



REFORMS IN THE RWANDAN PAYMENT SYSTEMS

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The Reforms

- ❑ Governance
- ❑ The Legal Framework
- ❑ The infrastructure





Governance

- ❑ 2002, a payment systems modernization unit was set up
- ❑ In 2003, a stock taking exercise was done and a report produced
- ❑ 2007, the NPC and its working groups was set up
- ❑ 2008, The unit became a department of Payment Systems



Governance Structure

- The Central Bank
 - The Payment Systems Department
- The National Payments Council (NPC)
 - The subcommittees (working Groups)
 - The technical subcommittee (IT experts from all stakeholders)
 - The Business Strategy subcommittee (Operations experts)
 - The legal subcommittee (legal experts)
 - Composition of the NPC
 - The Central Bank
 - Representative of the Bankers Association



NPC composition Cont...

- Representative of the Telecoms
- Representative of the Micro Finance Association
- Ministry of Finance and Economic Planning
- The Rwanda Utilities Regulatory Agency
- Rwanda Switch
- Rwanda Information Technology Agency
- The Bankers Association

Reforms Cont...



The Legal reforms

- ❑ The NBR act has amended to include NPS oversight
- ❑ The payment systems law has been Gazetted
- ❑ A law on negotiable instruments has been Gazetted
- ❑ A securities holding law exists
- ❑ an electronic transactions law has been Gazetted
- ❑ A Regulation governing Payment Services Providers has been Gazetted
- ❑ Several other regulations have been Gazetted



Reforms Cont...

Infrastructure

- ❑ In 2005, a National Switch was set up.
 - Produces cards for the banks
 - Interconnects all ATMs and POS to ensure interoperability
- ❑ The same year, a Semi automated Clearing that achieves T+1 clearing and settlement was introduced
- ❑ 2008, technical specifications for implementing the RIPPS were developed
- ❑ 2010, RIPPS went live



Key Success Factors

- ❑ The National Switch
- ❑ The ACH/RTGS/CSD
- ❑ Opened up competition in the remittances market

Lessons for others

Government support



- A fiber optics network was laid in the whole country to ease the flow of information and communication;
- A project named E-Government was implemented; this is to make sure that all services offered by Government departments are done electronically;



THANK YOU VERY
MUCH