

Rwanda's central bank has successfully completed a five-month pilot of its digital currency, the e-Franc Rwandais (e-FRW), marking a major step in the country's push to modernize its financial system.

The National Bank of Rwanda (BNR) said the "Proof of Concept" trial, conducted from May to October 2025, involved collaboration with commercial banks, payment service providers, fintech companies, and government agencies. It tested the technology, user experience, operational management, and regulatory requirements needed to support a central bank digital currency (CBDC).

"The trial demonstrates Rwanda's ability to build a modern, resilient, and inclusive financial system," BNR said. "It shows that the e-FRW can enable fast, secure payments, support financial innovation, and strengthen the country's cashless economy initiatives."

The pilot has generated actionable insights for the technical and regulatory framework required to roll out the e-FRW, with findings available on the BNR website. No decision has yet been made on the currency's full launch.

BNR plans a larger 12-month trial in the coming months. This expanded phase will include users from Kigali, satellite towns, and select rural areas. It will also explore accessible financial channels such as USSD and low-cost devices, alongside everyday transactions with merchants and other partners.

The initiative will include collaboration with domestic and international institutions, testing cross-border transfers and interoperability between digital payment networks, all while prioritizing cybersecurity and system resilience.

### **Digital Currency as an Alternative to Mobile Money**

Ingrid Cyuzuzo, BNR director of financial development and innovation, said the e-FRW could provide new options for digital payments alongside Mobile Money, Rwanda's popular mobile payment system.

"Rural residents face challenges accessing electricity and the internet," she said. "Some transactions, including cross-border payments, are limited by Mobile Money. CBDC could expand these capabilities and improve efficiency."

CBDCs are digital currencies issued by central banks that function like traditional cash but can also operate offline. Rwanda's e-FRW is intended to attract a broader

range of users to the financial system and simplify payments across borders.

Several countries, including the Bahamas, Jamaica, and Nigeria, have already approved CBDCs, while over 130 others are exploring development and pilot programs to integrate digital currencies into domestic and international commerce.

BNR emphasized that any formal decision on issuing the e-FRW will depend on the results of the large-scale trial, stakeholder feedback, and legal and regulatory analysis.