

a) Procedure on opening new bank accounts

We have noted that some Government institutions do not follow the instructions regarding procedures required to open and close bank accounts. For this reason, we wish to remind you to comply with the following set guidelines that must be followed while opening new bank accounts.

- Examine the need to open a new bank account;
- Check whether your entity already holds an account whose operations are related to the one to be opened;
- Write to the Ministry of Finance and Economic Planning an official request to open a new bank account;
- Attach to the request letter, the loan or grant agreement between the Republic of Rwanda and the donor for which the new bank account is required; the loan/grant's negotiation procedures must comply with the Government of Rwanda aid policy. For more about the Rwanda aid policy visit: <http://www.devpartners.gov.rw/>
- Attach to the request letter, the law or cabinet decision establishing the institution if it is new;
- Complete the National Bank of Rwanda's form for opening a bank account. The form requires you to provide information such as source of funds, among other relevant information and requires bank account to have a minimum of three signatories.

Note that all Government Institutions are required to open their bank accounts at the National Bank of Rwanda.

b) The closure of unused bank accounts

The Chief Budget should ensure that all bank accounts maintained by the entity are included in the financial reports and have correct balances. In case of unused bank accounts, its closure requires authorization from the Ministry of Finance and Economic Planning.

- The request for the closure should mention the account to receive the remaining balance on bank account to be closed.
- In case of a project the account should be in compliance with the loan/grant/financing agreement otherwise the remaining balance is to be transferred to the National Treasury Account or donor.
- The Chief Budget Managers should ensure that operating projects under their Ministry/District/Budget Agency have complied with closure of unused bank accounts before the year end.
- Before the year end, the chief Budget Manager should ensure that banks have complied with closing request and that there is no outstanding balance to the bank account.