ANNUAL REPORT
2022-2023


NATIONAL BANK OF RWANDA
BANKI NKURU Y'U RWANDA

Contents

List of Abbreviations

AFD	Agence Française de Développement
AFI	Alliance for Financial Inclusion
AML	Anti-Money Laundering
ATS	Automated Transfer System
B2W	Bank to Wallet
BCEAO	Banque Centrale des États de l'Afrique de l'Ouest
BDS	Banknote Destruction System
BoD	Board of Directors
BPR	Banque Populaire du Rwanda
CAF	Caisse des Affaires
CAR	Capital Adequacy Ratio
CBDC	Central Bank Digital Currency
CBR	Central Bank Rate
CIC	Currency in Circulation
COMESA	Common Market for Eastern and Southern Africa
COVID	Corona Virus Disease
CPI	Consumer Price Index
CSD	Central Securities Depository
CSR	Corporate Social Responsibility
DGF	Deposit Guarantee Fund
DTFIs	Deposit Taking Financial Institutions
DTMIs	Deposit Taking Microfinance Institutions
EDMS	Electronic Document Management System
ELF	Emergency Liquidity Facility
ESAAMLG	Eastern and Southern Africa Anti-Money Laundering Group
FATF	Financial Action Task Force
FOMC	Federal Open Markets Committee
FRW	Rwandan Franc
FSAP	Financial Sector Assessment Program
FSC	Financial Stability Committee
FSCC	Financial Sector Coordination Committee
FSIs	Financial Soundness Indicators
FSR	Financial Stability Report
FVTOCI	Fair Value Through Other Comprehensive Income
FX	Forex
FY	Financial Year
GDP	Gross Domestic Product
GPO	Global Professional Organization
HR	Human Resources
IADI	International Association of Deposit Insurers Information and Communication Technology
IFMIS	Integrated Financial Management Information System
IGC	International Growth Centre
IMF	International Monetary Fund
ISMS	Information Security Management System
ISO	International Organization Standardization
LCR	Liquidity Coverage Ratio
MFIs	Micro Finance Institutions
MINECOFIN	Ministry of Finance and Economic Planning
MPFSS	Monetary Policy and Financial Stability Statement
MSMEs	Micro, Small and Medium Enterprises
NALs	New authorized loans
NBR	National Bank of Rwanda
NDFIs	Non Deposit Financial Institutions
NDTFSPs	Non-Deposit Taking Financial Service Providers
NFA	Net Foreign Assets
NFES	National Financial Education Strategy
NFIS	National Financial Inclusion Strategy
NGFS	Network for Green Financial System
NPLs	Non-Performing Loans
NPS	National Payment System
NSFR	Net Stable Funding Ratio
OPEC	Organization of the Petroleum Exporting Countries
P2B	Person to Business
P2P	Person to Person
PLCs	Public Limited Companies
POS	Point of sale
QMS	Quality Management System
RIPPS	Rwanda Integrated Payment Processing System
RMC	Reserves Management Committee
RNDPS	Rwanda National Digital Payment System
RSB	Risk-Based Framework
SAA	Strategic Asset Allocation
SACCOs	Saving and Credit Cooperatives
SCGs	Savings and Credit Groups
SOC	Security Operation Center
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TCIB	Temenos Connect Internet Banking
USA	United States of America
USD	United States Dollar
WEO	World Economic Outlook

About the National Bank of Rwanda

The National Bank of Rwanda (NBR) was established in 1964 with the aim of issuing the Rwandan currency named Franc Rwandais (Frw). Over the years, the role of the NBR has evolved. The current Law N°48/2017 of 23/09/2017 as amended to date, confers a clear mandate on the NBR with a mission of ensuring price stability and a sound financial system. Price stability is achieved by conducting appropriate monetary policy in the interest of a stable macroeconomic environment, while financial stability is achieved by regulating and supervising the financial system.

NBR IDENTITY STATEMENT

The National Bank of Rwanda strives to be a world class central bank contributing to economic growth & development, by using robust monetary policy tools to maintain stable market prices. The Bank ensures financial stability in a free market economy as it embraces innovation, inclusiveness, and economic integration.

VISION

To become a world-class central bank

MISSION

To ensure Price Stability and a Sound Financial System

OUR CORE VALUES

INTEGRITY

We uphold high moral, ethical and professional standards for our people, systems and data

MUTUAL-RESPECT AND TEAMWORK

We keep ourselves in high spirit, committed to each other for success

ACCOUNTABILITY

We are result-focused and transparent, and we reward according to performance

EXCELLENCE

We passionately strive to deliver quality services in a timely and cost effective manner. We continuously seek improvement by encouraging new ideas and welcoming feedback that adds value to customer services

NBR
Key Strategic Focus Areas

(2017/18-2023/24)

The National Bank of Rwanda strategic plan sets out six strategic focus areas in which the Bank must excel to achieve its mission and vision. The strategy was designed based on Rwanda's aspirations for economic transformation in line with the National Strategy for Transformation (NST1).

Governor's **Foreword**

In an ever-evolving global economic landscape, the mission of the National Bank of Rwanda remains resolute: to ensure price stability and a sound and stable financial system. This annual report presents what the Bank has achieved and the challenges encountered in pursuit of our mandate. We are committed to upholding the core principles of transparency, prudence, and resilience in the face of dynamic challenges.

The financial year 2022/23 was a challenging time globally as well as for Rwandans, with high and persistent inflationary pressures. The NBR took decisions to deal with the challenges and by the end of the financial year, the inflation was on a downward trend.

As the year 2022 began, the world experienced a notable rise in inflation. This increase was mainly due to widespread and ongoing disruptions in the supply chain, as well as strong global demand for goods. Additionally, the Russia-Ukraine war led to higher international commodity prices, worsening the situation. Furthermore, domestic weather-related issues had a detrimental impact on agricultural production. These combined challenges increased inflation from 4.6 percent in FY 2021/22 to 18.2 percent in FY2022/23.

To address the issue of high inflation and bring it back into the target range of 2 to 8 percent, we implemented various monetary policy measures. One of these measures was gradually raising the Central Bank Rate from 5 percent at the beginning of the financial year to 7 percent at the end of the year. Additionally, we conducted policy-focused research and generated policy briefs to guide well-informed decision-making. These concerted efforts yielded positive outcomes, with headline inflation gradually decreasing from its peak of 21.7 percent in November 2022 to 13.7 percent in June 2023. Looking ahead, we expect that the impact of these policies will lead to a return of inflation within the target range by the end of 2023.

Despite the global economic slowdown, Rwanda's economy remained resilient, with real GDP growth at 8.1 percent in 2022/23, mainly driven by the services sector.

On the financial stability front, the financial sector remained stable and sound with regulated financial institutions consistently maintaining robust capital positions that exceeded regulatory requirements. This not only underscores their stability but also illustrates their capacity to withstand economic and financial shocks. The sector also maintained ample liquidity, with banks and microfinance institutions maintaining substantial buffers. In addition, there was a positive trend in asset quality, with Non-Performing Loans (NPLs) decreasing. This improvement was driven by continuous economic growth and prudent management of the loan portfolio.

Despite the challenges posed by the complex global economic environment of FY 2022/23, the NBR's strategies for managing reserves have proven effective in preserving capital and generating returns. The actual returns achieved have been in line with the benchmarks established at the beginning of the financial year.

To achieve our vision to become a world-class central bank, it is imperative that we remain aligned with the constantly changing global landscape. Our commitment to this endeavor is evident through our ongoing efforts to enhance the capabilities of our workforce and stay at the forefront of technological advancements. The Bank is actively formulating a digital transformation strategy, slated for implementation by the end of 2023.

Regarding our financial stewardship, we achieved impressive results despite the volatile market. Our surplus grew significantly, with both domestic and foreign earnings contributing to this success. Thanks to our prudent financial management practices and efforts to optimize our resources, the Bank received a clean audit report from the external auditors.

I would like to express my appreciation to the National Bank of Rwanda Board of Directors, stakeholders, and staff for their invaluable contribution to the achievements outlined in this report.

Yours Sincerely,

John Rwangombwa
The Governor and Chairman Board of Directors

Despite the global economic slowdown, Rwanda's economy remained resilient, with real GDP growth at 8.1 percent in 2022/23, mainly driven by the services sector.

The Year 2022/23 in Numbers

8.1%
Economic Growth / GDP
From 8.9 % | June 2022

274.1%
Liquidity Coverage Ratio for Banks above 100%.
From 224.7% | End June, 2022

31.6%
Capital Adequacy Ratio for MFI (≥15)
From 33.9%, End June, 2022

18.2%
Annual Average Headline Inflation
From 4.6% | End June2022

3.6%
NPLs for Banks
From 4.3% | End June, 2022

3.7%
NPLs for MFIs (≤ 5%)
From 5% | End June, 2022

8.76%
Depreciation of FRW Vs USD (End June, 2023)
From 3.8%, End June, 2022

7.0%
NBR Central Bank Rate
From 5.0% | June 2022

T-bonds Participation

35.2%
Banks
From 39.4% | End June, 2022

57.9%
Institutional Investors
From 52.6% | End June, 2022

6.92%
Retailers
From 8.0% | End June, 2022

127.7%
Level of Average Annual Subscription

21.1%
Capital Adequacy Ratio for Banks (≥15)
From 23.1%, End June, 2022

26.8%
Credit to the economy (% of GDP) Banks and MFIs
From 28.7% in 2021

90.2%
Liquidity Ratio for MFIs (≥30%)
From 105.2% | End June, 2022

38%
Credit Reference Bureau Coverage (% of adult population)
From 35.7% | End June, 2022

112.7%
Liquidity for private insurers (min 120%)
From 100% | End June, 2022

The Year 2022/23 in Numbers

FRW96.9bn (2023 H1)
Banking Sector profitability
From FRW74.4bn (2022 H1)

91.3%
Overall Staff Performance
From 93.3% | End June, 2022

160.4%
Value of E-Payment to GDP (March,2022)
From 111.9% | End June, 2022

255.6%
Solvency ratio for private insurers (Min 100%)
From 180% | End June, 2022

3.38%
No of Interbank Transactions per day
Target: 4(2023)

<0.00001%
Percentage of counterfeiting bank notes
(per denomination)
Maintained at 0.00001% | June, 2022

-2Bps
Percentage returns on investment
(+0.2% annually above benchmark)
From 13.1% | End June, 2022

77%
Formal Financial inclusion (Adult Population)
Maintained 77% (2022)

4.4
Number of months of imports (≥4.0)
From 4.8 | End June, 2022

USD1827.31M
Amount of Foreign Reserves (USD)
From USD 1926.86 M | End June, 2022

93%
Financial Inclusion: Both Formal and Informal

100%
QMS ISO 9001-2015 Certification
Mantained at 100% | June, 2021

0.83%
Capital Preservation
(against 0.85% benchmark return)
From -2.679% | End June, 2022

85%
Level of business processes automation and integration
Maintained 85% | End June, 2022

Executive Summary

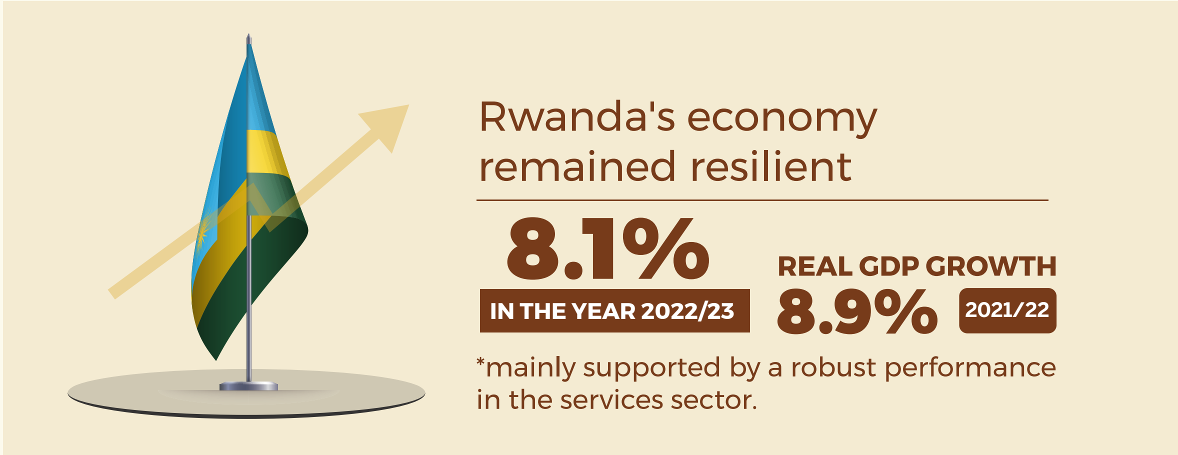
This report highlights NBR's accomplishments and progress in achieving its goals of maintaining stable prices and a sound financial system. This overview touches upon international and local economic developments, challenges encountered, 2022/23 milestones, and future aspirations of the Bank.

Due to tight financial conditions and lower demand, global economic growth slowed down to 3.5 percent in 2022 after a strong expansion of 6.3 percent in 2021 and is expected to further decelerate to 3.0 percent in 2023.

Global average inflation rose to 8.7 percent in 2022 from 4.7 percent in 2021 due to elevated commodity prices. Although it is projected to remain higher than its pre-pandemic levels, global inflation is expected to ease to 6.8 percent in 2023, due to decreasing international commodity prices and the effects of monetary policy tightening.

Despite facing various economic challenges such as global demand slowdown, rising inflation, and climate shocks, Rwanda's economy remained resilient, with real GDP growing approximately by 8.1 percent during 2022/23, slightly lower than the 8.9 percent achieved in the previous year, mainly supported by a robust performance in the services sector.

Rwanda's external trade continued the recovery path. Merchandise exports increased by 29.8 percent, thanks to the strong performance of domestic manufacturing exports and traditional commodities. On the other hand, merchandise import value increased by 28.0 percent, driven by higher demand for food, capital, and intermediate goods. This reflects the lower performance of the agriculture sector and the continued domestic economic recovery. As a result, Rwanda's total trade deficit increased by 29.7 percent, leading to additional pressure on the FRW.



Headline inflation increased from 15.6 percent in July 2022 and peaked in November 2022 at 21.7 percent, reflecting both global and domestic shocks such as the Russia-Ukraine war that disrupted global supply chains, rising international commodity prices due to the mismatch between demand and supply during the post-COVID-19 period and domestic weather shocks. However, headline inflation reduced to 13.7 percent in June 2023 following NBR's monetary policy tightening and other Government policy measures. In line with still high inflationary pressures, NBR tightened monetary policy to bring back inflation in the target range between 2 to 8 percent, including increasing the Central Bank Rate (CBR) from 5 percent in June 2022 to 7 percent in June 2023.

Amidst challenging global and domestic economic conditions, the financial sector continued to perform well, with the total assets growing by 18.3 percent to FRW 9,635 billion from FRW 8,145 billion in June 2022. The largest sub-sector, the banking sector, grew by 18.1 percent, propelled by retained earnings and growth in deposits. The pension sector, both public and private, increased by 16.2 percent, due to rising pension contributions and investment income. Meanwhile, the insurance sector's assets expanded by 17.2 percent, driven by retained earnings and capital injections. Similarly, the microfinance sector experienced a 26.5 percent asset growth, on the back of increased deposits and capital.

The financial sector maintained sufficient capital and liquidity with regulated institutions consistently holding capital above required levels. As of June 2023, banks maintained an Aggregate Total Capital Adequacy Ratio (CAR) of 21.1 percent, exceeding the regulatory minimum of 15 percent. Similarly, the Capital Adequacy Ratio for MFIs, insurance and pension funds, remained above the regulatory requirement. In addition, the asset quality of both banks and MFIs, continued to improve. The Non-Performing Loans Ratio of Banks decreased to 3.6 percent in June 2023, from 4.3 percent in June 2022 and to 3.7 percent in June 2023, down from 4.7 percent in June 2022 for MFIs.

18.3%
Assets of the Financial Institutions

FRW 9,635 BN
JUNE 2023

The payment service providers continue to modernize the payment systems. From June 2022 to June 2023, the payment system sector operated smoothly, highlighted by a significant increase in mobile payment transactions and transfers. Person to Person (P2P), Person to Business (P2B) and Bank to Wallet (B2W) transactions grew.

To ensure financial sector development during the year, the Bank focused on broadening access to financial services by promoting digital services, enabling Fintech innovation, and encouraging collaboration among financial institutions to expand their reach, especially for underserved populations. To cultivate financial literacy from a young age, the NBR introduced programs like the "Zala" online platform that helps secondary school students, to improve their financial literacy.

Despite FY 2022/23 being characterized by a complex global economic environment, the NBR's reserves management strategies proved effective in preserving capital and generating returns. The actual returns achieved were in line with the benchmarks established at the beginning of the financial year. In addition, NBR effectively managed currency in circulation, payment systems, and banking operations by adopting initiatives such as currency management automation which boosted the Bank's operational efficiency, improved security, and optimized resource usage.

For improved efficiency in internal operations, NBR upgraded SWIFT to ISO20022 which improved communication and data analysis in financial transactions. The Bank also automated the Deposit Guarantee Fund, procurement process, E-correspondence, loan administration and reserves management systems, leading to better oversight and reduced cycle times and SharePoint to enhance collaboration and document management. The Bank also strengthened its cybersecurity and IT Governance and ultimately maintained the ISO 27001 certification. The cybersecurity operation center was established to increase resilience of the financial sector.

Lastly, regarding financial performance, the Bank achieved impressive financial performance, driven by interest income, fees, commissions, revaluation gains, and resource optimization initiatives. In addition, the Bank obtained a clean audit report from the external auditors, GPO partners.

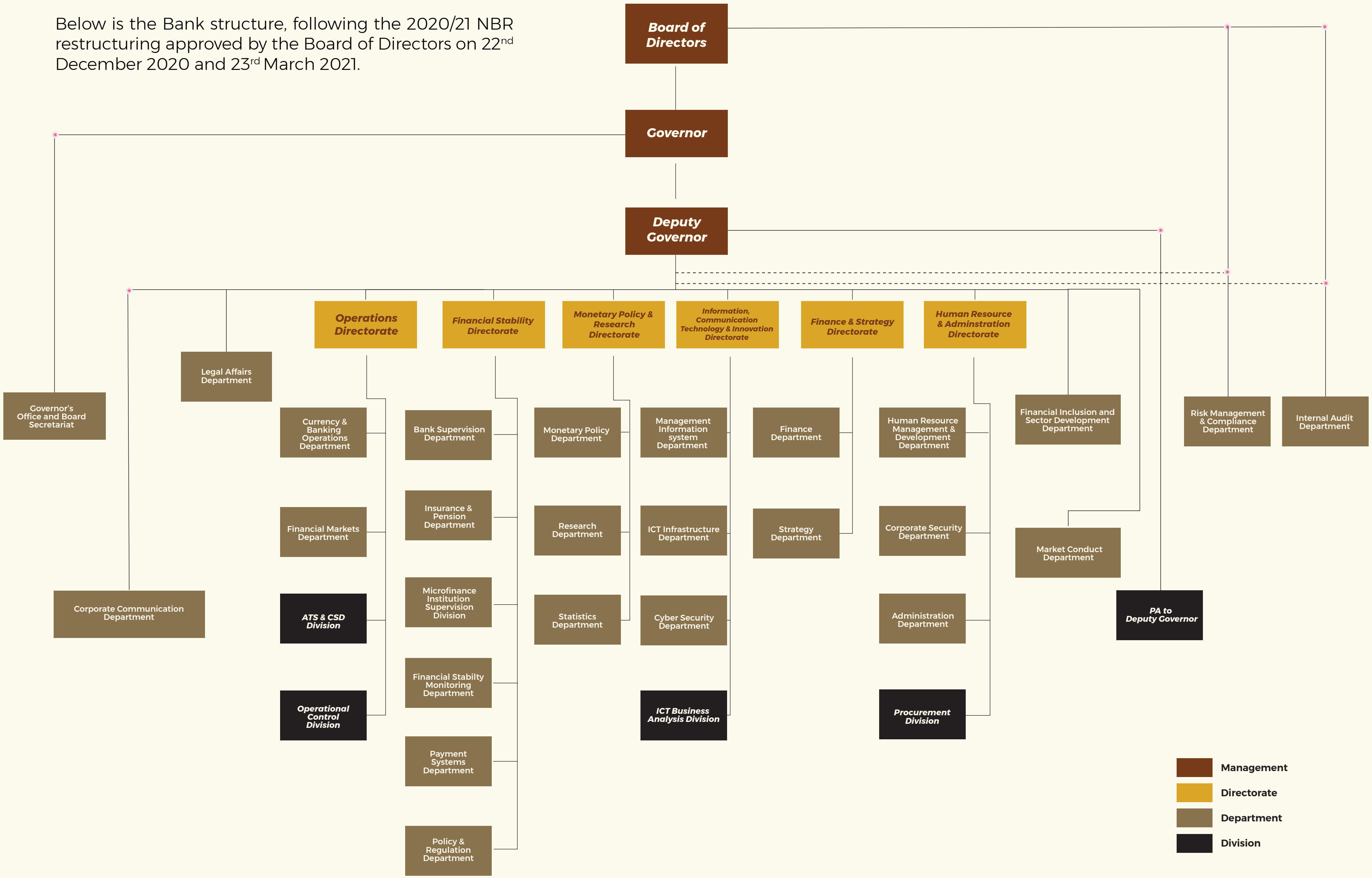
CHAPTER 01:

NBR CORPORATE GOVERNANCE

The law NO 48/2017 of 23/09/2017 governing the National Bank of Rwanda, provides the legal authority and governance of the NBR. The NBR follows corporate governance best practices whereby there is the highest governing organ, the Board of Directors, the Management, and different functions as shown in the structure.

Organization Structure

Below is the Bank structure, following the 2020/21 NBR restructuring approved by the Board of Directors on 22nd December 2020 and 23rd March 2021.



Board of Directors

The current NBR Law provides nine members of the Board of Directors, including 2 Executive Members (the Governor and the Deputy Governor) and seven Non-Executive Members. Currently, the Board is not fully constituted as per the structure due to the appointment of one of the members to cabinet.

The Board is responsible for providing the Bank's strategic direction and overseeing the conduct of its business. During the Financial Year 2022/23, the Board composition was as follows:

RWANGOMBWA John
Governor and the Chairperson of the Board
Date of Appointment:
25th February 2013

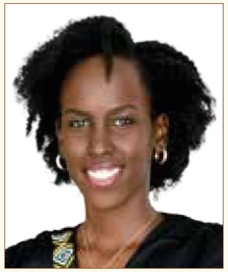
HAKUZIYAREMYE Soraya
Deputy Governor and Vice-Chairperson of the Board
Date of Appointment:
15th March 2021

RUGWABIZA M. Leonard
Non-Executive Director
Date of Appointment:
04th November 2011

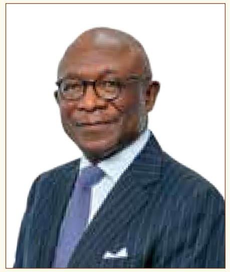
DUSHIMIRE Alice
Non-Executive Director
Date of Appointment:
04th March 2022

MURENZI Ivan
Non-Executive Director
Date of Appointment:
27th April 2018

NSENGUMUREMYI Cyridion
Non-Executive Director
Date of Appointment:
04th March 2022



KEZA Faith
Non-Executive Director
Date of Appointment:
27th April 2018



MUKETE DIKO Jacob
Non-Executive Director
Date of Appointment:
04th March 2022

The Board convenes on a quarterly basis. Additionally, it may call for meetings at any other time as it deems necessary.
During the Financial Year 2022/23, the Board of Directors held four (4) ordinary quarterly meetings and four (4) extraordinary meetings.

The table below shows the attendance of the Board Members for the FY 2022/23:

BOARD MEMBERS	ORDINARY BOARD MEETINGS	EXTRA - ORDINARY BOARD MEETINGS	HR COMMITTEE	AUDIT & RISK COMMITTEE	STRATEGY AND IT COMMITTEE	LEGAL AND REGULATORY COMMITTEE
Mr. RWANGOMBWA John	4/4	4/4	N/A	N/A	N/A	N/A
Ms. HAKUZIYAREMYE M. Soraya	4/4	4/4	N/A	N/A	N/A	N/A
Mr. RUGWABIZA Minega Leonard	4/4	4/4	1/2	N/A	5/5	N/A
Mr. MURENZI Ivan	4/4	2/4	2/2	4/4	N/A	N/A
Ms. KEZA Faith	2/4	0/4	1/2	N/A	3/5	N/A
Ms. DUSHIMIRE Alice	4/4	4/4	N/A	4/4	4/5	N/A
Mr. MUKETE DIKO Jacob	4/4	4/4	N/A	N/A	N/A	4/4
Mr. NSENGUMUREMYI Cyridion	4/4	4/4	2/2	N/A	N/A	4/4

Board Committees and their Functions

The Committees were established to exercise the powers conferred on the Board by the NBR Law and the Board Charter as amended. These committees are exclusively composed of non-executive members. Much of the Board's work is conducted within the committees before the final decisions by the Board.

During the FY 2022/23, the following laws, regulations, directives and guidelines were approved:

- 4 Draft Laws
- 34 Regulations
- 6 Directives
- 4 Guidelines

For further details, refer to Appendix 1

The Board has four Committees, namely:

- Legal and Regulatory Board Committee
- Strategy & IT Board Committee
- Audit and Risk Board Committee
- HR Board Committee

Board Committees and their Functions

Strategy & IT Board Committee

Roles and Responsibilities

The Committee assists the Board in all strategic matters to achieve its objective of providing the strategic direction of the Bank. The committee advises on development, adoption, and modifications of the Bank's business plans to implement the Bank's overall strategy

Activities of the Committee accomplished during the FY 2022/2023

- Gender Mainstreaming Strategy,
- NBR Business Plan Evaluation Report for FY 2021/22.
- Revised Business Plan & Budget for FY 2022/23
- Four Project Business Cases: Web Comparator Upgrade & Website upgrade, T24 –SWIFT ISO 20022 Compliance, Surveys Management system
- Update on Alternative Reserve Asset Allocation
- NBR Strategic Priorities for FY 2023/24
- NBR Position paper on Central Bank Digital Currency-CBDCs
- Roadmap of National Financial Inclusion Strategy (NFIS)
- Roadmap of National Financial Education Strategy (NFES)
- AS-IS and Gap Analysis Reports on NBR Digital Transformation Strategy
- NBR Business Plan and Budget for FY 2023/24

Audit and Risk Board Committee

Roles and Responsibilities

The Committee's primary responsibility is to assist the Board in establishing internal control mechanisms relating to financial management and reporting, risk management and compliance with relevant laws and regulations.

Activities of the Committee accomplished during the FY 2022/2023

- Audited Financial Statements for FY 2021/22
- Quarterly Reports on NBR's risk exposure for FY 2022/23
- Internal Audit Activity Quarterly Review Reports for FY 2022/23

HR Board Committee

Roles and Responsibilities

The committee reviews the leadership needs of the Bank, structure, size and composition of the required skills, salaries, and benefits for the staff to keep the Bank's remuneration competitive. It also gives strategic advice to the Board regarding succession planning and sets required HR policies.

Activities of the Committee accomplished during the FY 2022/2023

- Updated early job termination Policy;
- Board Performance Evaluation criteria;
- Updated Staff salaries structure;
- Proposal for restructuring;
- Appointments for Senior Officials.

Legal and Regulatory Board Committee

Roles and Responsibilities

The Committee assists the Board with matters arising to NBR's compliance with legal and regulatory requirements, in internal policies and other legal matters as may be directed by the Board;

Activities of the Committee accomplished during the FY 2022/2023

- The committee reviewed and recommended for the approval legal and regulatory instruments to respond to market needs and comply with international supervisory standards (Refer to Appendix 2) :

Risk Governance Framework

This section highlights the accomplishments and advancements made in the Bank's robust Risk Governance Framework. This framework underscores NBR's commitment to effectively manage risks, to ensure the stability and resilience of the financial system.

As described in the National Bank of Rwanda's Enterprise Risk Management Framework, The Risk Management and Compliance unit is an independent function performing a "second line defense role." In the past year, the Bank holistically examined its processes, practices and identified areas that needed more investments to ensure risk management remains resilient and aligned to the Bank's overall strategy. The Bank continued to address recommendations as per the risk review reports. During the period under review, the Bank monitored the following risk categories:

Deputy Governor Soraya delivers closing remarks at the 4th Rwanda Financial sector Corporate goverance workshop organized by the National Bank of Rwanda

Risk Governance Framework

Financial risks

Mainly Liquidity risk, Credit risk, Exchange risk and Interest rate risk exposures were monitored against the approved benchmarks and risk appetites for long-term risk and returns through compliance with financial management guidelines.

The FY 2022/23 was characterized by the global financial market volatility following the inflation pressures in major jurisdictions where the FX reserves were invested, especially in US. As result the slowdown in global economy obliged these countries to tighten the monetary policy and hike interest rates. The interest rate hike impacted negatively on security prices which reduced on global market and increase the financial risk in NBR portfolio management. Despite this uncertainty in global financial market, and thanks to the strong regulatory framework, the NBR portfolio was managed within the acceptable limits and adequate level of reserves maintained during the FY 2022/23 while meeting NFA (Net Financial Assets) and months of import cover targets.

Market risk

During the year, the portion of reserves invested in fixed income instruments in advanced economies experienced significant volatility in portfolio value. The volatility in portfolio value was triggered mainly by a rising yield environment as monetary authorities in advanced economies took an aggressive step to raise policy rates to cool down the inflation pressure.

To minimize the losses arising from heightened market risk, the Bank adopted a diversification strategy through alternative asset allocation and use of active management style by the external fund management partnership. As result, the NBR portfolio performance was in line with the benchmarks' performance during the FY 2022/23

Credit risk

Credit risk is defined as the uncertainty related to the occurrence of a credit event (downgrade or default of a counterparty), which results in a loss in the value of holdings linked to this counterparty. A credit event occurs when a counterparty does not fulfil its payment commitments. The level of the credit risk of a portfolio is a function of its composition and of the credit quality of the issuers of its assets and/or counterparties.

During the FY 2022/23, credit risk indicators rose driven by the heightened recessionary fears created by the inflation pressure and interest rates hike. However, the credit risk of NBR counterparties remained very low due to the credit rating limits established in line with bank risk appetite as defined in credit risk policy. The bank only invested in money market and fixed income instruments with high credit quality. At the end of the financial year, the NBR portfolio investments complied with the exposure limits set in the credit risk policy.

Strategic risks

Regulatory risks, concentration /quality risks and disruptive technology risks are within the appetite thresholds of the bank. A new mechanism to monitor emerging disruptive technologies was undertaken to proactively identify trends and adjust strategies by creating innovative products, services, or operational efficiencies.

Operational risks

Exposure was kept within the Bank's risk appetite through developed and tested behavior/ indicators of the key potential risks (under the NBR's risk profile) to forecast their short-term trend, spot gaps, and thus draw recommendations on required actions. During FY 2022/23, data quality risk, disruption of NBR's Services and project management were key risks that were monitored. The Bank will focus on monitoring new and emerging risks including climate, cyber security, and data privacy risks.

Reputational risks

Inflation Risk and unrealized market expectations were monitored and addressed through using improved communication strategies. Social media utilization has enhanced the Banks' reach out to all segments of society. This is in line with keeping the public informed on every development, decision, and rationale behind it. The Bank will continue to monitor reputational risks, including reputational damage.

Compliance risks

Compliance with internal and external legal and regulatory requirements were constantly monitored and reported quarterly, and corrective actions were immediately taken for any identified non-conformities. No major compliance breach on the part of the National Bank of Rwanda was reported within the period.

Business resilience and continuity was assured by increased tests on the banks 'systems, switching to alternative sites for the resilience of critical Bank's system/applications. Staff-based drills were done to improve awareness and crisis preparedness. Increased participation and collaboration of other partners in the Business continuity tests, especially with MINECOFIN and Commercial banks, assures the bank of a greater level of continuity in times of crisis. This also makes the National Bank of Rwanda stand out as a dependable institution even in times of challenges.

In conclusion, the National Bank of Rwanda's unwavering commitment to sound risk governance is evident through its accomplishments in the Financial Year 2022/23. The Bank's strategic objectives were pursued within established risk appetite levels, reflecting its dedication to enhancing risk management capabilities. As the financial landscape continues to evolve, the NBR remains steadfast in its mission to ensure stability, resilience, and sustainable growth through its robust Risk Governance Framework.

Internal Audit Function

NBR conducts continuous internal audits to provide independent assurance on risk management, internal control and governance processes to the Board. The audit process, follows Risk Based Audit Approach, focusing on critical areas of the Bank's operations. After identifying and assessing high-risk areas, the auditing process provides actionable recommendations to enhance risk mitigation strategies and internal controls.

The areas of audit coverage during FY 2022/23 included processes such as IT and Digital projects management; Cyber Security, Contract management process; Preparation of monetary Data, Account reconciliation, Follow-up of audit recommendations, Cash counting in NBR Branches and Headquarters, Monthly economic program data reports to be submitted to IMF, NBR Financial statements, Information security management system, Quality management system and review of net foreign assets calculation.

The Bank's internal controls were reasonably adequate to maintain accountability, manage risks, ensure compliance with laws and regulations, improve operational efficiency, prevent fraud, and enhance overall governance and transparency.

Going forward, the Bank will continue to conduct risk-based audits in line with international standards and best practices.

CHAPTER 02:

MONETARY POLICY

The objective of monetary policy is to ensure price stability that contributes to sustained macroeconomic stability, fostering investors' confidence and safeguarding the purchasing power of consumers. Since January 2019, the NBR adopted a forward-looking price-based monetary policy to efficiently manage inflation and keep it within the target band between 2 percent and 8 percent, and close to 5 percent in the medium term. The monetary policy relies on the projections of inflation, taking into account domestic and global economic developments and outlook.

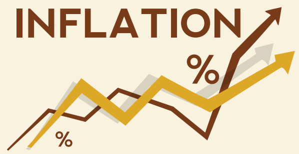
Inflation Dynamics and Drivers

In the Financial Year 2022/23, NBR conducted its monetary policy in a challenging environment characterized by inflationary pressures rising from both global and domestic shocks. The Russia-Ukraine war led to disruptions in global supply chains, amplifying the already increasing international commodity prices due to the mismatch between demand and supply during the post-COVID-19 period. A faster recovery in aggregate demand during the post-COVID-19 period exceeded aggregate supply, leading to a build-up in inflationary pressures. Additionally, Rwanda, like most EAC countries, faced domestic weather shocks that negatively impacted the performance of agriculture and led to an increase in food prices.

On average, headline inflation increased from 4.6 percent in FY 2021/22 to 18.2 percent in FY 2022/23. During the same period, core inflation (inflation excluding energy and fresh food products) rose significantly, from 5.0 percent to 12.9 percent while fresh food inflation rose from 1.5 percent to 41.8 percent. Energy inflation increased to 14.7 percent from the previous year's 9.2 percent.

As international commodity prices rose significantly, imported inflation also increased from 9.5 percent in FY 2021/22 to 16.4 percent in FY 2022/23. In FY 2022/23, exports grew by 29.8 percent, to USD 2,404.55 million from USD 1,853.20 million of the previous financial year.

During the same period, imports grew by 28.0 percent, to USD 5,116.97 million from USD 3,995.71 million. As a result, the trade deficit expanded by 29.7 percent, to USD 2,235.57 million from USD 1,723.53 million, putting pressure on the Rwandan Franc. Indeed, in FY 2022/23, the Rwandan Franc depreciated significantly by 8.76 percent against the US Dollar, a faster decline than the 3.78 percent in FY 2021/22. This depreciation can be explained by the widening trade deficit, but also by the strengthening of the dollar following the US Federal Reserve's monetary policy tightening.



Headline inflation increased to

18.2% FY 2022/23 FROM **4.6%** FY 2021/22

Rwanda's trade deficit expanded by

29.7% FY 2022/23

AMOUNTING TO **$2,235.57m**

FROM **$1,723.53m** FY 2021/22

Evidence-Based Policy Responses and Communication

Monetary Policy Formulation

In light of global and domestic economic developments and challenges, the NBR took appropriate policy decisions to curb inflationary pressures. In FY 2022/23, the Bank tightened monetary policy by increasing the Central Bank Rate (CBR), from 5 percent in June 2022 to 7 percent in June 2023.

In addition to supporting monetary policy decision making, NBR continued to provide economic advice by producing and discussing a number of policy briefs and research papers with relevant government agencies.

Central Bank Rate (CBR)

7.0%

June 2023

FROM

5.0% | June 2022

Examples of policy briefs and research papers, informed by high-quality data and modern tools, include:

1. A policy brief on domestic food production and inflation was developed based on the Bolivian successful initiatives to increase food production and reduce food inflation. Bolivia's low inflation is a result of agricultural policies that made the country produce about 95 percent of its local food consumption and provided critical protection from external shocks and supply chain disruptions. Lessons and recommendations were discussed with Rwandan agricultural policymakers who plan to engage Bolivian Authorities for further discussions and benchmarking.

2. The Bank conducted a study on Fuel, Transport, and Electricity subsidies (which are some of the main contributors to rising inflation). This informed the policymakers to maintain the subsidies that abate inflationary pressures.

3. Policy briefs were produced to inform monetary policy decisions. The briefs generally explain the effect of changes in the CBR and exchange rate in Rwanda on bank lending: output; and inflation which emphasize the lag and magnitude of CBR changes and complemented quarterly macroeconomic projections.

4. Policy-oriented research papers were produced and disseminated to increase public understanding of the structure and functioning of the Rwandan economy. The topics addressed include (1) assessment of external sector competitiveness and stability using the Equilibrium Real Effective Exchange Rate (EREER); (2) attainment of internal and external economic stability using monetary and exchange rate policies; (3) channels of monetary policy transmission mechanism, among others.

Monetary Policy Implementation

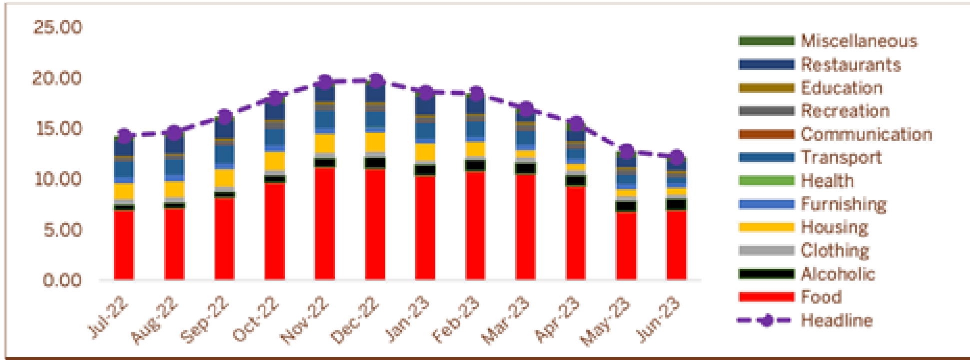
In line with the economic outlook, NBR implemented appropriate monetary policy to curb inflationary pressures. Monetary policy decisions were communicated (via reports, press releases, social media, and radio/TV talk shows) to the public to help anchor inflation expectations, improve financial literacy and financial inclusion, and improve monetary policy transmission.

In regard to disinflationary policy responses from NBR and the Government, inflation has been progressively declining. As shown in Figure 1, Headline inflation increased from 15.6 percent in July 2022 and peaked in November 2022 at 21.7 percent, after which it started declining to reach 13.7 percent in June 2023.

The observed headline inflation is expected to continue declining towards the target band by the end of 2023. However, the main risks to the inflation outlook remain, such as weather related challenges, geopolitical tensions, and reduced oil supply by OPEC and Saudi-Arabia. Thus, NBR is committed to continue monitoring global and domestic economic developments and stands ready to take appropriate actions to keep inflation low and stable.
Monetary policy tightening usually comes at a cost in the form of a slowdown in economic activities. This was indeed what happened globally, as several economies around the world slowed down following their monetary policy tightening to curb inflationary pressures.

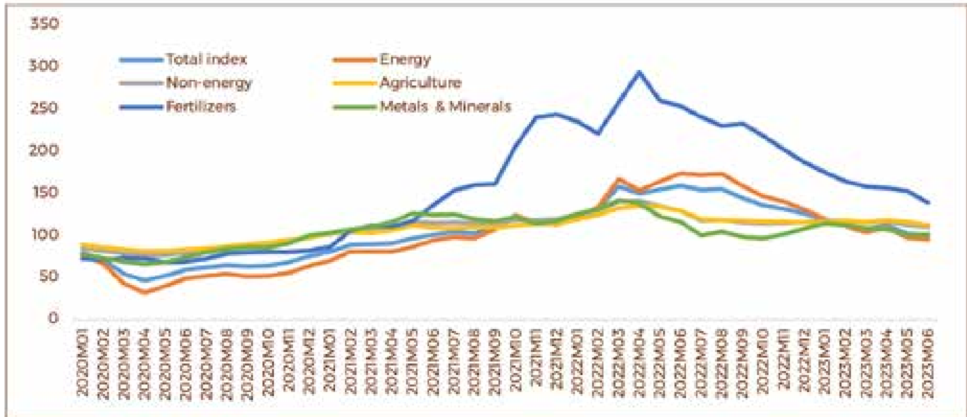
Globally, average inflation rose to 8.7 percent in 2022 from 4.7 percent in 2021 due to elevated commodity prices. Although it is projected to remain higher than its pre-pandemic levels, global inflation is expected to ease to 6.8 percent in 2023. Three-quarters of the world's economies are expected to experience lower average inflation in 2023 due to decreasing international commodity prices (Figure 2) and the effects of monetary policy tightening.

Figure 1: Inflation developments in FY 2022/23



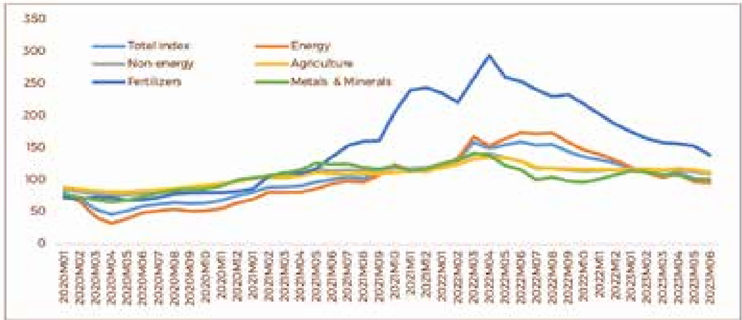
Source: National Institute of Statistics of Rwanda

Figure 2: Energy commodity prices index in nominal US dollar (2010=100)



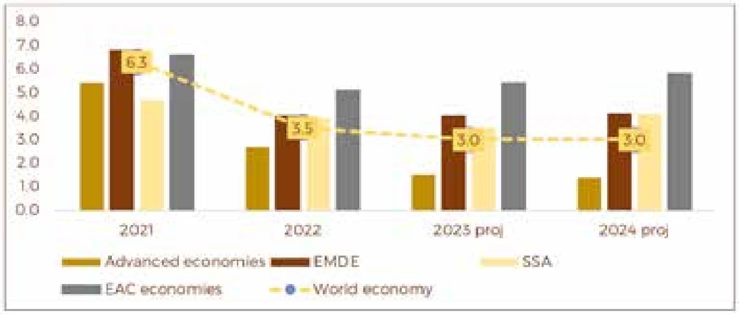
Source: National Institute of Statistics of Rwanda

Figure 3: Energy commodity prices index in nominal US dollar (2010=100)



Source: National Institute of Statistics of Rwandav

Figure 4: GDP growth and projections across regional blocks (% change)



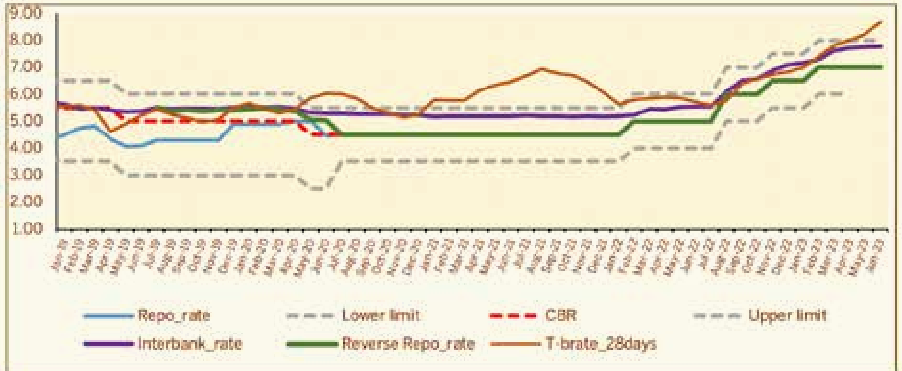
Source: IMF WEO update, July 2023

In line with monetary policy tightening, the global economic growth slowed to 3.5 percent in 2022, following a robust expansion of 6.3 percent in 2021, and is expected to slow down further to 3.0 percent in 2023.

Just like other central banks, NBR tightened its monetary policy to curb inflationary pressures. Consequently, the interbank rate saw a significant rise of 171 basis points in FY 2022/23 compared to the previous year, reaching an average of 7.00 percent.

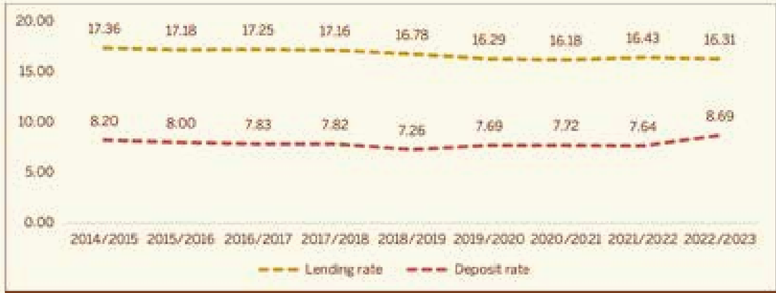
The deposit rate increased by 105 basis points, reaching an average of 8.69 percent in 2022/23 from 7.64 percent in 2021/22. This rise is linked to the upward trend in treasury bill rates and a greater portion of long-term deposits. However, the lending rate dropped by 12 basis points to 16.31 percent, indicating a decline from the previous year's rate of 16.43 percent. This decrease is attributed to a higher proportion of short-term, large corporate loans, which are granted at lower interest rates. Consequently, the gap between the lending and deposit rates tightened by 117 basis points. In addition, bond yields rose across all maturities during the period under review.

Figure 5: Money market rates developments



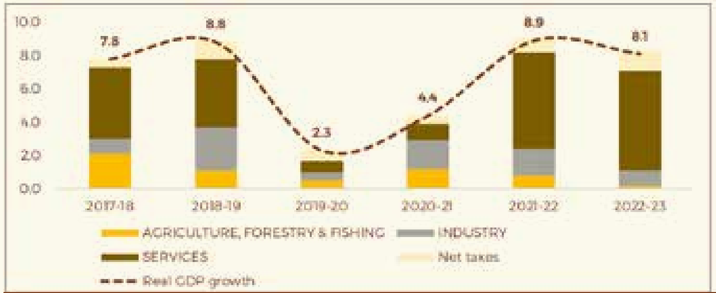
Source: National Bank of Rwanda

Figure 6: Market interest rates (percent average)



Source: National Bank of Rwanda

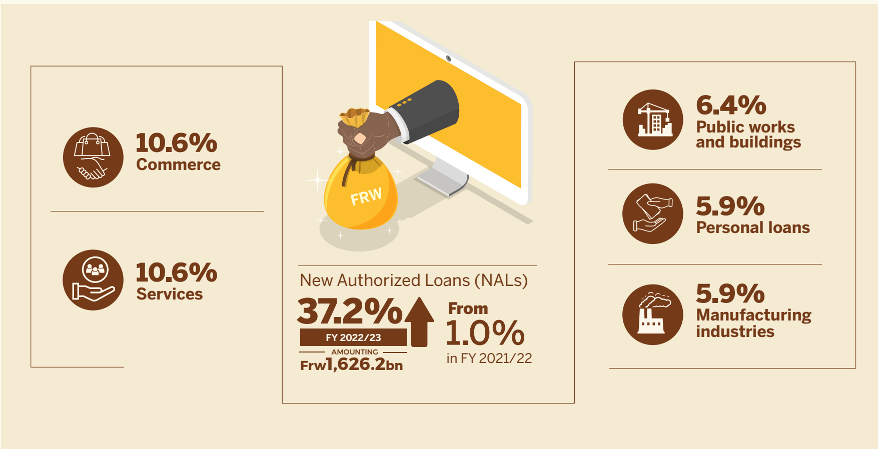
Figure 7: GDP growth (% change)

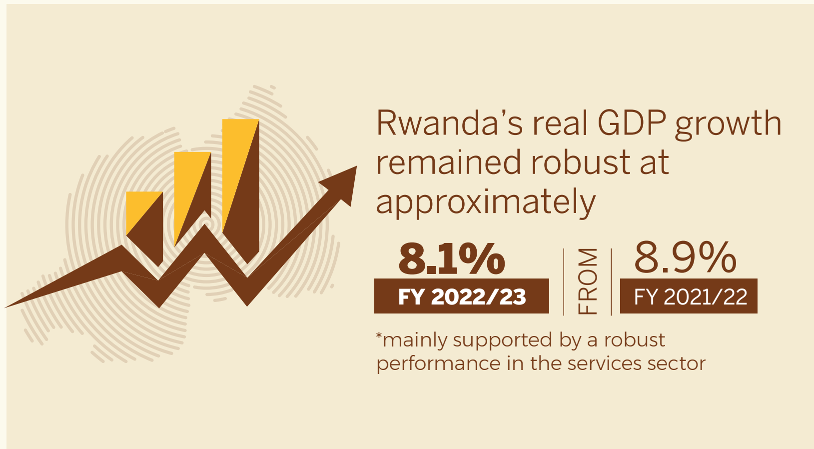


Source: National Institute of Statistics of Rwanda

Despite monetary policy tightening, New Authorized Loans (NALs) experienced significant growth of 37.2 percent in FY 2022/23 compared to a decline of 1.0 percent in FY 2021/22, reaching FRW 1,626.2 billion, attributed to the good performance of the economy. The sectors with a big share in total NALs were commerce (10.6 percent), services (9.2 percent), public works and buildings (6.4 percent), personal loans (5.9 percent), and manufacturing industries (4.2 percent). During FY 2022/23, outstanding credit to the private sector (CPS) grew at a slower rate of 13.2 percent, compared to the 16.5 percent growth recorded in FY 2021/22. This decrease was due to factors such as the repayment of short-term loans and write-offs during the period under review.

In line with the high economic financing, Rwanda's economy remained resilient, despite various economic challenges such as the slowdown in global demand, increasing inflation, and climate shocks. The real GDP growth remained robust at approximately 8.1 percent during 2022/23, slightly lower than the 8.9 percent achieved in the previous year. This growth was mainly supported by a robust performance in the services sector as shown in Figure 6.





CHAPTER 03:

FINANCIAL SYSTEM STABILITY

The financial system in Rwanda remained stable and sound throughout the fiscal year of 2022/23. This was due to the various tools and measures that the Bank implemented that include putting in place regulations, conducting supervision and oversight, and creating frameworks to prevent and mitigate systemic risks that could lead to financial crisis and disruptions in the broader economy.

Regulation

During the year, the National Bank of Rwanda issued Regulations, Directives, and Guidelines. that covered various aspects such as capital requirements, governance principles, risk management practices, consumer protection measures, systems' integrity, as well as market discipline. Furthermore, the NBR aligned its legal framework with international standards and best practices, to promote stability, investor confidence, and economic growth in an increasingly interconnected world.

