

DIRECTIVE No. 1147 /2026

A DIRECTIVE ISSUED TO DETERMINE THE PROCEDURE FOR FOREIGN NATIONALS' RIGHT TO OWN RESIDENTIAL HOUSE

Whereas, it has become necessary to issue a detailed implementation directive to execute the provisions of the Proclamation and effectively achieve the objectives for which the "Foreign Nationals Residential House Ownership Proclamation No. 1388/2024" was enacted;

Whereas, it has become necessary to establish a clear and consistent operational system by specifically determining matters that Proclamation No. 1388/2024 states are to be decided by a directive and has otherwise laid down in general terms, thereby detailing the prerequisites expected to be fulfilled by foreign nationals who wish to own residential house, the limitations and restrictions set forth under the Proclamation, as well as the duties to be implemented by the Ministry and other relevant bodies;

Now, therefore, Ministry of Urban and Infrastructure has issued this Directive pursuant to Article 15(5) and Article 20(2) of the Foreign Nationals' Ownership Right of Residential House Proclamation No. 1388/2025.

CHAPTER ONE

GENERAL PROVISIONS

1. Short Title

This Directive may be cited as the **"Directive Issued to Determine the Procedure for Foreign Nationals' Right to Own Residential House No. 1147/2026."**

2. Definition

In this Directive, unless the context requires otherwise:

- 1) **"Proclamation"** means the Foreign Nationals' Ownership Right of Residential House Proclamation No. 1388/2025
- 2) **"Permit"** means an authorization granted by the Ministry certifying that a foreign national is eligible to own residential house in Ethiopia;
- 3) **"Foreign Investor"** means a person who owns a share valued at a minimum of **150,000 USD** (One Hundred Fifty Thousand United States Dollars) in the paid-up capital of an investment established in Ethiopia;
- 4) **"Justice Institution"** means the Ministry of Justice, Court, Regional Justice Bureau or Attorney General, Police Institution, Prison, or the Financial Intelligence Service.



- 5) **“Region”** means any region established in accordance with Article 47 of the Constitution of the Federal Democratic Republic of Ethiopia, and includes the Addis Ababa City Administration and the Dire Dawa Administration;
- 6) **“Person”** means any natural or juridical person;
- 7) Definitions provided under Article 2 of the Proclamation shall also apply to this Directive;
- 8) In this Directive, any expression in the masculine gender shall also include the feminine gender.

3. Scope of Application

This Directive shall apply to any foreign national who owns or wants to own residential house or to possess land for residential house building in Ethiopia and to any person involved in the implementation of the Directive.

CHAPTER TWO

REQUIREMENTS AND ISSUANCE OF PERMITS

4. Requirements for Foreign Nationals to Own Residential House Permit

Without prejudice to the provisions of Article 7 of the Proclamation, any foreign national who wants to own a residential house permit from the Ministry shall fulfill the following requirements:

- 1) Valid Passport;
- 2) If the application is submitted in person, the following requirements must be fulfilled:
 - a) A valid travel document,
 - b) A valid entry visa for foreign citizens who are required to have visa to enter in to Ethiopia,
 - c) A valid permanent residence permit, if they are residing in Ethiopia, and
 - d) As necessary, a medical certificate, tourist or transit visa, travel ticket, and destination country visa.
- 3) Notwithstanding the provisions of sub-article (2) of this Article, this shall not apply to diplomats and international civil servants residing in Ethiopia and members of their families, a foreign national recognized as a refugee by the Government of Ethiopia and the United Nations High Commissioner for Refugees (UNHCR), and foreign nationals exempted from obtaining a residence permit under other laws or international agreements to which Ethiopia is a party;



- 4) Evidence confirming the absence of a criminal record from the country of residence;
- 5) Evidence certifying that the minimum capital required to own residential house, as stipulated under Article 13 of this Directive, has been deposited into a bank;
- 6) Evidence confirming that there are no restrictions or limitations related to national peace, safety, security, public interest, community morals, and other similar matters as indicated under Article 15 of this Directive;
- 7) Submission of an application by filling out the application form prepared by the Ministry either in person, through a legally authorized representative, or via the website;
- 8) Payment of the service fee prescribed by the Ministry.

