

Amsterdam, 8 May 2020

## TCX and Banque Rwandaise de Développement sign MoU

TCX Fund (“TCX”) and Banque Rwandaise de Développement (“BRD”), the Development Bank of Rwanda, signed a Memorandum of Understanding (“MoU”), effective today. The MoU outlines how TCX and BRD propose to cooperate in the managing of currency mismatches which result from term loans extended to BRD by foreign lenders in USD or other hard currencies.

### **Kampeta Sayinzoga, CEO of BRD**

*“The proposed cooperation with TCX will help strengthen our balance sheet, ensure continued access to long-term finance and support our ability to lend in Rwandese francs. This ability is critical to the BRD’s mandate of providing sustainable finance to priority sectors in the country, including agriculture, energy, housing and education. This role of the BRD will be increasingly important as the country undergoes the far-reaching impact of COVID-19”.*

### **Ruurd Brouwer, CEO of TCX**

*“TCX recognizes the challenge of the BRD to access hedging arrangements to mitigate the foreign exchange risk resulting from borrowing from its foreign partners. During current times of COVID-19, we see a strong surge in foreign exchange risk due to unprecedented volatility in the international financial markets. Offering protection against such risk to a regional development bank like the BRD is core to TCX’s mission. We look forward to a fruitful a cooperation”.*

### **About BRD**

BRD is Rwanda's sole development bank and is (indirectly) 97%-owned by the government of Rwanda. The bank recently received its inaugural rating from Fitch, B+ with a stable outlook, equal to the sovereign rating. The rating reflects Fitch’s view of the current financial status of BRD and the commitment of the government to position the bank as a strategic vehicle to implement the National Strategy for Transformation (NST1) and the Sustainable Development Goals (SDGs).

### **About TCX**

TCX is a development finance institution created and capitalized by donors, multilateral and bilateral development banks and several specialized impact lenders. Its mandate is to manage currency risk in emerging and frontier markets. TCX manages a portfolio of approximately USD 3.5 billion of derivatives across 55 frontier currencies. The fund is rated single A with a stable outlook by S&P.