Financial sector laws and regulations developed

During the FY 2022/23, the Law governing the organization of banking was revised to implement recommendations from Financial Sector Assessment Program (FSAP) by the IMF and World Bank. The revised law also provides a favorable environment for investors and takes into consideration market developments.

In addition, 20 regulations were published in different sectors

In Insurance sector, six regulations were published to implement the Law N° 030/2021 of 30/06/2021 governing insurance business. These regulations aim to establish a licensing framework for special insurance businesses and intermediaries such as captive insurance, mutual insurance and risk surveyors and to organize the micro-insurance business. In addition, they aim to promote the growth of domestic insurance businesses, prudent investment practices, and reduce capital flights. Furthermore, they introduce a detailed process of resolving and liquidating an insurer under stress situation or under insolvency.

A regulation was published in September 2022, which established operational and other requirements for pension schemes and long-term saving schemes. The regulation aimed to increase security in the invested fund by setting thresholds according to the risks associated with the asset classes. It also strengthened corporate governance requirements. As a result of this review, pension schemes such as Ejo Heza Scheme will be supervised which was not the case before regulation was reviewed.

New regulations governing deposit-taking microfinance institutions were introduced during the year to align with the new Law no 072/2021. The regulations include updates for corporate governance, risk management, reporting requirements, mergers & acquisitions, and prudential norms, adhering to international standards and best practices.

To protect the rights and interests of consumers of financial services and build trust in the formal financial sector and thus encouraging financial inclusion; two regulations implementing the Law No 017/2021 of 03/03/2021 relating to financial service consumer protection were published. These regulations require financial service providers among others to treat consumers fairly, to be transparent when delivering their services, they also prohibit different malpractices and fees that are considered to be unfair. These regulations are expected to create a sound financial consumer protection framework, which is fundamental to increasing access and usage of financial services; as well as improving the quality of financial services.

Two regulations were also issued to implement the Law no 061/2021 of 14/10/2021 governing the payment system. These regulations intended to safeguard and isolate e-money account holder's funds. The e-money issuer is required to diversify trust funds in financial institutions, to protect the trust fund from insolvency of the financial institution holding the trust fund, and the concentration risk.

In order to promote other alternative finance and attract investors, a regulation governing Non-Deposit Taking Financial Service Providers (NDFSPs) was issued. This regulation introduced different new products such as Buy Now and Pay Later products that charge interest, Money Lenders, Peer to Peer Lending, Pawnshops and others. In addition, the regulation requires Savings and Credit Schemes (Ibimina) that have mobilized a minimum of FRW 500,000,000 from members' contributions to be registered as a legal entity and be regulated to ensure they can not pose any systemic risk.

The Law N° 48/2017 of 23/09/2017 governing the National Bank of Rwanda, as amended to date, mandates NBR to regulate and supervise trusts and company service providers. In this FY, the Regulation was put in place to govern trusts and company service providers. These are professionals that assist investors to establish their businesses, act as directors, trustees, nominee shareholders and serve as head offices for investors in a bid to ease business in Rwanda.

Finally, in a bid to ensure the sanctions are proportionate, dissuasive, and preventive based on size and complexity of institutions but also on seriousness of the violation, the NBR reviewed the Regulation determining administrative sanctions applicable to regulated institutions for non-compliance with the prevention of ML, FT and financing of proliferation of weapons of mass destruction requirements.

Details of Laws, Orders, regulations, Directives and Guidelines are indicated in Annex 1.

The Bank will continue to strengthen the legal and regulatory framework, enhance the supervision of the financial sector, by ensuring that regulated entities comply with the required standards for a stable, secure, and efficient financial system.

Licensing of Financial Institutions

- **2** Deposit-taking Microfinance (DTMF) Cooperative
- **1** Microfinance company
- **1** Insurance broker
- **4** Actuarial firms
- **10** Payment service providers
- **12** Non deposit taking financial service providers
- **7** New branches for microfinance operations

Licensing of financial institutions is another key role of the NBR's oversight. This approach ensures trustworthy, and well-capitalized entities are on boarded within the financial landscape, hence building confidence among all stakeholders. During this financial year, the NBR conducted various evaluations of applicants' financial strength, operational strategies, and compliance with regulations prior to granting licenses.

Licenses include two Deposit-taking Microfinance (DTMF) Cooperatives and authorized one Microfinance company to carry out Microfinance activities, one insurance broker, four actuarial firms, 10 payment service providers, 12 Non deposit taking financial service providers. Granting licenses to these institutions boosts public confidence, increases competition, innovations, and improves service delivery in the financial sector.

Further, the Central Bank, approved the merger of KCB and BPR with the aim to enhance capital strength, increase investment capacity, reinforce risk mitigation strategies, as well as enable financial institutions to be more resilient to economic shocks, and improve service delivery.

The NBR also approved the opening of 7 new branches for microfinance operations. The opening of branches was important to enhance customer convenience, market penetration, financial inclusion among others.

Financial Sector Supervision

The NBR's pursuit of financial stability is underpinned by financial sector supervision, which ensures that financial institutions comply with regulatory requirements for safety and soundness. This supervision includes micro-prudential supervision, macro-prudential supervision and market conduct supervision.

Micro Prudential Supervision

Micro-prudential supervision involves a supervisory framework aimed at ensuring the stability of individual financial institutions within the country. Its main purpose is to mitigate risks that could lead to the failure of financial institutions. As the regulator of the financial sector, NBR oversees the licensed entities through regular assessments of their capital, risk management, asset quality, liquidity, strategic orientation and governance. This prudential supervision entails off-site and on-site supervision.

Off-site Supervision Activities

Off-site surveillance is a continuous process that analyses and monitors financial health and assesses operations, risk management practices, and compliance at an institutional and sector level. This surveillance is a remote monitoring and risk-based supervision process that relies on data analysis and reports from all regulated institutions including; banks, insurance & pension, microfinances, payment services providers, foreign currency dealers, and Non-deposit taking financial service providers.

Through this analysis the NBR conducted offsite supervision for all instutitions and was able to identify potential risks including, liquidity, credit, operational, strategic, compliance, and market risks, in order to mitigate them and ensure financial stability and soundness.

In addition to off-site monitoring, the NBR engaged with several supervised institutions through Prudential meetings. These are collaborative engagements with regulated institutions to discuss the findings from off and on-site analysis and deliberate on prudential resolutions and recommendations. This helped in following-up and tracking of supervisory concerns, corrective actions, or other matters, which come to light through ongoing communications and surveillance. This collaborative approach strengthened regulatory oversight and promoted adherence to prudential standards.

The off-site surveillance efforts made a significant contribution to enhancing the understanding of the risk profiles of supervised institutions and ensuring that issues discovered lead to thorough investigations through on-site supervision. Timely interventions were made leading to the preparation of the supervisory plans, which informed on-site inspections that were conducted, as per the individual risk profile of regulated institutions.

On-site Supervision Activities

The National Bank of Rwanda's on-site inspections form a critical component of its supervisory framework. This key supervisory function employs a risk-based supervision(RBS) framework, a structured, forward-looking process designed to ensure financial institutions are supervised based on their key risk profiles and the potential impact of their activities on the stability of the financial system. RBS is a shift from 'one-size-fits-all' requirements that are applied uniformly to all financial institutions regardless of their size or risk profiles. In addition, NBR uses teammate system, an on-site tool is used to carry out on-site inspections. This tool facilitates the inspection process from planning and risk assessment, to reporting and it is designed to bring efficiency and consistency to the entire inspection process.

During FY 22/23, the National Bank of Rwanda carried out on-site inspections in six banks, and all bank branches in Kigali City to ascertain compliance with regulations concerning the opening and closing of businesses. 210 on-site inspections and 190 visits were conducted in microfinance institutions, and an assessment of the UMURENGE SACCO Core Banking System performance was done. On-site inspections of five insurance companies and three pension schemes were also done. A series of visits were conducted to engage with all insurers, with the aim of gaining deeper insights into the challenges faced by each individual insurer and the broader sector as a whole. In addition, the NBR also conducted on-site examinations of five payment service providers, and the assessment for the Automated Transfer System (ATS), which the Bank operates.

The outcomes of micro-prudential supervision are evident across the financial sector. Improved governance and financial performance are observed, and strong risk management practices are being maintained to safeguard the interests of stakeholders. Regulated institutions exhibit improved compliance with international standards, significant strategic orientation, and internal control improvement.

Additionally, process automation continues to enhance customer service quality across the financial sector. Therefore, Micro-prudential supervision has contributed to a financially stable and sound sector, reinforcing trust and confidence within the financial landscape.

Macro-Prudential Supervision

Macro-prudential supervision at the National Bank of Rwanda involves the continuous monitoring of the financial system. This monitoring is focused on identifying potential risks and implementing necessary measures to safeguard financial stability. The primary objective of macro-prudential measures is to enhance the financial system's ability to withstand and mitigate the impact of various shocks by addressing systemic risks that may arise within the financial system.

During FY 22/23, a series of significant policy actions were taken to address financial sector risks. These accomplishments are reflected in the publication of the annual Financial Stability Report (FSR), and the preparation of the Monetary Policy and Financial Stability Statement (MPFSS). These reports served as vital resources for informing our stakeholders about the financial sector's performance.

Additionally, quarterly updates in the form of Financial Soundness Indicators (FSIs) were prepared to track the financial sector's health and stability. The delivery of quarterly Financial Stability Reports (FSR) also provided valuable insights and data to guide the Financial Stability Committee (FSC) in making informed policy decisions. These reports focused on risk identification and assessment, ensuring the financial sector is resilient to potential economic shocks.

THE STRUCTURE OF THE FINANCIAL SYSTEM

During the period under review, the financial system continued to grow in number and size supported by a conducive regulatory and economic environment. The sector is comprised of diverse institutions and infrastructures that are key enablers of financial inclusion, investment, job creation and the overall welfare. As of June 2023, the total number of regulated financial institutions grew to 646 from 623 in June 2022, mainly on account of the new licenses of Non-Deposit Taking Financial Institutions (NDFIs) and new players in the payment industry.

18.3%
Assets of the Financial Institutions

FRW 9,635 BN

JUNE 2023

Table 1: Structure of the Financial System

Regulated Financial Institutions	June 2022			June 2023		
(Assets in FRW Billion)	Number	Assets	% of TA	Number	Assets	% of TA
Banks	**15**	**5,492**	**67.4**	**15**	**6,485**	**67.3**
Commercial Banks	10	4,445	54.5	10	5,153	53.5
Microfinance Banks	3	73	1.0	3	85	0.9
Development Banks	1	408	5.0	1	543	5.6
Cooperative Banks	1	566	6.9	1	704	7.3
Pension Schemes	**13**	**1,356**	**16.7**	**11**	**1,576**	**16.4**
Public	1	1,275	15.7	1	1,495	15.5
Private	12	81	1.0	10	81	0.9
Insurers	**15**	**748**	**9.2**	**17**	**877**	**9.1**
Life	3	77	1.0	3	92.4	0.9
Non-Life	11	668	8.2	11	772.1	8.0
Micro insurers	1	3	0.0	1	6.2	0.1
Captive Insurers				1	5.6	0.1
HMO				1	0.5	0.0
Microfinances	**457**	**473**	**5.8**	**458**	**598**	**6.2**
U-SACCOs	416	191	2.4	416	221	2.3
Other SACCOs	22	141	1.7	23	199	2.1
Limited Companies	19	141	1.7	19	178	1.8
Foreign Currency Dealers	**78**	**9**	**0.1**	**78**	**9.4**	**0.1**
Forex Bureaus	78	9	0.1	78	9.4	0.1
Payment Services Providers (PSPs)	**18**	**-**	**-**	**30**	**-**	**-**
Money Transfer & Remittance Companies	6	-	-	8	-	-
Payment Initiation Services Providers	6	-	-	13	-	-
E-Money Issuers	5	-	-	7	-	-
Payment Systems Operators	1	-	-	1	-	-
Non-Deposits Taking Financial Institutions	**26**	**67**	**0.8**	**37**	**89**	**0.9**
Lending only	8	20	0.2	13	25.8	0.3
Factoring	2	0.0	0.0	8	0.1	0.0
Guarantees	1	47	0.6	1	63	0.6
Debt Collection	15	0.0	0.0	15	0.1	0.0
Credit Reference Bureaus	**1**	**-**	**-**	**1**	**-**	**-**
Grand Total	**623**	**8,145**	**100 %**	**646**	**9,635**	**100%**

Source: National Bank of Rwanda

PERFORMANCE OF THE FINANCIAL SECTOR

The financial sector continued to grow amidst challenging global and domestic economic conditions. As of June 2023, total assets of the financial sector grew by 18.3 percent to FRW 9,635 billion from FRW 8,145 billion in June 2022. The banking sector, which is the biggest sub-sector, grew by 18.1 percent on the back of continuous capital injection and deposits. The assets of the pension sector (both public and private) increased by 16.2 percent, mainly driven by the growth in pension contributions and investment income. The assets of the insurance sector grew by 17 percent mainly supported by retained earnings and capital injections. Similarly, during the period under review, assets of the microfinance sector expanded by 26.5 percent supported by increased deposits and capital base.

Measured by the size of the financial sector assets relative to Gross Domestic Product (GDP), the depth of the financial sector grew to 63.0 percent in June 2023 from an average of 61.4 percent over the last five years. This portrays the prominent and expanding role the financial sector continues to play in financing the economy.

Figure 8: The Growth of the Financial Sector

Source: National Bank of Rwanda

Assets of the Financial Institutions (relatively to GDP)

63.0% **2023** FROM 61.4% 2022

Banking **18.1%**

Pension **16.2%**

Insurance **17%**

Microfinance Institutions **26.5%**

Forex Bureaus **0.1%**

NDFIs **0.9%**

Governor Rwangombwa responds to a question during the Monetary Policy and Financial Stability Statement

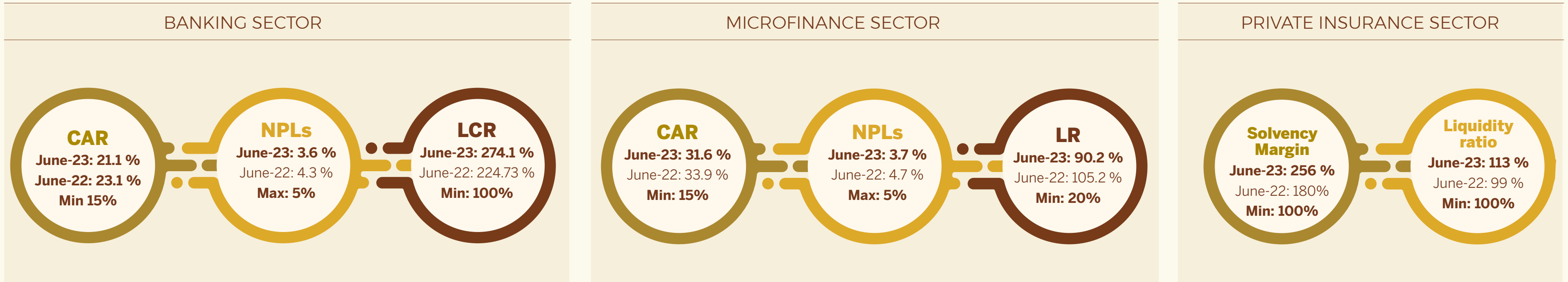
STABILITY OF THE FINANCIAL SECTOR

The NBR considers a stable and sound financial sector, as a sector that is able to provide financial services without any major interruptions and has demonstrated to be resilient against economic and financial shocks. In particular, supervised financial institutions are adequately capitalized, liquid, and profitable and the payment systems are also operating smoothly. Assessing the state of stability of the financial system must consider not only financial sector-specific data but also macroeconomic indicators, market-based data, qualitative, structural information, and global macro-financial linkages.

In March 2023, banks in advanced economies faced distress due to security repricing following policy rate hikes to combat inflation. This prompted an evaluation of our banks' resilience in light of their investments in government securities, interest rate fluctuations, and emerging risks. Results showed that our banks have limited connections with global financial markets, especially those that were impacted in the US.

Domestically, despite the challenging economic environment, the financial sector remained sound and resilient. The capitalization of the financial sector remains strong as regulated financial institutions continue to maintain capital positions above regulatory requirements. As of end June 2023, the aggregate total Capital Adequacy Ratio (CAR) of banks stood at 21.1 percent, higher than the minimum regulatory requirement of 15 percent. Similarly, the microfinance sector continues to comply with the capital adequacy requirements. The consolidated CAR of Microfinance Institutions (MFIs) stood at 31.6 percent, higher than the 15 percent minimum regulatory requirement. Generally, the stable capitalization of lending institutions is explained by the continued enhancement of capital by banks and MFIs through retained earnings and capital injection, coupled with improved quality of assets. The solvency position of the insurance sector also remained high during the period under review. In particular, the solvency ratio of private insurance significantly improved to 256 percent in June 2023 from 180 percent in June 2022, on the back of improved profitability and quality of assets.

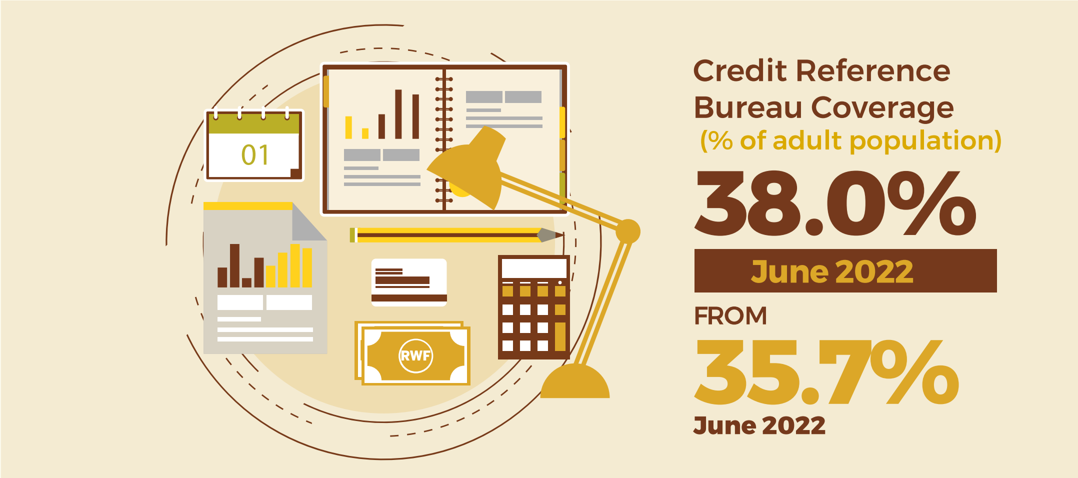
The liquidity position of financial institutions also remains strong. Banks continue to hold adequate liquidity buffers both in the short- and long-term perspective. As of June 2023, the Liquidity Coverage Ratio (LCR) which measures the ability of banks to fund cash outflows for 30 days stood at 274.1 percent, while the Net Stable Funding Ratio (NSFR) which gauges whether banks hold enough stable funding to cover the duration of their long-term assets stood at 129.8 percent, both above the regulatory requirement of 100 percent. The MFIs' aggregate liquidity ratio stood at 90.2 percent, above the 20 percent minimum prudential requirement and all categories of MFIs comply with this regulatory requirement. The liquidity ratio of private insurers also improved to 113 percent in June 2023 from 99 percent in June 2022, in line with increased investment in liquid assets.



The assets of banks and MFIs continued to be healthy. The stock of Non-Performing Loans (NPLs) in banks reduced to FRW 163.8 billion in June 2023 from FRW 166.1 billion in June 2022 mainly due to the continuous economic performance, and write-offs of some non-performing loans that were long overdue. As a result, the NPLs ratio dropped to 3.6 percent in June 2023 from 4.3 percent in June 2022. This decline in the NPLs ratio is reflected across different sectors, except the manufacturing sector which recorded an increase in the NPLs ratio from 3.1 percent to 7.8 percent. However, factors contributing to increased credit risks in the manufacturing sector are not broad-based but rather within a few large companies. In the microfinance sector, the quality of loans improved due to continued economic growth and enhanced monitoring of borrowers, hence the NPLs ratio declined to 3.7 percent in June 2023 from 4.7 percent in June 2022.

Generally, the quality of loans in both banks and MFIs continues to be boosted by the enhanced credit reporting system. The Credit Reporting System consists of databases of information on debtors together with the institutions, technology, and legal framework supporting the efficient functioning of such databases.

Statistics from the credit bureau, specifically TransUnion Rwanda, highlight a consistent rise in the utilization of its data. As of end June 2023, the usage rate reached 96.3 percent, an increase from 92.9 percent as of end June 2022. This rise was primarily driven by the frequent issuance of digital loans by certain commercial banks. This means that before and after granting a loan, lending institutions have reliable information that helps them make informed lending decisions.



The NBR will continue to engage with new data providers to increase the level of coverage, a measure of the proportion of the adult population reported to the credit bureau relative to the total adult population, which stands at 38.0 percent. In this regard, to ensure access, reliability, and usage, the NBR in partnership with TransUnion Rwanda conducted an awareness campaign on the credit reporting system. This campaign was implemented through different channels such as workshops; Roadshows; TV and Radio shows, and it targeted all institutions involved in the system, as well as the general public,

CRISIS MANAGEMENT, RESOLUTION AND DEPOSIT INSURANCE

NBR is also vested with the responsibility of crisis management and resolution arrangements to ensure the stability of the financial sector. These functions became more relevant with the recent distress in the global banking sector whereby the collapse of banks in the USA and Europe was quickly absorbed by crisis management and resolution authorities. In this regard, NBR continued to reinforce its crisis management and resolution framework. During this FY the Bank approved its framework for Deposit Taking Financial Institutions (DTFIs). This framework provides guidance on how the NBR will manage failing deposit-taking financial institutions (Banks and MFIs) in the interest of financial stability. It describes the key features of NBR's resolution framework for deposit-taking financial institutions that include objectives of resolution; triggers or conditions of resolution; powers and tools for resolution; resolution valuation; governance of resolution and communication of resolution actions. It also touches on the practical steps of implementing different resolution options/ tools, resolution planning and financing.

In addition, a number of the key components of a comprehensive crisis management framework are operational such as regulatory reforms (Regulations implementing Basel II and III standards); regulatory and supervisory approach of DSIBs; Prompt Corrective Actions (PCA) and recovery plans; the Emergency Liquidity Facility (ELF) and the Financial Sector Coordination Committee (FSCC) that deals with crisis management issues at the national level.

The Deposit protection function also continued to be enhanced. As of end June 2023, total premiums collected from banks and MFIs amounted to FRW 17.1 billion from FRW 12.5 billion as of end June 2022, an increase of 36 percent. The amounts collected are invested largely in Government securities to continuously grow the fund's ability to pay out insured depositors in the event of failure of a deposit taking financial institution. Currently, the DGF protects eligible deposits up to the coverage limit of FRW 500,000 per depositor and per member bank and microfinance institution. As of end June 2023, the insured deposits from banks amounted to FRW 199 billion equivalent to 4.7 percent of total deposits in banks and FRW 31.5 billion insured deposits from MFIs equivalent to 32 percent of total deposits in MFIs (PLCs). The role of the Deposit Guarantee fund was more apparent when one of the MFIs – CAF Isonga was liquidated. However, the fund is still at a nascent stage and the NBR will continue to grow this fund to ensure all depositors in all financial institutions are protected. Increasing the coverage limit to a reasonable level, will be aligned with the growth of the fund.

National Payment System Development

The payment system efficiency, security, and accessibility are vital for the growth and stability of modern economy. The NBR plays a critical role in overseeing and regulating National Payment System (NPS) to ensure smooth financial operations and achieve a cashless economy in Rwanda.

INITIATIVES THAT SUPORT CASHLESS POLICY

During FY 22/23, the NBR continued to focus on the various initiatives that support the implementation of a cashless policy including upgrade of Rwanda Integrated Payments Processing System (RIPPS) and implementation of instant payments system (eKash). In addition, the Bank has conducted a feasibility study on Central Bank Digital Currency (CBDC)

These initiatives were adopted to address settlement time lag, limited access of MFIs to NPS, frauds and errors in payment transactions and high cost of payment transactions.

National Payment System Development

Enhancement of Rwanda Integrated Payments Processing System (RIPPS)

RIPPS was upgraded to improve the efficiency of payment and settlement systems in Rwanda. The key achievements include:

- **Extended Operating Hours:** Starting from August 2023, RIPPS began operating 24/7, except for a 1-hour maintenance break and end-of-day operations.
- **Access Expansion:** By June 2023, 11 Microfinance Institutions with 728,158 account holders gained access to the National Payment System through RIPPS.
- **System Security:** RIPPS now supports digital signatures, enhancing security and preventing forgery or misuse of the system.
- **Central Securities Depository (CSD):** The upgraded RIPPS introduced automated CSD functions, boosting market efficiency and liquidity.

Promoting the eKash system (RNDPS):

The objective of the Rwanda National Digital Payment System (RNDPS) is to accelerate the digitization of retail payments across a range of digital channels and instruments in a cost-effective and efficient manner. In FY 2022/23, the NBR coordinated financial service providers to promote the eKash. In 2022, interoperable and instant retail transfers between mobile money service providers became operational and are now being extended to banks and MFIs

Central Bank Digital Currency (CBDC)

The National Bank of Rwanda (NBR) initiated and coordinated a feasibility study for a Central Bank Digital Currency (CBDC) to explore its potential benefits, risks, and practical implementation. The study identified challenges within the financial and payment systems that CBDC could address.

The key opportunities from CBDC include enhancing payment resilience during network outages, fostering innovation and competition with a low-cost payment instrument, advancing towards a cashless economy, and improving cross-border payments with faster, cheaper, and more transparent remittances. This study proposed various design options for CBDC distribution, considering technical, economic, legal, and financial aspects. Next steps include CBDC proof of concept and piloting.

Payment System Performance

During FY 2022/23, the NBR continued to monitor the operations of payment service providers and Financial Market Infrastructures operators.

Rwanda Financial Market Infrastructure Performance

Financial market infrastructures include Automated Transfer System (ATS), Central Securities Depository (CSD) and Rwanda National Digital Payments System (RNDPS/eKash)

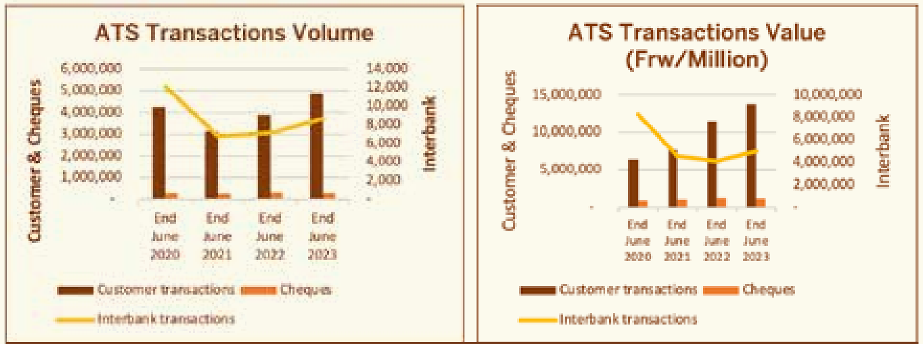
Performance of the Automated Transfer System (ATS)

- In FY 2022/23, Rwanda's Automated Transfer System (ATS) showed positive performance. Client transfers saw a significant increase, with a 26 percent rise in volume (from 3,891,490 to 34,899,156) and a 46 percent increase in value (from FRW 9,379 billion to FRW 13,709 billion) when compared to FY 2021/22.
- Bank transfers also grew by 20 percent in number (from 7,174 to 8,618) and by 19 percent in value (from FRW 4,144 billion to FRW 4,956 billion). This growth was attributed to the adoption of digital channels. On the other hand, the use of cheques decreased, with an 8 percent decline in volume (from 292,547 to 268,238) and a 1 percent decrease in value from FRW 1,208 billion to FRW 1,197 billion.

Performance of Central Securities Depository (CSD)

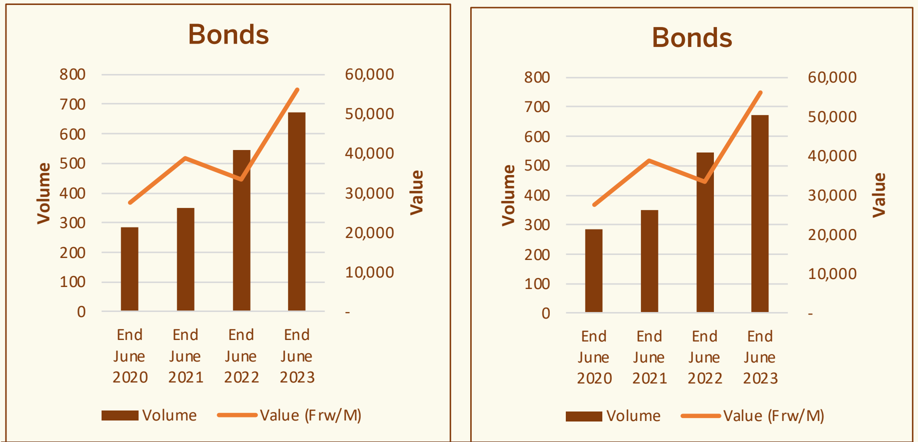
- A Central Securities Depository (CSD) is essential for facilitating the trading and ownership of financial instruments like stocks and bonds. In the FY 2022/23, trading of treasury bonds on the secondary market saw a significant increase. The number of trades grew by 49 percent, rising from 475 to 709 trades, while the total value traded increased by 67 percent, going from Frw 33.4 billion to Frw 56 billion.
- Similarly, in the case of equities, the value of trades rose by 10 percent, going from Frw 11.9 billion to 13 billion, and the volume of trades increased by 23 percent, going from 544 to 671 trades.
- The rise in secondary market trading of treasury bonds and equities was driven by two main factors: "flight to safety," where investors seek safe-haven assets like treasury bonds during market volatility, and "investor confidence," stemming from government initiatives promoting long-term savings.

Figure 9: ATS Transactions Volume and Value



Source: National Bank of Rwanda

Figure 10: Bonds and Equities



Source: National Bank of Rwanda

Performance of Retail Payment System

- The retail payment system landscape is a dynamic and evolving ecosystem with diverse payment methods, technologies, and consumer behaviors. In the FY 2022/23, significant changes occurred due to the merging of innovation and shifting preferences. This overview covers the landscape comprehensively, showcasing major trends, technological progress, and transaction patterns.

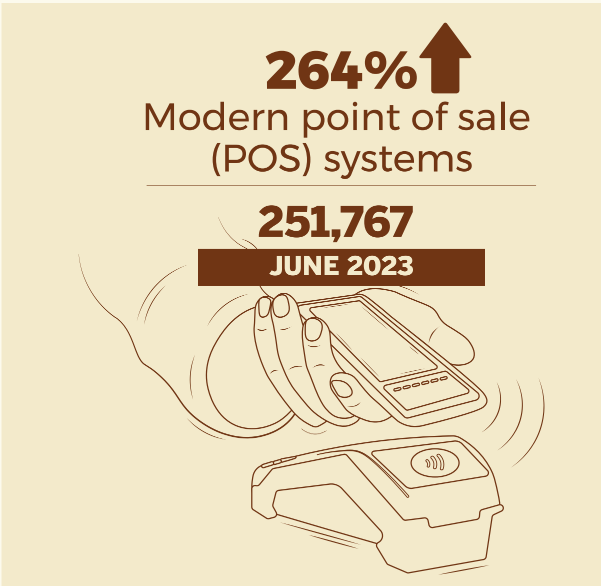
Payment acceptance points

- The number of access points, particularly modern point of sale (POS) systems, experienced a remarkable increase of 264% compared to the previous financial year. These access points grew from 54,270 to 251,767 POSs. This surge in POS was due to technological advancements, shift to digital payments, Covid-19 pandemic impact and educational efforts by financial institutions.

Table 2: Payment Access Points

Access Points	Penetration rates of payment access Points	Jun-22	Jun-23
ATM	Number of devices	344	**349**
	Penetration rate of ATMs per 100,000 adult population	4.25	**4.38**
Traditional POS	Number of devices	5263	**5641**
	Penetration rate of Traditional POS per 100,000 adult population	64.96	**70.72**
Modern POS (Mobile and Virtual)	Number of devices	54,270	**251,767**
	Penetration rate of Modern POS per 100,000 adult population	669.84	**3,156.50**
Banking Agents	Number of bank agents	8,546	**9,501**
	Penetration rate of agents per 100,000 adult population	105.48	**119**
Mobile Agents	Number of Mobile agents	146,930	**175,204**
	Penetration rate of Bank agents per 100,000 adult population	1,813.51	**2,197**

Source: National Bank of Rwanda



Governor Rwangombwa presenting the Monetary Policy and Financial Stability Statement

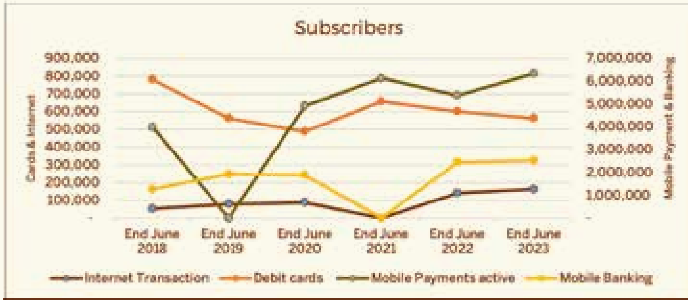
Payment Instruments Issuance

- In terms of issuance, there was a 16% growth in internet banking customers, increasing from 140,662 in June 2022 to 162,789 in June 2023.
- Mobile banking subscribers also saw an 18 percent increase, rising from 2,444,652 in June 2022 to 2,529,108 in June 2023.
- Active mobile payment subscribers showed a 9 percent expansion, going from 5,528,109 in June 2022 to 6,328,121 in June 2023.
- The rise in internet banking customers, mobile banking subscribers, and active mobile payment subscribers was primarily attributed to increased technological adoption where technology has been seamlessly integrated into daily life, both individuals and businesses are more inclined to embrace digital solutions, leading to a significant surge in subscription numbers.

Merchants Payments

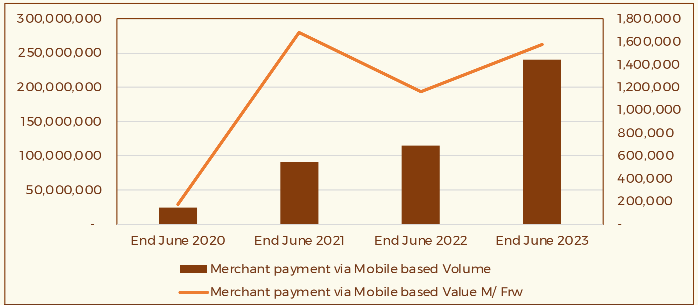
- Mobile-based merchants' payments volume saw a substantial 110 percent rise from 114,497,315 to 240,552,483, with the value increasing by 36 percent from Frw 1,161 Billion to Frw 1,575 Billion. In contrast, card-based payments volume dropped by 60 percent from 5.7 Million to 2.3 Million, and the value decreased by 46 percent from Frw 216.6 Billion to Frw 116.8 Billion. This decline is attributed to the growing adoption of mobile payment channels.

Figure 11: Payment Instrument Issuance



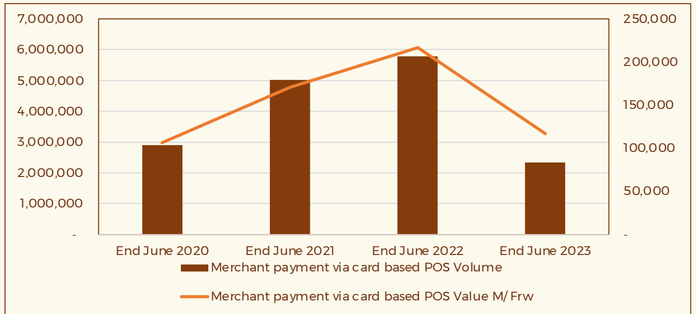
Source: National Bank of Rwanda

Figure 12: Mobile Merchant Payments



Source: National Bank of Rwanda

Figure 13: Card Based Merchant Payments



Source: National Bank of Rwanda

Funds Transfer

- The money transferred through mobile payment channels increased by 59 percent, rising from Frw 6,615 billion to Frw 10,505 billion. The number of transactions also grew by 64 percent, from 295.7 million to 486.5 million.
- In terms of mobile banking channels, transfer value surged by 191 percent, from Frw 1,264 billion to Frw 3,680 billion, accompanied by a 59 percent increase in the number of transactions, from 13 million to 20.9 million.
- Furthermore, transfers made through online banking saw a 67 percent rise in value, moving from Frw 4,351 billion to Frw 7,272 billion, and a substantial 78 percent increase in the number of transactions, from 2,436,561 to 4,337,940.
- The increase in transfers via mobile payment, mobile banking, and online banking is driven by smartphone prevalence, education efforts by NBR, financial service providers and recognition of digital transaction benefits.

Performance of eKash/instant payments

- Since the introduction of eKash, 1,811,707 customers have conducted transactions, resulting in a cumulative value of FRW 15,483,115,779 transacted during the reviewed period.

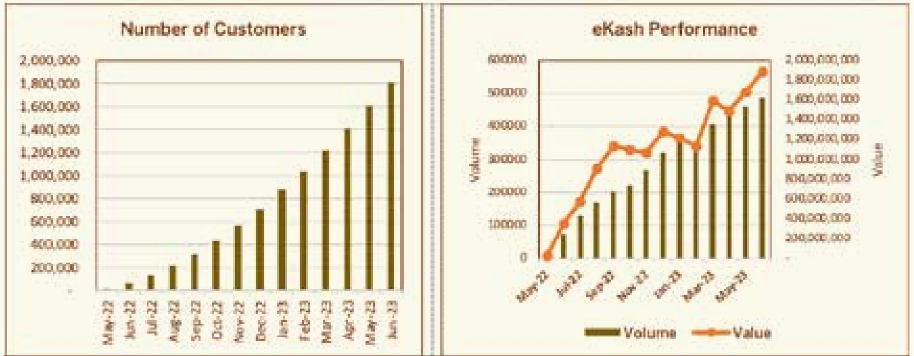
Cashless usage per Channel

- In the FY 2022/23, mobile money transfers remained the primary form of digital payment, comprising 52 percent of the total volume and 45 percent of the total value. Mobile banking transfers followed, accounting for 29 percent of the volume and 31 percent of the value.

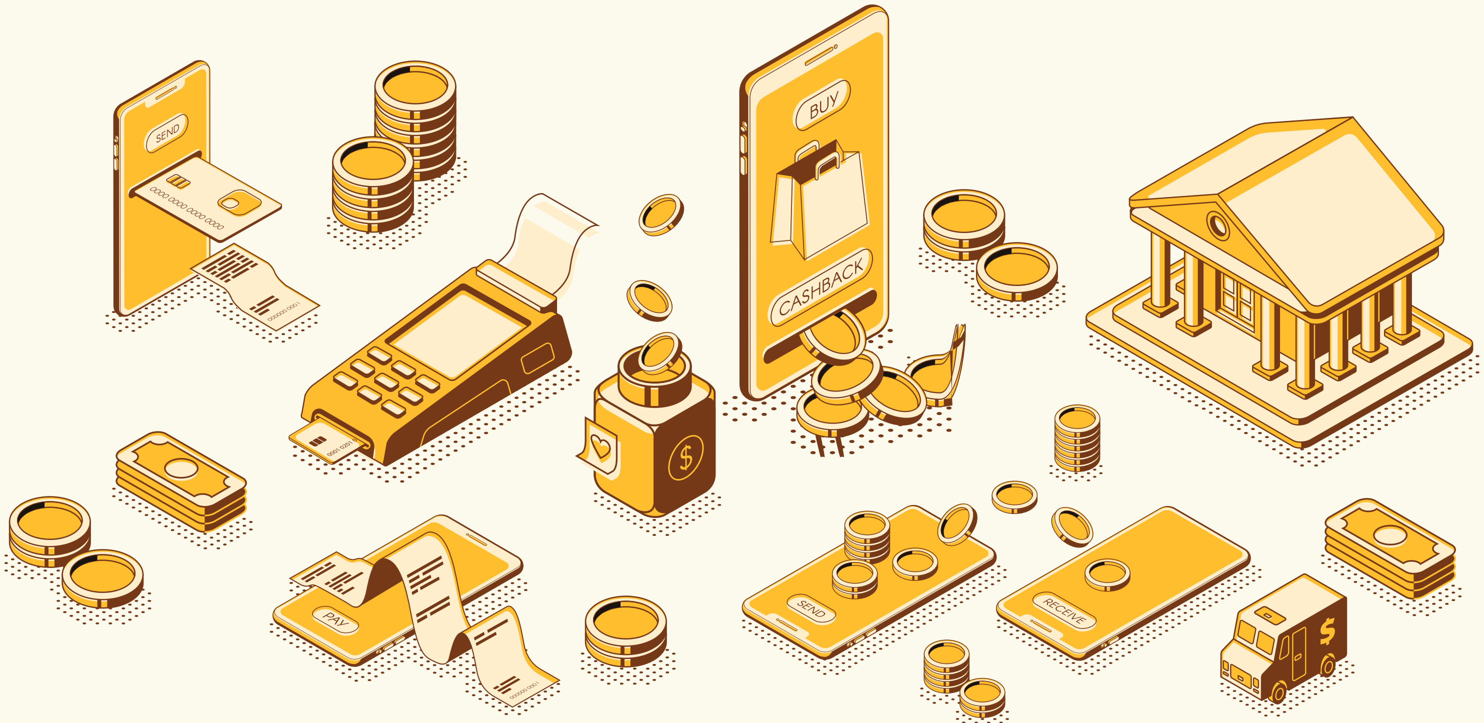
Figure 14: Transactions Value and Volume of Transfers

Source: National Bank of Rwanda

Figure 15: eKash Number of customers & Performance

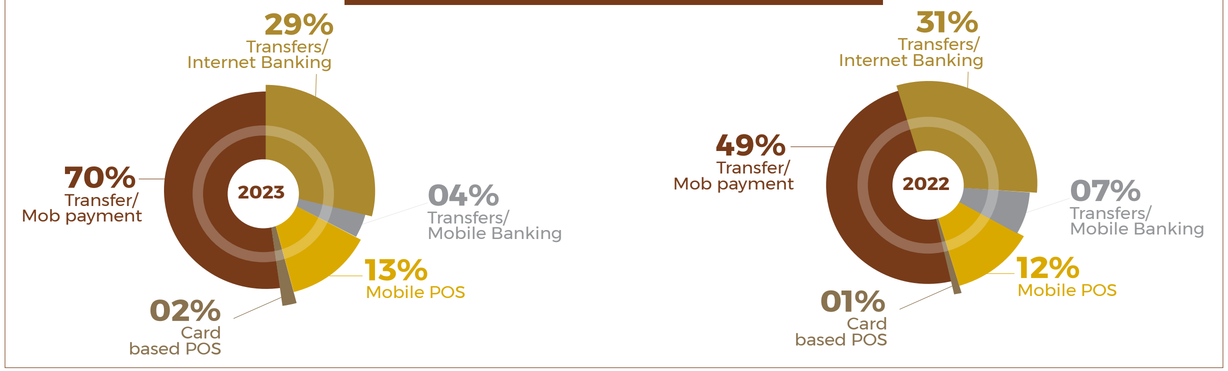


Source: National Bank of Rwanda

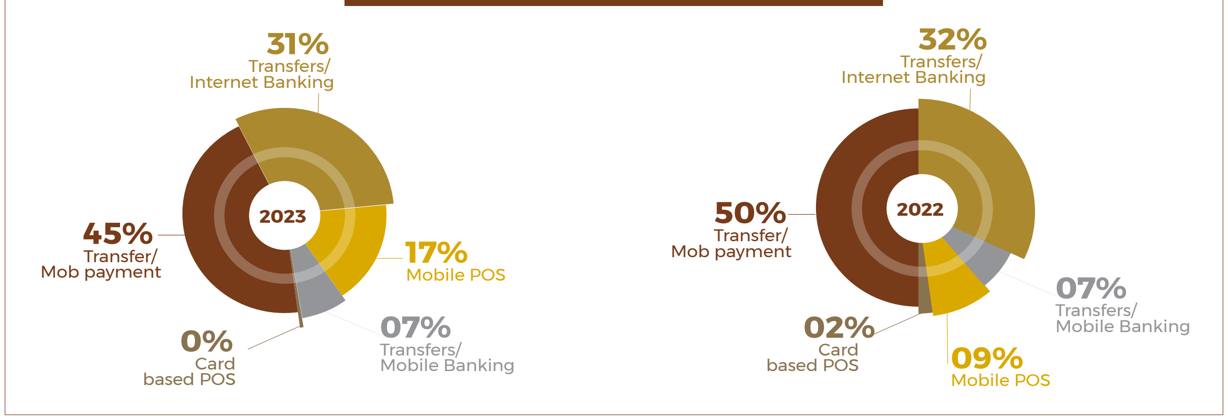


National Payment System Development

CASHLESS USAGE PER CHANNEL



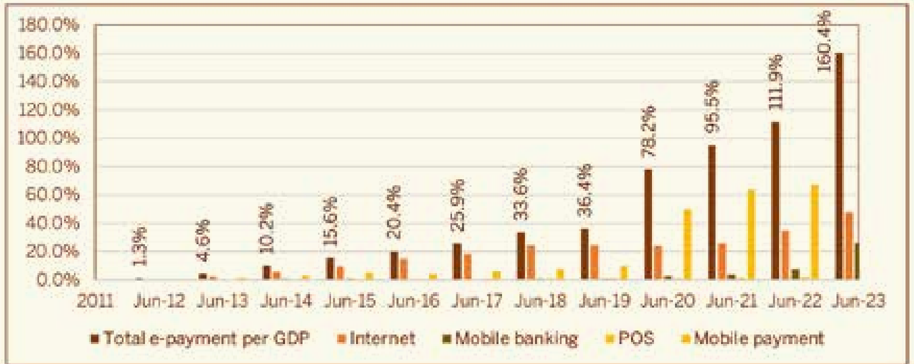
CASHLESS VALUE PER CHANNEL



Overall Performance of Retail e-payments to GDP

- During the FY 2022/23, retail e-payments significantly boosted GDP contribution by 43.3 percent, reaching 160.4 percent. The primary drivers were mobile payment, internet banking, and mobile banking services, constituting 85.6 percent, 47.4 percent, and 26.4 percent of GDP respectively. In terms of transaction volume, mobile payment transfers dominated at 98 percent, with mobile banking at 1.2 percent. In terms of transaction value, mobile payment channels represented 53 percent, followed by internet banking at 30 percent, and mobile banking at 16 percent.

Figure 16: Value of retail e-payment to GDP



Source: National Bank of Rwanda

CHAPTER 04:

FINANCIAL SECTOR DEVELOPMENT AND MARKET CONDUCT

Financial Sector Development & Market Conduct

The National Bank of Rwanda effectively carried out various initiatives under the financial sector's performance and advance financial inclusion. These initiatives are in line with NBR's strategic goals, emphasizing a stable, inclusive, developed and sustainable financial sector. Additionally, the Bank is intensifying efforts to improve transparency, fair treatment of financial consumers, and stimulate competition and service quality among regulated financial providers. To achieve these objectives, a range of initiatives and activities has been launched to develop the financial sector, enhance inclusion, and empower financial consumers.

- Enhancing Savings and Credit Groups (SCGs) to promote formal financial inclusion
- Enhancing Financial Inclusion Data Quality for Informed Decision-Making
- De-risking Micro Small and Medium Enterprises
- Advancing Financial Literacy for Economic Empowerment and Consumer Protection
- Empowering Youth through Financial education programs
- Financial Service Consumer Protection Initiatives
- Awareness Campaigns
- National Financial Education Roadmap
- Fostering Fintech Innovation with Regulatory Sandbox Framework
- Empowering the Financial Sector through Capacity Building

Enhancing Savings and Credit Groups (SCGs) to promote formal financial inclusion

NBR developed a map showing the locations of savings and credit groups—small community collectives in which individuals pool their savings and access loans. These informal groups serve as vital conduits for extending financial services to rural areas, where formal financial access is often scarce. It's worth noting that women constitute the majority of members within these savings and credit groups, accounting for over 70 percent of the total membership.

The National Bank of Rwanda also shared this map with the financial industry, aiming to emphasize the importance of serving this underserved segment and emphasizing the need for tailored financial products to meet their distinct requirements. This was intended to create a dependable SCG platform, connect to formal financial services, implement effective regulation, encourage innovation, and enhance SCG digitalization skills for stakeholders.

For more details, refer to SCGs map link: *https://sgmap.bnr.rw/map*

Enhancing Financial Inclusion Data Quality for Informed Decision-Making

The accuracy of data plays a pivotal role in shaping evidence-based policy development. In regard to this, the Bank is closely collaborating with all regulated financial service providers to enhance the quality of financial inclusion data. This is supported by the Enterprised Data Warehouse Facility developed to provide real time data from financial sector without going to the field.

De-risking Micro Small and Medium Enterprises

NBR conducted a diagnostic study on MSMEs financial literacy to continue de-risking MSMEs in line with promoting financial inclusion. The primary aim of this study was to mitigate risks within this sector while fostering an environment that encourages financial institutions to provide accessible and affordable loans to MSMEs. The study revealed challenges in terms of MSMEs access and effective utilization of financial services. NBR also organized a two-day leasing seminar to raise awareness about the viability of leasing as a financing option for MSMEs. The seminar highlighted leasing's potential for MSME financing but recognized challenges in Rwanda: knowledge gaps, legal complexities, tax issues, inefficient collateral processes, and a lack of updated MSME data. It resulted in recommendations for financial institutions and MSMEs.

