**RTGS, CSD and SSS ASSESSMENT**

In February 2015, there have been a self-assessment that was carried out by BNR staff working in Payment System Department with the assistance of the payment system experts from World Bank.

The self-assessment on the observance of the Principles for Financial Market Infrastructures (PFMIs) was carried out for the FMIs owned and operated by the Central Bank of Rwanda "BNR".

The assessment covered three components of RIPPS including Real Time Gross Settlement (RTGS), Central Securities Depository (CSD) and Securities Settlement System (SSS) with the purpose of mitigating the systemic risk within those FMIs.

While assessing, the assessors referred to the questions related to applicable principles and the key considerations using the Principles for financial market infrastructures, the Assessment Methodology and Disclosure Framework as a guide. The principles which apply only to Trade Repository and Central Counterparties were not assessed as BNR does not own and operate such kind of financial market infrastructures. These are Principle 6: Margin, Principle 14: Segregation and portability and Principle 24: Disclosure of market data by trade repositories. Furthermore, the Principle 10: Physical deliveries were not assessed as the BNR does not operate a system performing delivery of physical instruments or commodities

The assessors used relevant laws, regulations, directives and policies as issued by the Central Bank. They also referred to the rules and procedures governing the operations of RTGS and CSD/SSS, the BNR reports and conversations with the staff of the units which operate or use the systems within BNR.

**The following principles were assessed either for RTGS or CSD/SSS or both**:

**General organization**

Principle 1: Legal basis

Principle 2: Governance

Principle 3: Framework for the comprehensive management of risks

**Credit and liquidity risk management**

Principle 4: Credit risk

Principle 5: Collateral

Principle 6: Margin

Principle 7: Liquidity risk

**Settlement**

Principle 8: Settlement finality

Principle 9: Money settlements

Principle 10: Physical deliveries

**Central securities depositories and exchange-of-value settlement systems**

Principle 11: Central securities depositories

Principle 12: Exchange-of-value settlement systems

**Default management**

Principle 13: Participant-default rules and procedures

Principle 14: Segregation and portability

**General business and operational risk management**

Principle 15: General business risk

Principle 16: Custody and investment risks

Principle 17: Operational risk

**Access**

Principle 18: Access and participation requirements

Principle 19: Tiered participation arrangements

Principle 20: FMI links

**Efficiency**

Principle 21: Efficiency and effectiveness

Principle 22: Communication procedures and standards

**Transparency**

Principle 23: Disclosure of rules, key procedures, and market data

Principle 24: Disclosure of market data by trade repositories

**The following are the key findings from the assessment:**

**RTGS Observance** : Observed Principles 1,2,4,8,9,12,13,15,21,22

Broadly observed Principles 3, 7, 17, 18

Partly observed Principle 23

Not observed

Not applicable Principles 5,6,10,11,14,16,19,20,24

**CSD/SSS Observance**: Observed Principles 1,2,4,8,9,11,12,13,15,16,21,22

Broadly observed Principles 3, 7, 17, 18

Partly observed Principle 23

Not observed

Not applicable Principles 5, 6, 10, 14,19,20,24

**Responsibilities**: Observed Responsibilities A, B, C, D, E