability

Amount appearing as financial arrangement in any law, contract, sale, payment, transfer, bill, promissory note, and every transaction dealing in any aspect and whatever related to money expressed in Birr before the coming into force of this Directive or during redemption period shall be converted at the rate of one Birr equals one Birr.

5. Duration of Validity of Redeemable Currency Notes

Redeemable currency notes shall cease to be legal tender after sixty (60) days from the date to be fixed and disclosed in advance to the public by the Bank.

6. Places for Redemption of Old Notes and Execution

- 6.1 Throughout the redemption period provided under Article 5 hereinabove, every bank shall render the services of exchanging old notes with the new notes.
- 6.2 Any payment effected in each cash notes by the banks shall be made with new notes within the redemption period.
- 6.3 The Bank may prescribe the manner in which additional redemption centres may be opened and operated beside the existing currency issue branches.
- 6.4 Any redemption of old notes exceeding Birr 5,000 (five thousand Birr) shall be effected only through an account opened in the name of a depositor.
- 6.5 As provided in 6.4 above, no person shall obtain redemption service using an account other than his own.



- 6.6 Redemption work of old notes exceeding Birr 100,000 (one hundred thousand Birr) shall be completed within 30 (thirty) days from the starting date of redemption.
- 6.7 The Bank may issue guidelines prescribing the execution of the job and the manner of opening and closing of temporary centres for redemption of notes.
- 6.8 Money held by any person in excess of Birr 1.5 million (one point five million Birr) shall be confiscated.

7. Denominations

- 7.1 The new currency notes expressed in Birr are the following denominations:
- 200 Birr note;
 - 100 Birr note;
 - 50 Birr note; and
 - 10 Birr note.
- 7.2 The current 5 Birr note shall continue to be a legal tender of the country.
- 7.3 The notes shall serve as the legal tenders of the Federal Democratic Republic of Ethiopia.

8. Duty to Cooperate

Every person shall have the duty to extend his full assistance and cooperation during implementation of this Directive.

9. Scope

Coins and 5 Birr note currently in circulation shall not be affected by provisions of this Directive.

10. Penalty

Any person who violates the provisions of this Directive shall be punished in accordance with sub-article 26(1) (d), 26 (2) (a) or 26 (2) (b) of the Proclamation.

11. Effective Date

This Directive shall enter into force as of the 14th day of September 2011.