Advancing Financial Literacy for Economic Empowerment and Consumer Protection

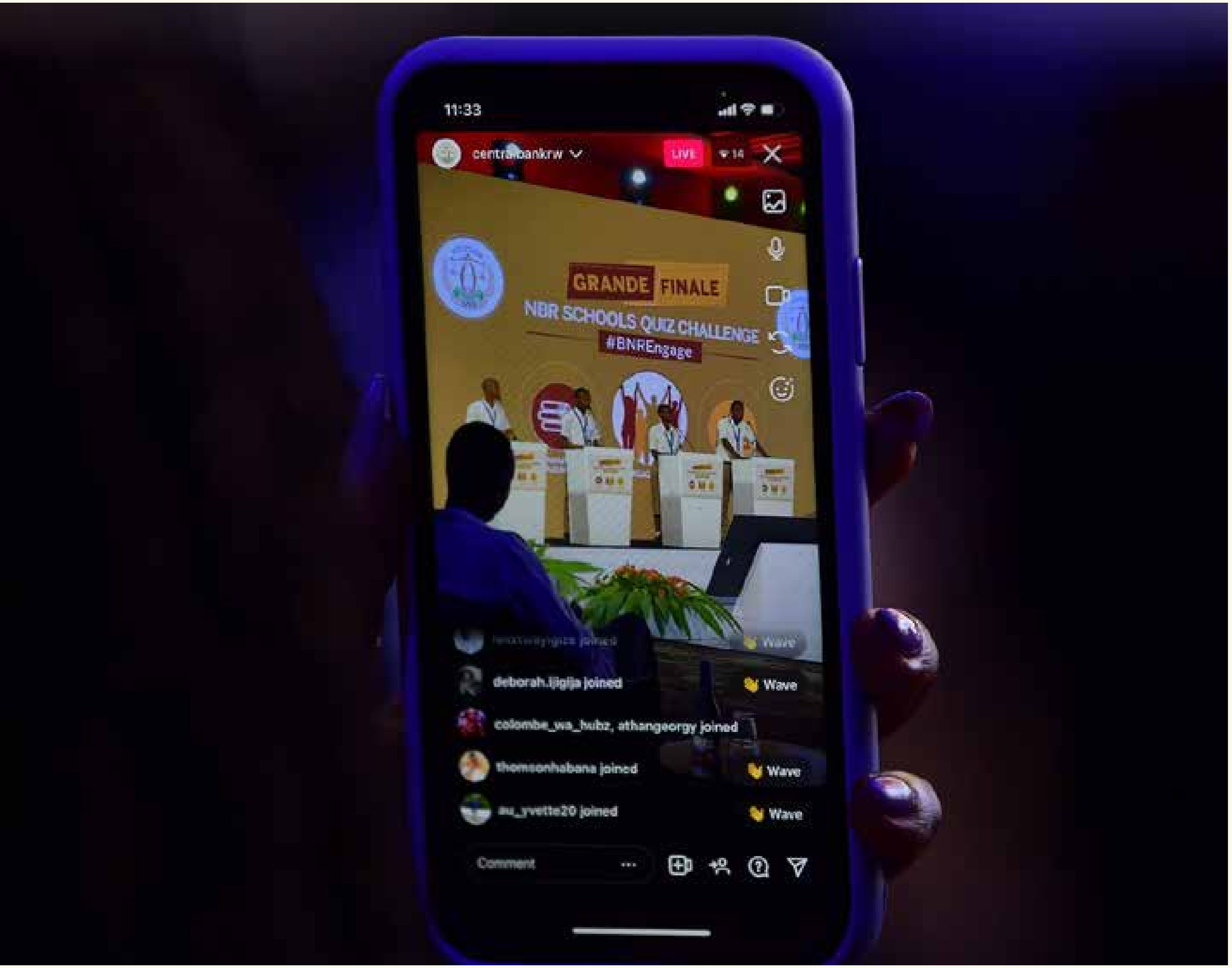
The National Bank of Rwanda actively implements financial education programs to enhance the capacity of financial service consumers to make well-informed financial decisions. During the financial year 2022/23, NBR implemented the following programs:

Empowering Youth through Financial Education Programs

NBR Quiz Challenge: The NBR promotes financial education by organizing an annual quiz challenge in secondary schools through NBR Economic Clubs. This initiative assesses students' understanding of the National Bank's role and broader economic concepts. In the recent fourth edition in March 2023, 38 schools participated, with College Christ-Roi emerging as the champions for the second year in a row, contributing significantly to youth financial literacy.

Zala Smart Program for Secondary School Students: As part of the BNR Engage Program, the Zala Smart Money Teens Program was introduced in ten secondary schools from all four provinces and Kigali City. This program aimed at enhancing financial literacy among students, covering topics like income, expenses, savings, banking, and budgeting. Students took online quizzes and assignments, receiving certificates upon completion of the pilot phase running from October to December 2022. The program engaged around 200 students selected based on their schools' performance in the 2021 Quiz Challenge, fostering responsible financial behaviors and skills among the younger generation.

Governor Rwangombwa awards College de Christ-roi the winners of NBR Schools Quiz Challenge.



Financial Service Consumer Protection Initiatives

Consumer protection Awareness campaigns channels: The NBR initiated awareness campaigns through various channels, including UMUGANDA program, Access to Finance Forum, radio and TV broadcasts, and lectures targeting university students. The NBR also established consumer protection ambassadors at the district level and conducted training sessions for staff of financial service providers to improve compliance with consumer protection regulations.

Consumer Protection Supervisory Tools: The NBR introduced the Web Comparator (GERERANYA) and an AI-powered Chatbot called INTUMWA to empower financial service consumers and enhance the complaints handling process. The Web Comparator allows consumers to compare financial service charges, while INTUMWA facilitates filing complaints and suggestions digitally. As of June 2023, complaints submitted to NBR increased by 133 percent from 267 to 622 due to comprehensive awareness campaigns, displaying increased public understanding of their rights.

Other consumer protection initiatives: Among other initiatives, NBR established consumer protection ambassadors at the district level. These ambassadors collaborate with local opinion leaders to effectively communicate consumer protection messages.

To enhance the capacity of the financial service providers and improve their compliance, NBR trained commercial banks' staff, SACCO managers and BOD Chairpersons.

Awareness Campaigns

The National Bank of Rwanda conducted various awareness campaigns:

The new regulation governing Non-Deposit Taking Financial Service:
NBR organized an awareness across the country that resulted in an increased level of understanding of new services as well as regulatory requirements for each specific service.

Digital Payment Campaign: The NBR, in partnership with different stakeholders, launched the "Go Cashless" campaign. This initiative aims to involve both the general public and MSMEs in the transition, with valuable support from private partners, telecom companies, and financial service providers. Multiple communication channels were used to promote and advance the cashless agenda.

Credit Information awareness: The National Bank of Rwanda, in collaboration with TransUnion, led an awareness drive about the Credit Reporting System. The main goal was to educate the public about Credit Reporting System, their rights, and responsibilities.

Insurance awareness campaign: The National Bank of Rwanda, in partnership with ASSAR, organized a Micro Insurance campaign across Rwanda, with a primary focus on MSMEs, motorcyclists, Cooperatives, and Savings and Credit Groups (SCGs). The main objective of the campaign was to educate uninsured population segments about the various micro insurance options available and their potential benefits. This initiative also aimed to enhance awareness and understanding of micro insurance products, as a significant portion of the Rwandan population primarily relies on the community-based health insurance scheme known as "Mutuelle de santé."

Awareness campaigns against **illegal foreign exchange (FX)** activities through different channels to reduce unauthorized foreign exchange transactions.

During Credit Information(CRB) awareness campaign

Interactive session during NBR-AFI regional training on data and tools to drive inclusive policy development

National Financial Education Roadmap

The National Bank of Rwanda in partnership with MINECOFIN and Access to Finance Rwanda developed a national financial education roadmap. This roadmap sets out a framework for improving the financial capabilities of the citizens, empowering people with the knowledge and skills required to make informed financial decisions contributing to financial well-being and sustainable economic development of the country. The roadmap will be implemented over a five-year period from 2023-2027.

Fostering Fintech Innovation with Regulatory Sandbox Framework

Establishing a regulatory sandbox has been crucial for fostering fintech innovation and attracting investment in Rwanda's financial sector, with 31 entities applying across three cohorts in its inaugural year. Six fintechs were admitted for testing within the sandbox, while others received guidance to refine their products for potential reapplication, ultimately contributing to innovation and investor interest

Empowering the Financial Sector through Capacity Building

The National Bank of Rwanda collaborates closely with financial service providers to foster an innovative, inclusive and sustainable financial sector.

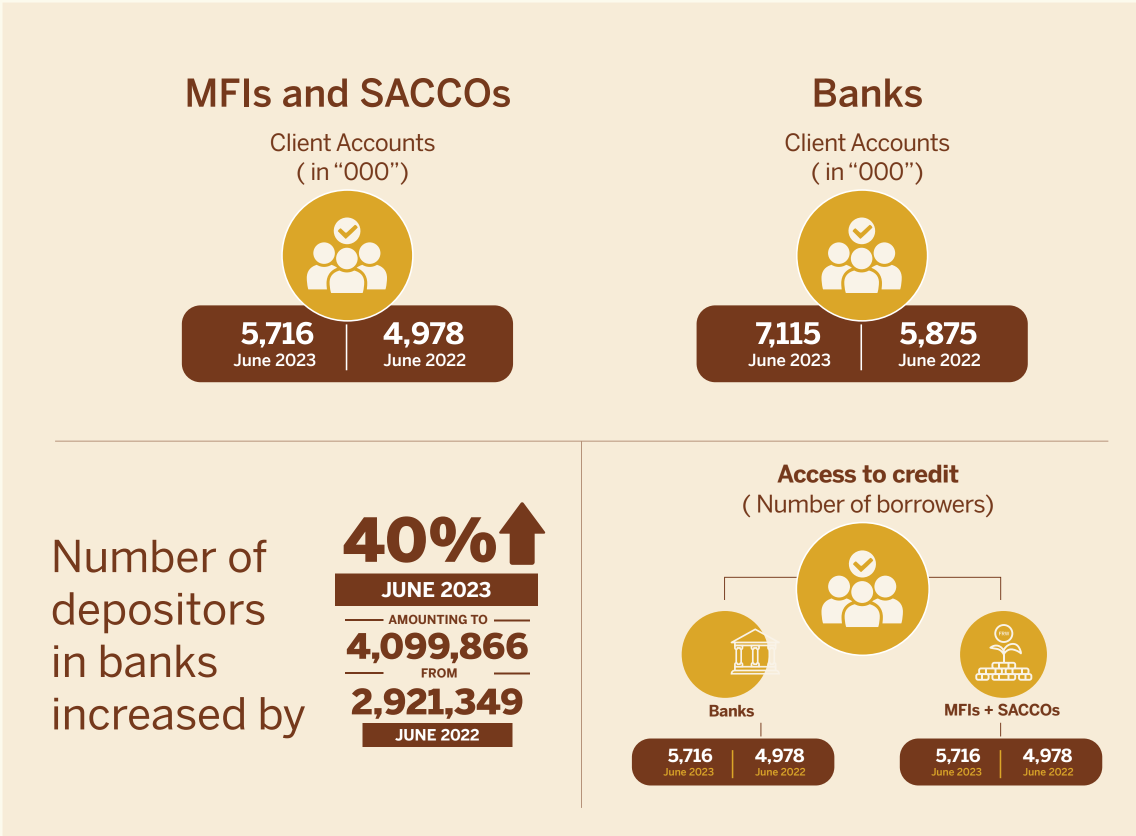
To adapt to the evolving financial landscape, the NBR organized comprehensive Capacity Building Sessions, empowering individuals across the industry with practical skills and knowledge. These sessions covered market dynamics, technology, and regulations, offering interactive learning through workshops and expert discussions. The training enhanced the sector's capabilities in corporate governance, data analytics, and micro-insurance, aiming to improve management for the benefit of both providers and consumers of financial services.

Access to Finance Status as of end June, 2023

Overall, there has been a significant increase in both account penetration and access. Client accounts in Banks and Microfinance Institutions (MFIs) increased by 21 percent and 15 percent respectively from June 2022 to June 2023 boosted by awareness programs that brought on board new customers and introduction of new products to the financial sector industry.

Additionally, from June 2022 to June 2023, the number of depositors in banks increased by 40%, from 2,921,349 to 4,099,866.

Concerning access to credit, the number of borrowers in banks grew considerably by 39 percent from 683,851 in June 2022 to 949,778 in June 2023 while in MFIs and SACCOs the number of borrowers decreased by 15% from 359,741 in June 2022 to 306,186 in June 2023.
For Non-Deposit Taking Financial Service Providers (NDFSPs) the increase in number of borrowers from 2,049 to 7,271 is due to offering innovative and attractive lending options. Borrowers were drawn to NDFSPs by more flexible terms, quicker loan processing and lower interest rates.




M HOTEL

CHAPTER 05:

CURRENCY MANAGEMENT AND BANKING SERVICES

Currency Management

In a rapidly changing digital landscape, where technological advancements continue to reshape traditional banking paradigms, the NBR recognizes the significance of adaptability. As such, this report delves into the NBR's efforts to integrate technological innovations into its currency management and banking operations. These endeavors not only reflect the NBR's commitment to staying at the forefront of financial technology but also underscore its dedication to improving accessibility, inclusivity, and ease of financial transactions for all Rwandans.

Currency Management Automation

- The Currency Management Automation project undertaken aimed to enhance the efficiency, accuracy, and security of currency management operations through the implementation of advanced cash automation technologies.
- Prior to this project, traditional manual processes were time-consuming, resource-intensive, and prone to errors, necessitating the adoption of automated solutions for improved efficiency.

The main objectives of the Cash Automation Project were as follows:

- Streamline currency processing and management operations.
- Enhance accuracy and reduce the occurrence of errors.
- Improve security measures to deter counterfeiting and fraud.
- Optimize resource utilization and decrease operational costs.

During the 2022/23 period, significant progress was made in implementing currency management automation:

- The Cash Automation Centre Project, which aimed to enhance the cash management process, was successfully concluded in the FY 2022/23. This initiative involved automating the NBR cash vault management system, currency storage, and operations.
- Bolstered security by minimizing theft or loss risks and established a dependable audit trail for cash transactions.
- Improved efficiency, reduced errors, and heightened accuracy in the cash center operations.
- The vault management system was integrated with T24 Core Banking, RIPPS payment system, and the Banknotes Destruction System (BDS).
- Moreover, the project resulted in a threefold increase in the vault's capacity, ensuring safe and modern storage conditions for cash.

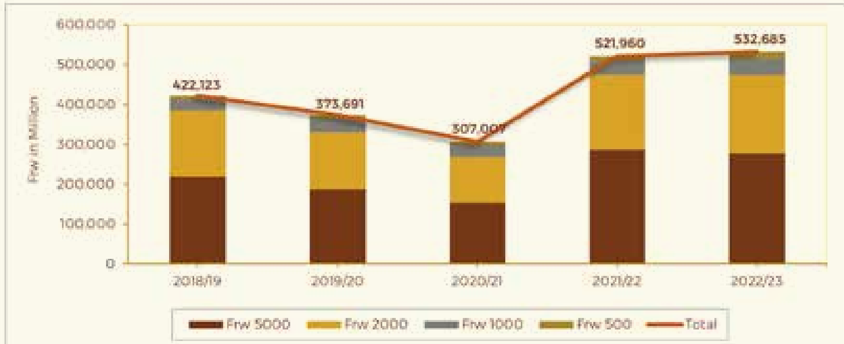
Trends in Cash Cycle Management

The charts below show the trend in deposits and withdrawals for the previous four years:

Figure 17: Banknotes Deposits

Source: National Bank of Rwanda

Figure 18: Withdrawals of Banknotes



Source: National Bank of Rwanda

- In the FY 2022/23, there was a notable 19.0 percent rise in total cash deposits of banknotes, reaching Frw 588.51 billion compared to the Frw 494.58 billion in the previous FY 2021/22.

- Similarly, total cash withdrawals increased by 2.1 percent to Frw 532.69 billion from Frw 521.96 billion in the previous year. The increase in both deposits and withdrawals was driven by heightened cash transactions during the reviewed period, likely influenced by improved economic activities.

Value of Currency in Circulation

During the period under review, the Bank successfully fulfilled its primary role of issuing legal tender in suitable denominations. The Currency in Circulation (CIC) experienced a growth of 6.36 percent, increasing from Frw 352.57 billion in 2021/22 to Frw 375.00 billion in 2022/23.

Table 9: Value of Currency in Circulation

Year End	Bank notes (Frw)	Coins (Frw)	Total	Growth(percent)
2020/21	288,631,997,500	8,051,669,315	296,683,666,815	
2021/22	345,789,229,000	6,783,974,095	352,573,203,095	18.84percent
2022/23	365,728,220,000	9,270,481,235	374,998,701,235	6.36percent

Source: National Bank of Rwanda

Addressing banks' Cash Demands

- In response to the evolving needs of financial institutions, the Bank diligently ensured the provision of bank notes to fulfill the demand for liquid currency. Notably, during the FY 2022/23, an impressive distribution of approximately 152.46 million bank notes was executed to cater for withdrawal requirements. This signifies a substantial 4.53 percent upsurge when compared to the statistics from the preceding FY, 2021/22.

Combatting Counterfeiting

- With a resolute commitment to safeguarding the integrity of the monetary system, the Bank zealously maintained its focus on counterfeiting prevention. Remarkably, the bank notes boasted an unparalleled security stature, rendering them extremely resistant to counterfeiting attempts. A testament to this dedication is the Bank's accomplishment of maintaining counterfeit rates at an extraordinary low of 0.00001% per denomination.
- This triumph stands as a testament to the cutting-edge security features incorporated within the bank notes. Furthermore, the Bank's collaboration with law enforcement counterparts remained steadfast, fostering an environment inhospitable to counterfeit endeavors.

Currency Processing Advancements

- Demonstrating a steadfast dedication to efficiency and service enhancement, the Bank achieved a remarkable 15.9 percent amplification in the volume of bank notes processed. Specifically, the quantity rose to an impressive 247.08 million bank notes during the FY 2022/23, in contrast to the 223.67 million bank notes processed during the preceding FY. This achievement underscores the Bank's unwavering commitment to staying ahead in currency processing methodologies.
- In summary, the Bank's proactive measures in addressing banks' cash requirements, its unwavering dedication to thwarting counterfeiting, and its noteworthy progress in currency processing, exemplify its pivotal role in maintaining a robust and secure financial ecosystem.
- The growth in re-issuance of bank notes, amounting to an 8.69 percent increase, was driven by factors such as increased processing hours through shift work and the utilization of outsourced cash processing services. These measures helped reduce backlogs and contributed to the overall rise in bank note re-issuance.

Table 10: Impact of currency processing

Financial Year	Quantity of Bank notes processed	Growth percent	Fit for re-issuance (Banknotes in pieces)	Growth percent
2020/21	124,581,306		106,651,319	
2021/22	223,666,551	79.53%	187,576,355	75.88%
2022/23	247,083,294	15.9%	203,874,232	8.69%

Source: National Bank of Rwanda

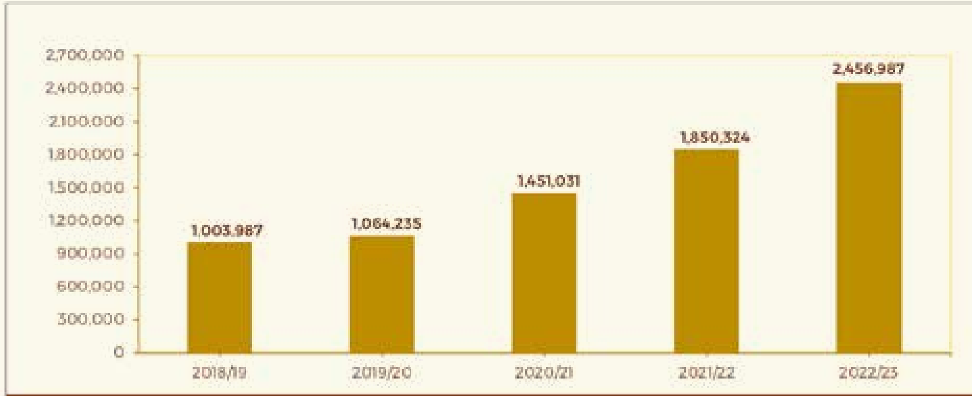
The Automation of Banking Operations:

- The implementation of Internet banking improved convenience and security for corporate customers by offering online self-services. It also eliminated physical payment orders and reduced bank queues.

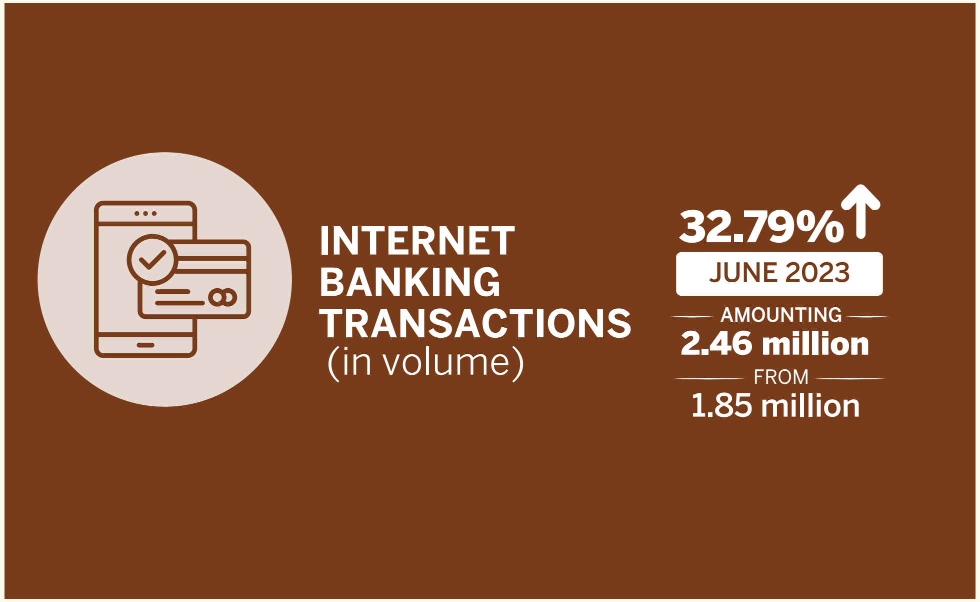
Stabilization of the Upgraded T24:

- The stabilization of the upgraded T24 core banking system aimed to enhance operational efficiency and minimize downtime. This allowed for the adoption of new modules like R18 for 24/7 transactions, TCIB for internet banking, and the AA lending module for better loan management.
- Overall, the T24 Core Banking System, Internet Banking, cheque-clearing, and the Vault Automation Systems continued to enable NBR branches, Commercial Banks, and Public institutions to access NBR services efficiently. This was achieved through reduced manual data entry, real-time monitoring, improved cash movement, and integration with other systems, including financial reporting.
- In the FY 2022/23, internet banking transactions saw significant growth, with the total volume increasing by 32.79 percent to reach 2.46 million transactions, up from 1.85 million in the previous year. This surge was primarily fueled by the Government's initiative to promote a cashless economy.
- The daily average payments also experienced an uptick, rising to Frw 5.8 billion in FY 2022/23 from Frw 4.3 billion in FY 2021/22. This increase was attributed to the system's efficient operation spanning 17 hours a day (from 7:00 AM to 11:59 PM), as well as the Government's higher budget allocation and effective execution in the current financial year.
- Banking operations services primarily took place through online platforms, with all payments being conducted using both Internet Banking and the Integrated Financial Management Information System (IFMIS) systems.

Figure 19: Volume of transactions with Internet Banking



Source: National Bank of Rwanda



CHAPTER 06:

RESERVES MANAGEMENT

Introduction

- The National Bank of Rwanda (NBR) plays a critical role in safeguarding and effectively managing the official foreign exchange reserves of the country. To achieve this, the Bank has established a comprehensive Reserve Management Framework aimed at ensuring efficient and effective management of reserves. The primary objective of reserve management is to maintain an adequate level of reserves that can cover the country's import needs, provide resilience against external shocks, and optimize investment returns.

Governance Framework

- The governance framework for reserves management is well-structured and ensures clear objectives, risk management, and compliance. The Board of Directors is responsible for approving the Strategic Asset Allocation (SAA), which outlines the Bank's reserves management goals and risk tolerance. The investment policy derived from the SAA provides guidelines for delegation of authority and a system of checks and controls to ensure compliance throughout the hierarchy.

- The Reserves Management Committee (RMC) oversees the daily operations of reserves management through the Financial Markets function. This function is divided into Front, Middle, and Back Offices, responsible for managing different aspects of the reserves investment portfolios while effectively managing associated risks.

Performance of National Reserves

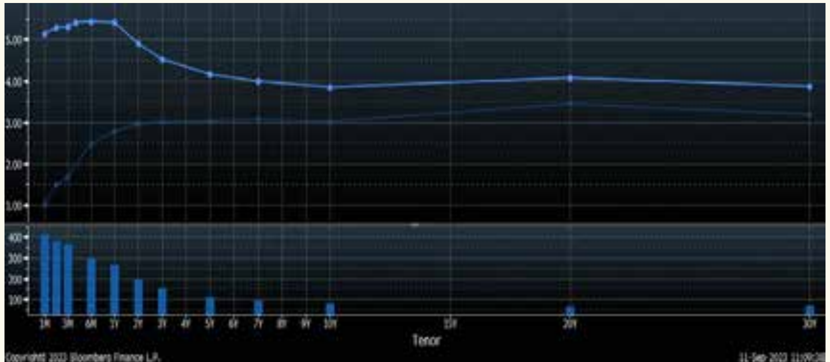
- The FY 2022/23 was marked by elevated inflation levels globally, leading to increased market volatility. Many central banks, including the US Federal Reserve, adopted tighter monetary policies to combat rising inflationary pressures. Throughout the year, the Federal Open Markets Committee (FOMC) executed seven rate hikes, resulting in a Fed rate range of 5.00%-5.25% by June 2023, up from 1.50%-1.75% in June 2022.

- The US headline inflation, which had reached a more than 40-year high of 9 percent in June 2022, moderated to a 3 percent annual increase by June 2023. Core CPI also decelerated to 4.8percent during the same period. The tightening stance by the US Fed had a significant impact on bond yields, with both 2-year and 10-year US treasuries experiencing notable increases.

Figure 19: Graph showing US Policy rate development

Source: Bloomberg

Figure 20: Graph showing US Yield curve development



Source: Bloomberg

- While the high yield environment was beneficial for money markets investments, it posed challenges for bond portfolios due to declining bond prices. Despite these market volatilities, the NBR managed to preserve capital, achieving a total portfolio return of positive 0.83%, slightly below the benchmark return of 0.85%.

- In terms of reserves adequacy, the NBR maintained an adequate level of foreign exchange reserves to ensure resilience against external shocks. As of end June 2023, level of the Bank's foreign exchange reserves stood at USD 1,827 million from USD 1,927 million recorded as of end june 2022, covering 4.4 months of prospective imports. The overall decrease in the level of reserves resulted from the delay in inflows from different partners that were expected during the FY 2022/23.

- Ensuring sufficient liquidity to meet potential liabilities remained a crucial aspect of reserves management. The NBR maintained a prudent balance between short-term and long-term investments to ensure the ability to respond swiftly to unexpected events or demands by maintaining the liquidity and investment tranches. As at end June 2023 liquidity and investment tranches stood at 26.8 percent/ 73.2 percent against the benchmark of 25 percent and 75 percent respectively. The investment and liquidity tranches were in compliance with SAA policy.

- The NBR worked closely with fund managers and custodians to share information and best practices related to reserves management. Risk management remained a top priority, with the NBR employing various risk assessment techniques to identify, measure, and mitigate potential risks associated with the reserves portfolio.

Reserves Management Automation

- The NBR made significant progress in automating the reserves management process during the reporting period. The integration of automation across the entire investment cycle, including trading, risk management, and transaction settlement, enhanced operational efficiency. This integration also extended to the Bank's core banking system, ensuring a cohesive operational framework.

- This advancement broadened the Bank's market reach, facilitating access to diverse asset classes. Additionally, the automation of market data input led to the timely availability of live market data.

THE BANK'S FOREIGN RESERVES

USD 1,827.31 M
JUNE 2023
from
USD 1,926.86 M
JUNE 2022

NUMBER OF MONTHS OF IMPORTS (≥4.0)

4.4
JUNE 2023
from
4.8
JUNE 2022

CHAPTER 07:

BUSINESS EXCELLENCE

In FY 2022/23, the National Bank of Rwanda reaffirmed its commitment to cultivating a thriving workplace culture that celebrates diversity, nurtures excellence, and embraces change. We invested in various initiatives to create a cohesive and forward-thinking workforce, strengthening our position as a leader in the financial sector.

Governor and Deputy Governor awarding Employee of the year 2021/2022

In the realm of people and culture, the National Bank of Rwanda (NBR) embarked on a series of initiatives during this financial year, targeting employee-centric improvements aimed at positioning itself as the employer of choice while striving to attain the status of a world-class central bank. These initiatives were undertaken to address various challenges and have yielded significant outcomes:

Human Capital Development:

Training: NBR recognized the importance of nurturing a skilled workforce. To promote this, employees undertook a blend of hands-on experiences, benchmarking, and professional trainings. This holistic approach aimed to enhance their productivity and engagement, thereby contributing to the Bank's growth. The focus of training expanded this year to encompass technical, soft skills, and leadership development. Each employee was mandated to undergo at least one training session annually. Remarkably, this year saw three employees achieving Ph.D. qualifications in Economics, strengthening in-house IT development skills, and staff enrolment in actuarial science, meeting the organization's specific needs.

Additionally, five employees received certification in organizational culture to guide the bank in achieving an optimal culture, aligning workplace values with its mission, vision, and strategic goals. This optimal culture will foster goal alignment, drive innovation, boost creativity, and enhance employee engagement.

Training of Trainers: Recognizing the value of in-house expertise, NBR organized a "Training of Trainers" program to equip employees with the skills needed to train their colleagues. These trainers played a key role in guiding new employees during induction and internal training sessions, hence reducing dependency on consultants.

Mentorship Program: NBR's commitment to capacity-building resulted in the establishment of a mentorship program. This initiative bore fruit as it contributed to behaviour change, altered thinking patterns, improved communication skills, enhanced decision-making, goal-setting and attainment, securing new roles and mastering new skills.

Internship Program: The Bank also aimed to prepare university graduates and students for the job market through an internship program. Over 80 interns were trained this year, with a particular focus on preparing them for careers in the financial sector.

Organizational Development:

Organization Culture: NBR recognized the significance of organizational culture in supporting strategy execution. An employee survey revealed that the Bank was highly employee-centric, aligning with is goal to be an Employer of Choice. This year, the Bank focused on optimizing its culture to ensure it aligns with desired behaviours and systems necessary for achieving performance excellence. Culture ambassadors were nominated and underwent training sessions to raise awareness and facilitate practical implementation of the optimal culture.

Gender Mainstreaming: Over the years, NBR fostered a gender-inclusive work environment. During the year under review, the Bank launched a 5-year Gender Mainstreaming Strategy to further embed gender equality in all operations. The strategy aims to increase staff productivity and engagement, promote a gender-inclusive financial system, enhance knowledge and skills related to gender mainstreaming, and improve partnerships with gender-related stakeholders. The Bank's efforts in this area were recognized with a "GOLD" Gender Seal Certification for advancing gender equality in the workplace.

Employee Wellbeing:

Mental Health: The Bank prioritized employee mental health, conducting awareness programs to increase knowledge and evaluate mental health status. This approach created an open environment for discussing mental health, reducing stigma, and addressing any underlying issues affecting staff performance.

Nutrition: NBR launched campaigns to raise awareness about nutrition and conducted assessments of staff members' nutrition status. Additionally, screenings for non-communicable diseases were conducted to support employees in making informed choices to improve their overall wellbeing.

Physical Wellness: Following the COVID-19 pandemic, the Bank resumed physical operations and introduced sports tournaments. These initiatives promoted physical fitness, teamwork, and collaboration among teams, contributing to the overall wellbeing of employees.

Demographics: As of June 30, 2023, the NBR's workforce comprised 532 individuals, with 33% (175) being female and 67% (357) male. The Bank is actively working on implementing gender mainstreaming initiatives to address all gender-related issues outlined in its strategy.

Employee Profile per Grade

Grade	Female	Male	Female %	Male %	Total
Board of Directors	2	4	33.3%	66.7%	TOTAL 06
Management (Governor & Deputy Governor)	1	1	50%	50%	TOTAL 02
Executive Directors	4	2	66.7%	33.3%	TOTAL 06
Directors	5	21	19.3%	80.7%	TOTAL 26
Senior Principals	1	2	33.4%	66.6%	TOTAL 03
Managers	24	52	31.6%	68.4%	TOTAL 76
Principals	4	9	30.8%	69.2%	TOTAL 13
Officers	134	266	33.5%	66.5%	TOTAL 400

532

Male and Female

♂ 67.2 % | ♀ 32.8 %

Employee profile per age (This excludes Board Members)

<25	04 Employees
25 TO 30	77 Employees
31 TO 35	127 Employees
36 TO 40	113 Employees
41 TO 45	93 Employees
46 TO 50	41 Employees
51 TO 55	67 Employees
>55	04 Employees

Current Average Age: 39

Employee per NBR experience (This excludes Board Members)

Average **8 years 5 months**

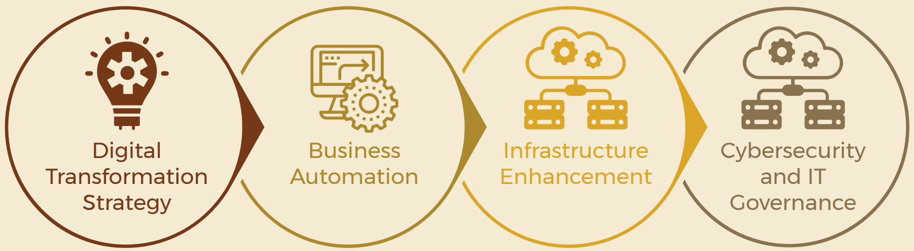
<1	137 Employees
2 to 4	93 Employees
5 to 10	117 Employees
11 to 20	116 Employees
21 to 30	60 Employees
>30	03 Employees

NBR Internal Tournanment

ICT Development

In the Financial Year 2022/23, The National Bank of Rwanda made remarkable progress in its IT endeavors, focusing on business automation, digital transformation, infrastructure enhancement, and cybersecurity. Notably, the Bank successfully upgraded SWIFT to ISO20022 (MX), aligning it with modern messaging standards for improved data richness and interoperability. This transition underscores the Bank's commitment to fostering seamless communication within the financial industry. Simultaneously NBR's digital transformation strategy centered around technology, cybersecurity, people, and business processes, aiming to elevate customer experiences, operational efficiency, and data-driven decision-making.

Moving forward, the Bank intends to complete the development of its digital transformation Strategy, upgrade the T24 core banking system to comply with ISO 20022 Swift Standards, and reengineer current business processes to improve operational efficiency. These accomplishments will solidify the Bank's reputation as an innovative, secure, and sustainable institution, well-prepared to navigate evolving challenges around the ICT landscape.



Simulation excercise during FinSoc Workshop.

Digital transformation Strategy

Committed to continuous improvement, the Bank remains at the forefront of technological innovation and customer-centricity, solidifying its position as a resilient and innovative financial institution. During FY 22/23, the Bank embarked on developing a digital transformation strategy centered around technology, cybersecurity, people, and business processes. This aims to enhance customer experiences, operational efficiency, and data-driven decision-making by leveraging emerging technologies, enhancing cybersecurity measures, upskilling its workforce, and optimizing business processes.

Business automation

SWIFT upgrade: SWIFT was upgraded from ISO15022 (MT) to ISO20022 (MX) on 20th March 2023. The transition from ISO 15022 (MT) to ISO 20022 (MX) is driven by the need for a more modern and versatile messaging standard in the financial industry. ISO 20022 offers enhanced capabilities for data richness, interoperability, and straight-through processing. This shift aims to improve communication between financial institutions, enable better data analysis, and support evolving business requirements. The transition recognizes the growing complexity of global financial transactions and seeks to provide a standardized, future-proof framework that can accommodate new technologies and innovations while maintaining consistent and efficient messaging across the industry.

Upgrade of NBR's core Banking System (T24): The Bank upgraded its core banking system to adapt to the changing demands of the financial system while delivering quality services to its customers. The upgrade enabled the Bank to provide online banking services 24/7, strengthened its security system, and ensured compliance with international central banking standards.

During this FY 2022/23, NBR has also automated several business processes. These include reserves management, deposit guarantee fund, SharePoint, E-Procurement, E-Correspondence, and loan management systems.

Infrastructure enhancement

Green Growth IT Initiatives:

The Bank's commitment to sustainability is evident through its paperless transition, achieved by enforcing the use of electronic document management systems (EDMS), Share Point, E-correspondence and other software solutions. These efforts significantly reduced paper consumption and aligned the Bank to the National Green Growth agenda.

Cybersecurity and IT Governance

NBR is delighted to report that throughout the Financial Year 2022/23, the Bank has not experienced any successful cybersecurity incidents. This is attributed to the proactive approach adopted by the Bank and the following ongoing achievements:

Security Governance and compliance

NBR maintained the ISO 27001 Information Security Management System - ISMS Certification Standard. This progress continues to increase the level of confidence stakeholders have in NBR in particular, as well as in the entire Rwandan Financial sector to the improved service delivery and cybersecurity.

Cybersecurity Threat Detection and response

- Enhanced sectoral cybersecurity resilience by continuously integrating financial service providers on the central cyber security operation center. (FinSOC)
- Utilization of comprehensive endpoint protection solutions, to safeguard end-user devices.
- Strong encryption mechanisms were employed for data at rest and data in transit, ensuring sensitive information remains protected from unauthorized access.
- Regular and comprehensive security awareness training was conducted for all bank employees and NBR stakeholders to foster a culture of vigilance and best security practices.
- The SOC's continuous monitoring promptly detects suspicious events, allowing the Bank to investigate and respond quickly.

NBR's Chief Technology and Innovation Officer, Bertrand Ndengeyingoma presenting to the participants during FinSoc Workshop.

Communication & Stakeholder Engagement

In the financial year 2022/2023, the National Bank of Rwanda demonstrated dedication to fostering transparency and accountability, significantly improving its communication strategies and outreach efforts. This commitment was articulated through a series of initiatives and milestones that not only enhanced the Bank's visibility but also deepened stakeholders' comprehension of its mandate and operations.

A pivotal aspect of this endeavor was achieving clarity in the Bank's mission. By developing clear, concise content for public consumption, the NBR has significantly deepened stakeholders' understanding of its role and responsibilities. This foundational work set the stage for a broad spectrum of communications and outreach initiatives over the year.

Expanding its engagement, the NBR successfully broadened the communication of decisions from its Monetary Policy Committee (MPC) and Financial Stability Committee (FSC), reaching diverse audiences. This was particularly evident in the live-streamed quarterly press conferences by the MPC and FSC, which attracted significant online viewership and engagement garnering over 10K views across different platforms.

The year also witnessed the innovative use of informative videos to exp complex financial concepts, policies, and market dynamics. These educational assets, covering areas like inflation and foreign exchange, not only generated substantial engagement but also contributed to a 25% increase in the NBR's social media following, coupled with an impressive tally of video views.

Committed to nurturing financial and economic literacy among the youth, the Bank engaged with the youth through educational outreach programs such as the NBR secondary school quiz challenge and the Monetary Policy Challenge. A standout initiative was the Monetary Policy Challenge, which saw remarkable strides towards gender parity with women's representation among participants increasing from 33% in 2022 to an impressive 50% in 2023. Additionally, the top performers were rewarded with entry into the prestigious Young Economist Program.

The Bank's leadership and executives maintained a strong media presence, contributing expert insights on various economic topics through television and radio appearances with 36 TV & radio appearances, over 1.7K online news mentions, and a 1.3B Online News Reach. This strategy, complemented by targeted training sessions for journalists, significantly enhanced the accuracy and depth of media coverage related to the Bank's activities

On the digital front, the NBR's social media strategy paid off. Notable growth was observed across all prominent social media platforms, a testament to the Bank's ability to tap into online trends and maintain interactive communication with its audience. Unique initiatives such as Twitter Spaces discussions and Instagram Lives further solidified the Bank's connection with the younger demographic, offering insight and transparency into the Bank's operations. Twitter Spaces attracted 7,380 listeners with 19,491 impressions by the end of June 2023.

This period also marked the NBR's foray into the realm of podcasts, a move that attracted a considerable number of downloads and consistently high rankings on podcast charts, garnering over 1400 downloads and 5,000 plays. The podcast episodes consistently rank within the top 10 on Apple Podcast Charts, reflecting the 200 most popular podcasts in the market thereby fortifying the Bank's stance as a thought leader.

Internally, the communication landscape saw a transformative change with the introduction of 'NBR Connect', a platform designed to foster seamless information exchange and collaboration among staff members. This initiative, along with the 'Bank in Action' feature on NBR SharePoint, has revolutionized the way employees engage with and stay informed about organizational activities.

Communication Impact

Media Relation:
Quarterly MPC & FSC Press Conferences
Coverage of over **1.7K** online news mentions and a **1.3B** Online News Reach

Livestreamed Conferences
Quarterly press conferences by MPC and FSC were livestreamed, generating substantial views.

Social Media
121K followers across all platforms,
1.9K total posts,
241K total engagements,
3.9M impressions

Twitter Spaces
Attracted **7,380** listeners with **19,491** impressions

Podcast
1400 downloads
Top 10 on Apple Podcast Charts

Informative Videos
25% increase in our total following
38.9K total video views

As the Bank transitions into the next financial year, it is poised to build on these robust foundations. Prioritizing enhancements in its internal and external communication pathways and media relations management, the Bank reaffirms its commitment to upholding the highest standards of transparency and effective communication, thereby reinforcing trust and confidence among its stakeholders and the public.

Gerard Nsabimana, Director of Market Conduct speaks to members of the media during the media training.

Governor Rwangombwa and the Chief Economist award the finalists of the National Bank of Rwanda Monetary Policy Challenge 2023

CHAPTER 08:

EXTERNAL RELATIONS AND PARTNERSHIPS

This section highlights how the National Bank of Rwanda fosters strategic collaborative relationships and partnerships. In an increasingly interconnected global landscape, the role of central banks transcends traditional monetary policy and regulatory functions. For the National Bank of Rwanda (NBR), this reality is met with a dedicated focus on cultivating robust external relations and strategic partnerships. As the paramount financial authority entrusted with safeguarding Rwanda's economic stability, the NBR recognizes that forging meaningful collaborations on both regional and international fronts is essential to achieving its multifaceted mandate.

This commitment to external relations and partnerships not only underscores the NBR's dedication to embracing best practices and global financial standards but also serves as a testament to Rwanda's open and cooperative approach to economic development. Through strategic alliances with central banks, international organizations, financial institutions, and other stakeholders, the NBR seeks to harness shared knowledge, expertise, and resources to drive sustainable growth, strengthen financial resilience, and ensure the well-being of Rwandans.

Governor Rwangombwa receives the first ever Africa Financial Industry Summit Central Bank Governor Award at the Africa Financial Industry Summit 2022.

Governor Rwangombwa and DG Governor Soraya award finalists of the inaugural NBR Research Competition for postgraduate students at the NBR-IGC Research Day.

The following summarizes key areas of strategic partnership for the National Bank of Rwanda:

Collaborative Research Projects:
The NBR has fostered collaborations with renowned international organizations to enhance its research capabilities and promote knowledge exchange. Partnerships with entities such as the International Monetary Fund (IMF), Sveriges Riksbank (Riksbank), International Growth Centre (IGC), and Common Market for Eastern and Southern Africa (COMESA) have yielded valuable insights. Notably, a research conference organized with IGC facilitated the convergence of experts for fruitful discussions and shared learning.

Promotion of Green Finance and Climate Risk Management:
Recognizing the significance of green finance and climate risk mitigation, the NBR joined the Network for Greening the Financial System (NGFS). Active participation in NGFS activities led to the organization of an Africa outreach meeting, where key stakeholders collaborated to devise strategies for capacity building and the advancement of green finance practices. These efforts underline NBR's commitment to addressing climate risks within the financial sector.

Sustainable Finance Roadmap and Action Plan:
Rwanda Finance, in collaboration with partners such as Agence Française de Développement (AFD) and HORUS, developed a comprehensive 10-year Sustainable Finance roadmap. NBR, as a pivotal contributor, formulated an action plan in alignment with this roadmap. These initiatives have been instrumental in steering the country's financial sector towards sustainability goals and solidifying Kigali's position as a finance hub.

Anti-Money Laundering (AML) and Financial Action Task Force (FATF) Compliance:
To combat money laundering and uphold international standards, the NBR undertook multifaceted measures. These included regulatory amendments to align with FATF recommendations, strict enforcement of sanctions, dissemination of risk assessment insights, establishment of an AML-CFT task force, conducting on-site inspections, and active participation in Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) reviews. These collective efforts have fortified Rwanda's financial system against illicit activities.

Enhancing Supervisory Capabilities:
NBR's commitment to robust supervisory practices was evident in its partnership with the Toronto Centre. Through virtual programs, NBR bolstered its supervisory capabilities in crucial areas such as technology risk, digital finance, market conduct, consumer protection, and risk-based supervision. These initiatives have equipped NBR with the necessary tools to ensure the integrity and stability of the financial sector.

Hosting AFI Regional Training
In collaboration with the Alliance for Financial Inclusion (AFI), the National Bank of Rwanda hosted a Regional Training on Leveraging Financial Inclusion Data and Tools for Inclusive Policy Development. Its focus was on evaluating the role of financial inclusion data and methodologies in shaping inclusive policy development.

The training provided a platform for participants to delve into the utilization of data to construct evidence-driven financial inclusion policies. This encompassed effective oversight of digital solutions, which have proven to expedite financial inclusion efforts. NBR shared its experiences and gained valuable insights from the participating countries.

As a result of the training, NBR received requests from various central banks for peer learning exchanges from institutions such as the Banque Centrale des États de l'Afrique de l'Ouest (BCEAO), Reserve Bank of Malawi and Central Bank of Pakistan.

Deposit Guarantee Fund Law Review:

Deputy Governor officiates the 1st consultative workshop for the financial inclusion of forcibly displaced persons (FDPs) organized by NBR in partnership with Alliance for Financial Inclusion(AFI).

In line with international standards, the NBR collaborated with the International Association of Deposit Insurers (IADI) to review the Deposit Guarantee Fund Law. By involving experts and utilizing IADI's guidance, NBR has ensured that its framework aligns with best practices, enhancing depositor protection and bolstering trust in the financial system.

In conclusion, the National Bank of Rwanda's engagement in collaborative research projects, sustainable finance initiatives, climate risk management, AML compliance, supervisory enhancements, and regulatory improvements underscores its commitment to a resilient, sustainable, and well-regulated financial sector. These endeavors have positioned Rwanda as a progressive player in the global financial landscape while contributing to the country's economic growth and stability.

Governor Rwangombwa and Deputy Governor Soraya join East African Community Finance Ministers and Central Bank Governors in discussing COVID-19, Russia's war in Ukraine, and climate change at the IMF MD round table.

KEY POLICY ISSUES FOR CONSIDERATION

In the financial year 2022/23, several pressing challenges and policy matters have emerged that require careful attention:

- **Economic Challenges:** The country faces the headwinds of a global demand slowdown, rising inflation, and the impacts of climate shocks. These challenges necessitate strategic policy responses.
- **Fintech Sandbox:** The implementation of fintech sandboxes faces obstacles, including regulatory knowledge gaps within the fintech sector, an imbalance in innovation favoring payments over insurance, and the necessity for enhanced nationwide fintech support programs. Collaborative efforts among public and private stakeholders are currently lacking in this domain.
- **Central Bank's new roles:** Emerging concerns like financial sector development, financial inclusion, cybersecurity, fintech, and climate change have significantly expanded the NBR responsibilities beyond traditional central banking functions.

LOOKING FORWARD

In the upcoming financial year 2023/24, NBR in conjunction with various key stakeholders, will pursue the following initiatives as a strategic approach to address the aforementioned policy issues:

- **Economic Resilience:**
  - **Monetary Policy:** Continue monitoring global, regional and domestic macroeconomic developments, improve monetary policy processes, bolster economic analysis and modelling capturing climate change and other emerging issues, and engage in policy research to provide relevant recommendations to policy makers.
  - **Enhanced Policy Coordination:** Continue regular engagement with various stakeholders to offer economic advice to the Government based on sound economic research and analytical work; and ensure alignment of monetary policy with fiscal policy and structural policies to maintain overall macroeconomic stability.
  - Develop a comprehensive climate resilience strategy with investments in sustainable infrastructure.
- **Fintech Innovation:**
  - **Regulatory Frameworks:** Introduce new alternative financial services by establishing regulatory frameworks that attract innovative and modern financial services, positioning Rwanda as a financial hub.
  - **Encourage insurance technology "insurtech" innovations.** This involves use of technology and innovation to enhance and modernize the insurance industry by improving various aspects of insurance, including underwriting, claims processing, management of insurance sector, customer engagement, and risk assessment.
  - Establish nationwide fintech support programs and foster collaboration among public and private stakeholders.
  - **Financial Literacy:** Continue empowering financial service consumers through improved education to enhance their bargaining power, understanding of their rights, and ability to make informed financial decisions.
- **Central Bank's new roles:**
  - Strengthen cybersecurity measures and response protocols.
  - Build expertise in fintech regulation
  - Promote sustainable finance and climate risk assessment within the financial sector.
  - Enhance public awareness of the NBR's expanded role.

CHAPTER 09:

FINANCIAL PERFORMANCE/ STATEMENTS

Overview of Financial Position and Performance for FY2022-23

FINANCIAL POSITION

The total assets went up by 8% mainly due to increase in foreign securities investments and Capitalization of new tangible and intangible assets. The Bank made significant capital investments, especially in ICT and security equipment enhancement to optimize performance of the Bank's ecosystem. Foreign investment securities grew by 39% to about FRW 1.5 Trillion from FRW 1.0 Trillion with a significant increase in the FVTOCI securities investment following strategic asset allocation decisions made by the Bank in the year. It's worth noting that the volatile market conditions with related mark-to-market impact resulted in decline in reserves from USD 1.92 Billion in FY2021-22 to USD 1.83 Billion in FY2022-23.

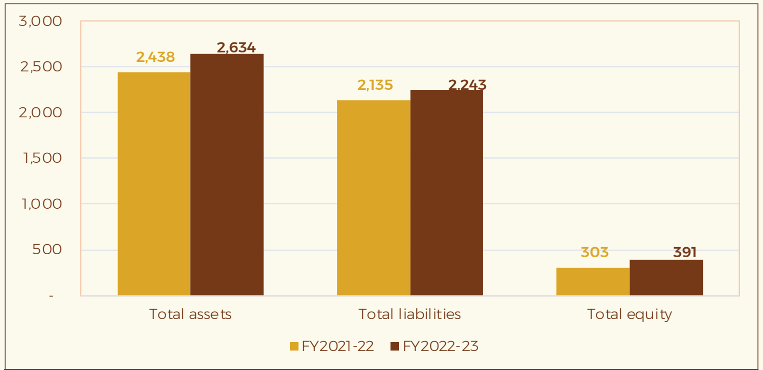
Liabilities grew by 5% due to financial institutions deposits and currency in circulation that went up by 14% and 6% respectively. Currency in circulation rose as a result of need to improve the quality of legal tender denominations in the economy, a branding stance for the Central Bank. Equity went up 29% as a result of retained earnings allocated to various reserve buckets following Board decisions in the year, and mark-to-market impact on securities classified under fair value through other comprehensive income (FVTOCI).

FINANCIAL PERFORMANCE

The Bank navigated through the pandemic into another challenging period of the Russia - Ukraine war, however continued to deliver commendable financial performance despite the volatile international market and the domestic market conditions characterized by high inflation pressures on drivers of the Bank business inputs. The Bank recorded 117% growth in surplus to FRW 121.9 Billion in FY2022-23 from FRW 56.1 Billion earned in FY2021-22. The achievement was attributed to both the domestic and foreign earnings. Bank earnings are realized through the interest income, fees and commissions, and revaluation gains income streams. Income realized on Central Bank domestic and foreign investments increased by 48%, and trading activities on foreign markets also resulted into 197% growth in this income stream, a significant boost to the bank's performance. Fees and commission income on foreign currency related transactions grew by 19% year on year while foreign exchange revaluation income went up 114% as a result of the bank balance sheet size that is predominantly foreign currency denominated, a business nature of the Central Bank.

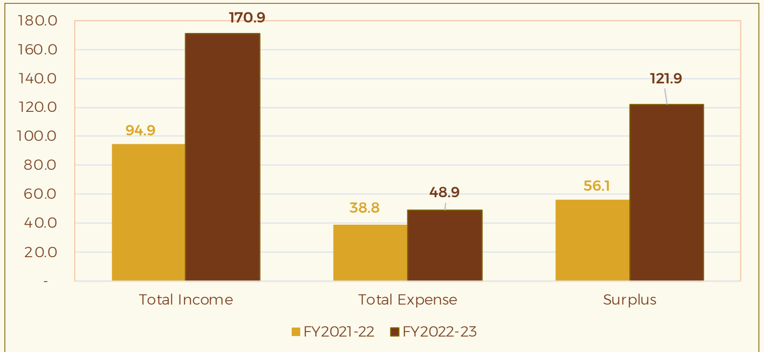
Bank expenses rose by 26% to FRW 49 Billion from FRW 38.8 Billion recorded in the prior year. The rise is attributed to the factor of inflation on the domestic costs and depreciation of the functional currency against the strong currency, where the Bank settles foreign currency denominated obligations. The Bank had about 22% increase in human capital costs arising from new hiring which increased staff numbers by 11% year on year. It worth noting that amortization of new currency costs also rose by 18% in the period as a result of increased demand for new notes and coins in the market following full economy re-opening post the pandemic. Furthermore, depreciation costs went up by an average of 29% due to projects capitalized, commissioned into service and subsequent cost allocation in recognition of economic benefit derived from assets utilization.

