




RWANDA ISSUED NEW DIRECTIVE ON FOREIGN CURRENCY TRANSACTIONS

The Central Bank has introduced a new framework that reshapes how individuals and businesses may engage in foreign currency transactions.

On 17 September 2025, Central Bank issued Directive No. 4230/2025-00042 [613], which governs who may transact in foreign currencies and outlines the process for obtaining authorization.

KEY HIGHLIGHTS

 The Rwandan franc (FRW) remains the sole legal tender for all transactions and monetary obligations within



Rwanda.
The Directive, however, **broadens the scope** of entities permitted to transact in foreign currency **without prior authorization** from the Central Bank, referred to as *“deemed authorized dealers.”*

These now include:

1. Real estate companies with valid RDB investment certificates
2. Licensed tourism entities and travel agencies
3. Entities operating under the **Kigali International Financial Centre (KIFC)** regime
4. **Kigali International Arbitration Centre**
5. Licensed mining operators
6. Aviation and logistics related services

7. Air ticketing companies
8. Land-Water Cross-Border transport providers
9. Duty-free shops
10. Casinos
11. International schools and higher learning institutions
12. Service providers to diplomatic missions and accredited international organizations
13. Expatriates or any person earning income in foreign currency from outside Rwanda and their suppliers or service providers.
14. Any other person that may be authorized by the Central Bank

OTHER NOTABLE PROVISIONS

- No entity may compel payment in foreign currency, payers can always settle in FRW at the Central Bank's average exchange rate.
- The Central Bank must respond to authorization applications within **5 working days**, extendable by **10 more days** for the acknowledgment notice and 20 working days from then to grant or deny the authorization.
- Record keeping: All authorized dealers must retain transaction records for 10 years.
- A six-month compliance window is provided for entities not listed in the authorized dealers with existing contracts denominated in foreign currencies.

WHAT THIS MEANS FOR BUSINESSES

Companies transacting or intending to transact in foreign currency should :

- Confirm if they qualify as deemed authorized dealers.
- Apply for Central Bank authorization if not covered.
- Review or amend existing foreign currency contracts within the six-month moratorium period.
- Obtain necessary recommendations or approvals where applicable.

This Directive is a significant step toward enhancing regulatory clarity in Rwanda's foreign exchange landscape, promoting transparency while aligning the market with national monetary policy objectives.

KSP remains available to advise businesses on compliance steps, authorization applications, and contract reviews under the new framework.



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