

Ethiopia

Population 135.5 million · Latest figures: 2025

The National Bank of Ethiopia, the central bank, puts the gross cost of bank fraud and forgery at ETB 1.3 billion in the year to June 2024, up from ETB 1.0 billion a year earlier, with cases at 28 banks, almost every bank in the country. False calls and texts sit beside fake notes and cheques, embezzlement and stolen ATM cards among the means. Its next report, for the year to June 2025, says digital fraud in banking was still increasing, as digital payments nearly doubled to more than ETB 18.5 trillion and complaints to financial institutions rose from 3,345 to 13,626.



The central bank leads the response for money. Its draft National Digital Payments Strategy for 2026 to 2030 names scams that trick people into handing over details, known as social engineering, as the most common kind of fraud, and plans a Cybersecurity and Fraud Directorate, a shared fraud detection system and rules on freezing accounts and on refunds. The Federal Police Crime Investigation Bureau investigates the cases, and the Information Network Security Administration, INSA, is the national cyber security agency.

The main criminal law is the Computer Crime Proclamation of 2016, which punishes computer fraud with up to five years in prison, or ten in serious cases. A 2026 law sets cyber security duties for critical sectors including finance, and in July 2026 the central bank widened its ban on dealing in cryptocurrency without its approval.

PEOPLE SCAMMED

8,099,423

10.9% of adults

The central bank says scams that trick people into revealing details or sending money feed on gaps in digital and financial literacy, above all among people in rural areas, women and older people. Many are new to digital money: there were 135.9 million mobile money accounts in 2025, but only about 15% are active in a month, and 66% of women and 60% of men who do not use mobile money say it is because they do not know how.

Scammers reach people mostly by phone. In a case the Federal Police announced in October 2026, callers posed as bank technical support staff and told victims they had won a prize, needed to update their mobile banking or had to link their bank account to Fayda, the national digital ID, which the central bank made compulsory for bank accounts by April 2026. Victims were talked into giving their password, one-time code or PIN. Others are sent text messages, are given a short code to dial that sends their money to the scammer, or lose their phone number to a SIM swap.

The scammers in police cases work inside Ethiopia, in organised groups that rent houses and use bank accounts and SIM cards registered to other people. Ethiopians are also caught up in scam compounds abroad: the country is the main African recruiting ground for the compounds on the Myanmar border, where people lured by fake job offers are forced to run romance and investment scams on people in other countries.

PEOPLE WHO LOST
MONEY

6,421,506

79% of victims

Most money in the cases is taken through mobile banking and mobile money. Once a caller has a victim's password, one-time code or PIN, the money leaves the account quickly: in one 2022 case a man who changed his password as a caller posing as Commercial Bank of Ethiopia staff told him lost ETB 85,000 within two hours. The money goes to accounts and SIM cards in other people's names, some bought or rented from their owners, and police seized 114 phones and 478 SIM cards in the October 2026 case. The central bank says the networks spread across several banks and payment firms and run like call centres, so no single provider sees the pattern.

Little stops a payment in time. The central bank says security on USSD short codes, apps, payment gateways and card machines is uneven, and that banks are reluctant to freeze an account without a court order, which can take up to a week, by which time the money has usually been moved several times and withdrawn. Its draft strategy plans a rule letting banks hold suspect funds, minimum security standards such as two-step checks for large transfers, a shared fraud system and a fraud desk at EthSwitch, the national payment switch.

Since 2023 Ethio Telecom has tied its telebirr mobile money app to the SIM card in the customer's own phone, after reports of accounts being entered without consent. Dealing in cryptocurrency needs central bank approval.

MONEY LOST

US\$137.1m

ETB 16.37b in a year,
0.11% of GDP

Most victims bear the loss themselves. The central bank says it is unclear where responsibility lies between banks and customers in a fraud, which leaves the loss from digital payment fraud almost entirely on the consumer, with slow and often ineffective recourse for victims. Recovery is low: KPMG has put the share of money stolen from banks that is recovered at under 16%. In the October 2026 police case, police seized nine vehicles, a motorcycle, 114 phones and 478 SIM cards from a network accused of taking more than ETB 200 million from 658 people.

Some banks refund where the customer had no part. The president of the Commercial Bank of Ethiopia, the largest bank, said in 2022 that it refunds the money at once when it finds it was lost through fraud, as long as the account holder was not involved.

The central bank plans a directive within 12 months on scams in which victims are tricked into authorising a payment, setting out the duties of banks and customers in their contracts. It would require a refund only when a bank's staff, agents or systems were at fault and the customer took reasonable care, with the sending and receiving institutions sharing the cost. A further rule would let banks hold funds suspected of coming from fraud without waiting for a court. A customer whose complaint a bank has not resolved within 10 working days can take it to the central bank.

REPORTED

68%

of victims reported it
(estimated)

Financial institutions received 13,626 consumer complaints in the year to June 2025, about four times the 3,345 of the year before, and resolved 90% within 10 working days. Most were about failed transactions and identity checks, and nearly half concerned failed mobile banking transfers; the year before, the complaints covered failed and unauthorised transactions, misuse of data and fraud. A customer complains to the bank or payment firm first, and the central bank reviews a complaint only if it is still unresolved after 10 working days. It takes complaints by a free call centre, its website and email, and its form asks how much was lost.

Scam victims also go to the Federal Police Crime Investigation Bureau. In 2022 its head said at least 10 people a day came to the bureau, and its investigators counted 204 court cases of mobile banking fraud in two months, all at the Commercial Bank of Ethiopia. A deputy governor of the central bank said on radio that more than 74,000 people fell victim to mobile banking scams in the Ethiopian year to July 2023.