Figure 20: Financial Position (Frw Billions)



Source: National Bank of Rwanda

Figure 21: Financial Performance (FRW Billions)



Source: National Bank of Rwanda

ANNEX 1

FINANCIAL STATEMENTS

Financial Statements

DIRECTORS

The Directors who served during the year and to the date of this report are shown below:

John RWANGOMBWA	-	Chairperson and Governor	Appointed 25 February 2013
Soraya HAKUZIYAREMYE	-	Vice Chairperson and Deputy Governor	Appointed 15 March 2021
Diko MUKETE	-	Member	Appointed 4 March 2022
Ivan MURENZI	-	Member	Appointed 27 April 2018 Re-appointed 04 March 2022
Leonard Minega RUGWABIZA	-	Member	Appointed 4 November 2011 Re-appointed 4 March 2022
Cyridion NSENGUMUREMYI	-	Member	Appointed 4 March 2022
Alice DUSHIMIRE	-	Member	Appointed 4 March 2022
Faith KEZA	-	Member	Appointed 27 April 2018 Re-appointed 4 March 2022
Ildephonse MUSAFIRI	-	Member	Appointed 27 April 2018 Re-appointed 4 March 2022 Resigned after GoR appointment to other duties 30 July 2022

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

National Bank of Rwanda
KN 6 Avenue, 4
P.O. Box 531
Kigali, Rwanda

BRANCHES

Southern Branch
P.O. Box 622
Huye, Rwanda

Northern Branch
P.O. Box 127
Musanze, Rwanda

Rubavu Branch
Rubavu district
Rubavu, Rwanda

Eastern Branch
P.O. Box 14
Rwamagana, Rwanda

Western Branch
P.O. Box 462
Rusizi, Rwanda

COMPANY SECRETARY AND LEGAL COUNSEL

Jean Léonard MUREGO (Bank employee)

AUDITORS

GPO Partners Rwanda Limited
KG 7 Ave, Aurore Building-Kacyiru
P. O. Box 1902
Kigali, Rwanda

LAWYERS

HABINSHUTI Joseph Desire
P. O. Box 2161
Kigali, Rwanda

Joelex Consulting Limited
KG 50 Rukiri, Remera
Kigali, Rwanda

1. Introduction

The directors have the pleasure of submitting their report together with the audited financial statements for the year ended 30 June 2023, which disclose the state of affairs of National Bank of Rwanda (the "Bank").

2. Incorporation

The Bank was incorporated on 24 April 1964 and is governed by Law No. 48/2017 of 23/09/2017 Governing the National Bank of Rwanda as amended by Law No. 016/2021 of 03/03/2021.

3. Principal activities

The Bank is established and administered under the law with the principal objective of formulating and implementing monetary policy directed at achieving and maintaining stability in the general level of prices. It is also the responsibility of the Bank to foster liquidity, solvency and proper functioning of a stable and competitive market-based financial system.

4. Results

The results for the year are set out on page 97.

5. Dividend

The directors propose a dividend payment of Frw **9,354,194,277** as per note 38(i) of the financial statements (2022: Frw **7,517,761,875**).

6. Directors

The Directors who held office during the year and to the date of this report are set out on page 94.

7. Auditors

GPO Partners Rwanda Ltd, were appointed as auditor of National Bank of Rwanda in accordance with article 66 of Law No. 48/2017 of 23/09/2017 Governing the National Bank of Rwanda as amended by Law No. 016/2021 of 03/03/2021.

By order of the board

Governor

Date: 06th October, 2023

National Bank of Rwanda
Statement of directors' responsibilities
For the year ended 30 June 2023

Law No.48/2017 of 23/09/2017 Governing the National Bank of Rwanda (the "Bank") as amended by Law No. 016/2021 of 03/03/2021 requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Bank as at the end of the financial year and of its profit or loss. It also requires the directors to ensure that the Bank keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Bank. They are also responsible for safeguarding the assets of the Bank.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with International Financial Reporting Standards and the requirements of Law No. 48/2017 of 23/09/2017 Governing the National Bank of Rwanda as amended by Law No. 016/2021 of 03/03/2021. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Bank and of its surplus in accordance with International Financial Reporting Standards. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

Nothing has come to the attention of the directors to indicate that the Bank will not remain a going concern for at least twelve months from the date of this statement.

Approval of the financial statements

The accompanying financial statements on pages95 to 141 were approved for issue by the Board of Directors on 22nd September, 2023 and signed on its behalf by:

Governor   Director

REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDER OF NATIONAL BANK OF RWANDA

Report on the audit of the financial statements

Our opinion

We have audited the financial statements of National Bank of Rwanda ("the Bank") which comprise the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of Law No.48/2017 of 23/09/2017 Governing the National Bank of Rwanda and as amended by Law No. 016/2021 of 03/03/2021.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Institute of Certified Public Accountants of Rwanda Code of ethics (ICPAR Code of Ethics). We have fulfilled our other ethical responsibilities in accordance with the ICPAR Code of Ethics and in accordance with other ethical requirements applicable to performing audits in Rwanda. The ICPAR Code of Ethics is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. We have determined that there are no key audit matters to communicate in our report for the current year.

Other information

The directors are responsible for the other information. The other information comprises Directors' report and the other information that will be included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDER OF NATIONAL BANK OF RWANDA (continued)

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of Law No.48/2017 of 23/09/2017 Governing the National Bank of Rwanda as amended by Law No. 016/2021 of 03/03/2021 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDER OF NATIONAL BANK OF RWANDA (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For GPO Partners Rwanda Ltd

Patrick GASHAGAZA

Partner

Kigali,....10th.........October 2023

Statement of comprehensive income

	Notes	2023 Frw '000'	2022 Frw '000'
Interest income	8	53,321,251	36,038,510
Interest expense	9	(10,110,049)	(4,060,503)
Net interest income		**43,211,203**	**31,978,007**
Fee and commission income	10(a)	4,978,612	4,189,684
Fee and commission expense	10(b)	(4,339,871)	(3,380,987)
Unrealized revaluation gains	11(a)	97,382,459	45,489,242
Net trading income	11(b)	23,430,467	7,883,424
Other operating income	12	7,800,204	6,980,705
Operating income before credit and other impairment charges		**172,463,074**	**93,140,075**
Expected credit losses and other credit impairment write back/(charges)	15(b)	(1,559,670)	1,782,513
Net operating income		**170,903,404**	**94,922,588**
Employee benefits expense	13	(26,825,534)	(21,952,791)
General administration expenses	14	(11,526,,441)	(8,077,577)
Other operating expenses	15(a)	(7,190,844)	(5,994,264)
Depreciation of investment property held at cost	24	(18,217)	(18,217)
Depreciation of property and equipment	25	(2,408,605)	(2,064,693)
Amortization of intangible assets	26	(1,013,354)	(721,564)
Total expenses		**(48,982,997)**	**(38,829,106)**
Surplus for the year		**121,920,408**	**56,093,482**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Net changes in fair value of fair value through other comprehensive income (FVOCI) financial assets	33 iii (b)	(13,939,097)	(34,850,587)
Total other comprehensive income		**(13,939,097)**	**(34,850,587)**
Total comprehensive income		**107,981,312**	**21,242,895**

The notes set out on pages 97 to 141 are an integral part of these financial statements.

Statement of financial position

	Notes	2023 Frw '000'	2022 Frw '000'
ASSETS			
Cash and cash equivalents	16 (a)	505,394,436	738,859,660
Foreign investment securities	17	1,460,950,466	1,051,774,063
Due from local financial institutions	18	170,118,657	165,256,662
Government of Rwanda Eurobond investments	20(b)	112,295,468	100,052,688
Due from the Government of Rwanda	20(a)	52,553,074	17,214,052
Due from foreign financial institutions	19(a)	20,205,612	20,205,612
Staff loans and advances	21	12,262,443	12,156,078
Due from International Monetary Fund	22	256,441,282	281,784,931
Equity investments	23	6,164	6,164
Investment property	24	284,669	302,886
Property and equipment	25	30,838,337	29,032,114
Intangible assets	26	4,575,022	4,247,257
Other assets	27	8,550,894	17,375,841
TOTAL ASSETS		**2,634,476,524**	**2,438,268,008**
LIABILITIES			
Currency in circulation	28	374,918,543	352,500,899
Government of Rwanda deposits	29	635,424,389	650,265,032
Due to local financial institutions	30	681,332,002	596,301,040
Other liabilities	31(a)	103,153,404	32,686,360
Customer deposits	31(b)	7,255,281	5,872,656
Foreign liabilities	32	3,435,730	3,553,374
Due to International Monetary Fund	22	414,709,010	473,262,545
Due to foreign financial institution	19 (b)	23,224,363	20,558,706
TOTAL LIABILITIES		**2,243,452,722**	**2,135,000,612**
EQUITY			
Share capital	33	7,000,000	7,000,000
General reserve fund	33	31,898,470	23,602,606
Other reserves	33	307,440,177	217,043,645
Retained earnings	33	44,685,155	55,621,145
TOTAL EQUITY		**391,023,802**	**303,267,396**
TOTAL LIABILITY AND EQUITY		**2,634,476,524**	**2,438,268,008**

These financial statements were approved by the Board of Directors on 22nd/07/2023 and signed on its behalf by:

Governor

Director

The notes on pages 97 to 141 are an integral part of these financial statements.

Statement of changes in equity

Note: 33 Year ended 30 June 2023	Note	Share capital Frw'000'	General reserve fund Frw '000'	Retained earnings Frw '000'	Fair valuation reserve for FVOCI fin. Assets Frw '000'	Staff welfare reserve Frw '000'	Foreign exchange revaluation reserve Frw '000'	IT Modernization reserve Frw '000'	Property and equipment revaluation reserve Frw '000'	New building revaluation Frw '000'	Total Frw '000'
At 1 July 2022		7,000,000	23,602,606	55,621,145	(33,638,641)	22,199,490	218,572,305	1,208,312	8,702,179	-	303,267,396
Surplus for the year		-	-	121,920,408	-	-	-	-	-	-	121,920,408
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
Net losses on debt instruments designated at FVOCI	33 iii (b)	-	-	-	(13,939,097)	-	-	-	-	-	(13,939,097)
Total comprehensive income		**-**	**-**	**121,920,408**	**(13,939,097)**	**-**	**-**	**-**	**-**	**-**	**107,981,311**
Transactions with owners in their capacity as owners											
Dividends paid		-	-	(19,961,559)	-	-	-	-	-	-	(19,961,559)
Total transactions with owners		**-**	**-**	**(19,961,559)**	**-**	**-**	**-**	**-**	**-**	**-**	**(19,961,559)**
Other transactions											
Transfers to New Building Revaluation				(7,000,000)						7,000,000	-
Transfer to retained earning		-	-	-	-	-	-	(263,347)	-	-	(263,347)
Transfer of foreign assets exchange revaluation gains to revaluation reserve	33 iii (b)	-	-	(97,382,459)	-	-	97,382,459	-	-	-	-
Transfer of surplus for the year to general reserve fund	33 iii (b)	-	8,295,864	(8,295,864)	-	-	-	-	-	-	-
Transfer of surplus for the year to staff welfare reserve	33 iii (b)	-	-	-	-	-	-	-	-	-	-
Transfer of current year interest income on staff loans to staff welfare	33 iii (b)	-	-	(216,516)	-	216,516	-	-	-	-	-
Transfer of current year ECL on staff loans to staff welfare	33 iii (b)	-	-	-	-	-	-	-	-	-	-
Total other transactions		**-**	**8,295,864**	**(112,894,839)**	**-**	**216,516**	**97,382,459**	**(263,347)**	**-**	**7,000,000**	**(263,347)**
As at 30 June 2023		**7,000,000**	**31,898,470**	**44,685,155**	**(47,577,738)**	**22,416,006**	**315,954,765**	**944,966**	**8,702,179**	**7,000,000**	**391,023,802**

The notes on pages 97 to 141 are an integral part of these financial statements.

Statement of changes in equity (continued)

Note: 33 Year ended 30 June 2022	Note	Share capital Frw'000'	General reserve fund Frw '000'	Retained earnings Frw '000'	Fair valuation reserve for FVOCI fin. Assets Frw '000'	Staff welfare reserve Frw '000'	Foreign exchange revaluation reserve Frw '000'	IT Modernisation reserve Frw '000'	Property and equipment revaluation reserve Frw '000'	Total Frw '000'
At 1 July 2021		**7,000,000**	**18,876,426**	**65,496,593**	**1,211,946**	**18,336,659**	**173,083,064**	**1,336,843**	**8,702,179**	**294,043,710**
Surplus for the year		-	-	56,093,482	-	-	-	-	-	56,093,482
Other comprehensive income										
Net losses on debt instruments designated at FVOCI	33 iii (b)	-	-	-	(34,850,587)	-	-	-	-	(34,850,587)
Total comprehensive income		**-**	**-**	**56,093,482**	**(34,850,587)**	**-**	**-**	**-**	**-**	**21,242,895**
Transactions with owners in their capacity as owners										
Dividends paid		-	-	(12,019,209)	-	-	-	-	-	(12,019,209)
Total transactions with owners		**-**	**-**	**(12,019,209)**	**-**	**-**	**-**	**-**	**-**	**(12,019,209)**
Other transactions										
Transfer to retained earning		-	-	128,532	-	-	-	(128,532)		
Transfer of foreign assets exchange revaluation gains to revaluation reserve	33 iii (b)	-	-	(45,489,242)	-	-	45,489,242	-	-	-
Transfer of surplus for the year to general reserve fund	33 iii (b)	-	4,726,180	(4,726,180)	-	-	-	-	-	-
Transfer of surplus for the year to staff welfare reserve	33 iii (b)	-	-	(3,340,877)	-	3,340,877	-	-	-	-
Transfer of current year interest income on staff loans to staff welfare	33 iii (b)	-	-	(559,515)	-	559,515	-	-	-	-
Transfer of current year ECL on staff loans to staff welfare	33 iii (b)	-	-	37,561	-	(37,561)	-	-	-	-
Total other transactions		-	**4,726,180**	**(53,949,721)**	-	**3,862,831**	45,489,242	(128,532)	**-**	-
As at 30 June 2022		**7,000,000**	**23,602,606**	**55,621,145**	**(33,638,641)**	**22,199,490**	**218,572,306**	**1,208,311**	**8,702,179**	**303,267,396**

The notes on pages 97 to 141 are an integral part of these financial statements.

Statement of cash flows

	Note	2023 Frw'000'	2022 Frw'000'
Net cash from operating activities	16 (b)	**135,164,827**	**370,350,087**
Cash flows from Investing activities			
Acquisition of property and equipment	25	(4,305,560)	(2,073,332)
Acquisition of intangible assets	26	(1,341,118)	(1,139,669)
Proceeds from sale of equipment		32,999	(28,686)
Acquisition of investment securities	17	(409,176,403)	(38,084,281)
Net cash utilized in investing activities		**(414,790,083)**	**(41,325,968)**
Cash flows from financing activities			
Increase/(decrease) in balances due to IMF	22	(58,553,535)	12,248,414
(Increase)/decrease in balances due from IMF	22	24,627,010	(20,082,496)
(Increase)/decrease in IFC loan receivable	20	-	(19,988,489)
(Increase)/decrease in Foreign Financial institutions/Bank one		2,665,657	20,558,706
Dividends paid		(7,517,762)	(4,929,939)
Dividends paid (settlement of government loan)		(12,443,796)	(7,089,270)
Net cash from financing activities		**(51,222,427)**	**(19,283,074)**
Increase/(decrease) in cash and cash equivalents		**(330,847,683)**	**309,741,046**
Cash and cash equivalents at the beginning of the year	37	738,859,660	383,629,372
Net foreign exchange gain on cash and cash equivalents	11 (a)	**97,382,459**	45,489,242
Cash and cash equivalents at the end of the year	36	**505,394,436**	**738,859,660**

The notes set out on pages 97 to 141 form an integral part of these financial statements.

1. Reporting entity

The National Bank of Rwanda (the "Bank") is domiciled in Rwanda. The Bank's registered office is at: KN 6 Avenue, 4 P.O Box 531, Kigali, Rwanda

The Bank is wholly owned by the Government of Rwanda. The Bank is established by and derives its authority and accountability from Law No.48/2017 of 23/09/2017 Governing the National Bank of Rwanda and as amended by Law No. 016/2021 of 03/03/2021. The Bank also acts as Banker, advisor and fiscal agent of the Government of Rwanda.

2. Basis of preparation

(a) Compliance with IFRS

The financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB) and in the manner required by Law No.48/2017 of 23/09/2017 Governing the National Bank of Rwanda and as amended by Law No. 016/2021 of 03/03/2021.

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, certain classes of property, plant and equipment, and investment property – measured at fair value or revalued amount.

(c) New and amended standards adopted by the Bank

The Bank has applied the following standards and amendments for the first time for the annual reporting year commencing 1 July 2022:

Number	Effective date	Executive summary
Amendments to IAS 16 'Property, Plant and Equipment': Proceeds before Intended Use	Annual periods beginning on or after 1 January 2022 (Published May 2020)	The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such items, together with the costs of producing them, are recognised in profit or loss.
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' on Onerous Contracts—Cost of Fulfilling a Contract	Annual periods beginning on or after 1 January 2022 (Published May 2020)	The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.
Amendment to IAS 1 'Presentation of Financial Statements' on Classification of Liabilities as Current or Non-current	Annual periods beginning on or after 1 January 2022 (Published Jan 2020)	The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant).

2. Basis of preparation (continued)

(d) New standards and interpretations not yet adopted by the Bank

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the Bank. These standards are not expected to have a material impact on the Bank in the current or future reporting periods and on foreseeable future transactions.

Number	Effective date	Executive summary
IAS 1, Practice statement 2 and IAS 8	Annual periods beginning on or after 1 January 2023. (Published February 2021)	The aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.
IFRS 16 – Leases	Annual periods beginning on or after 1 January 2024 (Published September 2022)	These include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
IAS 1 – Non-current liabilities with covenants	Annual periods beginning on or after 1 January 2024 (Published January 2020 and November 2022)	These clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
IAS 7 and IFRS 7 on Supplier finance arrangements	Annual periods beginning on or after 1 January 2024 (Published May 2023)	These require disclosures to enhance the transparency of supplier finance arrangements and their effects on a entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some entities' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

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2. Basis of preparation (continued)

(d) New standards and interpretations not yet adopted by the Bank (continued)

IFRS sustainability disclosure standards

Number	Effective date	Executive summary
IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information	Reporting periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions. (Published June 2023)	This includes the core framework for the disclosure of material information about sustainability related risks and opportunities across an entity's value chain.
IFRS S2: Climate-related Disclosures	Reporting periods beginning on or after 1 January 2024. This is subject to endorsement of the standards by local jurisdictions. (Published June 2023)	This is the first thematic issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

2. Basis of preparation (continued)

(d) New standards and interpretations not yet adopted by the Bank (continued)

Number	Effective date	Executive summary
Annual improvements cycle 2018 -2020	Annual periods beginning on or after 1 January 2022 (Last updated September 2020)	These amendments include minor changes to: • IFRS 1, 'First time adoption of IFRS' has been amended for a subsidiary that becomes a first-time adopter after its parent. The subsidiary may elect to measure cumulative translation differences for foreign operations using the amounts reported by the parent at the date of the parent's transition to IFRS. • IFRS 9, 'Financial Instruments' has been amended to include only those costs or fees paid between the borrower and the lender in the calculation of "the 10% test" for de-recognition of a financial liability. Fees paid to third parties are excluded from this calculation. • IFRS 16, 'Leases', amendment to the Illustrative Example 13 that accompanies IFRS 16 to remove the illustration of payments from the lessor relating to leasehold improvements. The amendment intends to remove any potential confusion about the treatment of lease incentives. • IAS 41, 'Agriculture' has been amended to align the requirements for measuring fair value with those of IFRS 13. The amendment removes the requirement for entities to exclude cash flows for taxation when measuring fair value.

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3. Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in Rwanda Francs (Frw), which is the Bank's functional currency. All amounts have been rounded to the nearest thousands, except when otherwise indicated.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognized in other comprehensive income.

Gains resulting from a revaluation of reserve exchange holdings or international commitments recorded in the balance-sheet of the Bank due to a revision of the foreign exchange system or a modification of the exchange value of the Frw decided by the Government are appropriated to a special account titled "Foreign exchange revaluation reserve" account in equity.

4. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The directors also need to exercise judgement in applying the Bank's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

Significant estimates and judgements

The areas involving significant estimates or judgements are:

- impairment of financial assets – note 6 (a)
- estimated fair value of certain financial assets – note 7
- Accounting treatment of economic recovery funds from the Government of Rwanda – note 5 (t) and note 34.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Bank and that are believed to be reasonable under the circumstances.

5. Significant accounting policies

a) Interest income

Interest income is recognised in the profit or loss statement using the effective interest rate method for all interest-bearing financial instruments except for assets measured at fair value through profit and loss.

b) Fees and commission

Fees and commission income include; commission on foreign currency transactions, commission received on guarantees, T24-Internet Banking commissions, commission on letters of credit commissions on credit management, and are recognised as the related services are performed.

Fees are recognised as the service is provided, as this is the point at which the performance obligation, with the identified customer, is considered to be satisfied. Fee income from regulatory activity is recognised as the service to regulated entities occurs.

c) Net trading income

'Net trading income' comprises gains less losses related to foreign investment securities and includes all realised and unrealised fair value changes and foreign exchange movements.

d) Financial assets and liabilities

Measurement methods

Amortised cost and effective interest rate
The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For purchased or originated credit-impaired (`POCI') financial assets — assets that are credit-impaired at initial recognition — the Bank calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

When the Bank revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

5. Significant accounting policies (continued)

d) Financial assets and liabilities (continued)

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

- POCI financial assets, for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset.
- Financial assets that are not 'POCI' but have subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Bank becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Bank commits to purchase or sell the asset.

At initial recognition, the Bank measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the Bank recognises the difference as follows:

- When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

- In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

Financial assets

(i) Classification and subsequent measurement

The Bank classifies its financial assets in the following measurement categories:
- Fair value through profit or loss (FVPL); or
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

The classification requirements for debt and equity instruments are described below:

Debt instruments
Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables purchased from clients in factoring arrangements without recourse.

5. Significant accounting policies (continued)

d) Financial assets and liabilities (continued)

Financial assets (continued)

Classification and subsequent measurement of debt instruments depend on:
- the Bank's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the Bank classifies its debt instruments into one of the following three measurement categories:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.

- Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in Net Investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

- Fair value through profit or loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within 'Net trading income' in the year in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented separately in 'Net investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Business model: the business model reflects how the Bank manages the assets in order to generate cash flows. That is, where the Bank's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Bank in determining the business model for a Bank of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Bank assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the `SPPI test'). In making this assessment, the Bank considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

5. Significant accounting policies (continued)

d) Financial assets and liabilities (continued)

Financial assets (continued)

The Bank reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting year following the change. Such changes are expected to be very infrequent and none occurred during the year.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Bank subsequently measures all equity investments at fair value through profit or loss, except where the Bank's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Bank's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Bank's right to receive payments is established.

Gains and losses on equity investments at FVPL are included in the Net trading income' line in the statement of profit or loss.

The Bank's financial assets are classified as follows:

Financial assets	***Classification***
Cash and cash equivalents	*Amortised cost*
Due from International Monetary Fund	*Amortised Cost*
Due from foreign financial institutions	*FVTPL & amortised cost*
Foreign investment securities	*FVTPL & FVOCI*
Due from the Government of Rwanda	*Amortised cost*
Government of Rwanda Eurobond investments	*Amortised cost*
Due from local financial institutions	*FVTPL & amortised cost*
Loans and advances to employees	*Amortised Cost*
Equity investments	*FVOCI*

(ii) Impairment

The Bank assesses on a forward-looking basis the expected credit loss ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Bank recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:
- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Note 6 (a) provides more detail of how the expected credit loss allowance is measured.

5. Significant accounting policies (continued)

d) Financial assets and liabilities (continued)

Financial assets (continued)

(iii) Modification of loans

The Bank sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Bank assesses whether or not the new terms are substantially different to the original terms. The Bank does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest rate.
- Change in the currency the loan is denominated in.
- Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

If the terms are substantially different, the Bank derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred.

However, the Bank also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on de-recognition.

If the terms are not substantially different, the renegotiation or modification does not result in De-recognition, and the Bank recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gains or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

(iv) De-recognition other than on a modification
Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Bank transfers substantially all the risks and rewards of ownership, or (ii) the Bank neither transfers nor retains substantially all the risks and rewards of ownership and The Bank has not retained control.

The Bank enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in de-recognition if the Bank:

- Has no obligation to make payments unless it collects equivalent amounts from the assets;
- Is prohibited from selling or pledging the assets; and
- Has an obligation to remit any cash it collects from the assets without material delay.

Collateral (shares and bonds) furnished by the Bank under standard repurchase agreements and securities lending and borrowing transactions are not derecognised because the Bank retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for de-recognition are therefore not met. This also applies to certain securitisation transactions in which the Bank retains a subordinated residual interest.

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5. Significant accounting policies (continued)

d) Financial assets and liabilities (continued)

Financial liabilities

(i) Classification and subsequent measurement

Financial liabilities are classified as subsequently measured at amortised cost, except for:

- Financial liabilities at fair value through profit or loss: this classification is applied to derivatives. Gains or losses on derivatives are recognised in profit or loss.;
- Financial liabilities arising from the transfer of financial assets which did not qualify for de-recognition, whereby a financial liability is recognised for the consideration received for the transfer. In subsequent periods, the Bank recognises any expense incurred on the financial liability; and
- Financial guarantee contracts and loan commitments.

The Bank's financial liability classification is presented below:

Financial liabilities	
Due to International Monetary Fund	*Amortised cost*
Due to local financial institutions	*FVTPL & amortised cost*
Foreign liabilities	*FVTPL & amortised cost*
Government of Rwanda deposits	*Amortised cost*
Customer deposits	*Amortised cost*
Transitory accounts	*Amortised cost*
Economic recovery fund	*Amortised cost*
Sector recapitalisation funds	*Amortised cost*
Dormant account funds	*Amortised cost*
Death benefit fund	*Amortised cost*
Other payables	*Amortised cost*

(ii) De-recognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

The exchange between the Bank and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment.

If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

5. Significant accounting policies (continued)

d) Financial assets and liabilities (continued)

Financial liabilities (continued)

Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to Banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other Banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and
- The premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

Loan commitments provided by the Bank are measured as the amount of the loss allowance. The Bank has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the Bank cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

e) Sale and repurchase (repo) agreements

The Bank has entered into repo agreements as part of its monetary policy activities. Securities purchased under agreements to resell are recorded under due to Banks as money market borrowing. Securities sold under agreement to repurchase are disclosed due from Banks. The differences between the purchase and sale prices are treated as interest and accrued using the effective interest method. The Bank from time to time mops up money from the financial market ('repos') or injects money into the market ('reverse repos') with maturities of 1 - 28 days. The Bank engages in these transactions with commercial Banks only. These have been disclosed in the financial statements as "due to financial institutions" and "due from financial institutions".

f) Derivative financial assets and liabilities

The Bank enters into derivatives (currency forwards and swaps) for trading purposes. At their inception, derivatives often involve only a mutual exchange of promises with little or no transfer of consideration. The Bank may take positions with the expectation of profiting from favourable movement in prices, rates or indices. The Bank's exposure under derivative contracts is closely monitored as part of the overall management of its market risk. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are included in net trading income

The Bank uses the following derivative instruments:

Currency forwards - Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. Forwards are customised contracts transacted in the over–the–counter market. The Bank has credit exposure to the counterparties of forward contracts. Forward contracts are settled gross and result in market risk exposure.

5. Significant accounting policies (continued)

g) Currency in circulation

Currency issued by the Bank represents a claim on the Bank in favour of the holder. The liability for currency in circulation is recorded at face value in these financial statements. Currency in circulation represents the face value of notes and coins in circulation. Notes and coins held by the Bank as cash in main vault, intermediary vault, and cashier at the end of the financial year are netted off against the liability for notes and coins in circulation because they do not represent a liability to a particular holder at that the reporting date.

h) Currency printing and minting costs

The costs incurred for printing Bank notes is deferred on payment. The costs are amortised to the P&L based on the notes issued into circulation on a monthly basis.

Cost of coins minted are deferred on payment. Subsequently, these costs are amortised with issuance of new currency into circulation.

The deferred amount is recognized as a prepayment and represents un-issued Banknotes (currency) stock.

i) Cash and cash equivalents

Cash and cash equivalents include foreign currency held in the Bank and demand deposits held with foreign Banks and highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk change in their fair value and are used by the Bank in the management of its short term commitments.

j) Loan due from the Government of Rwanda

The loan due from the Government of Rwanda arose after 1994. The economic situation of the country was not favourable and resulted into the financial and budget constraint of the public enterprises to finance the development budget. With many interventions by the Government of Rwanda to finance the public enterprise through subsidies and advances, this caused liquidity challenges for the Treasury. The two parties then (Government of Rwanda and the National Bank of Rwanda) agreed new terms in order to facilitate the recovery of the public finance and to help the Government meet its obligations.

At the time of the agreement the total debt balance was **Frw 34,457,639,242**. Effective 9 February 1996, agreed terms were as follows:

- All previous agreements related to the above-mentioned debts were replaced by the current agreement.
- The debts to carry an interest of 2% per annum.
- The interests be calculated on quarterly basis from 1st January 1996 and also be paid by notice on the treasury account.
- The repayment of the debt will take effect in the sixth year and from the 30% Government share of the BNR annual profit.

The loan due from the Government of Rwanda is carried at amortized cost.

j) Funds held at/ due to International Monetary Fund (IMF)

The Bank is the designated depository for the IMF's holdings of Rwanda's currency.
Borrowings from and repayments to the IMF are denominated in Special Drawing Rights (SDRs).
The SDR balances in IMF accounts are translated into Francs at the prevailing exchange rates and any unrealized gains or losses are accounted for in accordance with accounting policy on foreign currencies.

5. Significant accounting policies (continued)

k) Property and equipment

Recognition and measurement

Land and buildings are recognised at fair value based on periodic, but at least every five years, valuations by external independent valuers, less subsequent depreciation for buildings. A revaluation surplus is credited to other reserves in shareholders' equity. All other property and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the property, plant and equipment revaluation surplus to retained earnings.

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated. The estimated useful lives of significant items of property and equipment are as follows:

Buildings	2%
Lift for the headquarter	10%
Computer equipment	25%
Currency processing machines	10%
Motor vehicles	25%
Furniture, fittings and office equipment	25%
Security equipment	20%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Revaluation of land and buildings is carried out at least once every five years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is the Bank's policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Property that is being constructed or developed for future use to support operations is classified as capital Work–in–Progress (WIP) and stated at cost until construction or development is complete, at which time it is reclassified as property and equipment in use.

5. Significant accounting policies (continued)

l) Investment property

The Bank holds certain properties as investments to earn rental income or capital appreciation or any currently undetermined future use. Investment properties are carried at cost less accumulated depreciation and accumulated impairment. Depreciation is calculated at a rate of 5% using the straight-line method.
Gains or losses arising from the retirement/ disposal of investment property are recognized in profit or loss.

m) Intangible assets

(i) Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Bank are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

(i) Research and development

Research expenditure and development expenditure that do not meet the criteria in (iii) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

(ii) Amortisation methods and periods

Amortization is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives as follows:

Computer software: 3 to 5 years

Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

(iii) Work in progress

Intangible assets that are being developed for future use to support operations are classified as Work – in – Progress (WIP) and stated at cost until development is complete, at which time they are reclassified as Intangible assets.

5. Significant accounting policies (continued)

n) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

o) Income tax expense

The Bank is considered as the State with regard to the rules of tax liability and tax payment pertaining to all taxes levied for the benefit of the State and its administrative entities as per Article 61 of Law No.48/2017 of 23/09/2017 Governing the National Bank of Rwanda and as amended by Law No. 016/2021 of 03/03/2021. Therefore, The Bank is exempt from current income taxes.

p) Deposits

Deposits are non-derivative financial liabilities with fixed or determinable receipts that are not quoted in an active market. They arise when the Bank receives money or services directly from counterparty with no intention of trading the payable. Deposits held are carried at cost with interest income accruing on an effective interest rate basis.

Cash Ratio Deposits are taken from commercial Banks for liquidity management (monetary policy purposes) of the Bank in accordance with the Banking Act and are interest free. Cash Ratio Reserves is a monetary policy instrument used to manage liquidity. The deposits earn no interest to commercial Banks and the Bank does not trade on these deposits in any way. The deposits are currently computed at 5.0% (2022: 4.0%) of each commercial Bank's deposits taken from the public. Each commercial Bank is required to deposit the applicable amount at the Bank and the computation is done on a monthly basis.

q) Stocks of consumables

Stocks of consumables are valued at the lower of cost and net realizable value. Cost is estimated using the weighted average method. Provisions are made for all anticipated stock losses, impairment and obsolescence.

r) Provisions

Provisions are recognized when the Bank has a present obligation (legal or constructive) as a result of past event, and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

s) Commitments on behalf of the Government of Rwanda

Commitments on behalf of Government of Rwanda are as follows:

- Arising from the issue of Treasury bills and Treasury bonds
- Arising from administration of the Economic Recovery Funds

These commitments are not included on the statement of financial position as the Bank is involved in such transactions only as an agent. There are no expected credit losses on these commitments since they are fully covered by the Government of Rwanda.

5. Significant accounting policies (continued)

t) Government grants and government assistance

The Bank, being a wholly owned government financial institution, may receive grants in both monetary and non-monetary basis. Government grants are recognized as income over the period necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Government grants related to assets, including non-monetary grant at fair value, are presented in the statement of financial position by setting up the grant as deferred income. In addition, the Bank may receive certain forms of government assistance which cannot reasonably have a value placed upon them, and transactions with Government which cannot be distinguished from the normal trading transactions of the Bank.

The Bank's policy on government assistance that cannot be reliably measured is to disclose the nature, extent and duration of the assistance in order that the financial statements are not misleading.

u) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Obligations for contributions to defined contribution plans are expensed as the related service is provided and recognized as personnel expenses in the profit or loss. Prepaid contribution is recognized as an asset to the extent that a cash refund or a reduction in future payment is available.

(ii) Post-employment obligations

The Bank operates various post-employment schemes,

Defined contribution plan
The Bank has an in-house managed defined contribution plan established on 24 July 2015, by the Governor of the National Bank of Rwanda signed Service Order No. 32/2015. The key modalities of the complimentary pension fund at the Bank are highlighted below.

The contribution due to the Fund shall be calculated as 10% of each staff basic salary composed of the employer's share of 60% and the employee's share of 40%. When the employee works for a period corresponding to less than a month, the contribution deductions are calculated in proportion to the employee's salary.

The above contribution plan has an embedded form of death in service benefit at 20% of the total contribution made to the contribution plan.

Obligations for contributions to the defined contribution plan are recognized as an expense in profit or loss in the period in which the service is rendered by the employee.

(iii) Other long term employee benefits

Other long term benefits are not significant and are recognised in profit or loss in the period in which they arise.

5. Significant accounting policies (continued)

v) Contingent liabilities

Letters of credit and guarantees are disclosed as contingent liabilities. Estimates of the outcome and the financial effect of contingent liabilities is made by management based on the information available up to the date that the financial statements are approved for issue by the Directors.

w) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Bank, on or before the end of the reporting period but not distributed at the end of the reporting period.

Dividends are declared after the allocation of other appropriations deemed necessary by the Board of Directors, notably to general reserve fund.

x) Share capital and reserves

Shares are classified as share capital in equity. Article 3 of the Law No.48/2017 of 23/09/2017 Governing the National Bank of Rwanda and as amended by Law No. 016/2021 of 03/03/2021 prescribes that the overall capital of the Bank is seven billion Rwandan francs (7,000,000,000 Frw).

The capital may be increased either by the capitalization of reserve funds on the decision of the Board of Directors of NBR upon approval by a Presidential Order or by new capital endowment by the Government of Rwanda.

6. Financial risk management

Risk management framework

The risk management structure is as follows

Board of Directors

The board of directors is responsible for:
- Approval of risk policies to mandate a set of standards for risk management throughout the Bank that include risk identification, measurement, monitoring and control and risk reporting
- Setting appetite for risk taking at the Bank level and at various levels in consistent with the set strategies
- Ensuring effectiveness, independence and integrity of risk management systems through internal and
- Periodically (at least annually) reviewing the risk strategy and significant risk policies of the Bank.

Board Audit and Risk Committee (BARC)

The BARC is responsible for all Material Risks. The committee is established by the BOD as standing committee to assist the BOD in Risk Management. The Purpose of the top level committee is to assist the BOD, by virtue of the powers delegated to it by the BOD.

The committee has full responsibility of assisting the BOD in formulating strategies for Enterprise Risk Management, evaluating overall risks faced by the Bank, aligning risk policies with strategic objectives, determining the level of risks which will be in the best interest of the Bank.

Following are the Roles and Responsibilities of the BARC:

- Based on the reports received, BARC will take decisions and provide guidance mandate to RMD and relevant functions of the Bank on management of risks;
- Make suitable recommendations to the BOD as it sees fit and examine any other matters referred to it by the BOD;
- BARC will review issues raised by Internal and external audit that impact the risk management and make suitable recommendations to the BOD;

Management committee

Executive Management is responsible for day-to-day management of risk by providing guidance and implementing directives of the Board on risk issues.

Technical risk committee

The main objective of the committee is to ensure that all risk policies, procedures, reports that are submitted to management are technically discussed at managerial level; to ensure all key stakeholders are involved and that their inputs are inclusive. This allows risk management processes to be more effective across the Bank.

Risk management function

Risk management department for respective risks is responsible for operational aspects of implementing risk policies. The director of risk management shall head the risk management department with the role of overseeing its functioning, in collaboration with the Bank's department.

The following section discusses the Bank's risk management policies. The measurement of ECL under IFRS 9 uses the information and approaches that the Bank uses to manage credit risk, though certain adjustments are made in order to comply with the requirements of IFRS 9. The approach taken for IFRS 9 measurement purposes is discussed separately in note 6 (a) (ii).

6. Financial risk management (continued)

Risk management policies (continued)

(a) Credit risk

Credit risk is the risk of suffering financial loss, should any of the Bank's customers, clients or market counterparties fail to fulfil their contractual obligations to the Bank. Credit risk arises mainly from foreign financial institutions, local financial institutions, balances with Government of Rwanda, loans and advances to employees, equity instruments and other receivables, but can also arise from credit enhancement provided, such as derivatives, financial guarantees, letters of credit, endorsements and acceptances.

The Bank is also exposed to other credit risks arising from investments in debt securities and other exposures arising from its trading activities ('trading exposures') including non-equity trading portfolio assets and derivatives as well as settlement balances with market counterparties and reverse repurchase agreements. The directors therefore carefully manage its exposure to credit risk. The credit risk management and control are centralised with the management team which reports regularly to the Board of Directors.

For short term investments, the Bank takes exposure to issues having at least F2, A-2 and P-2 according to Fitch, Standard and Poor's (S&P) and moody with a maturity up to one year the Bank can also invest in securities issues or directly oriented by foreign forts and supranational which have a long term rating attracts ''A'' according to above stated credit rating agencies.

Investment is guided by the investment guidelines which are reviewed and approved by the investment committee once a year by setting how overall credit risk limits within scope of investment guidelines. The Bank aims to prevent credit risk from exceeding its risk tolerance. The institution eligible for transactions are chosen among those institutions meeting the minimum credit ratings limitations setting guidelines in all transactions types of immediately reflected on their limits, and the use of limits are regulatory monitored and reported.

(i) Loans and advances

The Bank lends only to the Government of Rwanda in form of overdraft facilities, local Banks and financial institutions through its monetary policy operations, and employees through approved policies. Credits to Banks and other financial institutions are for a very short term and are covered by guarantees. The Bank requires 100% deposit cover of letters of credit opened and/or confirmed. It requires guarantees in case of issuing off balance sheet liabilities.

The estimation of credit exposure for risk management purposes is complex and at times requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Bank measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). This is similar to the approach used for the purposes of measuring Expected Credit Loss (ECL) under IFRS 9. Refer to note 6 (a) (iii) for more details.

(ii) Other debt securities

For debt securities, external rating agency credit grades are used. These published grades are continuously monitored and updated. The PD's associated with each grade are determined based on default rates as published by the rating agency.

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6. Financial risk management (continued)

(a) Credit risk (continued)

(iii) Expected credit loss measurement

- IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarized below:
- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Bank.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit impaired. Please refer to note 6 (a) (iii) (1) for a description of how the Bank determines when a significant increase in credit risk has occurred.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Please refer to note 6 (a) (iii) (2) for a description of how the Bank defines credit-impaired and default.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Please refer to note 4 for a description of inputs, assumptions and estimation techniques used in measuring the ECL.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. Note 6 (a) (iii) (4) includes an explanation of how the Bank has incorporated this in its ECL models.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The following diagram summaries the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets):

Change in credit quality since initial recognition

Stage 1	Stage 2	Stage 3
(Initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

The key judgements and assumptions adopted by the Bank in addressing the requirements of the standard are discussed below:

(1) Significant increase in credit risk (SICR)

The Bank considers a financial instrument to have experienced a SICR when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria:

The Bank uses credit ratings in order to determine SICR. The movement of an asset's credit rating to the next lower rating of the credit rating scale is defined as a 1 notch rating movement (e.g. moving from A+ to A). The SICR for the Bank is defined as a rating change of more than 2 notches as this change is guaranteed to move the asset to the next rating category or risk profile.

6. Financial risk management (continued)

(a) Credit risk (continued)

(iii) Expected credit loss measurement (continued)

Qualitative criteria:
If the borrower is on the watch list and/or the instrument meets one or more of the following criteria:

- Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- Actual or expected forbearance or restructuring.
- Actual or expected significant adverse change in operating results of the borrower.

Backstop
A backstop is applied, and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

The assessment of significant deterioration is key in establishing the point of switching between the requirement to measure an allowance based on 12-month expected credit losses and one that is based on lifetime expected credit losses.

(2) Definition of default and credit-impaired assets

The Bank defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria
The borrower is more than 90 days past due on its contractual payments.

Qualitative criteria
The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance
- The borrower is deceased
- The borrower is insolvent
- The borrower is in breach of financial covenant(s)
- An active market for that financial asset has disappeared because of financial difficulties
- Concessions have been made by the lender relating to the borrower's financial difficulty
- It is becoming probable that the borrower will enter Bankruptcy.

The criteria above have been applied to all financial instruments held by the Bank and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Bank's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months.

6. Financial risk management (continued)

(a) Credit risk (continued)

(ii) Expected credit loss measurement (continued)

This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

(3) Measuring ECL — Explanation of inputs, assumptions and estimation techniques

The ECL is measured on either a 12-month (12M) or lifetime basis depending on whether a SICR has occurred since initial recognition or whether an asset is considered to be credit-impaired. ECLs are the discounted product of the PD, EAD, and LGD, defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).
- LGD represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of EAD. LGD is calculated on a 12M or lifetime basis, where 12M LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed.

The 12Months and Lifetime EADs are determined based on the expected payment profile, which varies by instrument.

- For amortizing products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12Months or Lifetime basis. The 12Months and Lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.
- For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.
- For unsecured products, LGD's are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers.

The assumptions underlying the ECL calculation (such as how the maturity profile of the PDs and how collateral values change etc.) are monitored and reviewed periodically.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

6. Financial risk management (continued)

(a) Credit risk (continued)

(ii) Expected credit loss measurement (continued)

(4) Forward-looking information incorporated in the ECL models

Given the nature of the short-term exposures, forward-looking information is expected to have an immaterial impact on expected credit losses.

(iii) Maximum exposure to credit risk

The tables below set out information about the credit quality of financial assets and the allowance for impairment losses held by the Bank against those assets.

Loans and advances to employees at amortized cost

At 30 June 2023	12 month ECL	Lifetime ECL Not credit impaired	Lifetime ECL credit impaired	Total 30 June 23
Risk classification	**Frw'000**	**Frw'000**	**Frw'000**	**Frw'000**
Stage 1	11,691,195			11,691,195
Stage 2		325,195		325,195
Stage 3			446,016	446,016
Gross carrying amount	11,691,195	325,195	446,016	12,462,406
Expected credit losses (ECL)	(70,416)	(7,801)	(121,748)	(199,964)
Net carrying amount	**11,620,779**	**317,394**	**324,268**	**12,262,443**

At 30 June 2022	12 month ECL	Lifetime ECL Not credit impaired	Lifetime ECL credit impaired	Total 30 June 22
Risk classification	**Frw'000**	**Frw'000**	**Frw'000**	**Frw'000**
Stage 1	11,456,245			11,456,245
Stage 2		309,932		309,932
Stage 3			596,503	596,503
Gross carrying amount	11,456,245	309,932	596,503	12,362,680
Expected credit losses (ECL)	(66,751)	(1,552)	(138,299)	(206,602)
Net carrying amount	**11,389,494**	**308,380**	**458,204**	**12,156,078**

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6. Financial risk management (continued)

(a) Credit risk (continued)

(iii) Maximum exposure to credit risk (continued)

Financial assets

For the year ended 30 June 2023	Risk exposure	12 month ECL/ Credit impaired	Total
	Frw'000	**Frw'000**	**Frw'000**
Fixed term deposits	302,668,964	(71,984)	**302,596,980**
Current accounts	106,634,367	(1,535,360)	**105,099,007**
Debt instruments - FVPL	633,214,210	-	**633,214,210**
Debt instruments - FVOCI	810,204,231	(433,424)	**809,770,807**
Due from Government of Rwanda	52,553,074	-	**52,553,074**
Rwanda Eurobond investments	114,036,536	(1,741,068)	**112,295,468**
Due from local financial institutions	170,118,657	-	**170,118,657**
Due from foreign financial institutions	20,205,612	-	**20,205,612**
Due from International Monetary Fund	256,539,772	(98,490)	**256,441,282**
Other investments – FVOCI	450,000	(443,836)	**6,164**
Loans and advances to employees	12,462,406	(199,964)	**12,262,442**
Other assets	9,198,744	(647,848)	**8,550,896**
Total	**2,488,286,573**	**(5,171,974)**	**2,483,114,599**

For the year ended 30 June 2022	Risk exposure	12 month ECL/ Credit impaired	Total
	Frw'000	**Frw'000**	**Frw'000**
Fixed term deposits	574,570,054	(195,671)	574,374,383
Current accounts	84,501,833	(52,115)	**84,449,718**
Debt instruments - FVPL	553,930,833	-	**553,930,833**
Debt instruments - FVOCI	498,137,398	(294,166)	**497,843,232**
Due from Government of Rwanda	17,214,052	-	**17,214,052**
Rwanda Eurobond investments	100,661,306	(608,618)	**100,052,688**
Due from local financial institutions	165,256,662	-	**165,256,662**
Due from foreign financial institutions	20,205,612	-	**20,205,612**
Due from International Monetary Fund	281,863,859	(78,928)	**281,784,931**
Other investments – FVOCI	450,000	(443,836)	**6,164**
Loans and advances to employees	12,362,680	(206,602)	**12,156,078**
Other assets	9,600,745	(2,514,940)	**7,085,805**
Total	**2,318,755,034**	**(4,394,876)**	**2,314,360,158**

6. Financial risk management (continued)

(a) Credit risk (continued)

(iv) Credit ratings

The table below sets out the investment ratings for the year ended 30 June 2023,

As at 30 June 2023 Rating/Assets	Fixed term deposits	Current accounts	Debt instruments – FVPL	Debt instruments - FVOCI	Due from foreign financial institutions	Due from International Monetary Fund	Other financial assets	Total
	Frw '000'	Frw '000'	Frw '000'	Frw '000'		Frw '000'	Frw '000'	Frw '000'
Rated AAA	284,708,828	92,744,553	633,229,410	809,770,806	-	256,441,282	-	**2,076,894,879**
Rated BBB and below	17,960,034	13,675,117	-	-	20,205,612	-	411,703,950	**463,544,713**
Total	**302,668,862**	**106,419,670**	**633,229,410**	**809,770,806**	**20,205,612**	**256,441,282**	**411,703,950**	**2,540,439,592**

As at 30 June 2022 Rating/Assets	Fixed term deposits	Current accounts	Debt instruments – FVPL	Debt instruments - FVOCI	Due from foreign financial institutions	Due from International Monetary Fund	Other financial assets	Total
	Frw '000'	Frw '000'	Frw '000'	Frw '000'		Frw '000'	Frw '000'	Frw '000'
Rated AAA	430,768,727	48,842,237	553,930,833	497,843,232	-	281,784,931	-	**1,813,169,960**
Rated BBB and below	143,605,656	35,607,481	-	-	20,205,612	-	301,771,449	**501,190,198**
Total	**574,374,383**	**84,449,718**	**553,930,833**	**497,843,232**	**20,205,612**	**281,784,931**	**301,771,449**	**2,314,360,158**

The Bank monitors concentration of credit risk by geographic location. An analysis of concentration of credit risk for loans and advances and investment securities is shown below.

As at 30 June 2023 Region/Assets	Fixed term deposits	Current accounts	Debt instruments - FVPL	Debt instruments - FVOCI	Due from foreign financial institutions	Due from International Monetary Fund	Other financial assets	Total
	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'
North America	-	74,603,263	-	809,770,806		256,441,282	-	**1,140,815,351**
Europe	17,960,034	14,756,879	633,229,410	-	-	-	-	**665,946,323**
Asia	-	12,794,977	-	-	-	-	-	**12,794,977**
Middle East and Africa	284,708,828	4,264,551	-	-	20,205,612	-	411,703,950	**720,882,941**
Total	**302,668,862**	**106,419,670**	**633,229,410**	**809,770,806**	**20,205,612**	**256,441,282**	**411,703,950**	**2,540,439,592**

As at 30 June 2022 Region/Assets	Fixed term deposits	Current accounts	Debt instruments - FVPL	Debt instruments - FVOCI	Due from foreign financial institutions	Due from International Monetary Fund	Other financial assets	Total
	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'
North America	-	41,709,173	-	497,843,232	-	281,784,931	-	**821,337,336**
Europe	476,934,331	36,897,399	553,930,833	-	-	-	-	**1,067,762,563**
Asia	-	3,553,946	-	-	-	-	-	**3,553,946**
Middle East and Africa	97,440,052	2,289,200	-	-	20,205,612	-	301,771,449	**421,706,313**
Total	**574,374,383**	**84,449,718**	**553,930,833**	**497,843,232**	**20,205,612**	**281,784,931**	**301,771,449**	**2,314,360,158**

6. Financial risk management (continued)

(b) Liquidity risk

'Liquidity risk' is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Management of liquidity risk

The Bank's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Bank's reputation.

In order to manage liquidity risk, the Bank invests its surplus reserves in time deposits with maturities concentrated in short term maturity span of one to three months. The portfolio is structured in such a manner that a mix of deposits matures every week to ensure availability of funds to meet scheduled government and the Bank's obligations.

The Bank divides its foreign exchange reserves into liquidity investment and Investment tranches. The liquidity tranche is intended to meet both anticipated monthly cash outflows requirements thus matching both on and off statement of financial position foreign assets and liabilities. The tranche is monitored on a daily basis and it is comprised of highly liquid short term financial instruments.