5. Requirements for Foreign Investors to Own Residential House Permit

- 1) Any foreign investor seeking to own residential house or possess land for residential house building shall, in accordance with Article 5 of the Proclamation, fulfill the following requirements:
 - a) Fulfill the prerequisites set forth under sub-articles (1), (2), (4), and (6) of Article 4 of this Directive;
 - b) A valid investment permit issued by the legally authorized body;
 - c) In accordance with Article 5(4) of the Proclamation, a written confirmation from the body that issued the investment permit containing details of their equity share, the sector of engagement, the current status of the investment, and other related information;
 - d) Submission of an application by filling out the application form prepared by the Ministry either in person, through a legally authorized representative, or via the website;
 - e) Payment of the service fee prescribed under Article 9 of this Directive.
- 2) Without prejudice Article 5(2) of the Proclamation and Article 4(5) of this Directive, the price of the house to be owned by a foreign investor may not be less than the minimum price threshold set forth under Article 13 of this Directive.

6. Contents of the Permit

Pursuant to Article 14 of the Proclamation, the permit to be issued by the Ministry shall contain the following details:

- 1) Full name of the foreign national;
- 2) Nationality;
- 3) Country of origin;
- 4) Passport-size photograph;
- 5) Permit identification number;
- 6) Permanent and temporary residential address;
- 7) Passport number;
- 8) Name and number of family members;
- 9) Amount of registered capital;
- 10) A statement that the registered capital shall be utilized for one residential house only.



- 11) A statement that the permit is valid for a single residential house or a plot of land for residential construction;
 - 12) If the applicant is a foreign investor, the Taxpayer Identification Number (TIN) in their name or the name of the organization in which they hold shares;
 - 13) Date of issuance of the permit;
 - 14) A statement certifying that the individual is permitted to own a residential house in Ethiopia;
 - 15) Signature of the issuing official or the relevant authority, and the official seal of the institution.
- 7. Review of Permit Application and Issuance of Permit**

The ministry shall, when an application is submitted to the Ministry for the issuance of a permit required to become the owner of a residential house in accordance with Article 13(2) of the Proclamation and this Directive, verify that the requirements set out under Articles 4, 5, 6, and 7 of the Proclamation and Articles 4, 5, and 13 of this Directive have been fulfilled; and respond to the application within the time limit prescribed under Article 14 of the Proclamation.

8. Validity Period of the Permit Certificate for Ownership of Residential House by Foreigners

- 1) A permit issued by the Ministry to a foreign national enabling them to own residential house shall be valid only for a period of **one year** from the date of its issuance, within which period the holder must become the owner of a residential house or the holder of a plot of land for residential house construction.
- 2) Notwithstanding the provisions of sub-article (1) of this Article, if the foreign national is unable to conclude a purchase contract for a residential house or secure a plot of land for residential house construction within the one-year validity period due to force majeure, they may present the reasons to the Ministry within **three months** after the expiry of the one year; if accepted, the permit may be renewed for an additional period of one year upon the service fee payment specified under Article 9 of this Directive.
- 3) If there is no sufficient ground to renew the permit pursuant to Sub-Article (2) of this Article, or if the purchase or construction of a residential house is not done despite an extension of the permit, the foreign national shall return the permit to the Ministry.
- 4) The fund deposited in a blocked account shall be released, pursuant to the procedures of the National Bank, for the foreign national who returned the permit in accordance with Sub-Article 3 of this Article.

9. Service Fee

Any foreign national who, in accordance with the Proclamation and this Directive, fulfills the prescribed requirements and is eligible to obtain a permit shall pay a permit service fee of the equivalent amount of **50 USD** (fifty United States dollars).



10. Notification of Changes

Any foreign national who has been granted a permit to own residential house shall, in accordance with Article 6(8) of this Directive, report to the issuer of the permit any changes regarding family status, house ownership, or any other details contained in the issued permit, within **90 (ninety) days** from the occurrence of such change.

11. Registration of Residential House Ownership by Foreign Nationals

- 1) Any foreign national who becomes a residential house owner in accordance with the Proclamation, the regulations to be issued pursuant to the Proclamation, and this Directive, shall notify the Ministry of such ownership in person or via the website within **30 (thirty) working days**;
- 2) When registering ownership of a residential house, the foreign national must submit a copy of the title deed (ownership certificate) and return the original permit certificate issued by the Ministry;
- 3) The Ministry shall, as necessary, within **7 (seven) working days** from the registration of the foreign national's residential house ownership, notify the Immigration and Citizenship Service in order to provide a residence permit and visa pursuant to Article 8 sub-article 2(b) of the Proclamation.

CHAPTER THREE

NUMBER OF RESIDENTIAL HOUSES AND AMOUNT OF REQUIRED CAPITAL

12. Number of Houses to be Owned by Foreign Nationals

In accordance with Article 6(2) of the Proclamation, the maximum number of residential house to be owned by a foreign national shall be **1 (one)**.

