

## Procedures for foreign investors to establish a company in Ethiopia

### Greenfield Investments:

Ethiopian investment Commission will give an investment license for greenfield investments made by foreign investors & joint investments made between foreign investor(s) & local investor(s). A foreign company or investor can form the business as a:

1. **Sole Proprietorship:** an individual is the owner of the company
2. **Private Limited Company:** Two or more shareholders. The shareholders can be: -
  - Two or more companies
  - Company(s) and a person(s)
  - Or two people (The documentation will be the same as the sole proprietorship company registration)
3. **Branch Company:** Existing foreign company opening a branch in Ethiopia.

### B. Brownfield Investments

- **Ethiopian Investment Commission** has now the mandate regarding this & will issue the license according to the investment regulation no. 474/2020.

### C. Representative Office

- **Ministry of Trade** has the mandate regarding this & will issue the license.

Minimum Capital Requirement		
	100% foreigners	USD 200,000

After registration & document approval from EIC	JV investment with local investor	USD 150,000
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## Procedures for Green field investments

### 1. Sole Proprietorship

**Step 1: Collect new investment application form from promotion department or download online from this link: [www.investethiopia.gov.et](http://www.investethiopia.gov.et)**

**Step 2: Submit the following documents to get approval from the management and start the licensing process in licensing and registration department.**

- Filled Application Form
- Existing Company Profile
- Project Proposal
- Investment Visa & Passport Copy

**Step 3: Collect bank letter from Licensing and Registration Department to open an account at National Bank of Ethiopia**

**Step 4: Transfer/deposit cash in an opened bank account.**

**Step 5: Collect confirmation letter from bank which states the bank account is already opened and money is transferred/deposited.**

**Step 6: Collect [Investment License](#) from Licensing and Registration Department.**

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## 2. Private Limited Company (PLC) (Also for Joint Ventures)

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**Step 1: Collect “New investment Application Form” & “Draft Memorandum and Article of Association” from Promotion department**

**Step 2: Submit the following documents to get approval from Management.**

- Filled Application Form
- Existing Company Profile
- Project Proposal
- Investment Visa & Passport Copy

**Step 3: Submit draft memorandum and article of association.**

**Step 4: Check uniqueness of the company name from Investment Commission database.**

**Step 5: Collect letter of clearance for unique company name from EIC.**

**Step 6: Edit and authenticate memorandum and article of association in Licensing and Registration Department.**

**Step 7: Collect letter to the National Bank of Ethiopia from Licensing and Registration Department to open an account at the bank.**

**Step 8: Open an account in the bank and transfer/deposit money.**

**Step 9: Collect confirmation letter from the bank which states the bank account is already opened and money transferred, authenticated lease agreement from documentation and authentication office and TIN number from CUSTOM and Revenue office.**

**Step 10: Collect Investment License and principal registration from Licensing and Registration Department**

### 3. Branch /Multinational Company

**Step 1: Collect application form from promotion department or download online from the commission's website link: [www.investethiopia.gov.et](http://www.investethiopia.gov.et)**

**Step 2: Submit the following documents to get approval from Management.**

- Filled Application Form
- Project Proposal
- Authenticated Parent Company Documents (list attached in this table)

**Step 3: Collect a letter to the National Bank of Ethiopia from Licensing and Registration Department of EIC to open an account in a bank**

**Step 4: Open an account at the bank and transfer/deposit cash**

**Step 5: Collect confirmation letter from bank which states the bank account is already opened and money is transferred/deposited**

**Step 6: Collect Investment License from Licensing and Registration Department.**

#### Documents to be Notarized and Authenticated for branch company

1. Memorandum of association and Article of Association
2. Certificate of origin
3. Minutes of resolution
4. Power of attorney

- Business (investment) visa copy

- **Passport size picture of the general manager**

**N.B. The documents should be authenticated both in Ethiopian embassy abroad & Foreign affairs here in Ethiopia.**

#### **Additional Information**

- **Investment visa is must for foreign investors.**
  - ✓ You can apply in Ethiopia's diplomatic missions overseas, embassies or online via e-visa.

#### **After getting investment license**

**EIC's aftercare & facilitation team will support you in: -**

1. Facilitation of acquisition of land & utilities
2. Work & residence permits
3. **Anything related with your investment**