Portfolio tranching structure

Liquidity tranche - For the cover of payments, interventions, imports and short-term debt
Investment tranche - Excess reserves beyond liquidity portfolio

Tranching criteria

Liquidity tranche

Lower Band	Projected monthly average outflows (Government and Projects spending in foreign currencies) + expected monthly average FX intervention + projected monthly average Government debt services
Upper Band	4.4 months import cover

The target level is decided by the Reserve management committee.

Investment tranche

This is calculated as follows:

Investment tranche = Total reserves - liquidity tranche.

The balances held in each tranche are as follows:

Liquidity tranche	**30 June 23 Frw'000'**	**30 June 22 Frw'000'**
Liquidity tranche	571,027,651	574,570,054
Investment tranche	1,556,986,069	1,151,826,751
Total reserves	**2,218,013,720**	**1,726,396,805**

6. Financial risk management (continued)

(b) Liquidity risk (continued)

Maturity analysis for financial liabilities and financial assets

The table below set out the remaining contractual maturities of the Bank's financial assets and financial liabilities.

	On demand	Due within 3 months	Due between 4-12 months	Due between 1-5 years	Due after 5 years	Total
As at 30 June 2023	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Financial asset by type						
Cash and cash equivalents	220,747,706	284,646,731	-	-	-	**505,394,731**
Foreign investments securities	-	55,076,692	36,874,595	551,875,421	800,317,989	**1,444,144,696**
Due from Government of Rwanda	-	4,770,256	-	-	-	4,770,256
Rwanda Euro Bond investment	-	1,474,763	4,424,288	29,495,254	76,901,163	**112,295,468**
Due from local financial institutions	-	13,756,983	11,689,755	92,205,849	71,859,759	**189,512,346**
Due from foreign financial institutions	-	-	-	22,346,604	-	**22,346,604**
Due from IMF	-	-	-	-	256,441,282	**256,441,282**
Loans and advance to employees	-	14,405	135,315	1,177,902	10,934,821	**12,262,443**
Other assets	-	-	2,922,017	5,628,878	-	**8,550,896**
Total financial assets	**220,747,706**	**359,739,830**	**56,045,970**	**702,729,908**	**1,216,455,014**	**2,555,718,428**
Financial liability by type						
Currency in circulation	-	-	-	-	374,918,543	**374,918,543**
Government of Rwanda deposits	635,424,389	-	-	-	-	**635,424,389**
Due to local financial institutions	496,186,949	16,524,669	13,810,626	96,326,549	64,201,342	**687,050,135**
Due to foreign financial institution	-	-	-	23,224,363	-	**23,224,363**
Due to International Monetary Fund	-	-	-	-	414,709,010	**414,709,010**
Other liabilities	6,300,433	65,647,968	11,758,374	18,438,326	716,916	**102,862,019**
Total financial liabilities	**1,137,911,771**	**82,172,637**	**25,569,000**	**138,723,211**	**854,545,811**	**2,238,188,457**
Liquidity gap	**(917,164,065)**	**277,567,193**	**30,476,970**	**564,006,697**	**361,909,203**	**317,529,971**

6. Financial risk management (continued)

(b) Liquidity risk (continued)

Maturity analysis for financial liabilities and financial assets (continued)

	On demand	Due within 3 months	Due between 4-12 months	Due between 1-5 years	Due after 5 years	Total
As at 30 June 2022	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Financial asset by type						
Cash and cash equivalents	164,289,606	583,633,978	-	-	-	**747,923,584**
Foreign investments securities	-	40,878,652	106,256,403	251,019,264	671,241548	**1,069,395,867**
Due from Government of Rwanda	-	12,529,866	71,554	-	4,770,256	**17,371,676**
Rwanda Euro Bond investment	-	1,400,769	4,202,308	-	100,661,306	**106,264,384**
Due from local financial institutions	-	12,373,057	24,881,323	142,631,039	8,854,353	**188,739,771**
Due from foreign financial institutions	-	1,204,308	401,436	22,480,416	-	**24,086,160**
Due from IMF	-	-	-	-	281,784,931	**281,784,931**
Loans and advance to employees	-	382,573	622,597	1,092,600	10,729,726	**12,827,496**
Other assets	195,026	-	9,929,764	7,121,646	-	**17,246,436**
Total financial assets	**164,484,631**	**652,403,204**	**146,365,384**	**424,344,965**	**1,078,042,121**	**2,465,640,305**
Financial liability by type						
Currency in circulation	-	-	-	-	352,500,899	**352,500,899**
Government of Rwanda deposits	650,265,032	-	-	-	-	**650,265,032**
Due to local financial institutions	431,667,201	12,343,152	31,925,161	115,995,461	9,169,937	**601,100,911**
Due to foreign financial institution	-	-	807,407	24,140,642	-	**24,948,048**
Due to International Monetary Fund	-	-	-	-	473,262,545	**473,262,545**
Other liabilities	12,213,024	9,761,797	8,631,692	5,972,453	681,513	**37,260,479**
Total financial liabilities	**1,094,145,256**	**22,104,949**	**41,364,260**	**146,108,555**	**835,614,894**	**2,139,337,913**
Liquidity gap	**(929,660,625)**	**630,298,255**	**105,001,125**	**278,236,409**	**242,427,227**	**326,302,392**

6. Financial risk management (continued)

(b) Liquidity risk (continued)

Maturity analysis for financial liabilities and financial assets (continued)

The above analysis is based on carrying amounts as at 30 June 2023 and includes any interest arising over the remaining life of the financial assets and liabilities. The only off-balance sheet item that the Bank holds relate to economic Recovery Fund (ERF) and imported currencies (both coins and notes) kept in the green house, out of which any issuance made is reported as currency in circulation. There is no material difference between the carrying amount and the fair value.

Liquidity reserves

The table below sets out the components of the Bank's liquidity reserves

	30 June 23 Frw'000'	30 June 22 Frw'000'
Cash	115,863,396	80,035,559
Current accounts	104,884,310	84,254,047
Fixed term deposits	284,646,731	574,570,054
Special Drawing Rights (SDR)	14,632,489	62,291,390
	520,006,926	**801,151,050**

(c) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Bank's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Management of market risk

The Bank separates exposures to market risk into either trading or non-trading portfolios. Trading portfolios include those positions arising from market-making transactions where the Bank acts as principal with commercial Banks or the market.
Non-trading portfolios primarily arise from the interest rate management of the Bank's investment And monetary policy assets and liabilities.

- **Currency risk**

The Bank takes on exposure to effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows.
As per the investment policy and guidelines, for each currency, assets and liabilities should be matched at 100%. However, in case of any deviations, only an overall maximum deviation of +/- 2% out of the USD is acceptable.

Transactions in foreign currency are recorded at the rate in effect at the date of the transaction. The Bank translates monetary assets and liabilities denominated in foreign currencies at the rate of exchange in effect at the reporting date. The Bank records all gains or losses on changes in currency exchange rates in profit or loss.

6. Financial risk management (continued)

(c) Market risk (continued)

Currency risk (continued)

The table below summarizes the foreign currency exposure as at 30 June 2023:

	2023 Frw'000	2022 Frw'000
Assets in foreign currencies	2,076,386,339	2,138,339,743
Liabilities in foreign currencies	(973,467,313)	(974,450,092)
Net foreign currency exposure at the end of the year	**1,102,919,025**	**1,163,889,642**

The Bank manages risks through prudent management of its assets and liabilities by ensuring long foreign exchange positions especially for the United States of America dollars (US$) for which the exchange rate is relatively stable in comparison to other foreign currencies and hence limiting exchange positions for other currencies.

Structurally, the Bank's exchange positions by currency are long except for Euro, transferable positions in Special Drawing Right and in Rwandan Francs that are short. Thus, when exchange rates vary upward, the Bank makes a gain. On the other hand, if there is variation of exchange rates downward, the Bank makes a loss.

6. Financial risk management (continued)

(c) Market risk (continued)

Currency risk (continued)

As at 30 June 2023	USD	EURO	GBP	SDR	Others	Total
Assets	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Foreign assets	1,461,393,677	-	1	-	-	**1,461,393,677**
Government of Rwanda Eurobond investments	114,036,536	-	-	-	-	**114,036,536**
Due from International Monetary Fund	-	-	-	256,539,772	-	256,539,772
Cash balances	432,767,522	16,874,559	895,104	-	4,264,551	**454,801,736**
Other assets	-	-	-	-	254,869	**254,869**
Total assets	**2,008,197,735**	**16,874,559**	**895,104**	**256,539,772**	**4,519,420**	**2,287,026,591**
Liabilities						
Government deposits	(120,391,057)	(9,976,814)	(3,449)	-	-	**(130,371,321)**
Due to local financial institutions	(362,030,427)	(36,098,161)	(311,744)	-	(769,734)	**(399,210,067)**
Due to International Monetary Fund	-	-	-	(414,709,010)	-	**(414,709,010)**
Due to foreign financial institution	(23,439,060)	-	-	-	-	**(23,439,060)**
Foreign liabilities	(1,474,620)	(5,982)	30	-	-	**(1,480,572)**
Other liabilities	(2,320,035)	(3,603)	-	-	(5,685)	**(2,329,323)**
Customer deposit	(1,661,232)	(254,420)	(9,545)	-	(2,674)	**(1,927,961)**
Total liabilities	**(511,316,432)**	**(46,338,980)**	**(324,708)**	**(414,709,010)**	**(778,183)**	**(973,467,222)**
Net exposure at 30 June 2023	**1,496,881,303**	**(29,464,421)**	**570,396**	**(158,169,238)**	**3,741,236**	**1,313,559,369**

6. Financial risk management (continued)

(c) Market risk (continued)

Currency risk (continued)

As at 30 June 2022	**USD**	**EURO**	**GBP**	**SDR**	**Others**	**Total**
Assets	**Frw'000'**	**Frw'000'**	**Frw'000'**	**Frw'000'**	**Frw'000'**	**Frw'000'**
Foreign assets	1,052,068,228	-	1	-	-	**1,052,068,229**
Government of Rwanda Eurobond investments	100,661,306	-	-	-	-	**100,661,306**
Due from International Monetary Fund	-	-	-	281,863,859	-	**281,863,859**
Cash balances	688,483,216	8,897,347	519,511	-	5,417,973	**703,318,047**
Other assets	207,073	2,275	-	-	218,945	**428,293**
Total assets	**1,841,419,823**	**8,899,622**	**519,512**	**281,863,859**	**5,636,918**	**2,138,339,734**
Liabilities						
Government deposits	(139,274,292)	(13,112,108)	(1,484)	-	-	**(152,387,884)**
Due to local financial institutions	(291,480,269)	(32,171,608)	(86,172)	-	(759,195)	**(324,497,244)**
Due to International Monetary Fund	-	-	-	(473,262,545)	-	**(473,262,545)**
Due to foreign financial institution	(20,558,706)	-	-	-	-	**(20,558,706)**
Foreign liabilities	(1,491,332)	(5,098)	-	-	-	**(1,496,430)**
Other liabilities	(823,369)	5,376	-	-	(6,718)	**(824,711)**
Customer deposit	(1,194,369)	(219,213)	(6,482)	-	(2,508)	**(1,422,572)**
Total liabilities	(454,822,337)	(45,502,651)	(94,138)	(473,262,545)	**(768,421)**	**(974,450,092)**
Net exposure at 30 June 2022	**1,386,597,486**	**(36,603,029)**	**425,374**	**(383,618,678)**	**4,868,497**	**1,163,889,642**

6. Financial risk management (continued)

(c) Market risk (continued)

Currency risk (continued)

Sensitivity analysis on currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the below mentioned exchange rates, with all other variables held constant, of the Bank's profit (due to changes in the fair value of monetary assets and liabilities).

Assets	Currency carrying amount Frw '000	5% Depreciation Frw '000	5% Appreciation Frw '000
USD	1,793,500,971	(89,675,049)	89,675,049
GBP	895,104	(44,755)	44,755
EUR	16,874,559	(843,728)	843,728
SDR	45,899,520	(2,294,976)	2,294,976
Other	4,519,420	(225,971)	225,971
	1,861,689,574	**(93,084,479)**	**93,084,479**
Liabilities			
USD	726,013,196	(36,300,660)	36,300,660
GBP	324,708	(16,235)	16,235
EUR	46,338,980	(2,316,949)	2,316,949
SDR	414,709,010	(20,735,451)	20,735,451
Others	778,183	(38,909)	38,909
	1,188,164,077	**(59,408,204)**	**59,408,204**
Total (decrease)/increase		**(33,676,275)**	**33,676,275**
Effect on net surplus		**(33,676,275)**	**33,676,275**

At 30 June 2023, if the Rwandan Franc had weakened / strengthened by 5% against the major trading currencies, with all other variables held constant, the impact on the Bank's surplus would have been **Frw 33,676,275,000** lower/higher (30 June 2022: **Frw 21,473,518,000**).

The table below shows exchange rates of major currencies applied during the year:

Currency	Closing rate 30 June23	Closing rate 30 June 22	Average rate 30 June 23	Average rate 30 June 22
USD	1,164.55	1,014.34	1,164.55	1,014.34
EUR	1,26517	1,060.44	1,26517	1,060.44
GBP	1,469.43	1,230.44	1,469.43	1,230.44
SDR	1,553.37	1,351.99	1,553.37	1,351.99

6. Financial risk management (continued)

(c) Market risk (continued)

Interest rate risk

Interest rate is the risk that the future cash flows of financial instruments will fluctuate because of changes in the market interest rates. Interest margin may decrease as a result of such changes but may increase losses in the event that unexpected movement arises. The Bank closely monitors interest rate movements and seeks to limit its exposure by managing the interest rate and maturity structure of assets and liabilities carried on the statement of financial position.

The table below shows interest rate sensitivity position of the Bank at 30 June based on the earlier of maturity or re-pricing dates. Items not recognized on the statement of financial position do not pose any significant interest rate risk to the Bank.

7. Financial risk management (continued)

(c) Market risk (continued)

Interest rate risk (continued)

30 June 2023	3 months or less Frw'000'	4-12 months Frw'000'	Over one year Frw'000'	Non-interest bearing Frw'000'	Total Frw'000'
Cash and cash equivalents	284,646,731	104,884,310	-	115,863,396	**505,394,437**
Foreign investment securities		-	1,460,950,466	-	**1,460,950,466**
Due from IMF	-	-	-	256,441,282	**256,441,282**
Due from Government of Rwanda	-	-	52,553,074	-	**52,553,074**
Government of Rwanda Eurobond investments	-	-	112,295,468	-	**112,295,468**
Due from local financial institutions	14,720,325	10,264,481	145,133,675	-	**170,118,481**
Due from foreign financial institutions	-	-	20,205,612	-	**20,205,612**
Loan and advance to staff	14,405	135,315	12,112,722	-	**12,262,443**
Other assets	-	-	-	8,550,896	8,550,896
Total assets	**299,381,461**	**115,284,106**	**1,803,251,017**	**380,855,574**	**2,598,772,159**
Currency in circulation	-	-	-	374,918,543	**374,918,543**
Government deposits	-	-	-	635,424,389	**635,424,389**
Due to local financial institutions	14,795,865	12,259,431	158,089,757	496,186,949	**681,332,002**
Due to International Monetary Fund	-	-	-	414,709,010	**414,709,010**
Due to foreign financial institutions	-	-	23,224,363	-	**23,224,363**
Foreign liabilities	-	-	-	3,435,730	**3,435,730**
Other liabilities	-	-	-	103,153,404	**103,153,404**
Total liabilities	**14,795,865**	**12,259,431**	**181,314,120**	**2,027,828,025**	**2,236,197,441**
Interest sensitivity gap at 30 June 2022	**284,585,596**	**103,024,675**	**1,621,936,897**	**(1,646,972,451)**	**362,574,718**

6. Financial risk management (continued)

(c) Market risk (continued)

Interest rate risk (continued)

30 June 2022	**3 months or less**	**4-12 months**	**Over one year**	**Non-interest bearing**	**Total**
	Frw'000'	**Frw'000'**	**Frw'000'**	**Frw'000'**	**Frw'000'**
Cash and cash equivalents	574,570,054	84,254,047	-	80,035,559	**738,859,660**
Foreign investment securities		-	1,051,774,063	-	**1,051,774,063**
Due from IMF	-	-	-	281,784,931	**281,784,931**
Due from Government of Rwanda	-	-	17,214,052	-	**17,214,052**
Government of Rwanda Eurobond investments	-	-	100,052,688	-	**100,052,688**
Due from local financial institutions	5,331,990	21,975,106	137,949,566	-	**165,256,662**
Due from foreign financial institutions	-	-	20,205,612	-	**20,205,612**
Loan and advance to staff	214,719	119,033	11,822,326	-	**12,156,078**
Other assets	-	-	-	7,085,805	**7,085,805**
Total assets	**580,116,763**	**106,348,186**	**1,339,018,307**	**368,906,295**	**2,394,389,551**
Currency in circulation	-	-	-	352,500,899	**352,500,899**
Government deposits	-	-	-	650,265,032	**650,265,032**
Due to local financial institutions	10,561,922	30,766,600	122,675,828	431,667,201	**595,671,551**
Due to International Monetary Fund	-	-	-	473,262,545	**473,262,545**
Due to foreign financial institutions	-	-	20,558,706	-	**20,558,706**
Foreign liabilities	-	-	-	3,553,374	**3,553,374**
Other liabilities	-	-	-	31,180,112	**31,180,112**
Total liabilities	**10,561,922**	**30,766,600**	**143,234,534**	**1,942,429,163**	**2,126,992,219**
Interest sensitivity gap at 30 June 2022	**569,554,841**	**75,581,586**	**1,195,783,773**	**(1,573,522,868)**	**267,397,332**

6. Financial risk management (continued)

(c) Market risk (continued)

Interest rate risk (continued)

Interest rate sensitivity analysis 30 June 2023

		Total carrying amount June 2023	0.50% increase	0.5% decrease
ASSETS		**Frw '000**	**Frw '000**	**Frw '000**
Foreign assets	Cash and cash equivalents	505,394,436	2,526,972	(2,526,972)
	Foreign assets at FVTPL	633,229,410	3,166,147	(3,166,147)
	Foreign assets at FVTOCI	809,770,806	4,048,854	(4,048,854)
	Fixed Term Deposits	17,950,249	89,751	(89,751)
	IMF quota	256,441,282	1,282,206	(1,282,206)
	Due from foreign financial institutions	20,205,612	101,028	(101,028)
Domestic assets	Government of Rwanda debt	52,553,074	262,765	(262,765)
	Government of Rwanda Eurobond investments	112,295,468	561,477	(561,477)
	Loan and advance to banks	170,118,657	850,593	(850,593)
	Staff loans	12,262,443	61,312	(61,312)
Total assets		**2,590,221,437**	**12,951,105**	**(12,951,105)**
LIABILITIES				
Foreign financial liabilities	Due to IMF	414,709,010	2,073,545	(2,073,545)
	Due to Foreign Financial Institution	23,224,363	116,122	(116,122)
	Foreign liabilities	3,435,730	17,179	(17,179)
Domestic financial liabilities	Due to local financial institutions	635,424,389	3,177,122	(3,177,122)
Total liabilities		**1,076,793,492**	**5,383,968**	**(5,383,968)**
Net interest increase/(decrease)		**1,513,427,945**	**7,567,137**	**(7,567,137)**
Impact on profit		**1,513,427,945**	**7,567,137**	**(7,567,137)**

6. Financial Risk Management (continued)

(c) Market risk (continued)

Interest rate risk (continued)

Interest rate sensitivity analysis 30 June 2022

		Total carrying amount June 2022	0.50% increase	0.5% decrease
ASSETS		**Frw '000**	**Frw '000**	**Frw '000**
Foreign assets	Cash and cash equivalents	738,859,660	3,694,298	(3,694,298)
	Foreign assets at FVTPL	553,930,833	2,769,654	(2,769,654)
	Foreign assets at FVTOCI	498,137,396	2,490,687	(2,490,687)
	IMF quota	281,784,931	1,408,925	(1,408,925)
	Due from foreign financial institutions	20,205,612	101,028	(101,028)
Domestic assets	Government of Rwanda debt	17,214,052	86,070	(86,070)
	Government of Rwanda Eurobond investments	100,052,688	500,263	(500,263)
	Loan and advance to banks	165,256,662	826,283	(826,283)
	Staff loans	12,156,078	60,780	(60,780)
Total assets		**2,387,597,912**	**11,937,990**	**(11,937,990)**
LIABILITIES				
Foreign financial liabilities	Due to IMF	473,262,545	2,366,313	(2,366,313)
	Due to Foreign Financial Institution	20,558,706	102,794	(102,794)
	Foreign liabilities	3,553,374	17,767	(17,767)
Domestic financial liabilities	Due to local financial institutions	595,671,551	2,978,358	(2,978,358)
Total liabilities		**1,093,046,176**	**5,465,232**	**(5,465,232)**
Net interest increase/(decrease)		**1,294,551,736**	**6,472,758**	**(6,472,758)**
Impact on profit		**1,294,551,736**	**6,472,758**	**(6,472,758)**

6. Financial risk management (continued)

Fair value of financial instruments

A. Valuation models

The Bank measures fair values using the following fair value hierarchy which reflects the significance of the inputs used in making the measurements.

Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, and comparison with similar instruments for which market observable prices exist.

Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

B. Fair value hierarchy

The valuation hierarchy, and types of instruments classified into each level within that hierarchy, is set out below:

	Level 1	Level 2	Level 3
Fair value determined using	Unadjusted quoted prices in an active market for identical assets and liabilities	Valuation models with directly or indirectly market observable inputs	Valuation models using significant non market observable inputs
Types of financial assets	Actively traded government and other agency securities Listed derivative instruments Listed equities	Corporate and other government bonds and loans Over-the-counter (OTC) derivatives	Highly structured OTC derivatives with unobservable parameters. Corporate bonds in illiquid markets.
Types of financial liabilities	Listed derivative instruments	Over-the-counter (OTC) derivatives	Highly structured OTC derivatives with unobservable parameters

Financial instruments measured at fair value - Valuation hierarchy

The tables below analyse financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised.

6. Fair value of financial instruments (continued)

Financial instruments measured at fair value - Valuation hierarchy (continued)

	Carrying amount					Fair value			
As at 30 June 2023	**Financial Instruments at FVTPL Frw '000**	**Financial Instruments at FVOCI Frw '000**	**Financial Instruments at amortised Cost Frw '000**	**Other Financial Liabilities Frw '000**	**Total carrying amount Frw '000**	**Level 1 Frw '0000**	**Level 2 Frw '000**	**Level 3 Frw '000**	**Total Fair value Frw '000**
Financial assets									
Cash and cash equivalents	-		505,394,436	-	**505,394,436**	505,394,436	-	**-**	**505,394,436**
Foreign assets	633,229,410	809,770,806	-	-	**1,443,000,217**	1,443,000,217	-	-	**1,443,000,217**
Rwanda Government debt	-	-	52,553,074	-	**52,553,074**	-	52,553,074	**-**	**52,553,074**
Rwanda Eurobond investments	-	-	112,295,468	-	**112,295,468**	-	112,295,468		**112,295,468**
Due from local financial institutions	-	-	170,118,657	-	**170,118,657**	-	170,118,657	**-**	**170,118,657**
Due from foreign financial institutions	-	-	20,205,612	-	**20,205,612**	-	20,205,612		**20,205,612**
Staff loans	-	-	12,262,443	-	**12,262,443**	-	12,262,443	-	**12,262,443**
IMF Quota	-	-	256,441,282	-	**256,441,282**	-	256,441,282	**-**	**256,441,282**
Other Investment	-	6,164	-	-	**6,164**	-	-	6,164	**6,164**
Other assets	-	-	8,550,896	-	8,550,896	-	8,550,896	-	8,550,896
Total financial assets	**633,229,410**	**809,776,970**	**1,137,821,868**	**-**	**2,580,828,249**	**1,948,394,653**	**632,427,432**	**6,164**	**2,580,828,249**
Financial liabilities									
Currency in circulation	-	-	-	374,918,543	**374,918,543**	-	374,918,543	-	**374,918,543**
Government deposits	-	-	-	635,424,389	**635,424,389**	-	635,424,389	-	**635,424,389**
Due to local financial institutions	-	-	-	681,332,002	**681,332,002**	-	681,332,002	-	**681,332,002**
Due to IMF	-	-	-	414,709,010	**414,709,010**	-	414,709,010	-	**414,709,010**
Due to foreign financial institutions	-	-	-	23,224,363	**23,224,363**		23,224,363	-	**23,224,363**
Foreign liabilities	-	-	-	3,435,730	**3,435,730**	-	3,435,730	-	**3,435,730**
Other liabilities	-	-	-	103,153,404	103,153,404	-	-	103,153,404	103,153,404
Financial liabilities	**-**	**-**	**-**	**2,236,197,441**	**2,236,197,441**	**-**	**2,133,044,037**	**103,,153,404**	**2,236,197,441**

6. Fair value of financial instruments (continued)

Financial instruments measured at fair value - Valuation hierarchy (continued)

	Carrying amount					Fair value			
As at 30 June 2022	**Financial Instruments at FVTPL Frw '000**	**Financial Instruments at FVOCI Frw '000**	**Financial Instruments at amortised Cost Frw '000**	**Other Financial Liabilities Frw '000**	**Total carrying amount Frw '000**	**Level 1 Frw '0000**	**Level 2 Frw '000**	**Level 3 Frw '000**	**Total Fair value Frw '000**
Financial assets									
Cash and cash equivalents	-		738,859,660	-	**738,859,660**	738,859,660	-	**-**	**738,859,660**
Foreign assets	553,776,286	497,997,777	-	-	**1,051,774,063**	1,051,774,063	-	-	**1,051,774,063**
Rwanda Government debt	-	-	17,214,052	-	**17,214,052**	-	17,214,052	**-**	**17,214,052**
Government of Rwanda Eurobond investments	-	-	100,052,688	-	**100,052,688**	-	100,052,688		**100,052,688**
Due from local financial institutions	-	-	165,256,662	-	**165,256,662**	-	165,256,662	**-**	**165,256,662**
Due from foreign financial institutions	-	-	20,205,612	-	**20,205,612**	-	20,205,612		**20,205,612**
Staff loans	-	-	12,156,078	-	**12,156,078**	-	12,156,078	-	**12,156,078**
IMF Quota	-	-	281,784,931	-	**281,784,931**	-	281,784,931	**-**	**281,784,931**
Other Investment	-	6,164	-	-	**6,164**	-	-	6,164	**6,164**
Other assets	-	-	9,246,479	-	**9,246,479**	-	9,246,479	-	**9,246,479**
Total financial assets	**553,776,286**	**498,003,941**	**1,344,776,162**	**-**	**2,396,556,389**	**1,790,633,723**	**605,916,502**	**6,164**	**2,396,5586,389**
Financial liabilities									
Currency in circulation	-	-	-	352,500,899	**352,500,899**	-	352,500,899	-	**352,500,899**
Government deposits	-	-	-	650,265,032	**650,265,032**	-	650,265,032	-	**650,265,032**
Due to local financial institutions	-	-	-	596,301,040	**596,301,040**	-	596,301,040	-	**596,301,040**
Due to IMF	-	-	-	473,262,545	**473,262,545**	-	473,262,545	-	**473,262,545**
Due to foreign financial institutions	-	-	-	20,558,706	**20,558,706**		20,558,706	-	**20,558,706**
Foreign liabilities	-	-	-	3,553,374	**3,553,374**	-	3,553,374	-	**3,553,374**
Other liabilities	-	-	-	31,387,823	**31,387,823**	-	-	31,387,823	**31,387,823**
Financial liabilities	**-**	**-**	**-**	**2,127,829,419**	**2,127,829,419**	**-**	**2,096,441,596**	**31,387,823**	**2,127,829,419**

7. Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Bank's operations and are faced by all business units.

The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Bank's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Bank standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorization of transactions.
- Requirements for the reconciliation and monitoring of transactions.
- Compliance with regulatory and other legal requirements.
- Documentation of controls and procedures.
- Requirements for the yearly assessment of operational risks faced and the adequacy of controls and procedures to address the risks identified.
- Requirements for the reporting of operational losses and proposed remedial action.
- Development of contingency plans.
- Training and professional development.
- Ethical and business standards.
- Risk mitigation, including insurance where this is effective.

8. Interest income

Interest income from foreign operations relates to interest earned from investments placed with Crown Asset Management Limited ("CAAML)", Reserve Advisory Management Partnership ("RAMP"), Bank for International Settlements ("BIS") and treasury bonds issued by foreign sovereigns (collectively known as foreign financial investments), foreign fixed term deposits, Special Drawing Rights ("SDR") holdings with the IMF and call money in foreign currency.

Interest on domestic investments relates to interest earned from loans to government, swaps agreements, agricultural sector refinancing facility loans, economic recovery loans and interest income from Government of Rwanda Eurobond investments.

Interest income on staff loans for the year ended 30 June 2023 was appropriated to the staff welfare equity reserve as part of a directive by the board of directors.

	2023	2022
	Frw '000'	Frw '000'
Foreign financial investments	31,765,476	14,509,428
Swap operations	12,493,014	13,216,580
Government of Rwanda Eurobond investments	5,241,168	4,518,521
Overnight lendings - reverse repos	1,683,582	2,335,423
Staff loans	216,516	559,515
Loans to Government of Rwanda	157,224	344,281
Economic recovery loans	132,285	265,139
SDR holdings with IMF	1,627,005	262,295
Refinancing facility loans	4,981	27,328
	53,321,251	**36,038,510**

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9. Interest expense

Interest expense includes interest paid on currency swap operations with local and foreign commercial banks, interest expense on SDR allocations with the IMF and interest on money market interventions which mainly includes Repos and reverse Repos that the Central Bank undertakes.

	2023	2022
	Frw '000'	Frw '000'
SDR allocations with IMF	4,094,966	334,491
Swap operations	3,480,512	3,567,897
Interest paid on monetary policy issues	2,534,571	158,036
IFC loan	-	79
	10,110,049	**4,060,503**

10. a) Fee and commission income

	2023	2022
	Frw '000'	Frw '000'
Commissions on foreign operations	4,969,318	4,182,486
Other commissions	9,295	7,198
	4,978,612	**4,189,684**

b) Fee and commission expense

	2023	2022
	Frw '000'	Frw '000'
Commission paid on foreign operations	1,075,014	2,639,714
Fund management fees	3,264,857	741,273
	4,339,871	**3,380,987**

11. a) Unrealized revaluation gains

	2023	2022
	Frw '000'	Frw '000'
Foreign assets unrealized foreign exchange gains	97,382,459	45,489,242
	97,382,459	**45,489,242**

During the year unrealized net foreign exchange revaluation gains amounted to **Frw 97,382,459,202** (2022: **Frw 45,489,241,868**). This amount has been included in the statement of profit or loss in determining the Bank's net operating profit for the year in order to comply with the requirements of IAS 21- *Accounting for the Effects of Changes in Foreign Exchange Rates.*

The unrealized net foreign exchange revaluation gains do not form part of distributable profits for the Bank and hence have been subsequently appropriated to the translation reserve in the statement of changes in equity in line with the Bank's mandate of reserve management.

b) Net trading income

	2023	2022
	Frw '000'	Frw '000'
Net gain on foreign currency transactions	30,594,886	29,128,009
Realized gains on investment securities	5,169,361	14,505,279
Realized losses on investment securities	(14,888,594)	(4,315,269)
Unrealized losses on investment securities (FVTPL)	2,554,814	(31,434,595)
	23,430,467	**7,883,424**

12. Other operating income

	2023	2022
	Frw '000'	Frw '000'
Government securities issuances fees	3,454,575	2,978,668
Supervision fees	2,335,052	2,252,246
Other income	802,122	765,682
Refund from the Government of Rwanda	460,115	341,620
Licenses and applications fees	91,779	281,917
Processing fees	175,174	162,536
Fine and penalty fees	381,744	76,826
Swift message received	58,230	56,510
Forex bureau applications and registrations fees	22,500	46,630
Gain on sales of properties and equipment	18,913	18,070
	7,800,204	**6,980,705**

This constitutes refund from the government relates to money market intervention costs, external trade contributions, government securities issuances fees, equipment grant and supervision fees on services offered by the Bank to industry. Other income relates to cheque printing fees, strong room rental income, cash surplus, sale of demonetized currency and other recoveries made in the year.

13. Employee benefits expense

	2023	2022
	Frw '000'	Frw '000'
Salaries and other related allowances	20,417,384	17,441,794
Contribution to RSSB pension scheme	1,201,572	977,185
Medical expenses	1,881,904	1,405,145
Contribution to the complementary pension fund	757,113	611,963
Leave allowance	81,581	293,247
Contributions to the death benefit fund	189,017	152,723
Social activities and condolences	234,175	104,218
Long term awards	75,917	90,021
Other expenses	1,986,871	876,495
	26,825,534	**21,952,791**

Increase in other expenses is due to local and overseas training workshops.

The Bank contributes to the following post-employment benefit plans:

Complementary pension fund- entitles a retired employee or his/her dependants in case of death to receive the total contributions including the accrued interest from investments after deduction of the total amount related to all obligations due to BNR.

Death benefit fund- entitles a retired employee's dependants in case of death to receive the total death benefits equivalent to thirty-six (36) * last gross monthly salary of the deceased staff.

The contribution due to both funds is calculated as 10% of each employee's basic salary whereby 80% of the contribution is taken to complementary pension fund and 20% to the death benefit fund.
Both plans are funded by the Bank and the employee at a share of 60% and 40% respectively.

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14. General administration expenses

	2023	2022
	Frw '000'	Frw '000'
Maintenance costs	3,018,626	2,397,495
Software licenses	2,710,427	1,917,447
Contributions and subscription fees	1,463,875	1,046,210
Printing stationery and office suppliers	769,914	627,077
Insurance	406,933	477,493
Transport and travelling expenses	774,414	308,883
Entertainment	1,292,539	267,771
IT consultancy	205,523	209,545
Advertisement	328,236	198,586
Operational consultancy	229,094	190,169
External casual services	51,906	177,755
Grant and subsidies	153,486	145,562
Communication	104,953	95,692
Legal and investigation expenses	16,517	17,892
	11,526,441	**8,077,577**

15. (a) Other operating expenses

	2023	2022
	Frw '000'	Frw '000'
Bank notes printing costs amortization	4,401,594	3,832,696
Coins minting costs amortization	967,956	465,037
Amortization expense on currency	**5,369,550**	**4,297,733**
Other expenses	1,718,268	1,566,098
Audit fees	59,944	84,924
Board and meeting expenses	43,082	45,509
	7,190,844	**5,994,264**

15. (b) Expected credit losses and other credit impairment charges

	2023	2023
	Frw '000'	Frw '000'
Expected credit losses - and other credit impairment	3,298,677	1,156,418
Release of expected credit losses	(1,739,007)	(2,938,931)
Expected credit losses and other credit impairment charges/(write back)	**1,559,670**	**(1,782,513)**

16. (a) Cash and cash equivalents

	2023	2022
	Frw'000	Frw'000
Fixed term deposits in USD (less than 3 months) - gross	284,708,928	574,570,054
ECL- Provision Term deposits	(62,197)	-
Current accounts	106,419,670	84,501,833
Cash in transit in USD	52,404,955	35,788,756
Foreign denominated notes/coins in USD	58,483,756	36,108,251
Foreign denominated notes/coins in EUR	4,548,829	7,954,264
Foreign denominated notes/coins in GBP	425,857	184,288
ECL Impairment provision on current accounts	(1,535,360)	(247,786)
	505,394,436	**738,859,660**

Movement in provision for impairment		
At 1 July	**247,786**	83,810
Charge during the year	1,349,772	163,976
Transfer from foreign financial investments	-	195,671
Write-back for the year	-	-
As at 30 June	**1,597,558**	**247,786**

16. (b) Cash flows from operations

	2023	2022
	Frw'000	Frw'000
Surplus for the year	**121,920,408**	**56,093,482**
Adjustments for:		
Depreciation on property and equipment	2,408,605	2,064,693
Amortization of intangible assets	1,013,354	721,564
Depreciation on investment property	18,217	18,217
Unrealized revaluation gains	-	-
Amortization of deferred currency printing expenses	5,369,550	4,297,733
Write back of expected credit loss	1,559,670	-
Net interest income	(43,211,203)	(31,978,007)
(Gain)/loss on disposal of property and equipment	57,850	(18,071)
Net foreign exchange gain on cash and cash equivalents	**(97,382,459)**	(45,489,242)
Profit before changes in working capital	**(8,246,008)**	**(14,289,631)**

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16. (b) Cash flows from operations (continued)

	2023	2022
	Frw'000	Frw'000
Changes in working capital		
(Increase)/Decrease in amount due from Government of Rwanda	(35,339,022)	7,089,270
(Increase)/decrease in amount due from Investments in Euro Bonds	(12,242,780)	(43,082,232)
(Increase)/Decrease in loan and advances to employees	(106,365)	(397,207)
Increase/(Decrease) in currency in circulation	22,417,645	55,887,777
(Increase)/Decrease in other assets	(8,824,945)	(10,029,519)
Increase/(Decrease) in other liabilities	70,467,044	(43,342,734)
Increase/(Decrease) in Government of Rwanda deposits	(14,840,642)	168,630,475
Increase/(Decrease) in due to financial institutions	85,030,961	233,263,252
(Increase)/Decrease in loans to banks	(4,861,995)	(16,584,077)
Increase/(Decrease) in foreign liabilities	(117,644)	(239,672)
Increase/(decrease) in customer deposits	(1,382,625)	1,466,378
Net changes in working capital	**100,199,632**	**352,661,711**
Interest received (Note 8)	53,321,251	36,038,510
Interest paid (Note 9)	(10,110,049)	(4,060,503)
Net cash from operating activities	**135,164,827**	**370,350,087**

17. Foreign investment securities

	2023	2022
	Frw'000	Frw'000
Financial instruments - FVTPL	633,229,410	553,930,833
Financial instruments - FVOCI	810,204,231	498,137,396
ECL impairment provision on - FVOCI	(433,424)	(294,166)
Fixed term deposits > 3 months	17,960,036	-
ECL impairment provision - term deposits	(9,787)	-
	1,460,950,466	**1,051,774,063**

Movement in provision for impairment (FVOCI)	**2023**	**2022**
	Frw'000	**Frw'000**
At 1 July	294,166	543,124
Charge for the year	139,258	-
Write back	-	(248,958)
As at 30 June	**433,424**	**294,166**

Movement in provision for impairment (term deposits)	**2023**	**2022**
	Frw'000	**Frw'000**
At 1 July	-	387,866
Charge for the year	9,787	-
Transfer to cash and cash equivalents	-	(195,671)
Release of provisions	-	(192,195)
As at 30 June	**9,787**	**-**

18. Due from local financial institutions

	Risk exposure	ECL	2023	2022
	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Current accounts with commercials banks	4,194	-	4,194	8,318
Loans to the agricultural and agro business	1,373	-	1,373	1,373
Due from commercial banks on forward contracts	167,887,614	-	167,887,614	159,914,981
Loan facility to microfinance	176	-	176	-
Overnight lending commercial bank	-	-	-	-
COVID-19 Extended lending facilities	2,225,300	-	2,225,300	5,331,990
Economic Recovery Loans - Commercial Banks	-	-	-	
Carrying amount	**170,118,657**	**-**	**170,118,657**	**165,256,662**

Movement in provision for impairment			
At 1 July	-	-	224
Charge/(write back) for the year	-	-	(224)
As at 30 June	**-**	**-**	**-**

19. (a) Due from foreign financial institutions

	At 1 July 2022 Frw'000'	Interest income Frw'000'	Repayment Frw'000'	30 June 2023 Frw'000'
Due from Commercial Banks on Swaps contracts	20,205,612	1,605,744	(1,605,744)	20,205,612
	20,205,612	**1,605,744**	**(1,605,744)**	**20,205,612**

	At 1 July 2021 Frw'000'	Addition Frw'000'	Repayment Frw'000'	30-Jun-22 Frw'000'
IFC swap contract	217,361	-	(217,361)	-
ECL - IFC asset	(237)	-	237	-
Due from Commercial Banks on Swaps contracts		21,008,484	(802,872)	20,205,612
	217,124	**21,008,484**	**(1,019,996)**	**20,205,612**

On 9 November 2010, the Bank entered into a currency swap transaction with International Finance Corporation. The original amount rendered by the Bank was Frw 1.479 billion in exchange for USD 2.5 million. Under this initial agreement, the Bank pays interest on the USD notional outstanding amount using a Dollar floating rate which is the sum of LIBOR for the Designated Maturity determined on the second London Business Day preceding the relevant calculation period, and the Dollar Spread. Further swap agreements have since been signed up and every time a swap transaction is entered, a confirmation agreement is signed between a concerned party and the Bank stipulating the terms of the transaction and this loan was fully repaid during the year ended 30 June 2023.

On 18 November 2021, the Bank entered into a three years' currency swap transaction with Bank One Limited amounting to Frw 20.0718 billion in exchange of USD 20 million with margin (USD) of 2% and margin (Frw) of 8% and agreed spot rate at the date of transaction was Frw 1,003.59. effective date of 19 November 2022 and termination date being 15 November 2021. The two parties agreed on forward rates as follow:

19. (a) Due from foreign financial institutions (continued)

Dates	Forward rate (USD/Frw)
20 May 2022	1,024.59
18 November 2022	1,044.59
18 May 2023	1,069.09
17 November 2023	1,085.99
17 November 2024	1,107.49
15 November 2021	1,129.09

19. (b) Due to foreign financial institutions

	2023 Frw'000'	2022 Frw'000'
Due to Commercial Banks on Swaps contracts	23,224,363	20,558,706
	23,224,363	**20,558,706**

Amount due to foreign financial institution represent amount due to Bank one resulting from SWAP contract entered into with National Bank of Rwanda amounting to USD 20 million. It has increased by 13% due to its revaluation since the liability is in foreign currency.

20. (a) Due from Government of Rwanda

	2023	2022
	Frw'000	Frw'000
Consolidated debt to Government	17,214,052	17,214,052
Loan repayment	(12,443,796)	
Overdraft due from the Government	47,782,818	-
	52,553,074	**17,214,052**

The Bank signed an agreement with the Government of Rwanda on 7 February 1996 to consolidate all Government debts amounting to Frw 34.457 billion at an interest rate of 2% per annum. The amount increased to Frw 43,469 billion effective 1 August 1997 subsequent to the passing of Law No 11/97 regarding the statutes of the Bank which stipulated under its article 79, that the balance of the revaluation account as at 6 March 1995 would be consolidated with the amount of that initial debt. The recovery of the amount is done through retention of 30% of net profit after deducting the non-distributable income.

During the year ended 30 June 2023, the Board of Directors approved a deduction of remaining balance of the old consolidated Government debt as repayment of the loan balance equivalent to Frw 4,794,107,522 composed of Principal of Frw4,770,256,241 and Interests of Q1 FY23-24 of Frw 23,851,281 (2022 Frw 12,443,795,893).

As at 30June -2023, the Government utilized one-day liquidity facility of 47Bn which was cleared on the following business day after receipt of transitory tax cash inflows, effectively enabling the Government to close the Financial year without any liquidity limitations. It is worth noting that no overdraft facilities were recorded in central Bank books in the financial year ended June-2023.
See the table below:

Debt to government 2023	Opening balance 1 July Frw'000	Loan repayment Frw'000	Closing balance 30 June Frw'000
Consolidated debt to government	17,214,052	(12,443,796)	4,770,256
Overdraft due from the Government			47,782,818
Total	**17,214,052**	**(12,443,796)**	**52,553,074**

Debt to government 2022	Opening balance 1 July Frw'000	Loan repayment Frw'000	Closing balance 30 June Frw'000
Consolidated debt to government	24,303,322	(7,089,270)	17,214,052
Total	**24,303,322**	**(7,089,270)**	**17,214,052**

Principal repayment noted in the movement schedule above relates to 30% of the 2022 profits (net of non-distributable income).

20. (b) Government of Rwanda Eurobond investments

	2023 Frw'000	2022 Frw'000
Investments in Government of Rwanda Eurobonds	114,036,536	100,052,688
ECL - Provision Rwa - Euro Bond (AC)	(1,741,068)	
	112,295,468	**100,052,688**
Movement in provision for impairment		
At 1 July	608,618	556,314
Charge/(write back) for the year	1,132,449	52,304
As at 30 June	**1,741,068**	**608,618**

The Bank's holdings in the Government of Rwanda Eurobond have a coupon rate of 5.5% and matures on 8 September 2031

21. Staff loans and advances

	2023 Frw'000'	2022 Frw'000)
Loans to current staff	10,219,028	10,242,264
Loans to former staff	2,243,378	2,120,416
Provision for impairment	(199,963)	(206,602)
	12,262,443	**12,156,078**
Movement in provision for impairment		
At 1 July	206,602	169,041
Charge for the year/(write back)	(6,639)	37,561
As at 30 June	**199,963**	**206,602**

The types of loans given to staff include housing loans, salary advances and car loans with a maturity period of 20 years, 1 year and 5 years respectively. The interest rates applicable are 0% for salary advance and 2% to car and housing loans. Interest income on staff loans is allocated to the staff welfare reserve where it is available for lending to staff subsequently for welfare facilitation.

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22. Due from International Monetary Fund

The IMF Quota represents 3,065 votes' equivalent to 0.06% of voting rights.

Due from International Monetary Fund	2023 Frw'000'	2022 Frw'000'
Quota In IMF	210,640,251	192,219,992
IMF reserve tranche	31,267,031	27,352,477
Special drawing rights	14,632,489	62,291,390
ECL provision	(98,490)	(78,928)
	256,441,282	**281,784,931**
Movement in ECL provision		
At 1 July	78,928	328,061
Charge/(write back) for the year	19,562	(249,133)
As at 30 June	**98,490**	**78,928**

Due to International Monetary Fund	2023 Frw'000'	2022 Frw'000'
IMF account No 1	210,619,029	192,215,800
IMF account No 2	8,241	7,522
IMF poverty reduction and growth facility loan	83,987,091	117,580,834
Allocation of special drawing rights (SDR)	120,094,648	163,458,389
	414,709,010	**473,262,545**

The carrying amounts of IMF QUOTAs and IMF account No 1 were retranslated using IMF's exchange rate (Frw 1,502.607/1 SDR) instead of BNR closing Rate (Frw 1,553.37/1SDR) at the year-end in compliance with IMF requirements for these specific Accounts.

Allocation of special drawing rights

IMF made a general allocation of 153 million special drawing rights (SDRs) equivalent in USD on 23 August 2021. These will be used to benefit Rwanda in addressing long-term global need for reserves, build confidence and foster the resilience and stability of the country particularly in regard to managing the economic impact of the Covid-19 pandemic. See the balance as of 30 June 2023:

Details	**2023**	**Exchange Rate**	**2023**
Year ended 30 June 2023	**SDR**		**Frw "000"**
BNR SDR allocation (A)	76,821,809	1,553.374785	119,333,061
Government SDR allocation (B)	153,544,495	1,553.374785	238,512,147
IMF balance (C = A+B)	**230,366,304**	**1,553.374785**	**357,845,208**
Government SDR allocation (B)	153,544,495	1,553.374785	238,512,147
Government utilised SDR funding (E = B-D)	(153,544,495)	1,553.374785	238,512,147
Government unutilised SDR funding (D)	**-**	**1,553.374785**	**-**
SDR Allocation BNR books (F = A+D)	**76,821,809**	**1,553.374785**	**119,333,061**
SDR accruals (G)	490.27	**1,553.374785**	761,587
Total SDR allocation BNR books (H = F+G)			**120,094,648**

Details	**2022**	**Exchange Rate**	**2022**
Year ended 30 June 2022	**SDR**		**Frw "000"**
BNR SDR allocation (A)	76,821,809	1,365.512109	104,901,110
Government SDR allocation (B)	153,544,495	1,365.512109	209,666,867
IMF balance (C = A+B)	**230,366,304**	1,365.512109	**314,567,977**
Government SDR allocation (B)	153,544,495	1,365.512109	209,666,867
Government utilised SDR funding (E = B-D)	(110,667,807)	1,365.512109	(151,118,231)
Government unutilised SDR funding (D)	**42,876,688**	**1,365.512109**	**58,548,636**
SDR Allocation BNR books (F = A+D)	**119,698,497**	1,365.512109	**163,449,747**
SDR accruals (G)			8,642
Total SDR allocation BNR books (H = F+G)			**163,458,389**

23. Equity investments

	2023	**2022**
	Frw'000'	**Frw'000'**
Financial Instruments - FVTOCI	450,000	450,000
Impairment provision on equity investments	(443,836)	(443,836)
	6,164	**6,164**

The investment relates to capital subscribed in Société Interbancaire de Monétique et Tele compensation au Rwanda S.A (SIMTEL) which amounts to a shareholding of 7.98%. The shares in SIMTEL (now RSWITCH) are not listed and are not available for sale.

RWISTCH is registered and domiciled in Rwanda and offers an interbank network for financial communication that supports card based payment systems, electronic funds transfers, simple bills payment system and capital market operations to Banks and other financial institutions in Rwanda.

24. Investment property

	2023	**2022**
Cost	**Frw'000'**	**Frw'000'**
At 1 July	466,839	466,839
As at 30 June	**466,839**	**466,839**
Accumulated depreciation		
At 1 July	(163,952)	(145,736)
Depreciation charge	(18,217)	(18,217)
As at 30 June	**(182,169)**	**(163,952)**
Net book value as at 30 June	**284,669**	**302,886**

The investment property relates to a building owned by the Bank and rented out to RSWITCH in 2019.The current accounting policy accounts for investment property using Cost model rather than the revaluation model.

25. Property and equipment

	Land	Work in progress	Buildings	Motor vehicles	Computer equipment	Security equipment	Machinery	Furniture and fittings	Lift equipment	Medical equipment	Multi media	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Cost/Valuation												
At 1 July 2022	5,288,172	2,682,893	15,411,469	184,875	5,403,418	2,251,073	9,057,141	1,651,886	701,884	2,230	73,955	42,708,996
Additions	-	164,902	125,363	197,000	1,852,611	1,117,168	697,352	151,164	-	-	-	4,305,560
Capitalization from WIP	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(70,552)	-	(234,288)	-	-	(19,493)	-	-	-	(321,333)
As at 30 June-23	**5,288,172**	**2,847,795**	**15,466,280**	**381,875**	**7,024,741**	**3,368,241**	**9,754,494**	**1,783,557**	**701,884**	**2,230**	**73,955**	**46,693,223**
Depreciation												
At 1 July 2022	-	-	(923,346)	(184,875)	(4,021,484)	(2,154,078)	(4,372,870)	(1,242,558)	(701,884)	(1,833)	(73,955)	(13,676,882)
Charge for the period	-	-	(308,940)	-	(846,872)	(185,438)	(898,408)	(168,652)	-	(272)	-	(2,408,582)
Disposal depr	-	-	4,469	-	207,736	-	-	18,374	-	-	-	230,578
As at 30 Jun-23	**-**	**-**	**(1,227,818)**	**(184,875)**	**(4,660,621)**	**(2,339,516)**	**(5,271,278)**	**(1,392,836)**	**(701,884)**	**(2,104)**	**(73,955)**	**(15,854,887)**
N.B.V as at 30 Jun 2023	**5,288,172**	**2,847,795**	**14,238,462**	**197,000**	**2,364,120**	**1,028,725**	**4,483,216**	**390,721**	**-**	**126**	**-**	**30,838,337**

Work in progress are mainly composed of installation of security equipment and office renovations.

