



Tightened Foreign Exchange Restrictions in Rwanda

What You Need to Know

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On 30 May 2025, the National Bank of Rwanda (BNR) published Regulation No. 89/2025, introducing amendments to the existing Regulation No. 42/2022 governing foreign exchange operations. These changes are now in effect and impose stricter limitations and clearer penalties for non-compliant use of foreign currency in domestic transactions.

The amendments are aimed at reinforcing the use of the Rwandan franc (Rwf) as the sole currency for local transactions and curbing informal use of foreign currencies (particularly the USD) in Rwanda's domestic market.

Regulatory context

The current foreign exchange framework is built on three key instruments:

- Regulation No. 42/2022 – Established a comprehensive foreign exchange framework and prohibited pricing in foreign currency by non-licensed entities.
- Directive No. 0520/2023-00041 – Outlined the process for obtaining BNR authorisation to transact in foreign currency.
- Regulation No. 89/2025 – Strengthened enforcement provisions, clarified prohibited practices, introduced formal penalties, and imposed whistle-blower obligations.

What has changed as per Regulation No. 89/2025

1. Clarified scope of prohibited pricing practices

While the prohibition against pricing goods and services in foreign currency was established under Regulation No. 42/2022, the 2025 amendment significantly expands the interpretation of what constitutes "pricing."

The new rules confirm that any communication of foreign currency amounts to Rwandan residents (whether verbal, written, contractual, promotional, or digital) constitutes a violation, unless the person or entity is specifically authorised by BNR.

Examples of prohibited practices include:

- Publishing prices in foreign currency on websites or social media platforms targeting local consumers;
- Issuing quotations or proposals in foreign currency to Rwandan-based clients;
- Verbally referring to foreign currency values during sales discussions or negotiations.



2. Clarification on penalties

BNR has introduced a structured system of pecuniary sanctions applicable to any individual or entity that engages in foreign exchange operations without proper authorisation.

- Pricing goods or services in foreign currency without BNR approval attracts a fine of Rwf 5,000,000 for the first offence, increasing to Rwf 10,000,000 for each subsequent violation.
- Transacting in foreign currency without authorisation results in a penalty of 50% of the transacted amount for the first offence, and 100% of the amount for repeat offences.
- Calling for or participating in unauthorised foreign currency auctions will incur a penalty equal to 50% of the total amount auctioned.

3. Whistle-blowing requirements

All individuals now have a legal obligation to report suspected breaches of foreign exchange rules. The regulation provides protections for those who report in good faith, reinforcing the enforcement framework.

What remains permitted



The 2025 amendment did not alter the existing provisions regarding legitimate foreign currency use. The allowances established under the 2022 regulation remain fully applicable, provided transactions are conducted through authorised channels and supported by appropriate documentation. Permitted transactions include:

- Cross-border payments (e.g. imports, exports, or offshore service contracts);
- Foreign capital inflows (e.g. equity investments, donor funding, or loans);
- Transactions through licensed foreign currency accounts;
- Personal remittances for purposes such as tuition, travel, or medical treatment abroad;
- Foreign currency usage by BNR-authorized businesses that serve non-resident clients or have foreign obligations.

Recommended compliance action

In light of these developments, businesses are advised to take the following steps:

- Conduct an exposure assessment – Identify any use or reference to foreign currency across your operations, including contracts, proposals, websites, quotations and marketing materials.
- Standardise all local pricing in Rwandan Francs – Ensure that all communications directed to Rwandan residents, regardless of format, express prices exclusively in Rwandan francs.

- Review existing agreements – Renegotiate or revise existing agreements with local clients that reference foreign currency, ensuring alignment with the new requirements.
- Train staff – Provide targeted training for sales, legal, finance, and customer service teams to ensure full awareness of the revised obligations and risks. Informal foreign currency mentions could now result in enforcement actions.
- Maintain documentation – For valid foreign currency use (e.g., payments to foreign suppliers), retain complete records detailing the purpose, beneficiaries, and payment channels.
- Apply for authorization – If your business model involves regular transactions with non-residents or relies heavily on foreign currency, you should submit a formal request to BNR to be allowed to transact in foreign currency.

Final Thoughts

These regulatory amendments reflect BNR's renewed emphasis on enforcing foreign exchange controls and discouraging the informal use of foreign currency in local transactions. Businesses are advised to reassess their practices and ensure full compliance to avoid potential penalties.

PKF Rwanda remains available to support you through this process.



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