Banks report fraud to the central bank, which says the reports come late and in different forms. It is building a central fraud reporting portal, a directive will set one format and timetable for every regulated firm, and it plans an annual public fraud report on the most common scams and the people they hit.

POLICE RECORDS

171,966

our estimate of cases
recorded by the
authorities

The figure shown here is an estimate of 171,966 scam cases recorded by the authorities in 2025, with ETB 9.85 billion lost. It applies the cases India's national cyber crime portal recorded per adult to Ethiopia's adults, and the money is India's recorded loss as a share of its economy applied to Ethiopia's. It stands for what Ethiopia's police and prosecutors would record. The Federal Police Crime Investigation Bureau investigates scams and announces them case by case.

The largest recent case came in October 2026, when the Federal Police said they had arrested 37 people accused of taking more than ETB 200 million from 658 people by posing as bank staff, in an operation with other security and justice bodies. In 2022 the Ministry of Justice said about 700 court cases of bank fraud involving ETB 85 million were reported in two months, close to 90% of them in Addis Ababa, and that crimes on electronic payment platforms made up 14% of economic crimes. A study it released that year found banks had lost ETB 1.8 billion to fraud in five years, half of it at the Commercial Bank of Ethiopia.

The main offence is computer fraud under the Computer Crime Proclamation of 2016: tricking a person with misleading computer data carries up to five years in prison and a fine of up to ETB 50,000, and causing economic loss by changing computer data up to ten years in serious cases. Obtaining or selling another person's electronic identity data carries up to five years.

Victims who told the police (estimated)



Cases recorded by the authorities (our estimate)



MOST COMMON

1. Online shopping
2. Prizes
3. Investment

The central bank names scams that trick people into handing over details or money, known as social engineering, as the most common kind of fraud in Ethiopia. Its figures for the year to June 2024 list the means behind ETB 1.3 billion of bank fraud and forgery: fake notes and cheques, embezzlement, unauthorised bank guarantees, withdrawals with stolen ATM cards, and false calls or texts.

Posing as the bank is the main script. The caller says they are from the bank's technical support and offers a prize, a mobile banking update or help linking the account to the Fayda digital ID, then asks for the password, one-time code or PIN, or gives the victim a short code to dial that sends the money away. The money is moved on through accounts and SIM cards in other people's names. Customers of the Commercial Bank of Ethiopia were the main target in 2022, and the 658 victims in the October 2026 police case were reached the same way.

Other scams include SIM swaps, fake online deals paid by mobile banking where the goods never come, and cryptocurrency and investment offers, which the central bank warns can end in total loss. INTERPOL ranked Ethiopia first in the world for malware detections in 2024. Fake job offers abroad also lure Ethiopians into scam compounds in Myanmar, where they are forced to run romance and investment scams.

GOVERNMENT RESPONSE

The central bank's draft National Digital Payments Strategy for 2026 to 2030 is the plan, and it is frank about the gaps. Banks, payment firms and telecom operators keep fraud information to themselves, banks report fraud late and unevenly, suspect funds can be frozen only with a court order, and no rule says who pays. The strategy plans a shared fraud detection system at the central bank, a fraud desk at the national payment switch, a Cybersecurity and Fraud Directorate, a refund rule for scams in which victims are tricked into paying, a freezing rule led by the Financial Intelligence Service and an annual public fraud report. Its own risk table rates delays in approving rules and weak coordination as high risks.

The results so far run the wrong way. Bank fraud losses rose from ETB 1.0 billion to ETB 1.3 billion in the year to June 2024, and complaints to financial institutions rose about fourfold the next year. The loss falls almost entirely on the consumer. Fayda, the digital ID now required for bank accounts, and the tie between telebirr and the owner's SIM card are the main checks in place, and scammers already use Fayda as a pretext.

Police action is case by case, though the October 2026 operation against a network with 658 victims was run with other security and justice bodies. A 2026 law sets cyber security duties for banks and other critical sectors, and the government brought home 1,300 Ethiopians from scam compounds in Myanmar in the five months to December 2025.

Calculation Methodology & Sources

People scammed

- 10.9%. Where reliable survey data is not available, we estimate using mobile and broadband penetration.
- 10.9% of 73,991,656 adults.

People who lost money

- 79.3%. Where reliable survey data is not available, we estimate using mobile and broadband penetration.

Money lost

- Our estimate of the money lost in cases recorded by the authorities is ETB 9.85b. Adding the 6,249,540 victims who lost money but are not in those records, at ETB 1,044 each, gives ETB 16.37b.
- Price of an unrecorded loss: Read off the line fitted to GDP per person in the countries where this price is measured (Canada, Chile, Mexico, Singapore and United States): US\$8.74 = ETB 1,043.77.
- US dollars at 0.008371224 per ETB.
- Share of GDP: US\$137.1m against GDP of US\$126.36b in 2025. World Bank, GDP (current US\$) 2025.

Reported

- Estimated: 41.4% of victims told the police, times 1.6452, the average in countries with our survey.

Police records

- Borrowed from Indonesia, India, Malaysia, the Philippines, Singapore, Thailand and Vietnam: 41.4%. The median of the shares measured in our survey's markets: Indonesia (28.0%), India (53.4%), Malaysia (41.4%), the Philippines (13.5%), Singapore (54.8%), Thailand (45.8%) and Vietnam (39.4%).
- 171,966: Scam cases recorded by the authorities, estimated for Ethiopia from the cases recorded per adult in India.

Most common

- Borrowed from India: ranked by the average of the scam types their victims named (no survey of Ethiopia's own). 37.0% of answers are methods such as phishing, or other, and are not ranked.

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