25. Property and equipment (continued)

	Land	Work in progress	Buildings	Motor vehicles	Computer equipment	Security equipment	Machinery	Furniture and fittings	Lift equipment	Medical equipment	Multi media	Total
	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'	Frw'000'
Cost/Valuation												
At 1 July 2021	5,288,172	2,078,764	15,411,469	184,875	4,396,318	2,259,018	8,911,215	1,676,579	701,884	2,230	76,855	40,987,379
Additions	-	604,129	-	-	1,114,346	27,691	151,527	175,640	-	-	-	2,073,332
Capitalization from WIP	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(107,246)	(35,636)	(5,600)	(200,333)	-	-	(2,900)	(351,715)
As at 30 June 2022	**5,288,172**	**2,682,893**	**15,411,469**	**184,875**	**5,403,418**	**2,251,073**	**9,057,141**	**1,651,886**	**701,884**	**2,230**	**73,955**	**42,708,996**
Depreciation												
At 1 July 2021	-	-	(615,459)	(184,875)	(3,452,644)	(2,056,223)	(3,564,928)	(1,315,011)	(685,876)	(1,419)	(76,855)	(11,953,290)
Charge for the year	-	-	(307,888)	-	(675,573)	(133,491)	(811,404)	(119,916)	(16,008)	(414)	-	(2,064,693)
Disposal depn	-	-	-	-	106,733	35,636	3,462	192,369	-	-	2,900	341,101
As at 30 June 2022	**-**	**-**	**(923,346)**	**(184,875)**	**(4,021,484)**	**(2,154,078)**	**(4,372,870)**	**(1,242,558)**	**(701,884)**	**(1,833)**	**(73,955)**	**(13,676,882)**
N.B.V as at 30 June 2022	**5,288,172**	**2,682,893**	**14,488,123**	**-**	**1,381,934**	**96,995**	**4,684,272**	**409,328**	**-**	**397**	**-**	**29,032,114**

Work in progress are mainly composed of installation of security equipment and office renovations.

25. Property and equipment (continued)

Fair value of land and buildings
An independent valuation of the Bank's land and buildings was performed by valuers to determine the fair value of the land and buildings as at 30 June 2023. The revaluation surplus was credited to other comprehensive income. If the land and buildings were stated on the historical cost basis, the amounts would be as follows:

	2023 Frw' 000	2022 Frw' 000
Cost:		
Buildings	15,411,469	20,782,781
Land	5,288,172	2,883,246
Total cost	**20,699,461**	**23,666,027**
Accumulated depreciation:		
Buildings	(1,227,818)	6,405,718)
Land	-	-
Total accumulated depreciation	**(1,227,818)**	**(6,405,718)**
NBV	**19,471,643**	**17,260,309**

The table below analyses the non-financial assets carried at fair value, by valuation method. The different level of fair value measurement hierarchy is described as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

	Fair value measurements at 30 June 2023 using		
	Level 1	**Level 2**	**Level 3**
Recurring fair value measurements			
– Land			5,288,172
– Buildings			15,466,280
	-	-	**20,754,452**
	-	-	20,754,452

	Fair value measurements at 30 June 2022 using		
	Level 1	**Level 2**	**Level 3**
Recurring fair value measurements			
– Land			5,288,172
– Buildings			15,411,469
	-	-	**20,699,641**

Valuation processes of the Bank
The Bank's finance directorate coordinates the valuations processes of land and buildings required for financial reporting purposes, including level 3 fair values. This team reports directly to the executive director of the directorate.

The company engages external, independent and qualified valuers to determine the fair value of the company's land and buildings. The latest valuation was carried out as at 30 June 2019 by Eng. KANGAHO Gentil. In the directors' opinion, there has been no significant change to the fair values as at 30 June 2023 to warrant another valuation.

25. Property and equipment (continued)

The external valuations of land and buildings were performed using a sales comparison approach. Based on the external valuers' report, the finance team has determined these inputs based on the size, age and condition of the land and buildings, the state of the local economy and comparable prices in the corresponding national economy.

Information about fair value measurements

Description	Fair value at 30 June 2023 Frw' 000	Valuation technique(s)	Unobservable inputs
Buildings	14,796,010	Sales comparison	Price per square
Land	5,288,172	approach	metre
	20,084,182		

Description	Fair value at 30 June 2022 Frw' 000	Valuation technique(s)	Unobservable inputs
Buildings	14,796,010	Sales comparison	Price per square
Land	5,288,172	approach	metre
	20,084,182		

Fully depreciated assets still in use

As at 30 June 2023, the Bank had fully depreciated assets still in use. The gross values of the assets per category are as shown below.

Category	Gross value 2023	Gross value 2022
Computer Equipment	3,720,603,184	2,425,514,340
Security Equipment	2,161,800,100	1,808,572,330
Machinery	1,078,259,479	899,196,940
Lift Equipment	701,884,127	701,884,127
Furniture And Fittings	665,714,012	674,714,179
Vehicles	184,874,527	184,874,527
Multimedia	73,954,810	73,954,810
Software	8,356,901,247	-
	16,944,941,486	**6,768,711,253**

Notional depreciation

The notional depreciation for the assets fully depreciated and in use is for the year to June 2023 is **Frw 1,771,661,014** (30 June 2022 **Frw 1,361,587,037**)

26. Intangible assets

Software Cost/Valuation	Work in progress Frw'000'	Software Frw'000'	Total Frw'000'
At 1 July 2022	**1,733,541**	**12,900,163**	**14,633,704**
Additions	885,060	456,058	**1,341,118**
Capitalization from WIP	-	-	-
Disposals	-	-	-
As at 30 June 2023	**2,618,601**	**13,356,221**	**15,974,822**
Depreciation			
At 1 July 2022	**-**	**(10,386,447)**	**(10,386,447)**
Charge for the year	-	(1,013,354)	(1,013,354)
Disposal depn	-	-	-
As at 30 June 2023	**-**	**(11,399,801)**	**(11,399,801)**
N.B.V as at 30 June 2023	**2,618,601**	**1,956,420**	**4,575,021**

Software Cost/Valuation	Work in progress Frw'000'	Software Frw'000'	Total Frw'000'
At 1 July 2021	**1,656,507**	**11,837,528**	**13,494,035**
Additions	77,034	1,062,635	**1,139,669**
Capitalization from WIP	-	-	-
As at 30 June 2022	**1,733,541**	**12,900,163**	**14,633,704**
Depreciation			
At 1 July 2021	**-**	**(9,664,883)**	**(9,664,883)**
Charge for the year	-	(721,564)	(721,564)
As at 30 June 2022	**-**	**(10,386,447)**	**(10,386,447)**
N.B.V as at 30 June 2022	**1,733,541**	**2,513,716**	**4,247,257**

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26. Intangible assets (continued)

The Work In Progress (WIP) balance relates to costs incurred on the ongoing projects the Bank has embarked on in the year that include RIPPS upgrade, T24 upgrade and Vault Management System (VMS). The reclassification of the WIP component, from property and equipment, has been done to split intangible asset component from property and equipment which was previously reported together under Property plant and equipment.

The intangible assets relate to the systems used by the Bank as shown below:

ERP - BNR's financial reporting system that generates the General Ledger.

RIPPS - a payment processing system. It handles clearing and settlement for Banks' transactions and all securities.

T24 - it is the core Banking system. It has an interface with RIPPS and ERP.
As at 30 June 2023, the Bank had the following projects ongoing to enhance the capability of the Banking systems;

- RIPPS Phase 2 upgrade that will enhance the payment system services in the industry with 24/7 work around is an ongoing project.
- T24 upgrade that will facilitate the acquisition of the new release of the Core Banking software. PAT2 system upgrade project is also expected in the coming financial year
- SOC- Security Operations Center is a project on going
- Cloud Service and Oracle
- E-procurement system
- Integration of Strategic Business Plan and Budget
- T24 SWAP Module
- Centralised Database Achieving Solution
- Bloomber-T24 Interface

27. Other assets

	2023 Frw'000'	2022 Frw'000'
Stock of consumables	176,083	195,026
Accrued revenue	805,913	1,186,322
Prepayments	2,651,107	8,091,239
Advance to suppliers and contractors	112,845	781,608
Deferred currency printing expenses	5,452,795	9,636,586
Other assets ECL	(647,849)	(2,514,940)
	8,550,894	**17,375,841**
Movement in other assets ECL		
At 1 July	**2,514,940**	4,312,097
Write back	(1,867,092)	(1,797,157)
As at 30 June	**647,848**	**2,514,940**

28. Currency in circulation

	2023 Frw'000'	2022 Frw'000'
Notes and coins issued	473,393,811	391,269,409
Money in Reserve	(98,475,267)	(38,768,510)
	374,918,543	**352,500,899**

Notes and coins issued represent all the currency issued into circulation. Money in reserve represents currency issued into circulation but within BNR vault. While the two elements have been netted off to compute the currency in circulation as at 30 June 2023, it should be noted that the increase in current financial year is mainly due to demand of new legal tender following full re-opening of economy and replacement of old currencies in the financial year.

29. Government of Rwanda deposits

	2023 Frw'000'	2022 Frw'000'
Government of Rwanda current accounts	381,447,234	360,485,057
Government of Rwanda's special deposits	14,384,202	2,022,350
Deposits for letters of credit and other commitment	129	257
Projects and GoR ministries' accounts	95,571,178	185,954,291
Local government deposits	29,457,074	21,194,534
Public institutions	1,535,541	654,867
Public service enterprises	6,430,373	7,655,751
Foreign currency accounts	106,598,658	72,297,925
	635,424,389	**650,265,032**

All government deposits are interest free.

30. Due to local financial institutions

	2023 Frw'000'	2022 Frw'000'
Local currency deposits	282,121,935	171,803,795
Foreign currency deposits	214,065,014	159,863,405
Money Market Intervention	-	100,000,000
Due to commercial Banks on swaps contracts	185,145,052	164,633,840
	681,332,002	**596,301,040**

The effective interest rate on money market borrowings was 7%.

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31. (a) Other liabilities

	2023 Frw'000'	2022 Frw'000'
Deferred income (grant income on equipment)		-
Transitory accounts	64,734,421	8,763,476
Economic recovery fund	17,751,205	5,094,203
Sector recapitalization	5,775,008	5,810,873
Supplier payables accounts	9,158,642	7,233,067
Other payables accounts	973,090	2,045,265
Staff leave accrual	1,528,476	1,367,635
Dormant account funds in Frw	348,166	327,942
Death benefit fund	716,916	681,513
Statutory deductions payable	976,510	550,098
Commitment to the non-residents	225,651	348,677
Staff deposits	295,915	177,462
Tax payable accounts	669,135	285,844
Rswitch Limited	269	305
	103,153,404	**32,686,360**

Supplier payables include accruals for expenses, staff bonus provision as well as provision on fees incurred to realize collaterals. Other payables balance incorporates balances held on closed accounts for institutions, BNR RIPPS clearing accounts and customer dormant accounts.

31. (b) Customer deposits

	2023 Frw'000'	2022 Frw'000'
Non statutory accounts in foreign currencies	7,255,281	5,872,656
	7,255,281	**5,872,656**

The non-statutory accounts relate to various staff club accounts, deposit guarantee fund accounts and embassies deposits while the non-statutory dormant accounts transfers include dormant accounts transfers from commercial Banks.

32. Foreign liabilities

	2023 Frw'000'	2022 Frw'000'
Deposits in local currency	1,955,158	2,056,944
Deposits in foreign currency	1,480,572	1,496,430
	3,435,730	**3,553,374**

33. Share capital and reserves

(i)Share capital

	2023	2023
	Frw'000'	**Frw'000'**
Authorized and fully paid-up share capital	**7,000,000**	**7,000,000**

There were no movements in share capital during the financial year.

(ii)Retained earnings

	2023	2022
	Frw'000'	**Frw'000'**
Retained earnings	44,685,155	55,621,145
	44,685,155	**55,621,145**

The retained earnings are surpluses retained from operations after allocation to various funds, repayment of the loan to the government of Rwanda, payment of dividends and after adjusting for unrealised revaluation gains/losses to translation reserve.

(iii)Reserves

(a)General reserve

	2023	2022
	Frw'000'	**Frw'000'**
At 1 July	23,602,606	18,876,426
Surplus appropriation to reserve	8,295,864	4,726,180
At 30 June	**31,898,470**	**23,602,606**

The general reserve fund is a fund into which at least 20% of the net annual surplus of the Bank is transferred at the end of each financial year. Net annual profit is surplus of the year after deduction of non-distributable income and expenses. This is after allowing for expenses for operation and after allowance has been made for bad and doubtful debts, depreciation of assets, contribution to staff benefit fund, and such other contingencies and provisions as the Bank deems appropriate. Determination of net annual profit for year is indicated on Note 38.

The reserves are available to be used to meet any future obligation of the Bank under its mandate.

(b) Other reserves

	2023	2022
	Frw'000'	**Frw'000'**
Foreign exchange revaluation reserve	315,954,764	218,572,306
Staff welfare reserve	22,416,006	22,199,490
Land revaluation reserve	4,453,259	4,453,259
Building revaluation reserve	4,248,920	4,248,920
Government support for IT modernization	944,965	1,208,311
Fair valuation reserve for FVOCI financial assets	(47,577,737)	(33,638,641)
New Building Reserves	7,000,000	-
	307,440,177	**217,043,645**

Staff welfare reserve

The staff welfare reserve fund is a fund into which at least 15% of the net annual surplus of the Bank is transferred at the end of each financial year including any interest income earned on staff loans. In the current year, no balance was transferred to the fund (2022: nil).

33. Share capital and reserves (continued)

(b) Other reserves

Interest income on staff loans for the year ended 30 June 2023 of **Frw 273,163,964** (2022: **Frw 559,517,926**) was also allocated to the staff welfare equity reserve as approved by the board in the prior periods as it is not distributed.

Property and equipment revaluation reserve

The property and equipment revaluation reserve is a reserve into which revaluation gains or losses for buildings and land are transferred. The reserve is made up of the land revaluation reserve and the property revaluation reserve. It is the Bank's policy to revalue its land and buildings after every 5 years.

Fair value through other comprehensive income (FVOCI)

The fair value reserve is a reserve into which fair value movements on investment securities/ financial instruments held at Fair Value through other comprehensive income are transferred during the year. During the year, the reserve increased, due to fair valuation gains on internal portfolio.

	2023	2022
	Frw'000'	**Frw'000'**
At 1 July	**(33,638,641**	1,211,946
Fair valuation gain/(loss) on FVOCI financial assets	(13,939,097)	(34,850,587)
At 30 June	**(47,577,737)**	**(33,638,641)**

Foreign exchange revaluation reserve

A reserve where unrealized foreign exchange gains and losses on revaluation are transferred. It's the Bank's policy to recycle the foreign exchange gains through the reserve as foreign assets are held to ensure their growth being the mandate of the Bank.

Gains or losses resulting from a revaluation of reserve exchange holdings or international commitments recorded in the balance-sheet of the Bank due to a revision of the foreign exchange system or a modification of the exchange value of the franc decided by the Government are transferred to a special account entitled "Revaluation Account".

If the revaluation account presents a credit balance at the end of the financial year, twenty percent (20%) shall be paid by the State. The Bank does not pay dividends out of exchange gains.

Government support for IT modernisation fund ("IT modernisation reserve")

The fund was created through an appropriation of surplus from prior periods by approval of the Board. The amount was used to support the IT modernisation plans of the Bank. The reserve account holds funds for IT modernisation projects anticipated by the Bank in the current drive of cashless economy and Fintech environment.

	2023	2022
	Frw'000'	**Frw'000'**
At 1 July	1,208,312	1,336,844
Government support on IT modernization	(263,347)	(128,532)
At 30 June	**944,965**	**1,208,312**

34. Related party disclosures

Government of Rwanda is the sole shareholder and the ultimate controlling party. Based on the exemption under accounting standards, limited transactions and balances with government and government related parties have not been disclosed.

i) Transactions with key management personnel

Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank. The Bank key management personnel are the Governor, Deputy Governor and Executive Directors. Key management personnel compensation comprised of the following**:**

	2023	2022
	Frw'000'	Frw'000'
Short term employee benefits	**1,383,730**	**1,034,470**

Loans to key management	2023	2022
	Frw'000'	Frw'000'
At 1 July	**1,666,354**	**1,487,330**
New loans granted & reclassified during the year	335,000	341,795
Loans repaid during the year	(91,940)	(162,771
As at 30 June	**1,909,414**	**1,666,354**

ii) Transactions with board of directors

	2023	2022
	Frw'000'	Frw'000'
Fees to non-executive directors	43,510	46,081
	43,510	**46,081**

iii) Transactions with Government of Rwanda

Transactions entered into with the Government include:

- Banking services;
- Management of issuances and redemption of securities;
- Settlements and remittances in foreign currencies by order and/or in favor of the Government of Rwanda.
- Administering the Economic Recovery Fund
- Fund manager for the Deposit Guarantee Fund

	Note	2023	2022
		Frw'000'	Frw'000'
Government of Rwanda Eurobond investments	20	112,295,468	100,052,688
Due from Government of Rwanda	20	52,553,074	17,214,052
Government deposits	29	635,424,389	650,265,032

34. Related party disclosures (continued)

iii) Transactions with Government of Rwanda.

	Note	2023	2022
		Frw'000'	Frw'000'
Interest income on Euro Bond investment	8	5,241,168	4,518,521
Interest income on loan due from Government of Rwanda	8	157,224	344,281

The National Bank of Rwanda did not pay interest on government deposits during the year and in the prior year.

Economic Recovery Fund

	2023	2022
Off balance sheet	Frw '000'	Frw '000'
Economic Recovery Fund	**72,869,433**	**80,439,657**

In June 2020, the Government of Rwanda represented by MINECOFIN signed a Memorandum of Understanding with the National Bank of Rwanda (NBR) where NBR was given the mandate to manage the Economic recovery fund to support businesses impacted by the COVID-19 Outbreak. Supported businesses were in the following Windows; (a) Hotel refinancing, (b) Working Capital or line of Credit Window for Large and small and medium Enterprises (SMEs) and (c) Working Capital Window foe micro business through Microfinance Institutions.

NBR is charged with operational management of the portfolio that includes disbursements and recovery from the commercial Banks that obtain the funds. Commercial Banks subsequently issue loans to their customers after credit appraisal processes. The credit risk is with the Commercial Banks and thus expected to follow the normal processes of loans disbursements. The fund has an oversight committee that sits in MINECOFIN and this is composed of MINECOFIN, MINICOM, Private Sector Federation (PSF), NBR, and Rwanda Bankers Association (RBA) among others. Since BNR is liaison in ensuring that the portfolio is managed as appropriate with the facilitation of the systems infrastructure, and barres no risk, is therefore seen as an agent and effectively reporting the portfolio business under the off balance sheet items of the Bank to ensure fair presentation of the Financial statements.

The movement analysis in the Fund is as follows:

	2023	2022
	Frw'000'	Frw'000'
At 1 July	5,094,203	26,838,942
Transfer from Government of Rwanda	14,852,043	-
Disbursed to Rwanda Utilities Regulatory Authority	-	-
Disbursed to Business Development Fund Limited	-	-
Recovery from Commercial Banks	7,648,817	-
Disbursements to local financial institutions	(75,000)	(21,782,279)
Accrued interest	231,142	37,539
Repayments	(10,000,000)	-
At 30 June	**17,751,205**	**5,094,203**

During the year no commission earned on management of Economic Recovery Fund (2022: None)

34. Related party disclosures (continued)

Other related party transactions

	2023 Frw'000'	2022 Frw'000'
Rental income from RSWITCH	34,656	69,312

35. Contingent liabilities and assets

There are no pending claims brought against the Bank as at 30 June 2023 (2022: -Null) that may raise a contingent liability to the National Bank of Rwanda. In addition, the Bank has taken to court various parties to recover money due to it, and has won five cases in which the probable inflow of Frw 54,672,082 is expected. No amount has been booked as a receivable in respect of court cases considering that they are yet to be in status “virtually Certain”.

36. Cash and cash equivalents for the purposes of the statement of cash flows

	2023 Frw'000'	2022 Frw'000'
Cash	115,863,396	80,035,559
Current accounts	105,099,006	84,254,047
Fixed term deposits (up to 3 months)	284,646,731	574,570,054
Special drawing rights	-	-
	505,609,133	**738,859,660**

37. Commitments

The Bank had not entered into any commitments as at 30 June 2023 other than the ongoing projects which are captured under work in progress in the property and equipment. The table below summarizes the projects:

	2023 Frw'000	2022 Frw'000
Software	**2,618,601**	2,676,391
Security equipment	124,720	1,188,838
Furniture and fittings	617,348	333,959
Motor vehicles	197,000	197,000
Computer equipment	1,102,741	20,246
Machines	805,985	-
	5,466,396	**4,416,434**

38. Subsequent events

i) Appropriation of annual surplus

Subsequent to the year end, a meeting of the Board of Directors held and approved the following appropriation of the surplus for 2023.

Appropriation of surplus	2023 Frw'000'	2022 Frw'000'
Surplus for the year	**121,920,408**	**56,093,482**
Adjusted by:		
- Interest income on staff loans	(216,516)	(559,515)
- Net foreign assets exchange/revaluation (gains)/losses (note 11(b))	(97,382,459)	(45,489,242)
- Unrealized gains on investment securities (note 11 (c))	(2,554,814)	31,434,595
Net surplus for the year (less revaluation gain)	**21,766,618**	**41,479,320**
General Reserve Fund (20% of net surplus)	(4,353,324)	(8,295,864)
Net surplus after general reserve fund	**17,413,295**	**33,183,456**
Social welfare fund	-	-
Net payable	**17,413,295**	**33,183,456**
Consolidated debt recovery (30% of net surplus)	(4,794,108)	(12,443,796)
Board approved amount retained in retained earnings for other reserves	(3,264,993)	(6,221,897)
New building reserves	-	(7,000,000)
Dividends distribution after consolidated debt repayment	**9,354,194**	**7,517,762**

There are no other significant subsequent events that require disclosure or adjustment to the financial statements.

ANNEX 2
LAWS, REGULATIONS AND DIRECTIVES REVIEWED & UNDER DISCUSSION DURING FY 2022/23

No	LAWS/REGULATIONS/ DIRECTIVES/ GUIDELINES	CURRENT STATUS	OUTCOME/EXPECTED OUTCOME
		I.DRAFT LAWS	
1.	Review of Banking Law	The Draft Law was approved by the Cabinet of July 13th, 2023. It is under Parliament for adoption	The review of the Law governing the organization of banking will facilitate the National Bank of Rwanda to abide by international best practices in its regulation and supervision to the banking sector and will provide a smooth legal environment for investors hence promoting Financial Development Center
2	Review of the Law establishing the Deposit Guarantee Law	The Draft Law was approved by the Cabinet of July 13th 2023. It is under Parliament for adoption	To harmonize the Law with the International Association of Deposit Insurers Core Principles (IADI) in order to highlight that the Deposit Guarantee Fund is moving from pay box (only in charge of reimbursing depositors in case the bank of deposit-taking financial institution is declared bankrupt) to pay box plus mandate (with the new mandate to assist banks or deposit-taking microfinance in financial distress), and to provide for treatment of trust accounts and subrogation.
3	Review of the draft law governing organization of pension schemes	Approved by the Board and submitted at MINECOFIN for further process	• To address the gaps identified in the existing pension law nº 20 of 18/05/2015 that affect both mandatory and voluntary pension schemes. Among those gaps or weaknesses there is: • The current pension law does not provide how the informal sector people organized in groups can join the pension system. It also lacks provision on the umbrella pension schemes. • The current pension law does not specify the legal status of voluntary pension schemes. The COPS registers as trust but the PPS is based on contract. But legal status is not indicated in the law. Other jurisdictions indicate legal status in the laws. • The current pension law does not indicate the liability of the trustees managing the voluntary pension schemes. It is better for the trustees to understand the liability or risks for assuming the responsibility of trustees. • The current pension law does not provide for protection of trustees in case they cause financial losses to the scheme. • The current pension law is silent about who should act as a custodian of the pension scheme or fund. This would attract any institution to apply for the services of custodian.

No	LAWS/REGULATIONS/ DIRECTIVES/ GUIDELINES	CURRENT STATUS	OUTCOME/EXPECTED OUTCOME
4	Draft law on accident compensation	Approved by the Board and submitted at MINECOFIN for further process	In a bid to address the observed weaknesses and loopholes that lead to insurers incurring losses in Law n° 41/2001 of 19/09/2001 relating to the compensation of victims of physical accidents caused by motor vehicles and scope of Law n° 26/2011 of 27/07/2011 on compensation for damages caused by animals, the following key changes have been made: ▪ The draft law provides that the share responsibility of each party in an accident is indicated as a percentage in the statement on the accident established by the competent authority and if a party denies his involvement in the accident, it may submit a complaint to the Public Prosecution having the jurisdiction over the site of the accident and file a claim before the competent court if he is aggrieved by the opinion of the Public Prosecution; ▪ The draft law provides that the non-taxable wage defined as the monthly employment income subject to tax on employment income at the tax rate of zero per cent (0%) shall be the basis for the calculation of the compensation if the victim or his beneficiaries cannot provide any evidence of real income earned by the victim before the accident, instead of the minimum wage which is subject to controversy. ▪ The draft law provides that a refund of other expenses incurred by the person who suffered a corporal damage is made upon presentation of electronic invoices issued by an electronic invoicing system recognized by the legislation on tax procedures. However, expenses not supported by electronic invoices issued by an electronic invoicing system recognized by the legislation on tax procedures are adjusted, through mutual agreement, according to market prices.
II.REGULATIONS			
5.	Regulation relating to underwriting of large risks and market capacity facilitation	Published in the Official Gazette on 14/06/2023.	This Promote/preserve the growth of domestic insurance business and reduce the capital flights, hence insurance penetration. Hence, promote the co-insurance arrangements between domestic insurers by ensuring that risks are externalized after exhausting the local capacity. In addition, it streamlines conditions upon which foreign insurers are granted market capacity facilitation.
6.	Regulation governing the investment of insurers and reinsurers	Published in the Official Gazette on 14/06/2023.	Compliance with the requirements of international core principle (ICP) 15 as issued by International Association of Insurers Supervisors especially on qualitative requirements. This regulation will help to achieve sound and prudent investment practices in insurance market.

No	LAWS/REGULATIONS/ DIRECTIVES/ GUIDELINES	CURRENT STATUS	OUTCOME/EXPECTED OUTCOME
7.	Regulation establishing licensing requirements and other conditions for deposit-taking microfinance institutions	Published in the Official Gazette on 27/03/2023	To ensure that the existing regulations are aligned with the new Law n° 072/2021 of 05/11/2021 governing deposit-taking microfinance institutions. The new regulations introduce crucial updates, including the corporate governance structure for both DTM companies and DTM cooperatives, Risk Management framework, reporting requirements for DTMFIs under Group, Mergers & Acquisitions, transformation, and prudential norms, that take into account International Standards and Best Practices.
8.	Regulation establishing requirements on corporate governance for deposit-taking microfinance institutions		
9.	Regulation determining credit classification and provisioning rules for deposit taking microfinance institutions		
10.	Regulation determining prudential norms for deposit-taking microfinance institutions		
11.	Regulation establishing risk management framework for deposit-taking microfinance institutions		
12.	Regulation governing administrative and pecuniary sanctions applicable to deposit-taking microfinance institutions		
13.	Regulation relating to financial service consumer protection.	Published in the Official Gazette on 27/10/2022.	Implementation of the new financial consumer protection. This regulation will build trust in the formal financial sector and thus in encouraging financial inclusion.
14.	Regulation on financial service consumer's internal complaints handling	Published in the Official Gazette on 27/10/2022.	With this regulation, the expectation is to have a sound financial consumer protection framework which is fundamental to increase access to and usage of financial services, and the quality improvement of those financial services.

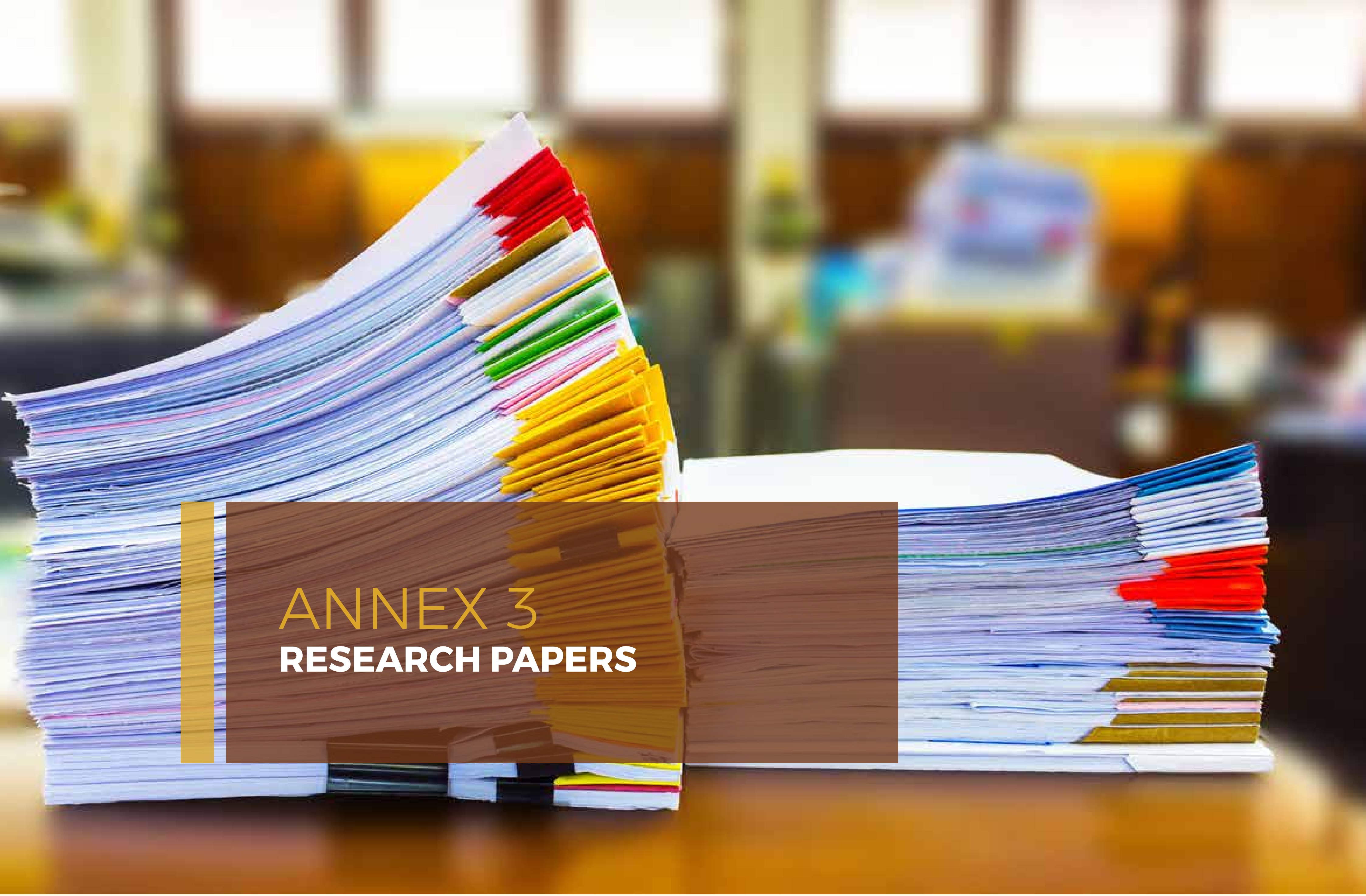
No	LAWS/REGULATIONS/ DIRECTIVES/ GUIDELINES	CURRENT STATUS	OUTCOME/EXPECTED OUTCOME
15.	Regulation governing the electronic money issuers	Published in the Official Gazette on 01/09/2022.	This Regulation incorporates rules governing the activities of the electronic money issuers and the safeguarding measures of money that belong to e-money holders.
16	Regulation on licensing conditions for insurers and reinsurers	Published in the Official Gazette on 04/05/2023.	Harmonize the regulation with the new law and introducing new business-like captive insurance and mutual insurance.
17.	Regulation on licensing requirements and other conditions for insurance intermediaries	Published in the Official Gazette on 29/06/2023.	Harmonize the regulation with the new insurance law and introduce new intermediaries like risk surveyors.
18.	Regulation relating to procedures applicable to exit from the market and resolution of an insurer	Published in the Official Gazette on 29/06/2023.	The harmonize the regulation with the new insurance law but also to introduce the detailed process of resolving and liquidating an insurer under stress situation or under insolvency
19.	Review of Regulation no governing the organization of micro -insurance business	Published in the Official Gazette on 29/06/2023.	To ensure there is a clear demarcation between micro insurance from traditional insurance.
20.	Regulation determining administrative sanctions applicable to regulated institution for non-compliance with the prevention of money laundering, financing terrorism and financing of proliferation of weapons of mass destruction requirements	Published in the Official Gazette on 29/06/2023.	Ensure the sanctions are proportionate, dissuasive, and preventive based on size and complexity of institutions but also on seriousness of the violation
21.	Regulation governing non-deposit taking financial services providers	Published in the Official Gazette on 28/04/2023.	To attract more participants in non-deposit taking services due to simplified requirements in terms of entry requirements as well as supervisory requirements.
22.	Regulation establishing operational requirements and other requirements for pension schemes and long-term saving scheme.	Published in the Official Gazette on 19/09/2022.	The regulation shall increase security in the invested fund through the setting of thresholds whereby threshold is set according to risks associated to the asset class. The regulation is also to make the market much more stable through adequate governance as the requirements for corporate governance were added while they were missing. Ejo Heza Scheme will be also supervised according to established standards unlike prior to the review of the regulation.

No	LAWS/REGULATIONS/ DIRECTIVES/ GUIDELINES	CURRENT STATUS	OUTCOME/EXPECTED OUTCOME
23.	Regulation governing trust and company service providers	Published in the Official Gazette on 19/09/2022.	This regulation was developed to cater for NBR new mandate on Trust and Company Service Providers
24.	Regulation on money remittance services	Published in the Official Gazette on 28/04/2023	The review of this regulation is to ensure that the existing regulation are aligned with the new Law no 061/2021 of 14/10/2021 governing the payment system
25.	Regulation governing designation of payment systems	Approved by the Board	This regulation sets forth the registration requirements and criteria to designate payment systems. It also sets forth necessary compliance obligations to designated payment systems.
26.	Review the regulation relating to agent management	Approved by the Board	The main purpose for this review is to respond to the gaps observed, especially the presence of some general provisions that don't render enough guidance to the financial services. There was a need to review these provisions and then break down where necessary. Additionally, there was also a need to remove some of the provisions that are no longer profiting to the operation of agent activities.
	Regulation governing payment service providers	Approved by the Board	Harmonize the regulation with the new payment system law and set rules related to activity-based licensing.
27.	Regulation governing reinsurance and other forms of risk transfer for insurers.	Approved by the Board	To ensure that, with the view to manage risks related to reinsurance transactions and other forms of risk transfer, an insurer: 1. set standards for the effective use of reinsurance and other forms of risk transfer. 2. have a framework to manage the selection, implementation, monitoring, review, control, and documentation of reinsurance arrangements that are used to contribute to the insurer's ability to meet its obligations to policyholders; and 3. adequately control their risk transfer program.
28.	Review of the regulation n° 2310 /2019 – 00022 [614] of 19/3/2019 of the National Bank of Rwanda on major investments and placements of banks	Approved by the Board	The regulation was revised to: • Implement Basel Core Principles assessment & its recommendations; • Harmonize the regulation with other regulations in regard to major investments and placements; and • Benchmark with regulators, new trends in banking sector and other international standards update.

No	LAWS/REGULATIONS/ DIRECTIVES/ GUIDELINES	CURRENT STATUS	OUTCOME/EXPECTED OUTCOME
29.	Review of Review of the regulation on transactions with bank related parties and management of credit concentration risk.	Approved by the Board	The regulation was revised to: 1. To Implement Basel Core Principles (BCPs) assessment & its recommendations. 2. To harmonize the regulation with other regulations in regard to related party transactions requirements ; 3. To ensure banks carry out their transactions with related parties at arm's length ; 4. To benchmark with other regulators, new trends in banking sector and other international standards updates.
30.	Review of the Regulation on payment initiation and aggregation services.	Approved by the Board	This regulation was revised to: 1. To implement the new Law n° 061/2021 of 14/10/2021 on Payment Systems; 2. To align the Regulation with the current market operations; 3. To introduce "payment account information services" as a new payment service.
31.	Review of the Regulation on administrative sanctions applicable to the payment systems operators and payment service providers	Approved by the Board	This regulation was amended for following reasons: 1. Implementation of the new Law on Payment Systems; 2. Identified gaps in the current regulation that include among others: 3. Addition of sanctions ; 4. Aligning sanctions with the categories of the reviewed regulations governing Payment Service Providers &Payment Service Operators.
32	Review of the Regulation on protection of payment service users	Approved by the Board	This regulation was amended to: 1. increase the standard of protection available to payment service users by improving the code of conduct and duty of care afforded to them, and 2. harmonize with the law and regulations on Financial Services Consumer Protection.
33	Review of Regulation on corporate governance, risk management and internal controls requirements for insurance business	Approved by the Board	The regulation was revised to cater for governance framework designed for Special insurers already introduced on the market by the insurance law namely captive insurer, Health maintenance organization and Mutual insurer

No	LAWS/REGULATIONS/ DIRECTIVES/ GUIDELINES	CURRENT STATUS	OUTCOME/EXPECTED OUTCOME
34.	Regulation on Accreditation of Administrators and liquidators	Approved by the Board	1. to have a legal instrument providing for the accreditation requirements for individuals or firms intending to carry out the special administration or the liquidation of financially distressed regulated institutions. 2. to increase the credibility of special administration or liquidation system in the financial sector through having an updated list of individuals or firms that can act as the special administrator/liquidator; 3. to put in place the legal tool for the implementation of different financial sector enacted laws, especially for matters delegated as to accreditation of special administrators and liquidators.
35.	Regulation on Risk-based Capital adequacy Requirement	Approved by the Board	1. Enhancing consumer protection through ascertainment of adequate capital and solvency of an insurer; 2. Allowing insurers to conduct their business in line with owners' capabilities to absorb loss through the available financial means. 3. Compliance with best practices and global way of supervising insurance business; and 4. The need for insurers to incorporate risk management into business practices.
III. DIRECTIVES			
36.	Develop the directive on minimum requirements of the recovery plan	Signed on 4/11/2022	Cultivating the culture of crisis management in banks by laying down general rules for preparing recovery plans.
37.	Directive determining the regulated institutions audited by Tier II Auditing firm and Tier III External Auditor	Signed on 24/08/2022	To determine regulated institutions to be audited by Tier II audit firm and Tier III external Auditor. It also set criteria for the accreditation of Tier III external Auditor.
38.	Directive on compensation framework for banks	Signed on 06/06/2023	To ensure that all Financial Stability Board (FSB) Principles for Sound Compensation are implemented and encourages prudent risk taking across the banking industry
39.	Develop the Directive on shared services	Signed on 07/07/2023	This Directive will provide guidance and streamline the activities of banks and other financial institutions engaged in shared services in regard to initiation and evaluation and other matters connected thereto. In addition, this Directive sets out operational standards for banks and other financial institutions in line with best practices.

No	LAWS/REGULATIONS/ DIRECTIVES/ GUIDELINES	CURRENT STATUS	OUTCOME/EXPECTED OUTCOME
40.	Directive on transactions in foreign currencies by non-licensed persons	Signed on 22/02/2023	This directive establishes required documents or information to be submitted by a non-licensed person requesting for authorization to transact in foreign currencies.
41.	Directive governing Digital Saving Facilitators	Signed on 15/05/2023	This directive was developed in the bid to protect the funds of Saving and Credit Group members or individual beneficiaries against abuses of facilitators or fraud emanating from the technology.
		IV.GUIDELINES	
42.	Guidelines on interest rate risk in banking book	Signed on 07/06/2023	These guidelines will 1. Guide banks on how to compute ΔEVE and ΔNII for the entire balance sheet and not just for the banking book positions and report to the Supervisor; and 2. Enable an environment for the promotion of global consistency, transparency and comparability of IRRBB with that of global banks, and banks compute IRRBB separately and disclose it based on BCBS prescribed standards.
43.	Guidelines on Stress Testing for Banking Financial Institutions	Signed on 7/07/2023	1. Enable Banking Financial Institutions conduct stress testing as part of risk management in evaluating the potential impact of a specific event and/or movement in a set of financial variables. 2. Assist in the assessment of the vulnerability of an individual bank or the banking system to shocks.
44.	Guidelines on IFRS 9-financial instruments implementation and disclosures	Signed on 6/06/2023	These guidelines will enable smooth implementation of and transitioning to IFRS 9 in banking sector to continue enhancing market discipline, transparency, consistency of application and facilitate greater comparability across the banking sector by detailing supervisory expectations, especially in areas where banks are expected to exercise significant judgment and or elect to use simplifications and other practical expedients permitted under standards.
45.	Develop the Guideline on climate related risk	It was finalized; However, it was recommended to be updated after the findings of diagnostic review on NBR and regulated institutions capabilities to implement Rwanda Sustainable Finance Roadmap. To be finalized next FY before December 2023.	1. To provide guidance on financial institutions on the components of climate-related and environmental financial risks, 2. To set out approaches that will guide the institutions to manage the climate related risks through entire risk management cycle. 3. To integrate climate related and environmental financial risk management into banks' risk management program.



ANNEX 3
RESEARCH PAPERS

#	Policy paper	Objective(s)	Finding(s)	Recommendation(s)
1	EQUILIBRIUM REAL EFFECTIVE EXCHANGE RATE AND MONETARY POLICY IMPLEMENTATION IN RWANDA	To estimate the equilibrium real exchange rate, determine the level of real exchange rate misalignment, and assess the implications of exchange rate misalignment on the monetary policy implementation in Rwanda.	Overall, Rwanda's real effective exchange rate is undervalued by 2.3 percent, suggesting that the Rwandan franc should appreciate by 2.3 percent in real effective terms to restore REER to its sustainable levels.	Monetary authorities should effectively monitor the evolution of the exchange rate. In addition, maintaining a flexible exchange rate regime would help cushion the adverse external shocks.
2	EXCHANGE RATE MISALIGNMENT IN RWANDA. DOES EXPORT DIVERSIFICATION MATTER?	To estimate the equilibrium fundamental exchange rate misalignment and investigate the role of export diversification in reducing real exchange rate misalignment in Rwanda.	The real effective exchange rate is in line with the economic fundamentals, and export diversification reduces exchange rate misalignment in Rwanda.	Implementing policies to diversify Rwanda's export base since greater diversification of exports would make Rwanda less vulnerable to exogenous shocks and more protected against the risks of short-term devaluation.
3	IMPLICATION OF FINTECH ON FINANCIAL STABILITY IN RWANDA	To better understand the implications on the financial stability of FinTech and to ultimately inform policy to expand the reach, improve the quality, and reduce the cost of digital financial services for consumers in Rwanda.	Regulatory Sandbox reduces the development costs of FinTech, hence promoting financial institutions that adopt the technology in providing services to customers.	Regulators should consider measures to promote FinTech development and not look for a one-size-fits-all FinTech regulation but should review the market characteristics of their jurisdictions to tailor FinTech supervisory frameworks.
4	UNCOVERING THE REASONS BEHIND THE PERSISTENT USE OF INFORMAL FINANCIAL SERVICES IN RWANDA	Provide an overview of the different needs/challenges Savings and Credit Groups (SCG) members have vis a vis financial services; identify avenues of linkage between both informal and formal financial sectors that benefit informal saving & credit groups; and suggest actions/measures to further empower financially informal saving & credit groups.	Members of SCGs perceive that FSPs are more expensive and not accessible compared to their savings & credit groups. Saving groups are preferable to formal financial institutions; however, most of the members have accounts in formal financial institutions which means that the appetite to consume their service is there if all the raised challenges are addressed.	There is a need for concerted efforts from different stakeholders between the public sector (NBR & MINECOFIN), private sector (FSPs, MNOs, FinTechs, etc.) and civil society (local and international NGOs) to leverage digital financial literacy in addressing the identified gaps vis à vis formal financial services.
5	A NEW LOOK AT THE BANK LENDING CHANNEL OF MONETARY POLICY IN RWANDA	To investigate the existence of the bank-lending channel in the transmission of monetary policy in Rwanda from 2014Q1 to 2022Q4.	There is evidence of an operational bank lending channel in Rwanda, and the effect of monetary policy is more pronounced for medium-sized banks than larger banks.	The National Bank of Rwanda must explore the set of tools in its purview to ensure that policy changes affect loan portfolios of the entire bank system as intended.

#	Policy paper	Objective(s)	Finding(s)	Recommendation(s)
6	INTEREST RATE PASS-THROUGH IN RWANDA	To examine how effective the interest rate channel in Rwanda is by focusing on the interest rate pass-through.	Compared to the work of Kigabo (2021), the estimations show improved pass-through from the 26-week to the 1-month deposit rate and from the 3-month deposit rate to the weighted lending rate. There is a weak but statistically significant short-run pass-through from the 13-week T-bills to the 3-month deposit rate. In the long run, there is weak and statistically significant pass-through from the interbank rate, the repo rate, and the 13-week and 26-week T-bills rates to the deposit rates of 1, 2, 6 and 12 months, respectively.	A detailed analysis of the deposit and loan market dynamics from time to time using updated data to check if there has been an improvement in the interest rate pass-through, which is required for the efficient functioning of the interest rate channel. NBR should continue working with other stakeholders to increase financial sector development and implement other policies aimed at attaining the desired structural transformation of the Rwandan economy, as this can potentially lead to the improvement of the Monetary Policy Transmission Mechanism.
7	EXCHANGE RATE CHANNEL OF MONETARY POLICY TRANSMISSION MECHANISM IN RWANDA	To assess monetary policy transmission through the exchange rate channel in the case of Rwanda by evaluating the first stage of transmission, that is, whether monetary policy impulses affect exchange rates, using various models and comparing the strength of direct and indirect channels.	The transmission of the monetary policy via the exchange rate channel exists. An increase in Central Bank Rate (CBR) affects the exchange rate by reducing the depreciation rate of Franc Rwandais. Furthermore, results show that this effect on the Franc Rwandais exchange rate is transmitted to inflation, and the peak impact is attained after four quarters.	The National Bank of Rwanda's interventions to tame exchange rate volatility via selling or buying foreign currencies to the market can be equally important in the current framework if this is not excessive to alter the trend of exchange rate depreciation and consider the level of reserves.

