



The Governor

DIRECTIVE N° 3250/2023 – 00026 [902.4] OF 14th SEPTEMBER 2023 ON EXCHANGE RATE APPLIED BY COMMERCIAL BANKS WHEN DEALING WITH INTERNATIONAL BROKERS

The National Bank of Rwanda;

Pursuant to Law n° 48/2017 of 23/09/ 2017 governing the National Bank of Rwanda as amended to date, especially in its articles 6 bis, 8, 9, 10, 34, 35 and 42 as amended to date;

Pursuant to Law n° 047/2017 of 23/09/2017 governing the organization of banking, especially in Articles 4 and 8;

Pursuant to Regulation n° 42/2022 of 13/04/2022 governing Foreign Exchange Operations in Articles 3, 30 and 31;

Pursuant to regulation n°2310/2018-00015 [614] of 27/12/2018 of The National Bank of Rwanda governing Foreign Exchange Bureaus, especially in articles 33;

Having reviewed the Directive n° 07/2016 of 30/08/2016 on exchange rate applied by commercial banks when dealing with international brokers;

Within the framework of limiting any speculative tendencies or malpractices coming from nonlicensed institutions and its negative impact on the Rwandan foreign exchange market;

ISSUES THE FOLLOWING DIRECTIVE:

Article One: Purpose of this Directive

This Directive establishes conditions for which local financial institutions follow when trading with international brokers in all foreign currencies.

Article 2: Interpretation

In this Directive:

“foreign currency” means any currency which is not the Rwandan Franc;

“international brokers” means all institutions operating outside of Rwanda and not licensed by the Central Bank that arrange foreign currencies transactions between a buyer and a seller for a commission when the deal is executed. These institutions include sister regional

banks and affiliate of local financial institutions that has any foreign exchange transactional relationship with a local financial institution;

“local financial institution” means licensed banks and licensed depositing taking microfinance institutions authorized to deal in foreign exchange operations;

“trading platform” means the software that allows brokers to place trades, in this case forex trades by buying one currency while simultaneously selling another currency.

Article 3: Conditions for dealing with international brokers

The local financial institutions provide quotes to international brokers using the authorized trading platforms.

The financial institutions dealing with international brokers purchase foreign exchange currency at the rate not exceeding 0.5% above Central Bank selling rate.

Article 4 : Penalty

Failure to comply with above conditions stated in Article 3, a penalty of 0.25% of total transacted amount, is imposed for the first time and 1.0% for the recidivist.

Article 5: Reporting to Central Bank

The local financial institutions report to Central Bank on transaction date of all related foreign exchange deals with international brokers using the format provided for in annex of this Directive.

Article 6: Repealing provision

The Directive n° 07/2016 of 30/08/2016 on exchange rate applied by commercial banks when dealing with international brokers is repealed.

Article 7: Entry into force

The Directive comes into force on the date of its signature.

Done at Kigali on 14th September 2023

 Digitally
signed by
BNR(GOV
ERNOR)

**RWANGOMBWA John
Governor**

Annex: Foreign Exchange Transaction with International Broker Reporting Format

Bank name	Client name	Transaction type	Transaction nature	Value date	Currency	Amount in FCY	Applied exchange rate	Amount in LCY	Purpose
XXX	XXX	Transfer	Buy	mm/dd/yyyy	USD				
XXX	XXX	Cash	Sell	mm/dd/yyyy	EUR				
XXX	XXX	Transfer	Buy	mm/dd/yyyy	USD				
XXX	XXX	Transfer	Sell	mm/dd/yyyy	GBP				
XXX	XXX	Transfer	Buy	mm/dd/yyyy				

Seen to be annexed to the Directive No 3250/2023 – 00026 [902.4] of 14th September 2023 on exchange rate applied by commercial banks when dealing with international brokers

Kigali on 14th September 2023.


Digitally
signed by
BNR(GOV
ERNOR)

**RWANGOMBWA John
Governor**