13. Minimum Capital Requirement to Own Residential House

In accordance with Article 6(3) of the Proclamation, the minimum capital requirement a foreign national must meet to own a single residential house shall be as follows:

- 1) A minimum of **150,000 USD** (One Hundred Fifty Thousand United States Dollars) within the Addis Ababa City Administration and Sheger City;
- 2) A minimum of **120,000 USD** (One Hundred Twenty Thousand United States Dollars) within the Oromia, Amara, Tigray, Sidama, Central Ethiopia, South Ethiopia, Southwest Ethiopia Peoples, Somali, or Harari Regions, or the Dire Dawa Administration (excluding Sheger City);



- 3) A minimum of **100,000 USD** (One Hundred thousand United States Dollars) within the Afar, Benishangul-Gumuz, or Gambella Regions.
- 4) Without prejudice to the provisions of sub-articles (1) to (3) of this Article, if the actual price of the residential house the foreign national wishes to purchase or construct exceeds the initial capital amount registered upon permit issuance, they must deposit the required additional funds in US Dollars into a bank and notify the Ministry prior to purchasing or constructing the residential house.

14. Release of Deposits for Foreign National Residential House Ownership

- 1) Any foreign national shall deposit the required foreign currency for a single house into a bank of his choice, by holding a permit letter written from the ministry to open and deposit the currency, in accordance with Article 13 of this Directive.
- 2) The bank where the foreign currency is deposited shall convert the funds into Ethiopian Birr (ETB) at the prevailing exchange rate of the day and hold it in a blocked account under the name of the foreign national.
- 3) When the foreign national purchases a residential house or acquires land through a lease tender, the bank shall release the fund from the blocked account opened pursuant to sub-article (2) of this article as per the relevant laws and procedures, after receiving a written letter from the ministry allowing to do so.

CHAPTER FOUR

CRIMES PROHIBITING RESIDENTIAL HOUSE OWNERSHIP AND HOUSES EXCLUDED FROM FOREIGN OWNERSHIP

15. Crimes Prohibiting Residential House Ownership

Any foreign national who is suspected of or has been convicted by a court of law for one or more of the following crimes shall not be eligible to own residential house:

- 1) Terrorism;
- 2) Human trafficking and illegal smuggling of migrants;
- 3) Illicit drug trafficking;
- 4) Illicit Money Transfer;
- 5) Illicit firearms trafficking;
- 6) Money laundering and financing of terrorism;
- 7) Serious corruption Crime;
- 8) Aggravated homicide;
- 9) Aggravated robbery;
- 10) Rape or crimes against public morals;



- 11) Telecom fraud;
- 12) Cybercrime;
- 13) Theft of public infrastructure;
- 14) Tax evasion or fraud;
- 15) Crime committed against national security.

16. Residential House Excluded from Foreign Ownership

In accordance with the provisions of Article 10 sub-articles (2) and (3) of the Proclamation, no foreign national may own the following types of residential houses:

- 1) Condominium houses constructed through direct government subsidies;
- 2) Residential houses fully funded by the government or through public contributions and constructed for non-profit purposes;
- 3) Residential houses constructed through the financial support of the government, private investors, or non-governmental organizations;
- 4) Residential house constructed by housing cooperatives.

CHAPTER FIVE

COORDINATED OPERATIONS, MONITORING AND SUPPORT

17. Coordinated Operations

The Ministry shall:

- 1) Work in coordination and cooperation with the **National Bank of Ethiopia** regarding the modalities through which foreign nationals repatriate funds obtained in connection with residential house ownership;
- 2) Work in coordination and cooperation with the **Ministry of Foreign Affairs** and the Immigration and Citizenship Service to verify the legality and authenticity of documents submitted by foreign nationals pursuant to the Proclamation and this Directive;
- 3) Work in coordination and cooperation with the **Immigration and Citizenship Service** regarding the entry visas and a multiple-entry visa valid for up to five (5) years enabling foreign nationals who own residential house under the Proclamation and this Directive, along with their children, to travel to and from Ethiopia;
- 4) Work in coordination and cooperation with the **Investment Commission** regarding the equity shares and other relevant profiles of foreign investors eligible to own residential house pursuant to the Proclamation and this Directive;
- 5) Work in coordination and cooperation with **justice institutions** regarding criminal background checks and investigations required for foreign nationals seeking to own residential house pursuant to the Proclamation and this Directive;



- 6) Work in coordination and cooperation with stakeholder bodies regarding necessary background checks and clearances related to national peace and security;
- 7) Work in coordination and cooperation with **federal stakeholders and Regions** concerning data management, monitoring, enforcement, and the general implementation of the Proclamation and its enabling legislations;
- 8) Work in coordination and cooperation with **institutions legally mandated** to issue title deeds for residential plots of land and certificates of ownership for residential house;
- 9) Work in coordination and cooperation with institutions authorized to notarize contracts and execute transfer of house titles;
- 10) Work in coordination and cooperation with other relevant entities as may be necessary.