ANNEX 4
STATISTICAL TABLES

MAJOR INDICATORS OF NATIONAL ECONOMY

Appendix 1

Description	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Current GDP (in Frw billion)	**8,012**	**8,716**	**9,384**	**10,267**	**11,983**	**15,283**
of which : Primary sector, in % of GDP	26.0	24.0	25.0	26.0	23.0	26.0
Secondary sector, in	17.0	18.0	19.0	19.0	21.0	21.0
Tertiary sector, in	49.0	50.0	48.0	47.0	48.0	45.0
Constant GDP (in Frw billion ,2017)	**8,023**	**8,730**	**8,933**	**9,328**	**10,159**	**10,986**
Growth rate (in %)	**7.8**	**8.8**	**2.3**	**4.4**	**8.9**	**8.1**
of which : Primary sector	8.0	4.0	2.0	5.0	3.0	1.0
Secondary sector	6.0	15.0	3.0	9.0	8.0	5.0
Tertiary sector	9.0	8.0	2.0	2.0	12.0	12.0
Inflation rate	**2.3**	**0.8**	**6.3**	**4.2**	**4.6**	**18.2**
Current GDP per capita (In USD)	**793**	**810**	**815**	**828**	**907**	**1,060**
Growth rate (in %)	**4.5**	**2.1**	**0.6**	**1.6**	**9.5**	**16.9**
USES OF GDP(constant), in %	**100.0**	**100.0**	**100.0**	**100.0**	**99.0**	**100.0**
Private Consumption	76.0	73.0	75.0	75.0	72.0	72.8
Public Consumption	15.0	16.0	16.0	16.0	17.0	17.5
Gross Domestic Investment	22.0	25.0	25.0	23.0	27.0	23.9
Resource Balance	-13.0	-14.0	-16.0	-14.0	-17.0	-14.2
Balance of current payments (+net transfers), in % of GDP	**-10.1**	**-11.1**	**-12.2**	**-11.0**	**-9.4**	**-11.5**
Gross reserves, in number of months of imports of goods and non factor services (GNFS)	**4.4**	**4.5**	**5.7**	**5.0**	**4.8**	**4.4**
Tax revenues, in % of GDP	**18.5**	**16.3**	**15.0**	**15.8**	**15.7**	**15.4**
Budget deficit (cash basis), in % of GDP	**-4.5**	**-5.6**	**-13.0**	**N.A**	**N.A**	**NA**
External public debt stock (USD million)	**3,261.4**	**3,885.8**	**5,046.3**	5,689.04	**6,052.7**	**6,255.8**
External debt Service in % of export earnings	**7.0**	**3.4**	**5.1**	**6.0**	**4.2**	**NA**

Source: NBR

GROSS DOMESTIC PRODUCT BY BRANCH OF ACTIVITY (Nominal) **Appendix 2**

(In Frw billion , at current prices)

DESCRIPTION	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Agriculture	**2,062**	**2,056**	**2,366**	**2,676**	**2,805**	**4,025**
Food crops	1,243	1,135	1,369	1,563	1,475	2,386
Export crops	142	128	118	128	159	212
Livestock & livestock products	197	229	283	337	400	511
Forestry	447	532	566	609	726	857
Fishing	32	32	31	38	45	58
Industry	**1,373**	**1,584**	**1,760**	**1,965**	**2,548**	**3,228**
Mining & quarrying	175	191	105	173	413	353
TOTAL MANUFACTURING	612	673	816	933	1,133	1,473
Manufacturing of food	206	197	294	309	417	652
Manufacturing of beverages & tobacco	166	182	195	220	263	315
Manufacturing of textiles, clothing & leather goods	45	63	75	92	100	109
Manufacturing of wood & paper; printing	26	31	30	36	38	38
Manufacturing of chemicals, rubber & plastic products	36	42	63	79	94	120
Manufacturing of non-metallic mineral product	32	40	44	44	58	64
Manufacturing of metal products, machinery & equipment	33	40	43	58	55	62
Furniture & other manufacturing	67	77	72	95	108	114
Electricity	86	88	90	95	83	56
Water & waste management	32	43	57	60	64	61
Construction	467	589	691	704	855	1,285
Services	**3,903**	**4,332**	**4,499**	**4,803**	**5,728**	**6,922**
TRADE &TRANSPORT	**1,099**	**1,297**	**1,396**	**1,547**	**1,957**	**2,417**
Maintenance & repair of motor vehicles	42	47	48	68	72	81
Wholesale & retail trade	654	745	785	878	1,199	1,533
Transport services	403	505	563	600	687	803
OTHER SERVICES	**2,804**	**3,035**	**3,103**	**3,256**	**3,771**	**4,505**
Hotels & restaurants	144	167	141	82	162	172
Information & communication	143	157	180	214	215	216
Financial services	199	219	222	243	310	388
Real estate activities	583	648	614	668	707	780
Professional, scientific and technical activiti	173	192	210	237	265	308
Administrative and support service activities	286	296	320	321	353	419
Public administration and defence; compulsory social security	466	499	548	575	625	809
Education	237	247	217	223	384	609
Human health and social work activities	161	153	173	186	194	156
Cultural, domestic & other services	412	457	478	509	558	646
Taxes less subsidies on products	**677**	**741**	**774**	**834**	**901**	**1,108**
GROSS DOMESTIC PRODUCT	**8,014**	**8,713**	**9,399**	**10,279**	**11,983**	**15,283**

Source: National Institute of Statistics of Rwanda (NISR)

GROSS DOMESTIC PRODUCT BY BRANCH OF ACTIVITY (Real) Appendix 3

(In Frw billion , at 2017 constant prices)

DESCRIPTION	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Agriculture	**2,108**	**2,200**	**2,247**	**2,358**	**2,439**	**2,465**
Food crops	1,350	1,400	1,415	1,484	1,520	1,491
Export crops	147	147	143	141	139	150
Livestock & livestock products	195	217	237	258	280	299
Forestry	386	406	424	444	467	490
Fishing	30	30	28	31	33	34
Industry	**1,370**	**1,571**	**1,612**	**1,756**	**1,902**	**1,993**
Mining & quarrying	167	182	135	137	157	177
TOTAL MANUFACTURING	628	709	731	816	885	987
Manufacturing of food	232	239	255	277	294	346
Manufacturing of beverages & t	155	176	180	191	209	215
Manufacturing of textiles, clo	42	57	63	66	77	94
Manufacturing of wood & paper;	27	34	34	38	43	52
Manufacturing of chemicals, ru	37	47	52	61	70	84
Manufacturing of non-metallic	33	44	42	44	55	55
Manufacturing of metal product	35	44	43	59	54	61
Furniture & other manufacturin	66	68	62	81	83	80
Electricity	88	95	98	106	121	130
Water & waste management	32	33	34	35	37	37
Construction	455	552	615	663	704	661
Services	**3,863**	**4,189**	**4,254**	**4,351**	**4,875**	**5,466**
TRADE &TRANSPORT	**1,082**	**1,241**	**1,265**	**1,279**	**1,454**	**1,658**
Maintenance and repair of motor	42	44	41	56	62	64
Wholesale & retail trade	652	753	792	842	930	1,055
Transport services	388	444	431	381	462	539
OTHER SERVICES	**2,782**	**2,948**	**2,989**	**3,071**	**3,421**	**3,808**
Hotels & restaurants	143	156	141	90	178	246
Information & communication	144	157	193	240	271	362
Financial services	203	218	220	237	276	300
Real estate activities	573	607	597	625	646	663
Professional, scientific and tec	171	189	193	209	224	220
Administrative and support servi	283	292	297	285	301	301
Public administration and defence; compulsory social security	461	483	512	522	532	612
Education	235	241	199	190	252	310
Human health and social work act	163	161	180	196	221	228
Cultural, domestic & other servi	406	445	457	477	519	564
Taxes less subsidies on products	**684**	**771**	**821**	**867**	**943**	**1,062**
GROSS DOMESTIC PRODUCT	**8,025**	**8,732**	**8,934**	**9,332**	**10,159**	**10,986**

Source: National Institute of Statistics of Rwanda (NISR)

MONTHLY EVOLUTION OF CONSUMER PRICE INDEX

(For the general index and the divisions i

Appendix 4

Reference: February 2014=100

Divisions	Weights	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
		2022-2023											
01. Food and non-alcoholic beverages	2,819	180.4	180.9	189.6	199.8	202.3	199.6	205.0	214.7	224.0	228.8	220.1	221.2
· Bread and cereals	530	163.7	165.1	176.7	182.1	185.4	190.3	191.9	190.5	191.9	194.3	177.3	180.8
· Meat	209	183.9	185.4	186.7	187.1	186.5	188.3	187.5	187.8	193.5	201.4	201.4	205.6
· Milk, cheese and eggs	170	136.1	138.4	166.4	171.9	170.2	164.6	159.7	158.2	159.8	160.2	161.8	163.3
. Vegetables	1,013	201.0	203.0	216.2	238.7	243.7	230.3	241.7	271.0	294.5	300.1	287.9	290.0
· Non-alcoholic beverages	130	144.8	150.3	154.7	159.9	163.8	164.8	169.4	170.9	172.0	173.1	174.1	175.6
02. Alcoholic beverages and tobacco	276	193.3	194.9	195.4	202.2	211.1	217.5	221.5	222.0	223.6	221.4	223.0	226.1
03. Clothing and footwear	422	142.1	142.9	144.5	145.6	146.1	147.6	148.3	148.5	148.7	149.8	150.1	151.4
04. Housing, water, electricity, gas and other fuels	2,296	130.5	130.9	131.5	133.2	133.4	133.8	134.0	135.2	135.6	135.6	135.9	135.9
05. Furnishing, household equipment and routine household maintenance	408	142.4	144.0	144.6	145.9	146.6	147.1	148.1	148.4	149.4	149.4	149.8	150.6
06. Health	91	109.1	109.1	109.3	109.3	109.2	109.3	109.4	109.4	109.7	109.6	109.5	109.6
07. Transport	1,774	145.7	147.7	150.4	149.8	150.3	150.2	150.9	150.7	150.8	150.7	151.0	151.9
08. Communication	278	108.1	108.3	108.6	108.6	108.6	108.6	108.6	108.6	108.6	108.6	108.6	108.6
09. Recreation and culture	213	138.8	138.5	142.3	149.3	152.2	153.5	154.2	154.1	155.2	154.5	155.2	155.6
10. Education	587	130.5	130.5	130.6	141.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3
11. Restaurants and hotels	430	127.6	128.8	129.7	130.9	130.3	133.0	134.4	134.5	136.1	138.5	138.3	137.6
12. Miscellaneous goods and services	408	125.5	125.7	126.3	126.9	126.1	125.2	125.4	125.9	125.9	132.0	132.2	133.0
GENERAL INDEX	10,000	148	149	152	157	158	158	160	163	166	168	165	166
Monthly changes		1.7	0.5	2.1	2.7	0.8	0.0	1.3	1.8	1.8	1.1	-1.3	0.4
Changes over 12 months		15.6	15.9	17.6	20.1	21.7	21.6	20.7	20.8	19.3	17.8	14.1	13.7

Source: National Institute of Statistics of Rwanda (NISR)

Monthly Evolution of Producer Price Index

Appendix 5(1)

December 2010 = 100

Activity	Weights	YEAR 2022- 2023											
		Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Rwanda	**1000**	**165.3**	**168.9**	**171.6**	**173.4**	**172.1**	**177.7**	**180.3**	**180.2**	**180.1**	**185.3**	**188.3**	**196.1**
Mining and quarrying	96.1	148.7	149.0	149.0	149.1	149.2	149.4	149.6	149.8	150.0	150.2	150.4	150.8
Mining of metal ores	96.1	148.7	149.0	149.0	149.1	149.2	149.4	149.6	149.8	150.0	150.2	150.4	150.8
Mining of non-ferrous metal ores	96.1	148.7	149.0	149.0	149.1	149.2	149.4	149.6	149.8	150.0	150.2	150.4	150.8
Mining of other non-ferrous metal ores	**96.1**	**148.7**	**149.0**	**149.0**	**149.1**	**149.2**	**149.4**	**149.6**	**149.8**	**150.0**	**150.2**	**150.4**	**150.8**
Manufacturing	714.0	160.6	165.9	169.7	172.3	170.5	178.3	181.9	181.7	181.6	188.8	192.8	203.2
Manufacture of food products	376.3	174.1	178.4	184.2	186.2	183.3	195.4	199.8	199.3	199.2	203.0	209.2	224.8
Processing and preserving of meat	23.1	163.4	163.4	163.4	163.4	163.4	289.1	289.1	289.1	289.1	289.1	289.1	289.1
Processing and preserving of meat	**23.1**	**163.4**	**163.4**	**163.4**	**163.4**	**163.4**	**289.1**	**289.1**	**289.1**	**289.1**	**289.1**	**289.1**	**289.1**
Processing and preserving of fruit and vegetables	1.5	176.0	176.0	176.0	176.0	176.0	176.0	176.0	176.0	176.0	176.0	176.0	176.0
Processing and preserving of fruit and vegetables	**1.5**	**176.0**	**176.0**	**176.0**	**176.0**	**176.0**	**176.0**	**176.0**	**176.0**	**176.0**	**176.0**	**176.0**	**176.0**
Manufacture of dairy products	10.9	105.7	115.6	115.6	115.6	115.6	115.6	115.6	115.6	115.6	115.6	115.6	115.6
Manufacture of dairy products	**10.9**	**105.7**	**115.6**	**115.6**	**115.6**	**115.6**	**115.6**	**115.6**	**115.6**	**115.6**	**115.6**	**115.6**	**115.6**
Manufacture of grain mill products	41.8	111.8	111.8	111.8	111.8	111.9	111.9	112.2	112.1	112.1	112.2	112.3	112.3
Manufacture of grain mill products	**41.8**	**111.8**	**111.8**	**111.8**	**111.8**	**111.9**	**111.9**	**112.2**	**112.1**	**112.1**	**112.2**	**112.3**	**112.3**
Manufacture of other food products	299.0	180.9	185.6	192.1	194.3	191.1	193.3	198.7	198.1	198.0	202.5	209.9	228.1
Manufacture of bakery products	**5.5**	**176.7**	**176.7**	**176.7**	**176.7**	**176.7**	**176.7**	**176.7**	**176.7**	**176.7**	**176.7**	**176.7**	**176.7**
Manufacture of sugar	**147.8**	**186.6**	**179.4**	**184.6**	**189.9**	**183.6**	**190.7**	**200.2**	**197.7**	**198.5**	**214.5**	**216.1**	**237.5**
Manufacture of other food products n.e.c. (coffee and tea)	**145.7**	**175.3**	**191.4**	**199.1**	**198.7**	**198.1**	**196.2**	**197.9**	**199.1**	**198.1**	**190.3**	**204.5**	**219.7**
Manufacture of coffee products	**65.5**	**169.5**	**206.7**	**207.3**	**208.1**	**208.8**	**209.9**	**211.1**	**212.2**	**214.6**	**215.9**	**227.0**	**250.3**
Manufacture of tea products	**80.1**	**179.9**	**176.4**	**191.7**	**190.1**	**188.0**	**183.0**	**185.3**	**186.6**	**181.7**	**161.5**	**180.7**	**184.8**

Source: National Institute of Statistics of Rwanda (NISR)

Monthly Evolution of Producer Price Index

Appendix 5(2)

December 2010 = 100

Activity	Weights	YEAR 2022- 2023											
		Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Rwanda	1000	**165.3**	**168.9**	**171.6**	**173.4**	**172.1**	**177.7**	**180.3**	**180.2**	**180.1**	**185.3**	**188.3**	**196.1**
Manufacture of beverages	174	134.2	147.4	147.4	154.4	154.4	154.4	154.4	155.2	155.2	178.8	178.8	178.8
Manufacture of beverages	174	134.2	147.4	147.4	154.4	154.4	154.4	154.4	155.2	155.2	178.8	178.8	178.8
Manufacture of wines	**2**	106.3	126.4	126.4	128.1	128.1	128.1	128.1	130.1	130.1	137.2	137.2	137.2
Manufacture of malt liquors and malt	**169**	134.3	147.6	147.6	154.2	154.2	154.2	154.2	155.0	155.0	179.0	179.0	179.0
Manufacture of soft drinks; production of mineral waters	**3**	142.4	147.3	147.3	173.7	173.7	173.7	173.7	174.0	174.0	186.3	186.3	186.3
Manufacture of tobacco products	3	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Manufacture of tobacco products	3	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Manufacture of tobacco products	**3**	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Manufacture of textiles	5	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7
Manufacture of other textiles	5	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7
Manufacture of made-up textile articles, except apparel	**5**	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7	95.7
Manufacture of leather and related products	24	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8
Manufacture of footwear	24	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8
Manufacture of footwear	**24**	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8	99.8
products of wood and cork, except furniture; manufacture	1	112.5	112.5	112.5	112.5	112.5	112.5	112.5	125.9	125.9	125.9	125.9	125.9
of wood; manufacture of articles of cork, straw and	1	112.5	112.5	112.5	112.5	112.5	112.5	112.5	125.9	125.9	125.9	125.9	125.9
Manufacture of other products of wood; manufacture of articles of cork, straw and	**1**	112.5	112.5	112.5	112.5	112.5	112.5	112.5	125.9	125.9	125.9	125.9	125.9

Source: National Institute of Statistics of Rwanda (NISR)

Monthly Evolution of Producer Price Index

Appendix 5(3)

December 2010 = 100

Activity	Weights	YEAR 2022- 2023											
		Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Rwanda	**1000**	**165.3**	**168.9**	**171.6**	**173.4**	**172.1**	**177.7**	**180.3**	**180.2**	**180.1**	**185.3**	**188.3**	**196.1**
Manufacture of paper and paper products	2	136	136	136	136	136	136	136	136	136	136	136	136
Manufacture of paper and paper products	2	136.1	136.1	136.1	136.1	136.1	136.1	136.1	136.1	136.1	136.1	136.1	136.1
Manufacture of other articles of paper and paperboard	**2**	**136.1**	**136.1**	**136.1**	**136.1**	**136.1**	**136.1**	**136.1**	**136.1**	**136.1**	**136.1**	**136.1**	**136.1**
Printing and reproduction of recorded media	19	106	106	106	106	106	106	106	106	106	106	106	106
Printing and service activities related to printing	19	106.2	106.2	106.2	106.2	106.2	106.2	106.2	106.2	106.2	106.2	106.2	106.2
Printing and service activities related to printing	**19**	**106.2**	**106.2**	**106.2**	**106.2**	**106.2**	**106.2**	**106.2**	**106.2**	**106.2**	**106.2**	**106.2**	**106.2**
Manufacture of chemicals and chemical products	29	187.3	192.1	192.5	192.6	193.1	193.1	206.4	206.2	204.7	206.0	206.2	206.5
Manufacture of other chemical products	29	187.3	192.1	192.5	192.6	193.1	193.1	206.4	206.2	204.7	206.0	206.2	206.5
Manufacture of paints, varnishes and similar	**8**	**201.8**	**215.3**	**215.3**	**215.3**	**215.3**	**215.3**	**245.2**	**245.2**	**245.2**	**245.2**	**245.2**	**245.2**
Manufacture of soap and detergents, cleaning and	**18**	**185.7**	**185.7**	**185.7**	**185.7**	**186.4**	**186.4**	**186.4**	**185.8**	**185.8**	**185.8**	**185.8**	**185.8**
Manufacture of other chemical products n.e.c.	**2**	**132.4**	**132.4**	**142.7**	**144.4**	**147.6**	**147.7**	**177.8**	**179.7**	**152.9**	**177.1**	**179.4**	**183.1**
pharmaceuticals, medicinal chemical and botanical products	0	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1
pharmaceuticals, medicinal chemical and botanical products	0	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1	100.1
Manufacture of pharmaceuticals, medicinal	**0**	**100.1**	**100.1**	**100.1**	**100.1**	**100.1**	**100.1**	**100.1**	**100.1**	**100.1**	**100.1**	**100.1**	**100.1**
Manufacture of rubber and plastics products	11	216.7	216.7	216.7	216.7	217.3	217.3	217.3	217.3	218.6	218.6	218.6	218.6
Manufacture of rubber products	3	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	**3**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Manufacture of plastics products	8	123.9	123.9	123.9	123.9	123.9	123.9	123.9	123.9	123.9	123.9	123.9	123.9
Manufacture of plastics products	**8**	**123.9**	**123.9**	**123.9**	**123.9**	**123.9**	**123.9**	**123.9**	**123.9**	**123.9**	**123.9**	**123.9**	**123.9**

Source: National Institute of Statistics of Rwanda (NISR)

Monthly Evolution of Producer Price Index

Appendix 5(4)

December 2010 = 100

Activity	Weights	YEAR 2022- 2023											
		Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Rwanda	**1000**	**165.3**	**168.9**	**171.6**	**173.4**	**172.1**	**177.7**	**180.3**	**180.2**	**180.1**	**185.3**	**188.3**	**196.1**
Manufacture of other non-metallic mineral products	31	124.4	124.4	124.4	124.4	125.0	125.0	125.0	125.0	126.4	126.4	126.4	126.4
Manufacture of non-metallic mineral products n.e.c.	31	124.4	124.4	124.4	124.4	125.0	125.0	125.0	125.0	126.4	126.4	126.4	126.4
Manufacture of non-metallic mineral products n.e.c.	**31**	**124.4**	**124.4**	**124.4**	**124.4**	**125.0**	**125.0**	**125.0**	**125.0**	**126.4**	**126.4**	**126.4**	**126.4**
Manufacture of fabricated metal products, except machinery and equipment	29	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9
Manufacture of fabricated metal products, except machinery and equipment	29	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9	144.9
Manufacture of fabricated metal products, except machinery and equipment	**29**	**144.9**	**144.9**	**144.9**	**144.9**	**144.9**	**144.9**	**144.9**	**144.9**	**144.9**	**144.9**	**144.9**	**144.9**
Manufacture of electrical equipment	1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1
Manufacture of batteries and accumulators	1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1
Manufacture of batteries and accumulators	**1**	**156.1**	**156.1**	**156.1**	**156.1**	**156.1**	**156.1**	**156.1**	**156.1**	**156.1**	**156.1**	**156.1**	**156.1**
Manufacture of furniture	9	133.7	133.7	136.1	136.1	136.1	136.1	136.1	136.1	136.6	136.6	136.6	136.6
Manufacture of furniture	9	133.7	133.7	136.1	136.1	136.1	136.1	136.1	136.1	136.6	136.6	136.6	136.6
Manufacture of furniture	**9**	**133.7**	**133.7**	**136.1**	**136.1**	**136.1**	**136.1**	**136.1**	**136.1**	**136.6**	**136.6**	**136.6**	**136.6**
Electricity, gas, steam and air conditioning supply	58	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5
Electricity, gas, steam and air conditioning supply	58	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5
Electric power generation, transmission and distribution	58	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5	179.5
Electric power generation, transmission and distribution	**58**	**179.5**	**179.5**	**179.5**	**179.5**	**179.5**	**179.5**	**179.5**	**179.5**	**179.5**	**179.5**	**179.5**	**179.5**
Water supply; sewerage, waste management and remediation activities	129	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6
Water collection, treatment and supply	129	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6
Water collection, treatment and supply	129	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6
Water collection, treatment and supply	**129**	**190.6**	**190.6**	**190.6**	**190.6**	**190.6**	**190.6**	**190.6**	**190.6**	**190.6**	**190.6**	**190.6**	**190.6**
Information and communication	3	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8
Publishing activities	3	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8
Publishing of books, periodicals and other publishing activities	3	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8	197.8
Book publishing	**1**	**185.8**	**185.8**	**185.8**	**185.8**	**185.8**	**185.8**	**185.8**	**185.8**	**185.8**	**185.8**	**185.8**	**185.8**
Publishing of newspapers, journals and periodicals	**3**	**200.1**	**200.1**	**200.1**	**200.1**	**200.1**	**200.1**	**200.1**	**200.1**	**200.1**	**200.1**	**200.1**	**200.1**

Source: National Institute of Statistics of Rwanda (NISR)

CENTRAL BANK SURVEY (in Frw million)

DESCRIPTION	NET FOREIGN ASSETS			CLAIMS ON DOMESTIC SECTORS								DOMESTIC CREDIT (12)=(6)+(9)+(10)+(11)	OTHER ITEMS NET (13)	NET DOMESTIC ASSETS (14)=(12)+(13)	RESERVE MONEY			
				NET CREDIT TO GOVERNMENT			NET CLAIMS ON BANKS			CLAIMS ON OTHER FINANCIAL INSTITUTIONS (10)	LOAN TO PRIVATE SECTOR (STAFF) (11)							
	FOREIGN ASSETS (1)	FOREIGN LIABILITIES (2)	NET FOREIGN ASSETS (3)=(1)-(2)	CLAIMS ON GOVERNMENT (4)	LIABILITIES TO GOVERNMENT (5)	NET CREDIT TO GOVERNMENT (6)=(4)-(5)	BORROWING (7)	LENDING (8)	NET CREDIT TO BANKS (9)=(8)-(7)						CURRENCY OUT OF BNR (1)	BANKS DEPOSITS (2)	NON BANK DEPOSITS (3)	RESERVE MONEY (4)=(1)+(2)+(3)
June 2021	1,509,119.8	275,976.3	**1,233,143.5**	81,307.6	558,599.3	-477,291.7	128,251.9	173,209.8	44,957.9	29,920.3	12,106.9	-390,306.6	-316,737.9	**-707,044.5**	296,613.1	222,864.2	6,621.7	**526,099.0**
June 2022	1,902,792.4	311,520.2	**1,591,272.2**	116,457.6	729,651.2	-613,193.6	227,597.1	193,792.8	-33,804.3	55,488.3	12,465.2	-579,044.4	-330,586.9	**-909,631.3**	352,496.9	326,373.6	2,770.4	**681,640.9**
June 2023	2,038,426.0	257,317.5	**1,781,108.5**	120,369.3	650,357.5	-529,988.2	107,975.0	153,683.1	45,708.1	89,816.6	12,442.4	-382,021.0	-539,931.3	**-921,952.4**	374,918.5	482,208.1	2,029.5	**859,156.1**
2021																		
January	1,584,531.9	302,480.3	**1,282,051.6**	80,744.1	747,777.8	-667,033.7	105,624.3	248,230.2	142,605.9	30,137.3	12,307.5	-481,983.1	-279,230.3	**-761,213.3**	268,589.8	246,405.3	5,843.2	**520,838.3**
February	1,514,869.4	300,430.7	**1,214,438.7**	80,846.4	659,096.2	-578,249.8	105,815.8	244,766.0	138,950.2	31,933.1	12,307.5	-395,059.0	-279,393.4	**-674,452.4**	274,110.4	254,349.0	11,526.9	**539,986.4**
March	1,571,754.0	292,068.3	**1,279,685.7**	80,980.6	684,541.7	-603,561.1	103,773.7	225,219.1	121,445.4	31,530.2	12,214.1	-438,371.5	-289,054.9	**-727,426.3**	271,351.0	270,727.6	10,180.7	**552,259.4**
April	1,556,230.2	275,742.6	**1,280,487.6**	81,145.7	731,682.6	-650,536.9	122,024.5	267,568.5	145,544.0	31,530.2	12,259.5	-461,203.2	-292,487.6	**-753,690.7**	274,942.8	239,982.1	11,871.9	**526,796.8**
May	1,515,406.2	279,769.4	**1,235,636.7**	81,143.6	634,315.1	-553,171.5	121,555.2	248,169.1	126,614.0	30,432.3	12,090.5	-384,034.7	-290,783.8	**-674,818.5**	284,426.0	268,130.3	8,261.9	**560,818.3**
June	1,509,119.8	275,976.3	**1,233,143.5**	81,307.6	558,599.3	-477,291.7	128,251.9	173,209.8	44,957.9	29,920.3	12,106.9	-390,306.6	-316,737.9	**-707,044.5**	296,613.1	222,864.2	6,621.7	**526,099.0**
July	1,494,552.7	275,797.0	**1,218,755.7**	81,473.4	620,678.4	-539,205.0	149,580.1	312,535.1	162,955.0	29,642.7	13,084.2	-333,523.1	-313,570.1	**-647,093.2**	287,839.1	279,783.0	4,040.4	**571,662.4**
August	1,920,663.0	491,846.7	**1,428,816.3**	119,205.6	756,477.3	-637,271.7	151,561.1	260,183.0	108,621.9	29,737.0	12,945.5	-485,967.2	-322,630.5	**-808,597.8**	290,874.1	323,687.4	5,657.0	**620,218.5**
September	1,785,891.7	492,637.8	**1,293,253.9**	112,528.3	637,173.7	-524,645.5	153,823.7	271,240.8	117,417.1	32,074.7	12,976.2	-362,177.5	-312,427.5	**-674,605.0**	291,400.6	322,528.2	4,720.1	**618,648.9**
October	1,749,146.5	481,578.3	**1,267,568.1**	114,043.0	623,056.0	-509,013.0	153,634.9	256,878.3	103,243.4	32,040.6	12,878.1	-360,850.8	-307,856.7	**-668,707.5**	284,496.7	309,006.3	5,357.7	**598,860.6**
November	1,815,225.4	499,999.8	**1,315,225.6**	114,422.7	634,668.2	-520,245.5	153,160.5	226,519.3	73,358.8	31,802.2	12,828.5	-402,256.0	-301,816.8	**-704,072.8**	288,948.0	315,212.6	6,992.2	**611,152.8**
December	1,906,849.9	489,237.0	**1,417,612.9**	114,729.3	658,185.3	-543,456.0	147,480.3	264,697.7	117,217.5	31,320.1	12,776.4	-382,142.2	-322,674.8	**-704,817.0**	319,887.9	384,978.2	7,929.9	**712,795.9**
2022																		
January	1,724,630.7	486,382.6	**1,238,248.1**	115,005.9	554,377.7	-439,371.8	141,186.3	228,130.6	86,944.4	36,034.2	12,556.5	-303,836.7	-308,372.5	**-612,209.3**	305,271.9	315,797.0	4,970.0	**626,038.9**
February	1,698,722.6	490,566.8	**1,208,155.8**	115,591.3	518,767.1	-403,175.7	141,871.6	225,392.1	83,520.5	35,977.6	12,364.9	-271,312.7	-302,281.9	**-573,594.5**	306,623.5	323,192.5	4,745.2	**634,561.2**
March	1,723,650.2	331,649.1	**1,392,001.0**	115,890.3	673,041.7	-557,151.4	140,783.1	222,077.8	81,294.7	35,507.6	12,242.7	-428,106.4	-303,474.4	**-731,580.8**	313,401.1	342,002.1	5,017.1	**660,420.3**
April	1,750,685.6	322,310.0	**1,428,375.6**	116,028.7	738,835.2	-622,806.5	137,020.2	266,494.2	129,473.9	35,568.7	12,236.9	-445,527.0	-317,934.7	**-763,461.6**	327,620.7	333,748.7	3,544.5	**664,914.0**
May	1,869,990.2	327,656.3	**1,542,333.9**	116,234.5	795,867.4	-679,632.9	126,871.3	206,099.7	79,228.4	44,463.3	12,195.8	-543,745.5	-328,887.0	**-872,632.5**	335,376.8	321,620.1	12,704.4	**669,701.3**
June	1,902,792.4	311,520.2	**1,591,272.2**	116,457.6	729,651.2	-613,193.6	227,597.1	193,792.8	-33,804.3	55,488.3	12,465.2	-579,044.4	-330,586.9	**-909,631.3**	352,496.9	326,373.6	2,770.4	**681,640.9**
July	1,904,133.2	303,052.0	**1,601,081.2**	116,875.7	706,392.7	-589,517.0	226,094.9	193,437.6	-32,657.3	54,639.2	13,901.8	-553,633.4	-359,254.8	**-912,888.2**	343,949.6	337,882.3	6,361.1	**688,193.0**
August	1,696,812.1	300,998.8	**1,395,813.3**	117,212.5	557,049.1	-439,836.6	207,808.5	176,202.7	-31,605.9	54,571.6	13,912.2	-402,958.7	-357,190.8	**-760,149.5**	332,176.3	296,599.8	6,887.7	**635,663.8**
September	1,657,633.5	293,099.5	**1,364,534.0**	106,879.0	503,331.3	-396,452.3	255,891.7	173,375.1	-82,516.7	54,070.3	13,797.4	-411,101.3	-340,972.1	**-752,073.4**	330,639.7	279,000.2	2,820.8	**612,460.7**
October	1,584,508.5	295,959.4	**1,288,549.1**	106,739.9	463,689.3	-356,949.5	199,421.8	163,273.1	-36,148.8	54,000.3	13,665.1	-325,432.8	-320,458.3	**-645,891.1**	323,515.9	313,890.0	5,252.1	**642,658.0**
November	1,521,980.8	305,448.8	**1,216,532.0**	107,978.3	401,692.1	-293,713.9	199,415.1	163,050.2	-36,364.9	53,015.7	13,586.0	-263,477.0	-333,605.1	**-597,082.1**	328,767.6	287,131.2	3,551.1	**619,449.9**
December	1,870,067.7	300,778.6	**1,569,289.1**	109,628.3	563,233.0	-453,604.7	103,248.0	178,119.9	74,871.9	51,985.5	13,327.7	-313,419.6	-336,026.3	**-649,445.9**	369,297.3	545,972.6	4,573.3	**919,843.2**
2023																		
January	1,474,284.6	294,500.1	**1,179,784.5**	111,275.10	397,031.8	-285,756.7	97,407.9	189770.8196	92,362.9	58,023.2	13,100.2	-122,270.4	-352,211.8	**-474,482.2**	346,676.2	343,923.9	14,702.3	**705,302.4**
February	1,490,180.7	297,452.1	**1,192,728.6**	111,750.77	367,723.5	-255,972.7	98,326.4	205016.0737	106,689.7	57,960.2	12,920.5	-78,402.3	-390,452.9	**-468,855.2**	351,082.8	369,083.9	3,706.8	**723,873.4**
March	1,789,418.2	303,087.5	**1,486,330.7**	113,347.53	566,893.9	-453,546.3	97,841.6	148549.5876	50,708.0	57,494.3	12,759.3	-332,584.7	-390,081.5	**-722,666.2**	360,451.5	402,003.2	1,209.8	**763,664.5**
April	1,843,258.1	242,118.0	**1,601,140.1**	114,880.75	726,182.9	-611,302.2	93,433.8	218206.2851	124,772.5	57,431.4	12,715.4	-416,382.9	-445,936.4	**-862,319.2**	350,926.7	385,223.8	2,670.3	**738,820.8**
May	1,881,819.7	239,504.1	**1,642,315.6**	116,813.88	696,101.4	-579,287.5	94,910.0	143103.2766	48,193.3	56,530.9	12,706.9	-461,856.4	-446,091.4	**-907,947.9**	357,688.4	374,620.9	2,058.4	**734,367.7**
June	2,038,426.0	257,317.5	**1,781,108.5**	120,369.33	650,357.5	-529,988.2	107,975.0	153683.1103	45,708.1	89,816.6	12,442.4	-382,021.0	-539,931.3	**-921,952.4**	374,918.5	482,208.1	2,029.5	**859,156.1**

Source: NBR

OTHER DEPOSITORY CORPORATIONS SURVEY (BK, I&M, GT BANK, ECOBANK, ACCESS BANK, COGEBANQUE, Urwego Bank, BP Bank Rwanda, UNGUKA bank, BOA, ZIGAMA CSS , EQUITY BANK , AB BANK, NCBA,MFIs)

Appendix 7

(in FRW million)

ASSETS													
DESCRIPTION	CLAIMS ON BNR					FOREIGN ASSETS (6)	CLAIMS ON BANKS* (7)	CLAIMS ON GOVERNMENT** (8)	CREDIT TO ECONOMY			ASSETS NON CLASSIFIED ELSEWHERE (12)***	TOTAL ASSETS (13)=(5)+(6)+(7)+(8)+(11)+(12)
	Reserves		Total Reserves (3)=(1)+(2)	Other Claims (4)	Total claims (5)=(3)+(4)				CLAIMS ON PUBLIC ENTREPRISES (9)	CLAIMS ON PRIVATE SECTOR (10)	TOTAL CLAIMS ON THE ECONOMY (11)=(9)+(10)		
	Deposits (1)	ash in vault (2											
June 2021	222,864.2	50,706.0	273,570.2	128,251.9	401,822.1	347,522.0	318,301.7	853,587.2	129,777.9	2,563,814.1	2,693,592.0	473,740.7	**5,088,565.7**
June 2022	326,373.6	57,350.3	383,723.9	227,597.1	611,321.0	448,900.5	281,049.0	1,037,351.2	120,329.1	2,969,215.6	3,089,544.7	508,900.0	**5,977,066.4**
June 2023	482,208.1	70,479.7	552,687.8	107,975.0	660,662.8	599,576.4	327,271.3	1,167,715.6	249,880.0	3,335,384.1	3,585,264.1	564,952.2	**6,905,442.4**
2021													
January	246,405.3	49,298.3	295,703.7	105,624.3	401,328.0	365,511.6	254,698.7	751,183.0	137,852.5	2,405,185.7	2,543,038.2	438,206.5	**4,753,965.9**
February	254,349.0	48,760.6	303,109.6	105,815.8	408,925.4	404,532.4	233,885.3	762,835.2	142,313.3	2,438,901.9	2,581,215.2	447,542.8	**4,838,936.3**
March	270,727.6	50,756.8	321,484.5	103,773.7	425,258.2	424,151.0	238,800.2	783,080.6	137,538.2	2,463,150.5	2,600,688.7	462,673.9	**4,934,652.7**
April	239,982.1	52,142.9	292,124.9	122,024.5	414,149.4	375,777.5	240,863.0	793,612.3	135,880.6	2,525,627.4	2,661,508.0	447,064.6	**4,932,974.8**
May	268,130.3	50,687.6	318,817.9	121,555.2	440,373.1	374,357.0	231,073.6	788,145.6	167,776.6	2,493,924.3	2,661,701.0	432,484.3	**4,928,134.5**
June	222,864.2	50,706.0	273,570.2	128,251.9	401,822.1	347,522.0	318,301.7	853,587.2	129,777.9	2,563,814.1	2,693,592.0	473,740.7	**5,088,565.7**
July	279,783.0	47,238.0	327,021.0	149,580.1	476,601.1	390,370.1	254,445.2	855,131.2	131,393.6	2,670,773.2	2,802,166.8	443,293.4	**5,222,007.7**
August	323,687.4	54,849.0	378,536.4	151,561.1	530,097.5	344,802.0	289,599.7	891,014.1	127,373.7	2,675,739.0	2,803,112.7	442,855.6	**5,301,481.6**
September	322,528.2	55,130.5	377,658.7	153,823.7	531,482.4	367,927.4	300,697.3	875,413.1	139,019.8	2,702,866.5	2,841,886.3	443,811.3	**5,361,217.9**
October	309,006.3	51,956.2	360,962.5	153,634.9	514,597.4	392,895.6	305,242.3	884,959.2	140,386.9	2,778,346.8	2,918,733.7	471,327.4	**5,487,755.5**
November	315,212.6	54,787.6	370,000.2	153,160.5	523,160.8	352,645.6	310,887.9	929,348.3	135,077.5	2,708,513.7	2,843,591.2	511,082.0	**5,470,715.7**
December	384,978.2	57,723.6	442,701.8	147,480.3	590,182.1	342,459.2	316,123.9	973,131.2	120,514.4	2,743,000.5	2,863,514.9	518,493.9	**5,603,905.3**
2022													
January	315,797.0	57,493.9	373,290.9	141,186.3	514,477.1	410,575.6	269,532.0	969,702.3	117,012.2	2,733,017.7	2,850,030.0	512,162.8	**5,526,479.8**
February	323,192.5	56,860.3	380,052.9	141,871.6	521,924.5	483,032.0	270,788.7	970,969.1	135,760.2	2,731,778.6	2,867,538.8	473,915.3	**5,588,168.4**
March	342,002.1	53,608.7	395,610.8	140,783.1	536,393.8	578,835.6	286,511.6	995,198.2	115,589.8	2,824,898.9	2,940,488.7	481,661.6	**5,819,089.6**
April	333,748.7	56,112.0	389,860.7	137,020.2	526,880.9	498,327.0	292,694.5	1,012,881.7	128,303.2	2,876,476.9	3,004,780.1	472,727.8	**5,808,292.0**
May	321,620.1	54,587.9	376,208.1	126,871.3	503,079.4	473,178.5	305,400.5	1,021,732.2	119,302.2	2,924,793.9	3,044,096.1	488,554.6	**5,836,041.3**
June	326,373.6	57,350.3	383,723.9	227,597.1	611,321.0	448,900.5	281,049.0	1,037,351.2	120,329.1	2,969,215.6	3,089,544.7	508,900.0	**5,977,066.4**
July	337,882.3	58,656.9	396,539.2	226,094.9	622,634.1	410,173.6	313,585.4	1,058,807.1	123,062.0	3,004,375.9	3,127,437.8	551,308.6	**6,083,946.6**
August	296,599.8	56,524.4	353,124.2	207,808.5	560,932.7	463,476.5	316,949.3	1,133,271.5	122,157.9	3,028,657.2	3,150,815.1	547,929.9	**6,173,374.9**
September	279,000.2	60,282.5	339,282.7	255,891.7	595,174.4	486,119.4	249,188.0	1,185,559.2	142,367.4	3,026,896.4	3,169,263.8	546,026.9	**6,231,331.8**
October	313,890.0	57,114.9	371,004.9	199,421.8	570,426.7	459,848.0	302,782.5	1,157,983.8	161,326.6	3,093,187.4	3,254,514.0	511,508.3	**6,257,063.2**
November	287,131.2	55,317.9	342,449.2	199,415.1	541,864.2	499,030.4	240,398.9	1,269,594.6	181,809.8	3,074,465.0	3,256,274.9	462,966.2	**6,270,129.2**
December	545,972.6	60,045.5	606,018.1	103,248.0	709,266.1	368,945.5	227,485.2	1,289,061.5	169,590.0	3,101,229.6	3,270,819.6	523,393.7	**6,388,971.7**
2023													
January	343,923.9	61,606.9	405,530.8	97,407.9	502,938.7	523,122.6	257,871.5	1,223,355.9	167,021.5	3,105,877.0	3,272,898.4	598,634.8	**6,378,822.0**
February	369,083.9	60,426.2	429,510.1	98,326.4	527,836.4	492,148.7	244,199.5	1,193,874.7	193,290.4	3,165,109.6	3,358,400.0	542,848.0	**6,359,307.3**
March	402,003.2	61,142.9	463,146.1	97,841.6	560,987.7	479,341.8	307,148.6	1,147,246.3	241,898.1	3,173,470.6	3,415,368.7	542,799.5	**6,452,892.7**
April	385,223.8	60,041.0	445,264.8	93,433.8	538,698.5	560,875.0	319,896.1	1,165,150.9	236,585.4	3,227,995.5	3,464,580.9	527,170.3	**6,576,371.7**
May	374,620.9	66,477.5	441,098.3	94,910.0	536,008.3	615,584.0	368,413.7	1,168,251.7	228,336.7	3,326,114.9	3,554,451.7	529,811.9	**6,772,521.4**
June	482,208.1	70,479.7	552,687.8	107,975.0	660,662.8	599,576.4	327,271.3	1,167,715.6	249,880.0	3,335,384.1	3,585,264.1	564,952.2	**6,905,442.4**

Source: NBR

(*) Calculated by summing all ODCs deposits and loan to ODCs in the consolidated sectoral

(**) Includes both central government and local government, but excludes Social Security F

(***) Other assets are adjusted with the difference between ODCs positions at the central bank and their own records

Note that ODCs include:

(1) BHR from December 2005 to November 2011

(2) UOB since August 2007

(3) CCP (Comptes Cheques Postaux) between December 2008 and November 2011

(4) KCB since January 2009

(5) ZIGAMA-CSS since December 2009

(6) UNGUKA and Bank of Africa (BOA) since November 2011

(7) EQUITY since December 2011

(8) AB Bank since January 2014

(9) NCBA (formerly named CRANE Bank) since August 2014

(10) BRD Commercial since March 2015 to June 2016

(11) KCB merged with BPR to become BPR Bank Rwanda since April 2022

OTHER DEPOSITORY CORPORATIONS SURVEY (BK, I&M, GT BANK, ECOBANK, ACCESS BANK, COGEBANQUE, Urwego Bank, BP Bank Rwanda, UNGUKA bank, BOA, ZIGAMA CSS , EQUITY BANK , AB BANK, NCBA,MFIs)

(in FRW million)

DESCRIPTION	LIABILITIES										
	DEPOSITS INCLUDED IN BROAD MONEY										
	TRANSFERABLE (1)	OTHER DEPOSITS (2)	FOREIGN CURRENCY (3)	DEPOSITS INCLUDED IN BROAD MONEY (4)=(1)+(2)+(3)	GOVERNMENT DEPOSITS* (5)	FOREIGN LIABILITIES (6)	LOAN FROM BNR (7)	SHARES AND OTHER EQUITY (8)	BANKS LIABILITIES** (9)	LIABILITIES NON CLASSIFIED ELSEWHERE (10)***	TOTAL LIABILITIES AND EQUITY (11)=(4)+(5)+(6)+(7)+(8)+(9)+(10)
June 2021	1,006,593.8	1,038,471.6	751,177.8	2,796,243.2	72,924.1	246,212.9	173,209.8	823,198.7	316,902.0	659,874.9	**5,088,565.7**
June 2022	1,254,676.4	1,203,892.1	915,530.1	3,374,098.6	110,581.7	322,208.4	193,792.8	943,400.3	281,088.1	751,896.5	**5,977,066.4**
June 2023	1,537,480.3	1,365,592.7	1,108,815.1	4,011,888.1	112,031.5	305,156.6	153,683.1	1,104,828.9	326,085.7	891,768.5	**6,905,442.4**
2021											
January	923,318.8	956,437.6	652,299.1	2,532,055.5	89,475.3	268,649.1	248,230.2	749,153.2	253,980.6	612,422.1	**4,753,965.9**
February	950,341.7	962,575.6	674,623.2	2,587,540.4	87,384.0	305,706.3	244,766.0	755,521.3	227,275.9	630,742.2	**4,838,936.3**
March	1,002,720.7	956,066.0	708,268.8	2,667,055.5	99,147.9	317,147.7	225,219.1	784,126.5	241,480.0	600,476.0	**4,934,652.7**
April	954,468.3	982,009.9	708,942.3	2,645,420.5	87,813.4	273,688.3	267,568.5	794,937.5	252,208.9	611,337.8	**4,932,974.8**
May	975,908.6	1,012,107.0	714,863.8	2,702,879.4	87,885.8	246,048.5	248,169.1	797,610.4	232,666.0	612,875.3	**4,928,134.5**
June	1,006,593.8	1,038,471.6	751,177.8	2,796,243.2	72,924.1	246,212.9	173,209.8	823,198.7	316,902.0	659,874.9	**5,088,565.7**
July	1,023,072.1	1,014,050.0	764,940.6	2,802,062.8	89,367.3	295,745.3	312,535.1	821,055.0	253,233.8	648,008.5	**5,222,007.7**
August	1,067,540.2	1,056,668.6	748,373.8	2,872,582.5	104,342.2	286,431.5	260,183.0	837,815.0	278,426.4	661,701.1	**5,301,481.6**
September	967,692.3	1,120,107.6	772,674.1	2,860,474.1	114,197.5	302,163.5	271,240.8	849,210.3	300,373.5	663,558.1	**5,361,217.9**
October	1,040,462.3	1,076,841.7	813,221.1	2,930,525.0	111,186.7	347,983.6	256,878.3	858,013.5	305,670.4	677,498.1	**5,487,755.5**
November	1,095,351.9	1,063,868.6	785,786.0	2,945,006.5	103,853.0	308,787.4	226,519.3	870,298.8	310,334.8	705,915.8	**5,470,715.7**
December	1,045,647.9	1,107,604.2	841,589.6	2,994,841.7	115,409.7	302,321.5	264,697.7	874,606.5	314,714.9	737,313.3	**5,603,905.3**
2022											
January	1,033,540.7	1,138,112.0	878,005.5	3,049,658.2	110,730.4	268,619.5	228,130.6	899,923.8	269,676.0	699,741.3	**5,526,479.8**
February	1,065,667.1	1,150,298.8	909,795.0	3,125,760.9	111,052.4	288,998.5	225,392.1	907,367.4	269,204.4	660,392.5	**5,588,168.4**
March	967,880.8	1,213,647.3	1,049,663.5	3,231,191.6	146,716.1	289,127.4	222,077.8	919,432.3	275,751.4	734,793.0	**5,819,089.6**
April	1,153,265.0	1,176,077.1	952,180.9	3,281,523.0	103,752.0	304,171.3	266,494.2	898,517.2	291,792.7	662,041.7	**5,808,292.0**
May	1,132,164.4	1,204,440.1	941,719.4	3,278,323.8	110,719.8	302,793.2	206,099.7	902,583.6	305,104.4	730,416.7	**5,836,041.3**
June	1,254,676.4	1,203,892.1	915,530.1	3,374,098.6	110,581.7	322,208.4	193,792.8	943,400.3	281,088.1	751,896.5	**5,977,066.4**
July	1,234,162.7	1,205,695.8	912,256.6	3,352,115.2	152,724.2	298,723.4	193,437.6	919,932.6	315,169.8	851,843.8	**6,083,946.6**
August	1,311,174.8	1,163,081.3	978,793.3	3,453,049.4	151,266.8	312,295.6	176,202.7	937,891.7	316,822.8	825,846.0	**6,173,374.9**
September	1,378,973.5	1,199,281.1	986,587.5	3,564,842.0	172,340.8	286,257.3	173,375.1	997,441.4	248,948.7	788,126.5	**6,231,331.8**
October	1,359,677.2	1,227,695.6	939,432.6	3,526,805.4	182,271.7	266,388.9	163,273.1	1,008,685.2	303,617.1	806,021.8	**6,257,063.2**
November	1,305,676.6	1,285,967.7	921,680.8	3,513,325.1	225,961.3	326,833.9	163,050.2	1,034,938.6	236,492.5	769,527.6	**6,270,129.2**
December	1,292,594.9	1,340,058.9	1,053,922.5	3,686,576.3	140,086.7	288,100.2	178,119.9	1,043,345.4	224,952.1	827,791.1	**6,388,971.7**
2023											
January	1,366,123.1	1,239,441.2	1,000,330.9	3,605,895.1	162,841.3	296,531.2	189,770.8	1,065,884.3	257,284.0	800,615.2	**6,378,822.0**
February	1,362,338.4	1,265,726.6	988,434.5	3,616,499.5	128,650.4	305,668.9	205,016.1	1,062,579.3	244,579.1	796,313.9	**6,359,307.3**
March	1,444,362.0	1,248,171.4	972,793.2	3,665,326.6	137,279.5	308,741.9	148,549.6	1,070,040.6	305,798.6	817,155.9	**6,452,892.7**
April	1,350,961.6	1,350,240.8	1,025,645.0	3,726,847.5	104,630.4	323,197.8	218,206.3	1,081,680.2	319,650.8	802,158.8	**6,576,371.7**
May	1,455,825.2	1,322,642.0	1,067,008.1	3,845,475.3	114,942.9	320,117.1	143,103.3	1,089,637.2	366,232.7	893,012.8	**6,772,521.4**
June	1,537,480.3	1,365,592.7	1,108,815.1	4,011,888.1	112,031.5	305,156.6	153,683.1	1,104,828.9	326,085.7	891,768.5	**6,905,442.4**

Source: NBR

(*) Includes both central government and local governments, but excludes Social Security Fund
(**) Calculated by summing all deposits and loans from ODCs in the consolidated sectoral balance sheet
(***) Computed as other liabilities in the ODCs sectoral balance sheet, adjusted with the difference between their positions at the central bank and their own records
Note that ODCs include:
(1) BHR from December 2005 to November 2011
(2) UOB since August 2007
(3) CCP (Comptes Cheques Postaux) between December 2008 and November 2011
(4) KCB since January 2009
(5) ZIGAMA-CSS since December 2009
(6) UNGUKA and Bank of Africa (BOA) since November 2011
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(9) NCBA (formerly named CRANE Bank) since August 2014
(10) BRD Commercial since March 2015 to June 2016
(11) KCB merged with BPR to become BPR Bank Rwanda since April 2022

DEPOSITORY CORPORATIONS SURVEY **Appendix 8**

(in FRW million)

ASSETS	NET FOREIGN ASSETS			DOMESTIC CREDIT							
				NET CLAIMS TO THE GOVERNMENT			CREDIT TO ECONOMY		TOTAL DOMESTIC CREDIT (9)=(6)+(7)+(8)	OTHER ITEMS NET (10)	TOTAL ASSETS (11)=(3)+(9)+(10)
	GROSS ASSETS (1)	GROSS LIABILITIES (2)	NET FOREIGN ASSETS (3)= (1)-(2)	CLAIMS (4)	DEPOSITS (5)	NET CLAIMS (6)=(4)-(5)	CLAIMS ON PUBLIC ENTERPRISES (7)	CLAIMS ON PRIVATE SECTOR (8)			
June 2021	1,856,641.8	522,189.2	1,334,452.6	934,894.8	631,523.4	303,371.4	129,777.9	2,605,841.2	3,038,990.6	-1,324,671.2	**3,048,772.0**
June 2022	2,351,692.9	633,728.6	1,717,964.3	1,153,808.8	840,233.0	313,575.8	120,329.1	3,037,169.1	3,471,074.0	-1,517,022.7	**3,672,015.6**
June 2023	2,638,002.3	562,474.1	2,075,528.3	1,288,084.9	762,389.0	525,695.9	249,880.0	3,437,643.1	4,213,219.0	-1,970,390.9	**4,318,356.4**
2021											
January	1,950,043.5	571,129.4	1,378,914.1	831,927.1	837,253.1	-5,326.0	137,852.5	2,447,630.5	2,580,157.0	-1,201,881.0	**2,757,190.1**
February	1,919,401.8	606,137.0	1,313,264.8	843,681.7	746,480.2	97,201.4	142,313.3	2,483,182.3	2,722,697.0	-1,211,544.6	**2,824,417.2**
March	1,995,905.0	609,216.0	1,386,689.0	864,061.2	783,689.6	80,371.6	137,538.2	2,506,894.7	2,724,804.6	-1,213,663.2	**2,897,830.4**
April	1,932,007.7	549,430.9	1,382,576.8	874,758.0	819,496.0	55,262.0	135,880.6	2,569,417.1	2,760,559.7	-1,263,044.2	**2,880,092.3**
May	1,889,763.2	525,817.9	1,363,945.2	869,289.2	722,200.9	147,088.3	167,776.6	2,536,447.1	2,851,312.0	-1,270,377.5	**2,944,879.7**
June	1,856,641.8	522,189.2	1,334,452.6	934,894.8	631,523.4	303,371.4	129,777.9	2,605,841.2	3,038,990.6	-1,324,671.2	**3,048,772.0**
July	1,884,922.8	571,542.3	1,313,380.4	936,604.6	710,045.7	226,558.9	131,393.6	2,713,500.0	3,071,452.6	-1,338,128.8	**3,046,704.2**
August	2,265,465.0	778,278.2	1,487,186.8	1,010,219.6	860,819.5	149,400.2	127,373.7	2,718,421.5	2,995,195.4	-1,368,117.7	**3,114,264.6**
September	2,153,819.2	794,801.3	1,359,017.9	987,941.4	751,371.3	236,570.1	139,019.8	2,747,917.4	3,123,507.2	-1,381,060.8	**3,101,464.3**
October	2,142,042.1	829,561.9	1,312,480.2	999,002.2	734,242.7	264,759.5	140,386.9	2,823,265.6	3,228,412.0	-1,372,469.1	**3,168,423.1**
November	2,167,871.0	808,787.2	1,359,083.8	1,043,771.1	738,521.3	305,249.8	135,077.5	2,753,144.4	3,193,471.7	-1,366,396.4	**3,186,159.1**
December	2,249,309.0	791,558.5	1,457,750.6	1,087,860.5	773,595.0	314,265.5	120,514.4	2,787,096.9	3,221,876.8	-1,414,691.6	**3,264,935.8**
2022											
January	2,135,206.4	755,002.1	1,380,204.2	1,084,708.1	665,108.0	419,600.1	117,012.2	2,781,608.4	3,318,220.7	-1,396,018.8	**3,302,406.2**
February	2,181,754.6	779,565.4	1,402,189.2	1,086,560.4	629,819.5	456,740.9	135,760.2	2,780,121.1	3,372,622.3	-1,394,542.2	**3,380,269.3**
March	2,302,485.8	620,776.5	1,681,709.3	1,111,088.5	819,757.7	291,330.8	115,589.8	2,872,649.2	3,279,569.8	-1,465,277.9	**3,496,001.1**
April	2,249,012.6	626,481.2	1,622,531.4	1,128,910.3	842,587.2	286,323.1	128,303.2	2,924,282.5	3,338,908.8	-1,404,863.9	**3,556,576.2**
May	2,343,168.7	630,449.5	1,712,719.1	1,137,966.7	906,587.2	231,379.5	119,302.2	2,981,452.9	3,332,134.6	-1,473,036.7	**3,571,817.1**
June	2,351,692.9	633,728.6	1,717,964.3	1,153,808.8	840,233.0	313,575.8	120,329.1	3,037,169.1	3,471,074.0	-1,517,022.7	**3,672,015.6**
July	2,314,306.8	601,775.4	1,712,531.4	1,175,682.8	859,116.9	316,565.9	123,062.0	3,072,916.8	3,512,544.7	-1,581,307.1	**3,643,769.0**
August	2,160,288.6	613,294.4	1,546,994.2	1,250,484.0	708,316.0	542,168.0	122,157.9	3,097,141.0	3,761,466.9	-1,572,872.1	**3,735,589.0**
September	2,143,752.9	579,356.8	1,564,396.2	1,292,438.3	675,672.2	616,766.1	142,367.4	3,094,764.1	3,853,897.6	-1,580,273.8	**3,838,020.0**
October	2,044,356.5	562,348.3	1,482,008.2	1,264,723.6	645,961.0	618,762.6	161,326.6	3,160,852.8	3,940,942.1	-1,624,491.7	**3,798,458.6**
November	2,021,011.2	632,282.6	1,388,728.5	1,377,572.8	627,653.4	749,919.4	181,809.8	3,141,066.7	4,072,796.0	-1,671,198.6	**3,790,325.9**
December	2,239,013.2	588,878.8	1,650,134.5	1,398,689.8	703,319.7	695,370.1	169,590.0	3,166,542.8	4,031,502.9	-1,681,235.9	**4,000,401.4**
2023											
January	1,997,407.2	591,031.3	1,406,375.9	1,334,631.0	559,873.1	774,757.9	167,021.5	3,177,000.4	4,118,779.8	-1,619,489.0	**3,905,666.7**
February	1,982,329.4	603,121.0	1,379,208.4	1,305,625.5	496,373.9	809,251.6	193,290.4	3,235,990.3	4,238,532.3	-1,706,877.9	**3,910,862.8**
March	2,268,760.0	611,829.4	1,656,930.6	1,260,593.9	704,173.3	556,420.5	241,898.1	3,243,724.2	4,042,042.9	-1,733,128.5	**3,965,844.9**
April	2,404,133.1	565,315.8	1,838,817.3	1,280,031.6	830,813.3	449,218.4	236,585.4	3,298,142.3	3,983,946.0	-1,802,359.8	**4,020,403.5**
May	2,497,403.7	559,621.2	1,937,782.4	1,285,065.6	811,044.3	474,021.3	228,336.7	3,395,352.7	4,097,710.7	-1,896,748.5	**4,138,744.7**
June	2,638,002.3	562,474.1	2,075,528.3	1,288,084.9	762,389.0	525,695.9	249,880.0	3,437,643.1	4,213,219.0	-1,970,390.9	**4,318,356.4**

