

Instruction n° 06/2001 of the national bank of rwanda

On reserves requirements

Given the law n° 11/97 of 26th July 1997 bearing the statutes of the National Bank of Rwanda regulations, especially its provisions under article 53 ;

Given the law n° 08/99 of 18th June 1999 on regulations of banks and other financial institutions, especially its provisions under articles 32 and 33, d ;

Reviewed the Instruction n° 08/95 of July 26th, 1995 of the National Bank of Rwanda on requirements reserve as modified by subsequent texts.

The National Bank of Rwanda decides the following :

Article 1:

Banks, as defined by the law n° 8/89 of 18th June 1999, are required to constitute, under the conditions defined by the present instruction, in the form of non-remunerated deposits with the central bank, their current liabilities reserves and off-balance commitments in either Rwandan or foreign currencies.

Article 2:

The period of reserve requirements constitution extends from the 25th day of every month up to the 24th day of the following month.

Article 3:

The reserve requirements basis is derived from the monthly account statement addressed to the National Bank no later than the 20th day of every month and closed on the last day of the month included in the period of constitution under review.

The reserve requirements basis is composed of the following elements :

- Rwandan francs and foreign exchange deposits ;
- Short-term notes subscribed in Rwandan francs and in foreign currencies ;
- deposit certificates ;
- other amounts due to the clients.

Article 4:

The rate of requirements reserves is fixed at 8 %.

Article 5:

The banks must present to the central bank their monthly accounting statements and a declaration conform to the model annexed herewith.

Article 6:

Any bank failing to present its declaration to the Bank within the period provided under article 3 stipulated above will have to constitute its reserves on the basis of the previous known elements of the situations at 10 % increase.

Article 7:

In conformity with the instruction n° 09/2000 of 19th September 2000, any bank whose elements constituting the reserve requirements basis and declaration are divergent will be liable for a fine.

Article 8:

The reserves correspond to the credit balance, the same period cited above under article.2; and the current account in Rwandan currency opened in the Bank's books. For public holidays of the period, the balance to take into account is the previous business day.

The average balance of Rwandan francs current account of every bank must be at least equal to the amount of reserves required.

Article 9:

Any insufficiency with regard to the required amount as referred to under paragraph 2 of the previous article is charged a penalty fee calculated over the period of reserve requirements constitution, at the rediscount rate increased by 5 points of percentage.

Article 10:

Any eventual surplus of the ordinary account average balance with regard to the required amount of the required reserves for the considered constitution period is, in case of insufficiency, postponed only once to the following period.

Article 11 :

All previous provisions contrary to the present instruction are abrogated.

Article 12 :

The present instruction enters into force the date of its signature.

Done at Kigali, on 21st September 2001

François MUTEMBEREZI
Governor.

ANNEX TO THE INSTRUCTION N° 06/2001 OF 21 SEPTEMBER 2001

BANQUE :

**MONTHLY STATEMENT OF THE BASE FOR RESERVES REQUIREMENTS IN
APPLICATION OF THE INSTRUCTION N° 06/2001 OF 21 SEPTEMBER 2001**

DEPOSITS	Codes	Currencies (c/v in RFW)	Rwandan francs	Total
1. DEMAND LIABILITIES				
Banks and other non liable Financial Institutions				
Ordinary credit account	3100			
Other bank institutions	310			
Non-bank financial institutions				
	326			
Other economic operators	329			
Ordinary credit accounts				
Other amounts due to customers				
States and non-financial international institutions	3220			
Central Administration	3243			
Caisse Sociale du Rwanda	3244			
Provincial and local administration				
Ordinary credit accounts of Foreign	3246			
Governments and Internat. Organisation				
Total (a)				
2. TERM LIABILITIES				
Banks and other non-liable financial institutions	312			
Daily loans	315			
Accounts and loans	318			
Cash bonds				
Other economic operators				
Forward and notice credit accounts	327			
Saving account with special arrangement	328			
Other amounts due to customers	329			
Cash bonds	330			
Deposit bills				
States and non-financial international institutions				
Central administration	3220			
Caisse Sociale du Rwanda (CSR)	3243			
Local and provincial administration	3244			
Ordinary credit accounts of				
Foreign Gov. & Intern. Org.	3247			
Total (b)				
3. Reserves Requirements Base (TOTAL)				
4. Reserves Requirements = (A + B) x 8 %				
5. Current account's average credit balance with the BNR from the 25th of the month under review until the 24th of the following month.				
6. Surplus (+) or insufficiency (-) of the period (5 - 4)				
7. Surplus of the previous period (to be added in case of insufficiency)				