18. Monitoring and Support

The Ministry shall:

- 1) Monitor the proper implementation of the Proclamation and the regulations and directives issued pursuant to it, and provide the necessary support;
- 2) Organize and maintain detailed data concerning foreign nationals' residential house ownership, specifically tracking:
 - a) The list of foreign nationals, who own residential house,
 - b) The descriptions of the houses owned by foreign nationals,
 - c) The geographical locations where the residential houses are situated, and
 - d) Whether the residential house was acquired through direct purchase or constructed via a lease tender process;
- 3) Receive, organize, and utilize data from the Regions regarding foreign nationals who own residential house within regional territories;
- 4) Coordinate stakeholder bodies on matters relating to the implementation of the Proclamation and its enabling legislations;
- 5) Exchange information concerning foreign national residential house ownership as follows:
 - a) Transmit information monthly to the Regions and relevant entities to facilitate smooth performance evaluation,
 - b) Regions and city administrations shall transmit detailed data regarding foreign nationals who own houses within their respective jurisdictions to the Ministry every three (3) months;
- 6) Provide awareness creation and capacity-building training to relevant and stakeholder bodies based on studies and identified needs;
- 7) Conduct joint performance reviews and experience-sharing sessions with relevant entities and stakeholder bodies as necessary;
- 8) Periodically evaluate the performance of the Proclamation and the regulations and directives issued to implement it, identify gaps, and ensure that necessary corrective measures are taken;
- 9) Establish and manage a technology-backed database where data collected pursuant to this Article is systematically organized and stored;
- 10) Issue residential house ownership permits.



CHAPTER SIX

MISCELLANEOUS PROVISIONS

19. Administrative Measures

- 1) Any foreign national who has become a residential house owner pursuant to the Proclamation and this Directive and uses the residential house for an unauthorized or unlawful purpose shall be punished with a fine ranging from **1,000 USD to 3,000 USD** (one thousand to three thousand US Dollar).
- 2) Any foreign national who has become a residential house owner or possessor of land for residential house building without obtaining a permit from the Ministry shall be punished with a fine from **2,000 USD up to 5,000 USD** (two thousand to five thousand US Dollar).
- 3) Any foreign national who has become a residential house owner or possessor of land for residential house building without fulfilling the minimum capital requirement prescribed under the Proclamation and this Directive shall be punished with a fine ranging from **500 USD to 2,000 USD** (five hundred to two thousand US Dollar).
- 4) Any foreign national who, with the intent to obtain an undue advantage or to procure it for another person, becomes or attempts to become a residential house owner or possessor of land for residential house building by presenting false evidence shall be punished with a fine ranging from **3,000 USD up to 5,000 USD** (three thousand to five thousand US Dollar).
- 5) Anyone who becomes a residential house owner or possessor of land for residential house building without depositing the required additional funds in US Dollars into a bank and notifying the Ministry in accordance with Article 13(4) of this Directive shall be punished with a fine from **2,000 USD to 5,000 USD** (two thousand to five thousand US Dollar).
- 6) Any person who, knowing or having reason to know that the prerequisites set forth under this Proclamation have not been met or that a permit has not been granted, causes, permits, assists, or collaborates in making a foreign national or an organization a residential house owner or possessor, shall be punished with a fine ranging from **30,000 ETB to 50,000 ETB** (thirty thousand to fifty thousand Ethiopian Birr).

20. Duty to Cooperate

Any person shall have the duty to cooperate when requested by the relevant body for the implementation of the Proclamation and this Directive.

21. Inapplicable Laws

No directive or customary practice which is inconsistent with this Directive shall apply to the matters covered under this Directive.

22. Effective Date

This Directive shall enter into force as of the date it is registered by the Ministry of Justice and uploaded on the Ministry's website.

Done at Addis Ababa, August, 2026


Chaltu Sani

Minister,
Ministry of Urban and Infrastructure