Source: NBR

DEPOSITORY CORPORATIONS SURVEY **Appendix 8 (Cont'd)**

(in FRW million)

LIABILITIES	MONEY (M1)			BROAD MONEY (M2)		BROAD MONEY(M3)	
PERIOD	CURRENCY OUT OF BANKS (1)	TRANSFERABLE DEPOSITS IN FRW (2)	TOTAL NARROW MONEY (M1) (3)=(1)+(2)	OTHER DEPOSITS IN RWF (4)	BROAD MONEY (M2) (5)=(3)+(4)	FOREIGN CURRENCY DEPOSITS (6)	EXTENDED BROAD MONEY M3 (7)=(5)+(6)
June 2021	245,907.1	1,013,215.5	1,259,122.6	1,038,471.6	2,297,594.2	751,177.8	**3,048,772.0**
June 2022	295,146.6	1,257,446.8	1,552,593.4	1,203,892.1	2,756,485.5	915,530.1	**3,672,015.6**
June 2023	304,438.8	1,539,509.8	1,843,948.6	1,365,592.7	3,209,541.3	1,108,815.1	**4,318,356.4**
2021							
January	219,291.4	929,162.0	1,148,453.4	956,437.6	2,104,891.0	652,299.1	**2,757,190.1**
February	225,349.9	961,868.6	1,187,218.4	962,575.6	2,149,794.0	674,623.2	**2,824,417.2**
March	220,594.2	1,012,901.4	1,233,495.6	956,066.0	2,189,561.6	708,268.8	**2,897,830.4**
April	222,799.9	966,340.2	1,189,140.2	982,009.9	2,171,150.0	708,942.3	**2,880,092.3**
May	233,738.4	984,170.5	1,217,908.9	1,012,107.0	2,230,015.9	714,863.8	**2,944,879.7**
June	245,907.1	1,013,215.5	1,259,122.6	1,038,471.6	2,297,594.2	751,177.8	**3,048,772.0**
July	240,601.0	1,027,112.5	1,267,713.5	1,014,050.0	2,281,763.6	764,940.6	**3,046,704.2**
August	236,025.1	1,073,197.1	1,309,222.2	1,056,668.6	2,365,890.7	748,373.8	**3,114,264.6**
September	236,270.1	972,412.5	1,208,682.6	1,120,107.6	2,328,790.2	772,674.1	**3,101,464.3**
October	232,540.5	1,045,819.9	1,278,360.4	1,076,841.7	2,355,202.1	813,221.1	**3,168,423.1**
November	234,160.3	1,102,344.2	1,336,504.5	1,063,868.6	2,400,373.1	785,786.0	**3,186,159.1**
December	262,164.2	1,053,577.7	1,315,742.0	1,107,604.2	2,423,346.1	841,589.6	**3,264,935.8**
2022							
January	247,778.0	1,038,510.7	1,286,288.7	1,138,112.0	2,424,400.7	878,005.5	**3,302,406.2**
February	249,763.2	1,070,412.3	1,320,175.5	1,150,298.8	2,470,474.3	909,795.0	**3,380,269.3**
March	259,792.4	972,897.9	1,232,690.3	1,213,647.3	2,446,337.6	1,049,663.5	**3,496,001.1**
April	271,508.8	1,156,809.5	1,428,318.2	1,176,077.1	2,604,395.3	952,180.9	**3,556,576.2**
May	280,788.9	1,144,868.7	1,425,657.6	1,204,440.1	2,630,097.7	941,719.4	**3,571,817.1**
June	295,146.6	1,257,446.8	1,552,593.4	1,203,892.1	2,756,485.5	915,530.1	**3,672,015.6**
July	285,292.7	1,240,523.8	1,525,816.6	1,205,695.8	2,731,512.4	912,256.6	**3,643,769.0**
August	275,651.9	1,318,062.5	1,593,714.5	1,163,081.3	2,756,795.7	978,793.3	**3,735,589.0**
September	270,357.2	1,381,794.3	1,652,151.5	1,199,281.1	2,851,432.5	986,587.5	**3,838,020.0**
October	266,401.0	1,364,929.2	1,631,330.3	1,227,695.6	2,859,025.9	939,432.6	**3,798,458.6**
November	273,449.7	1,309,227.7	1,582,677.4	1,285,967.7	2,868,645.1	921,680.8	**3,790,325.9**
December	309,251.8	1,297,168.3	1,606,420.0	1,340,058.9	2,946,479.0	1,053,922.5	**4,000,401.4**
2023							
January	285,069.3	1,380,825.4	1,665,894.7	1,239,441.2	2,905,335.8	1,000,330.9	**3,905,666.7**
February	290,656.6	1,366,045.2	1,656,701.7	1,265,726.6	2,922,428.3	988,434.5	**3,910,862.8**
March	299,308.5	1,445,571.8	1,744,880.3	1,248,171.4	2,993,051.7	972,793.2	**3,965,844.9**
April	290,885.7	1353631.969	1,644,517.6	1,350,240.8	2,994,758.5	1,025,645.0	**4,020,403.5**
May	291,210.9	1457883.664	1,749,094.6	1,322,642.0	3,071,736.6	1,067,008.1	**4,138,744.7**
June	304,438.8	1539509.756	1,843,948.6	1,365,592.7	3,209,541.3	1,108,815.1	**4,318,356.4**

Source: NBR

New Loans from July 2022 to June 2023 **Appendix 9**

Data submitted by Banks

Amount in thousands of Frw

Cash credits

Individual and legal entities

Activities sector	July 2022-June 2023			
	Short-term	Medium-term	Long-term	Total
0001 : Personal loan	90,288,090	164,862,888	11,375,228	266,526,205
1000 : Agricultural, fisheries& liv	7,417,277	2,450,478	1,095,332	10,963,087
2000 : Mining activities	144,492	43,213		187,705
3000 : Manufacturing activities	63,788,450	45,154,698	64,228,630	173,171,778
4000 : Water & energy activities	3,575,027	901,338	40,000,000	44,476,365
5000 : Mortgage industries	73,735,479	107,607,085	169,526,989	350,869,553
6000 : Trade	372,496,295	110,040,301	7,702,671	490,239,267
6400 : Restaurant & hotel	2,457,650	2,039,741	820,487	5,317,878
7000 : Transport & warehousing	44,361,868	56,080,661	8,546,566	108,989,094
8000 : OFI &Insurance	1,384,800	645,686	1,644,600	3,675,086
9000 : Service sector	104,253,459	51,797,494	15,683,836	171,734,788
Total	**763,902,887**	**541,623,582**	**320,624,338**	**1,626,150,806**

Source: NBR

Outstanding Loans by sector of activity as of 30 June 2023 **Appendix 10**

Data submitted by Banks

Amount in thousands of Frw

Cash credits

Class 1 to 5

Individual and legal entities

	End 30 June 2023			
activity_sectors	Short-term	Medium-term	Long-term	Total
0001 : Personal loan	38,660,187	281,507,931	22,592,710	342,760,828
1000 : Agricultural, fisheries& livestock	18,425,050	5,156,329	10,057,113	33,638,492
2000 : Mining activities	83,380	284,832		368,212
3000 : Manufacturing activities	118,431,190	119,146,874	173,448,656	411,026,720
4000 : Water & energy activities	20,035,111	8,383,832	149,465,705	177,884,648
5000 : Mortgage industries	88,510,182	156,744,768	807,481,320	1,052,736,270
6000 : Trade	294,020,938	181,579,351	72,717,142	548,317,431
6400 : Restaurant & hotel	1,366,732	10,388,594	247,374,301	259,129,627
7000 : Transport & warehousing	79,790,978	170,040,725	116,050,872	365,882,575
8000 : OFI &Insurance	851,614	11,414,954	16,738,286	29,004,854
9000 : Service sector	24,544,552	103,538,978	83,240,182	211,323,712
Total	**684,719,914**	**1,048,187,168**	**1,699,166,287**	**3,432,073,369**

Source: NBR

INTEREST RATE STRUCTURE (in %)

Appendix 11

DESCRIPTION	2022												2023					
PERIOD	Jan	Feb	Mar	Apr	May	June	July	August	September	October	November	December	Jan	Feb	Mar	Apr	May	June
Central bank rate (CBR)	4.50	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	6.50	6.50	6.50	7.00	7.00	7.00	7.00	7.00
Refinancing Facility	6.50	7.00	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00	8.50	8.50	8.50	9.00	9.00	9.00	9.00	9.00
Deposit rate	8.18	6.37	7.82	7.17	7.23	8.11	7.41	7.69	8.23	8.53	8.09	7.11	9.33	9.73	9.47	9.29	9.47	9.64
Lending rate	16.69	16.25	16.72	16.18	16.21	16.53	15.80	16.12	16.59	16.59	16.57	16.41	15.67	15.81	16.29	16.75	16.50	16.37
Repo Rate	4.50	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	6.50	6.50	6.50	7.00	7.00	7.00	7.00	7.00
Reverse Repo	4.50	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	6.50	6.50	6.50	7.00	7.00	7.00	7.00	7.00
Overnight Deposit Facility	3.5	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.50	5.50	5.50	6.00	6.00	6.00	6.00	6.00
Standing Lending Facility	5.5	6.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00	7.00	7.50	7.50	7.50	8.00	8.00	8.00	8.00	8.00
Interbank rate	5.19	5.22	5.46	5.43	5.54	5.55	5.55	6.10	6.50	6.56	6.87	7.10	7.16	7.30	7.62	7.71	7.75	7.77
Weight average rate on T-bill market :	6.43	6.38	7.16	7.28	7.25	6.97	6.95	7.16	7.49	7.60	7.67	7.73	7.73	8.08	8.50	9.06	9.35	9.67
28 days	5.64	5.80	5.83	5.87	5.87	5.72	5.61	5.76	6.39	6.57	6.73	6.83	7.00	7.41	7.82	8.00	8.22	8.66
91 days	5.86	5.92	6.57	6.76	6.48	6.08	6.02	6.31	6.92	7.24	7.25	7.27	7.44	7.61	7.98	8.26	8.61	8.87
182 days	6.37	6.06	7.82	8.06	8.11	7.83	7.92	8.12	8.15	8.09	8.08	8.17	8.31	8.33	8.61	10.02	10.33	10.44
364 days	7.87	7.75	8.43	8.44	8.56	8.26	8.24	8.45	8.49	8.52	8.62	8.66	8.83	8.96	9.60	9.94	10.24	10.70
T-Bonds market																		
Tbond 2 yrs																		
Tbond 3 yrs							10.85											
Tbond 5 yrs		11.00																11.76
Tbond 7 yrs			11.42					11.50			11.75			11.95				
Tbond 10 yrs		11.99			12.15					12.15		12.15			12.15			12.77
Tbond 15 yrs	12.46			12.45				12.75			12.75					13.00		
Tbond 20 yrs						12.94			13.00				13.15				13.25	

Source: NBR

Appendix 12

EXCHANGE RATES OF THE SELECTED MAJOR CURRENCIES (PERIOD AVERAGE)

Description	1USD	1£stg	1YEN	1DTS	1EURO	1YUAN
2020-2021 (Fiscal year average)	967.99	1305.07	9.09	1373.06	1155.39	146.52
2021-2022 (Fiscal year average)	1007.90	1341.78	8.61	1403.40	1136.40	156.17
2021						
January	973.86	1327.84	9.39	1404.69	1185.20	150.53
February	976.31	1355.61	9.27	1406.54	1181.44	151.16
March	977.99	1355.43	9.00	1396.97	1164.61	150.28
April	980.98	1357.70	9.01	1402.58	1175.00	150.50
May	983.06	1384.82	9.01	1415.99	1194.66	152.92
June	985.84	1383.56	8.96	1415.93	1188.17	153.48
July	988.76	1365.85	8.97	1407.39	1168.85	152.72
August	991.55	1367.75	9.02	1409.38	1166.99	153.06
September	995.44	1367.86	9.04	1415.25	1172.26	154.14
October	1000.20	1368.77	8.84	1412.54	1160.47	155.75
November	1004.42	1352.94	8.81	1410.14	1147.08	157.22
December	1008.21	1341.64	8.85	1409.72	1139.41	158.33
Annual average	**988.89**	**1360.81**	**9.01**	**1408.93**	**1170.34**	**153.34**
2022						
January	1011.16	1371.36	8.80	1416.07	1145.03	159.11
February	1014.19	1373.16	8.80	1421.52	1150.15	159.84
March	1017.12	1340.14	8.59	1406.30	1121.03	160.30
April	1019.47	1319.36	8.07	1391.90	1103.35	158.48
May	1021.13	1270.66	7.93	1370.45	1080.28	152.25
June	1023.17	1261.91	7.64	1370.16	1081.95	152.82
Fiscal year average (July 2021-June 2022)	**1007.90**	**1341.78**	**8.61**	**1403.40**	**1136.40**	**156.17**
July	1026.53	1230.08	7.51	1351.46	1043.46	152.35
August	1031.86	1236.33	7.63	1356.44	1044.03	151.64
September	1038.50	1175.63	7.26	1340.77	1028.47	147.95
October	1045.74	1180.82	7.11	1339.29	1028.78	145.38
November	1053.71	1236.34	7.40	1369.67	1073.90	146.78
December	1064.50	1296.81	7.88	1413.75	1126.00	152.47
Annual average	**1031.78**	**1262.71**	**7.78**	**1373.96**	**1078.88**	**152.42**
2023						
January	1077.49	1319.12	8.26	1448.42	1162.06	158.82
February	1088.56	1315.02	8.19	1457.20	1165.67	159.17
March	1096.72	1331.40	8.20	1465.43	1174.46	159.03
April	1110.30	1381.10	8.31	1497.47	1217.12	161.20
May	1123.75	1402.45	8.20	1507.84	1221.96	160.78
June	1146.84	1446.86	8.13	1529.70	1242.10	160.19
Fiscal year average (July 2022-June 2023)	**1075.38**	**1296.00**	**7.84**	**1423.12**	**1127.34**	**154.65**

Source : NBR

Appendix 13

EXCHANGE RATES OF THE SELECTED MAJOR CURRENCIES (END OF PERIOD)

Description	1USD	1£stg	1YEN	1DTS	1EURO	1YUAN
2020-2021(end June 2021)	987.14	1367.19	8.93	1408.44	1174.75	152.88
2021-2022(end June 2021)	1024.48	1242.75	7.50	1365.51	1071.05	153.01
2021						
January	975.20	1336.37	9.33	1403.41	1179.90	150.88
February	976.96	1362.91	9.20	1413.33	1187.06	150.96
March	979.28	1344.06	8.83	1387.54	1146.45	149.20
April	982.13	1370.03	9.03	1412.05	1190.20	151.84
May	984.30	1397.36	8.98	1420.76	1200.70	154.73
June	987.14	1367.19	8.93	1408.44	1174.75	152.88
July	990.01	1381.02	9.04	1413.23	1176.13	153.27
August	993.22	1368.76	9.04	1412.96	1173.74	153.56
September	997.53	1341.58	8.91	1410.05	1157.49	154.21
October	1002.51	1382.67	8.82	1417.05	1170.13	156.87
November	1006.44	1340.53	8.86	1407.05	1137.08	157.95
December	1009.62	1362.93	8.77	1413.05	1142.89	158.40
2022						
January	1012.48	1358.47	8.77	1409.46	1130.32	159.18
February	1015.49	1355.38	8.79	1415.84	1132.07	160.90
March	1018.60	1335.99	8.33	1409.01	1137.06	160.42
April	1020.03	1275.29	7.81	1366.78	1073.38	153.95
May	1022.17	1289.16	7.99	1379.06	1098.42	153.35
June	1024.48	1242.75	7.50	1365.51	1071.05	153.01
July	1028.82	1254.03	7.72	1354.87	1050.53	152.56
August	1034.73	1209.08	7.47	1349.64	1038.91	150.14
September	1041.93	1156.96	7.20	1329.38	1021.61	146.47
October	1048.83	1216.70	7.10	1348.19	1044.53	144.31
November	1057.63	1268.15	7.64	1389.99	1095.60	148.11
December	1070.71	1290.64	8.08	1424.95	1142.45	153.97
2023						
January	1083.76	1337.14	8.32	1464.92	1175.01	160.38
February	1091.07	1314.68	8.01	1447.07	1155.55	157.31
March	1103.62	1367.72	8.31	1485.14	1203.17	160.85
April	1115.51	1391.60	8.26	1507.17	1228.41	161.31
May	1131.58	1402.19	8.10	1505.99	1210.45	159.28
June	1164.55	1469.43	8.05	1553.37	1265.17	160.54

Source : NBR

BALANCE OF PAYMENTS

(in USD million)

Appendix 14

BALANCE OF PAYMENTS (in Mil USD)	2022	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
A. Current Account	**-1301.16**	**-629.21**	**-879.54**	**-1030.09**	**-1207.25**	**-1085.41**	**-958.41**	**-1099.75**	**-1244.48**	**-1164.11**	**-1118.81**	**-1634.43**
Balance on goods and services	**-1986.9**	**-1171.6**	**-1364.1**	**-1431.7**	**-1514.7**	**-1325.5**	**-1233.5**	**-1392.6**	**-1595.8**	**-1663.8**	**-1845.4**	**-2240.6**
Goods (Trade Balance)	**-1990.4**	**-1150.5**	**-1269.3**	**-1244.5**	**-1265.4**	**-1131.9**	**-1000.0**	**-1325.6**	**-1563.4**	**-1684.5**	**-1723.5**	**-2235.6**
Exports f.o.b.	2111.4	694.6	704.1	706.9	704.3	842.1	1132.8	1101.0	1277.4	1487.2	1853.2	2404.6
Of which: coffee	105.0	69.1	47.5	77.9	60.3	45.1	69.4	69.0	59.8	60.2	75.6	115.9
tea	106.7	63.9	52.3	59.4	67.9	79.2	88.6	83.6	93.5	89.9	103.4	107.1
Imports f.o.b.	4101.9	1845.1	1973.4	1951.4	1969.7	1974.1	2132.8	2426.7	2840.8	3171.7	3576.7	4640.1
Services (net)	**3.5**	**-21.1**	**-94.8**	**-195.9**	**-250.9**	**-196.4**	**-233.5**	**-67.0**	**-32.5**	**20.7**	**-121.9**	**-5.0**
Services: credit	881.2	555.1	598.1	682.4	778.8	807.8	843.2	971.2	809.8	541.3	695.5	953.3
Services: debit	877.7	576.3	692.9	878.4	1029.7	1004.2	1076.7	1038.2	842.3	520.6	817.4	958.3
Primary income (net) = Income in BPM5	**-295.2**	**-144.1**	**-174.9**	**-155.6**	**-222.9**	**-288.7**	**-338.7**	**-340.2**	**-264.2**	**-200.6**	**-246.7**	**-288.1**
Primary income: credit	27.2	13.2	16.0	13.9	10.4	15.8	21.0	14.8	14.6	17.0	23.4	32.0
Primary income: debit	322.4	157.3	190.9	169.5	233.3	304.6	359.8	355.0	278.8	217.6	270.1	320.2
Secondary income (net) = Transfers in BPM5	**980.9**	**686.5**	**659.5**	**557.2**	**530.3**	**528.9**	**613.8**	**633.1**	**615.5**	**700.2**	**973.3**	**894.3**
Secondary income: credit	1061.4	764.0	739.8	638.6	613.6	610.7	716.6	716.8	677.3	778.8	1057.9	961.5
Secondary income: debit	80.4	77.4	80.3	81.4	83.4	81.8	102.7	83.7	61.8	78.6	84.6	67.2
Private transfers net	489.4	182.2	180.6	172.9	173.1	194.2	259.9	323.0	303.7	380.0	452.2	513.3
o/w: Remittances fro	414.9	116.5	117.2	110.9	104.9	123.3	176.7	208.7	208.2	296.5	377.0	444.0
credi	461.2	168.5	168.3	164.0	160.3	181.7	232.2	255.8	244.6	333.8	418.8	489.9
debit	46.3	52.0	51.2	53.1	55.3	58.4	55.5	47.1	36.4	37.3	41.8	45.9
o/w: Private transfers for churches and associatio	74.6	65.6	63.5	61.9	68.2	70.9	83.2	114.3	95.6	83.5	75.2	69.4
credi	80.0	72.9	70.5	68.5	74.6	77.6	90.4	122.1	104.8	87.9	80.6	74.3
debit	5.5	7.3	7.1	6.5	6.4	6.7	7.1	7.7	9.2	4.4	5.4	4.9
o/w: official transfer	520.1	522.5	500.9	406.0	378.8	351.4	394.0	338.9	328.0	357.1	558.5	397.2
budge	415.0	406.1	372.9	247.9	226.8	227.7	222.6	183.2	199.4	255.2	446.5	302.6
nonbu	105.1	116.5	128.1	158.1	152.0	123.7	171.4	155.7	128.6	101.9	112.0	94.6
	28.6	18.2	22.0	21.7	21.6	16.7	40.0	28.8	16.2	36.9	37.3	16.2
B. Capital Account	**321.8**	**202.9**	**285.8**	**318.5**	**245.0**	**185.2**	**199.0**	**264.4**	**292.6**	**340.1**	**392.6**	**370.6**
Capital account: credit (PIP)	321.8	202.9	285.8	318.5	245.0	185.2	199.0	264.4	292.6	340.1	392.6	370.6
Capital account: debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net lending(+)/ net borrowing (-) (balance from current and capital accounts)	**-979.4**	**-426.3**	**-593.8**	**-711.6**	**-962.3**	**-900.2**	**-759.4**	**-835.3**	**-951.9**	**-824.0**	**-726.2**	**-1264.8**
C. Financial Account: Net lending(+)/ net borrowir	**-912.7**	**-561.3**	**-487.8**	**-501.8**	**-608.6**	**-632.6**	**-721.4**	**-779.3**	**-776.4**	**-701.9**	**-935.9**	**-1074.7**
Direct investment	**-398.6**	**-251.7**	**-272.0**	**-234.4**	**-195.3**	**-255.1**	**-306.0**	**-282.2**	**-259.2**	**-132.7**	**-285.6**	**-418.9**
Direct investment: assets	0.0	0.0	1.9	3.6	25.6	32.5	16.9	11.1	2.4	0.0	0.0	0.0
Direct investment: liabilities (FDI)	398.6	251.7	273.9	238.0	220.9	287.6	323.0	293.3	261.7	132.7	285.6	418.9
Portfolio investment	**61.2**	**-205.3**	**-172.1**	**23.6**	**-6.4**	**30.8**	**37.6**	**19.2**	**-4.7**	**8.0**	**-260.9**	**108.6**
Portfolio investment: assets	63.8	-1.5	2.4	1.1	-0.7	33.2	43.9	18.6	30.9	9.9	21.3	50.2
Portfolio investment: liabilities	2.6	203.8	174.5	-22.4	5.7	2.4	6.3	-0.6	35.6	1.9	282.2	-58.4
Other investment	**-446.4**	**-112.3**	**-112.7**	**-231.5**	**-432.3**	**-431.3**	**-532.0**	**-629.8**	**-923.4**	**-492.0**	**-716.3**	**-659.6**
Other investment: assets	-46.9	76.8	81.9	-26.7	-4.7	65.7	-37.9	-64.1	38.3	71.3	55.5	47.6
Other investment: liabilities	399.5	189.1	194.6	204.8	427.6	497.0	494.1	565.6	961.6	563.2	771.8	707.2
o/w general government current loar	150.4	0.0	0.0	0.0	0.0	31.4	252.6	296.8	436.2	354.8	213.7	399.7
o/w general government project loar	377.7	110.3	138.6	146.7	156.0	195.6	201.0	252.0	319.7	338.0	403.4	379.1
o/w general government amortization (current+project)	94.8	15.9	17.6	21.2	24.4	27.4	29.6	30.9	60.9	68.6	85.2	101.4
o/w private sector loans	95.3	135.6	124.1	110.3	248.3	207.0	49.3	120.1	74.8	118.6	144.4	80.8
o/w private sector amortization	56.9	109.6	117.1	40.2	23.4	44.6	64.1	85.4	91.9	163.1	150.5	58.4
Net errors and ommissions	**66.6**	**-135.0**	**106.0**	**209.8**	**353.7**	**267.6**	**38.0**	**56.0**	**175.5**	**122.1**	**-209.7**	**190.1**
Overall balance	**-128.9**	**8.0**	**69.0**	**-59.5**	**25.3**	**22.9**	**79.0**	**113.5**	**410.9**	**-85.2**	**326.9**	**-104.8**
Reserve Assets	**-128.9**	**8.0**	**69.0**	**-59.5**	**25.3**	**22.9**	**79.0**	**113.5**	**410.9**	**-85.2**	**326.9**	**-104.8**
For the record												
Gross official reserves (Mil USD)	1692.8	986.1	853.5	922.3	934.6	943.5	1139.5	1251.2	1660.6	1.591.8	########	########
Gross reserves in month of imports G&S	4.2	4.5	4.0	4.0	3.8	3.9	4.4	4.5	5.7	5.0	4.8	4.4
Trade balance (in percent of GDP)	-15.0	-14.7	-15.9	-14.9	-14.5	-12.8	-10.5	-13.4	-15.3	-15.9	-14.5	-15.7
Current account balance in percent of GDP (includi	-9.8	-8.1	-11.0	-12.3	-13.8	-12.2	-10.1	-11.1	-12.2	-11.0	-9.4	-11.5
Current account balance in percent of GDP (excluding official transfers)	-13.5	-14.5	-17.0	-16.9	-17.9	-16.0	-13.8	-14.2	-15.3	-14.0	-13.8	-14.2
Overall balance (in percent of GDP)	-1.0	0.1	0.9	-0.7	0.3	0.3	0.8	1.1	4.0	-0.8	2.8	-0.7
GDP (millions $US, Current)	13305.2	7807.6	8006.0	8377.3	8742.7	8868.9	9481.7	9915.8	10200.0	10606.4	11887.9	14216.7
GDP (billions in RFW, current)	13716.0	4911.0	5340.0	5839.0	6557.0	7237.0	8012.0	8716.0	9384.0	10267.0	11983.0	15283.0
Exchange rate of 1 USD (RFW/1 USD), end period	1070.7	642.7	682.5	719.5	783.3	830.2	859.8	898.3	937.1	987.1	1024.5	1164.6
Exchange rate average (RFW/1 USD)	1030.9	629.00	667.00	697.00	750.00	816.00	845.00	879.00	920.00	968.00	1008.00	1075.00

Source: NBR

NOTES: The current appendices are in BPM6 format and some differences in the historical data especially on services have come about because of improved coverage as well as changes in source data, BMP6 recommends survey based data and in this case , some services line items have been updated with the survey data.

other sources of differences are different adjustments i.e adjustment for coverage, classification, and for timing as recommended by BPM6 and IMTS 2010.

RWANDA's EXPORTS

Appendix 15

(FOB value in USD million)

	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
I. Coffee						
Value	**69.36**	**68.99**	**59.83**	**60.22**	**75.57**	**115.92**
in % of Total exports, f.o.b.	6.6%	6.6%	7.5%	6.5%	5.6%	7.1%
% change of value	53.8%	-0.5%	-13.3%	0.6%	25.5%	53.4%
Volume (1,000 tons)	20353.42	21562.06	19634.34	16734.79	15184.57	20064.96
% change of volume	33.3%	5.9%	-8.9%	-14.8%	-9.3%	32.1%
Unit value (US$/kg)	3.41	3.20	3.05	3.60	4.98	5.78
% change of unit value	15.4%	-6.1%	-4.8%	18.1%	38.3%	16.1%
II. Tea						
Value	**88.55**	**83.56**	**93.54**	**89.91**	**103.35**	**107.06**
in % of Total exports, f.o.b.	8%	8%	12%	10%	8%	7%
% change of value	12%	-6%	12%	-4%	15%	4%
Volume (1,000 tons)	27991.59	30450.88	32563.57	34357.08	35309.06	38713.52
% change of volume	2%	9%	7%	6%	3%	10%
Unit value (US$/kg)	3.16	2.74	2.87	2.62	2.93	2.77
% change of unit value	9%	-13%	5%	-9%	12%	-6%
III. Minerals						
Value	**148.96**	**126.52**	**79.02**	**108.36**	**196.28**	**200.24**
in % of Total exports, f.o.b.	14.2%	12.1%	9.9%	11.7%	14.5%	12.3%
% change of value	63.0%	-15.1%	-37.5%	37.1%	81.1%	2.0%
Volume (1,000 tons)	8640.06	7968.90	5621.53	6644.33	7734.97	9071.94
% change of volume	26.4%	-7.8%	-29.5%	18.2%	16.4%	17.3%
Cassiterite						
Value	**53.46**	**44.49**	**25.43**	**47.92**	**83.20**	**68.67**
in % of Total exports, f.o.b.	5.1%	4.3%	3.2%	5.2%	6.1%	4.2%
% change of value	28.9%	-16.8%	-42.8%	88.4%	73.6%	-17.5%
Volume (1,000 tons)	5063.90	4300.47	2842.64	3425.32	3635.59	4443.42
% change of volume	26.1%	-15.1%	-33.9%	20.5%	6.1%	22.2%
Unit value (US$/kg)	10.56	10.35	8.95	13.99	22.88	15.45
% change of unit value	2.2%	-2.0%	-13.5%	56.4%	63.6%	-32.5%
Coltan						
Value	**78.53**	**59.73**	**39.69**	**37.33**	**54.10**	**81.63**
in % of Total exports, f.o.b.	7.5%	5.7%	5.0%	4.0%	4.0%	5.0%
% change of value	101.8%	-23.9%	-33.6%	-6.0%	44.9%	50.9%
Volume (1,000 tons)	1860.88	1518.80	1201.08	1105.69	1115.96	1681.75
% change of volume	44.6%	-18.4%	-20.9%	-7.9%	0.9%	50.7%
Unit value (US$/kg)	42.20	39.33	33.04	33.76	48.48	48.54
% change of unit value	39.6%	-6.8%	-16.0%	2.2%	43.6%	0.1%
Wolfram						
Value	**16.97**	**22.29**	**13.90**	**23.11**	**58.98**	**49.94**
in % of Total exports, f.o.b.	1.6%	2.1%	1.7%	2.5%	4.3%	3.1%
% change of value	54.6%	31.3%	-37.6%	66.3%	155.2%	-15.3%
Volume (1,000 tons)	1715.27	2149.64	1577.81	2113.32	2983.41	2946.77
% change of volume	12.0%	25.3%	-26.6%	33.9%	41.2%	-1.2%
Unit value (US$/kg)	9.89	10.37	8.81	10.94	19.77	16.95
% change of unit value	38.0%	4.8%	-15.0%	24.2%	80.8%	-14.3%
IV . Hides and skins						
Value	**6.17**	**2.53**	**0.91**	**1.72**	**2.03**	**0.66**
in % of Total exports, f.o.b.	0.6%	0.2%	0.1%	0.2%	0.1%	0.0%
% change of value	-20.5%	-58.9%	-64.2%	89.3%	18.0%	-67.4%
Volume (1,000 tons)	6846.71	5596.07	1489.85	3151.14	3685.17	3436.76
% change of volume	5.5%	-18.3%	-73.4%	111.5%	16.9%	-6.7%
Unit value (US$/kg)	0.90	0.45	0.61	0.55	0.55	0.19
% change of unit value	-24.7%	-49.7%	34.6%	-10.5%	0.9%	-65.0%
V. Pyrethrum						
Value	**4.15**	**6.32**	**5.57**	**3.50**	**4.19**	**5.46**
in % of Total exports, f.o.b.	0.4%	0.6%	0.7%	0.4%	0.3%	0.3%
% change of value	52.0%	52.3%	-11.9%	-37.1%	19.7%	30.2%
Volume (1,000 tons)	120.22	49.98	92.82	20.37	20.54	25.00
% change of volume	717.2%	-58.4%	85.7%	-78.1%	0.8%	21.7%
Unit value (US$/kg)	34.53	126.48	59.98	172.09	204.24	218.42
% change of unit value	-81.4%	266.3%	-52.6%	186.9%	18.7%	6.9%
VI. Other products						
Value	**618.70**	**634.51**	**479.29**	**610.42**	**864.50**	**1057.04**
in % of Total exports, f.o.b.	58.9%	60.9%	60.3%	66.0%	63.7%	64.7%
% change of value	34.5%	2.6%	-24.5%	27.4%	41.6%	22.3%
Other ordinary products	**320.83**	**305.03**	**156.40**	**216.94**	**306.44**	**394.62**
Reexports	**297.87**	**329.48**	**322.88**	**393.48**	**558.06**	**662.42**
V. Gold	**82.06**	**58.47**	**482.34**	**562.48**	**495.94**	**772.03**
Sub-Total	***1017.94***	***980.90***	***1200.49***	***1436.61***	***1741.87***	***2258.42***
VII. Adjustments	**114.85**	**120.14**	**76.93**	**50.63**	**111.32**	**146.13**
Electricity	0.35	0.35	0.39	0.46	0.53	0.58
Postal colis	0.00	0.00	0.00	0.00	0.00	0.00
Carnets 126	0.00	0.00	0.00	0.00	0.00	0.00
Goods procured in ports by carrie	12.55	6.89	1.72	2.42	11.16	22.22
Reexports of minerals	0.00	0.00	0.00	0.00	0.00	0.00
Ajustment in transport and insura	0.00	0.00	0.00	0.00	0.00	0.00
Ajustments on exports/surveys	114.85	120.14	76.93	50.63	111.32	146.13
Ajustment on transport &Tea assur	0.00	0.00	0.00	0.00	0.00	0.00
Total fob	**1132.80**	**1101.04**	**1277.43**	**1487.24**	**1853.20**	**2404.55**
% change	**34.5%**	**-2.8%**	**16.0%**	**16.4%**	**24.6%**	**29.8%**

Source : NBR

RWANDA'S IMPORTS

Appendix 16

(Value in USD million)

	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
I. Capital goods						
Value	**538.2**	**680.5**	**633.7**	**734.1**	**683.5**	**854.2**
in % of Total M CIF, excluding g	22%	24%	23%	25%	20%	20%
% change of value	-9%	26%	-7%	16%	-7%	25%
Volume (tons)	**63852.0**	**77250.9**	**81647.4**	**115305.1**	**74214.4**	**108279.3**
% change of volume	1%	21%	6%	41%	-36%	46%
Unit value (US$/kg)	**8.4**	**8.8**	**7.8**	**6.4**	**9.2**	**7.9**
% change of unit value	-1646%	450%	-1189%	-1797%	4467%	-14%
II. Intermediate goods						
Value	**595.6**	**685.5**	**712.4**	**826.2**	**973.9**	**1100.6**
in % of Total M CIF, excluding g	24%	25%	26%	28%	28%	25%
% change of value	9%	15%	4%	16%	18%	13%
Volume (tons)	**993765.6**	**1046538.4**	**1158812.3**	**1524138.4**	**1417050.1**	**1677776.5**
% change of volume	19%	5%	11%	32%	-7%	18%
Unit value (US$/kg)	**0.6**	**0.7**	**0.6**	**0.5**	**0.7**	**0.7**
% change of unit value	-9%	9%	-6%	-12%	27%	-5%
III . Energy products						
Value	**508.7**	**543.5**	**483.5**	**295.2**	**543.8**	**805.3**
in % of Total M CIF, excluding g	21%	19%	18%	10%	16%	18%
% change of value	40%	7%	-11%	-39%	84%	48%
Volume (tons)	**823658.4**	**885896.0**	**841209.6**	**631530.6**	**770494.1**	**885392.1**
% change of volume	50%	8%	-5%	-25%	22%	15%
Unit value (US$/kg)	**0.6**	**0.6**	**0.6**	**0.5**	**0.7**	**0.9**
% change of unit value	-7%	-1%	-6%	-19%	51%	29%
IV. Consumer goods						
Value	**676.8**	**700.0**	**730.6**	**810.1**	**945.6**	**1180.5**
in % of Total M CIF, excluding g	27%	25%	27%	28%	27%	27%
% change of value	0.0	0.0	0.0	0.1	0.2	0.2
Volume (tons)	**850233.6**	**769988.5**	**747480.8**	**835862.4**	**822326.0**	**1150445.1**
% change of volume	19%	-9%	-3%	12%	-2%	40%
Unit value (US$/kg)	**0.8**	**0.9**	**1.0**	**1.0**	**1.1**	**1.0**
% change of unit value	-15%	14%	8%	-1%	19%	-11%
1. Food						0.0
Value	**322.3**	**312.7**	**314.4**	**359.1**	**436.3**	**587.9**
in % of Total M CIF, excluding g	13%	11%	11%	12%	12%	13%
% change of value	11%	-3%	1%	14%	21%	35%
Volume (tons)	**707771.2**	**622939.4**	**594120.7**	**672867.2**	**646541.0**	**955467.6**
% change of volume	24%	-12%	-5%	13%	-4%	48%
Unit value (US$/kg)	**0.5**	**0.5**	**0.5**	**0.5**	**0.7**	**0.6**
% change of unit value	-11%	10%	5%	1%	26%	-9%
2.Others consummer goods						0.0
Value	**354.4**	**387.3**	**416.2**	**450.9**	**509.3**	**592.7**
in % of Total M CIF, excluding g	14%	14%	15%	15%	15%	14%
% change of value	-6%	9%	7%	8%	13%	16%
Volume (tons)	**142462.3**	**147049.0**	**153360.1**	**162995.2**	**175785.0**	**194977.5**
% change of volume	-1%	3%	4%	6%	8%	11%
Unit value (US$/kg)	**2.5**	**2.6**	**2.7**	**2.8**	**2.9**	**3.0**
% change of unit value	-5%	6%	3%	2%	5%	5%
V. Gold						
Value	**0.0**	**0.0**	**460.1**	**561.1**	**493.4**	**746.0**
in % of Total M CIF	0%	0%	14%	16%	12%	15%
% change of value				22%	-12%	51%
Volume (tons)						
% change of volume						
Unit value (US$/kg)						
% change of unit value						
S/TOTAL	**2319.4**	**2609.5**	**3020.4**	**3226.7**	**3640.3**	**4686.6**
% change	7%	13%	16%	7%	13%	29%
V. Ajustment						
Value	**161.0**	**181.3**	**184.1**	**261.1**	**355.4**	**430.3**
in % of Total M CIF	6%	6%	6%	7%	9%	8%
electricity	**3.8**	**4.0**	**4.0**	**4.4**	**4.2**	**4.0**
in % of Total M CIF	1%	1%	1%	1%	1%	1%
Parcel post						
Import for reexport	**137.4**	**165.5**	**177.0**	**259.0**	**349.8**	**422.3**
Autres (dont)						
126 BIS Goods procured in ports by carriers	77.3	72.9	40.8	28.8	72.5	92.3
Reexport non included						
Embassies' imports	0.0	0.0	0.0	0.0	0.0	0.0
ICBT	23.5	15.8	7.2	2.1	5.6	8.0
Imports of TIGO 55					0.0	
Big projcts	0.0	0.0	0.0	0.0	0.0	
Imports of bank notes and coins	0.0	0.0	0.0	0.0	0.0	0.0
in % of Total M CIF						
VI. Import cif	**2480.3**	**2790.8**	**3204.5**	**3487.8**	**3995.7**	**5117.0**
% change	**5%**	**13%**	**15%**	**9%**	**15%**	**28%**
VII. Freight and insurance	**347.5**	**364.1**	**363.8**	**316.1**	**419.0**	**476.8**
In % of CIf	14%	13%	11%	9%	10%	9%
VIII.Total fob excluding gold	**2132.8**	**2426.7**	**2380.6**	**2610.6**	**3083.3**	**3894.1**
% change	**8%**	**14%**	**-2%**	**10%**	**18%**	**26%**

Source : NBR

SERVICES

Appendix 17

(In USD million)

	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Services net	-196.40	-233.50	-66.99	-32.49	20.72	-121.91	-5.04
Credit	807.77	843.17	971.21	809.80	541.32	695.47	953.28
Debit	1004.16	1076.68	1038.19	842.29	520.59	817.37	958.31
Transport	-330.52	-328.40	-277.11	-219.86	-158.41	-198.34	-261.78
	111.88	156.63	195.51	168.46	131.18	184.95	230.30
	442.40	485.02	472.62	388.32	289.58	383.29	492.08
Travel	45.2	-1.1	94.1	78.7	-20.8	15.1	164.0
Credi	373.9	367.6	425.4	331.8	87.6	254.8	470.1
Debit	328.7	368.7	331.3	253.0	108.4	239.7	306.1
Telecommunications, computer,	6.380	3.483	3.062	2.026	5.020	4.890	5.298
Credi	17.572	18.970	18.786	20.103	23.588	26.555	28.688
Debit	11.192	15.486	15.723	18.076	18.568	21.665	23.390
Government goods and services	151.219	135.062	153.846	146.316	225.774	148.377	170.467
Credit	253.140	248.392	274.631	246.321	275.827	206.161	200.939
Debit	101.920	113.330	120.785	100.006	50.053	57.785	30.472
Other services	-68.630	-42.501	-40.881	-39.694	-30.851	-91.932	-82.988
Credit	51.295	51.595	56.849	43.153	23.173	23.029	23.282
Debit	119.925	94.096	97.730	82.847	54.024	114.961	106.270

Source: NBR

Primary and Secondary income

Appendix 18

(In USD million)

	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Primary income (net) = Income in BPM6	**-338.7**	**-340.2**	**-264.2**	**-200.6**	**-246.7**	**-288.1**
Primary income: credit	21.0	14.8	14.6	17.0	23.4	32.0
Primary income: debit	359.8	355.0	278.8	217.6	270.1	320.2
O/W: public sector debt interes	*77.5*	*89.1*	*91.9*	*77.3*	*79.1*	*95.0*
Other sectors debt	*86.6*	*96.2*	*80.8*	*53.7*	*41.7*	*41.6*
Compensation of em	*37.1*	*34.0*	*30.4*	*23.5*	*39.3*	*46.9*
Dividends	*29.6*	*24.2*	*15.7*	*31.5*	*43.6*	*33.4*
Secondary income (net) = Transfers in BPM6	**613.8**	**633.1**	**615.5**	**700.2**	**973.3**	**894.3**
Secondary income: credit	716.6	716.8	677.3	778.8	1057.9	961.5
Secondary income: debit	102.7	83.7	61.8	78.6	84.6	67.2
Private transfers net	**259.9**	**323.0**	**303.7**	**380.0**	**452.2**	**513.3**
o/w: Remittances from diaspora (net)	176.7	208.7	208.2	296.5	377.0	444.0
	232.17	255.80	244.55	333.83	418.81	489.88
	55.50	47.13	36.38	37.30	41.78	45.91
o/w: Private transfers for churches and associations	83.24	114.33	95.60	83.53	75.18	69.38
	90.4	122.1	104.8	87.9	80.6	74.3
	7.1	7.7	9.2	4.4	5.4	4.9
o/w: official transfers - credit	394.0	338.9	328.0	357.1	558.5	397.2
	222.6	183.2	199.4	255.2	446.5	302.6
	171.4	155.7	128.6	101.9	112.0	94.6
	40.0	28.8	16.2	36.9	37.3	16.2

Source: NBR

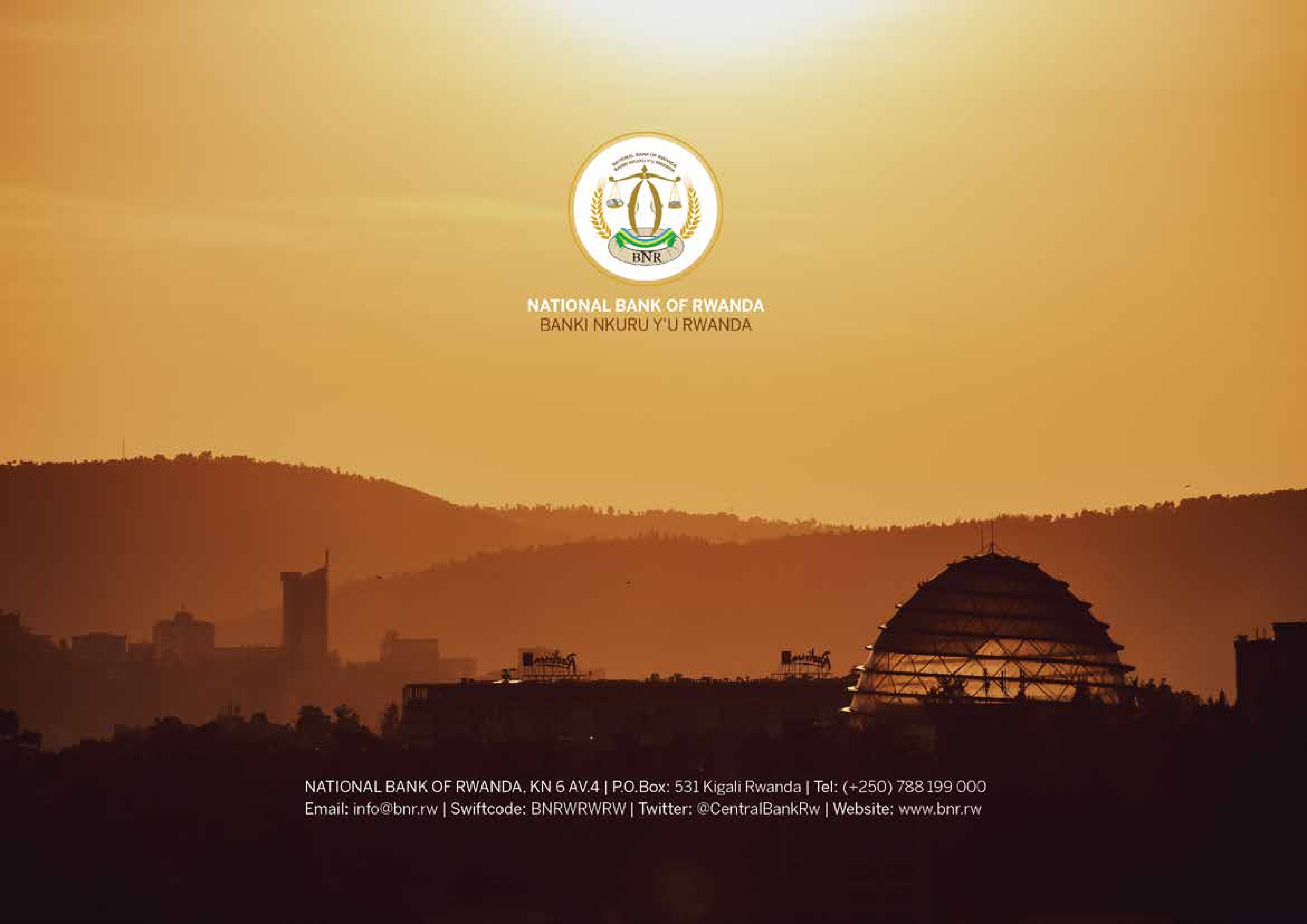
CAPITAL AND FINANCIAL ACCOUNT

(In USD million)

Appendix 19

	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
B. Capital Account	**199.01**	**264.40**	**292.58**	**340.14**	**392.62**	**370.63**
Capital account: credit (PIP)	199.0	264.4	292.6	340.1	392.6	370.6
Capital account: debit	0.0	0.0	0.0	0.0	0.0	0.0
Net lending(+)/ net borrowing (-) (balance from current and capital accounts)	**-759.4**	**-835.3**	**-951.9**	**-824.0**	**-726.2**	**-1264.8**
C. Financial Account: Net lending(+)/ net borrowing (-)	**-721.4**	**-779.3**	**-776.4**	**-701.9**	**-935.9**	**-1074.7**
Direct investment	**-306.0**	**-282.2**	**-259.2**	**-132.7**	**-285.6**	**-418.9**
Direct investment: assets	16.9	11.1	2.4	0.0	0.0	0.0
Direct investment: liabilities (FDI)	323.0	293.3	261.7	132.7	285.6	418.9
Portfolio investment	**37.6**	**19.2**	**-4.7**	**8.0**	**-260.9**	**108.6**
Portfolio investment: assets	43.9	18.6	30.9	9.9	21.3	50.2
Portfolio investment: liabilities	6.3	-0.6	35.6	1.9	282.2	-58.4
Other investment	**-532.0**	**-629.8**	**-923.4**	**-492.0**	**-716.3**	**-659.6**
Other investment: assets	-37.9	-64.1	38.3	71.3	55.5	47.6
Other investment: liabilities	494.1	565.6	961.6	563.2	771.8	707.2
o/w general government cu	252.6	296.8	436.2	354.8	213.7	399.7
o/w general government sector project loans	201.0	252.0	319.7	338.0	403.4	379.1
o/w general government amor	29.6	30.9	60.9	68.6	85.2	101.4
o/w private sector loans	49.3	120.1	74.8	118.6	144.4	80.8
o/w private sector amortizat	64.1	85.4	91.9	163.1	150.5	58.4

Source: NBR



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