



# Rwanda's new virtual law

What every Rwandan needs to know

June 2026





**On 28 May 2026, Rwanda officially entered a new era in digital finance. Law N° 023/2026 of 25/05/2026 Regulating Virtual Asset Business was published in the Official Gazette, immediately taking effect and establishing a comprehensive framework governing cryptocurrencies and other digital assets in the country. Whether you are a university student in Kigali who has been trading Bitcoin on your phone, a business owner in Musanze curious about accepting crypto payments, or a tech entrepreneur dreaming of launching the next big fintech startup from the Kigali Innovation City, this law directly affects you. Here is what it means, broken down in plain language.**

## **Why did Rwanda need this law?**

For years, Rwandans have been buying, selling, and trading cryptocurrencies in a legal grey zone. You could purchase Bitcoin or Ethereum through international platforms, but there was no Rwandan law specifically telling you what was allowed and what was not. This created uncertainty:

- Were you breaking the law?
- Were your investments protected if a platform collapsed?
- Could scammers be held accountable?

The new law was enacted with five clear goals in mind:

- Preventing money laundering terrorist financing and proliferation financing through virtual assets;
- Maintaining market integrity, fair practices, and transparency in the sector;
- Protecting consumers and investors;
- Maintaining financial stability by managing the risks of the crypto ecosystem's interconnection with the broader financial system and real economy;
- Fostering innovation in the virtual asset business.

In short, Rwanda wants to let the crypto industry grow, but not at the expense of ordinary people's savings or the country's financial stability.



This is a balancing act that many countries have struggled with. Nigeria, for example, initially banned banks from servicing crypto exchanges in 2021, only to later reverse course and introduce a regulatory framework after realising that an outright ban simply pushed activity underground. Kenya has similarly grappled with how to regulate a sector where millions of citizens were already active participants. Rwanda's approach, notably, starts from a position of regulation rather than prohibition, a choice that reflects the country's broader reputation for forward-looking governance and its ambition to position Kigali as a continental tech hub.

## Who is in charge?

The Capital Market Authority of Rwanda (CMA) has been designated as the lead regulatory authority for virtual asset business. Think of the CMA as the traffic authority under RNP: they issue driving licences to qualified operators (businesses), set the speed limits and road rules everyone must follow, pull over those who drive recklessly, and can suspend or permanently revoke the licence of anyone who endangers others on the road.

The CMA's responsibilities include:

Approving and supervising the issuance of virtual assets, including oversight of the submission and review of a white paper in respect of any virtual asset or token offering;

- Licensing and monitoring service providers;
- Ensuring investor and consumer protection;
- Promoting innovation; and
- Enforcing anti-money laundering requirements.

The CMA can issue regulations, directives, and guidelines; establish conduct standards; classify the types of virtual assets; and suspend or prohibit specific types of virtual assets if necessary.

The National Bank of Rwanda (BNR) works alongside the CMA, focusing on financial stability, payment systems, and systemic risk. The BNR monitors the impact of virtual asset business on Rwanda's payment system, ensures crypto transactions do not create systemic financial risks, and issues directives on matters falling under its purview. The two institutions are required to establish a joint framework for consultation, policy harmonisation, information sharing, and risk assessment.

This dual-regulator model is common internationally. In the European Union, the Markets in Crypto-Assets Regulation (MiCA) similarly splits oversight between financial market regulators and central banks. The challenge, as seen in the EU's early MiCA implementation, is ensuring these two bodies communicate effectively and do not create conflicting requirements that confuse businesses.



## What exactly is a “virtual asset”?

The law defines a virtual asset as a digital representation of value that can be digitally traded or transferred and can be used for payment or investment purposes. In simpler terms, it is anything of value that exists only in digital form on the internet, rather than as physical cash or a paper certificate. This covers what most people know as cryptocurrencies, such as Bitcoin and Ethereum.

The definition also includes digital tokens that represent real-world assets on blockchain technology (blockchain is essentially a digital record book shared across many computers simultaneously—imagine a ledger that thousands of people hold copies of, so no single person can secretly alter it), whether secured by cryptography or otherwise—think of it as a digital lock-and-key system that keeps your transactions private and tamper-proof, and that may confer rights, obligations, claims, or benefits associated with the underlying real-world asset. It further covers assets backed by collateral or reserve assets (reserve assets are real-world valuables like cash in a bank vault or government bonds that are set aside specifically to guarantee the value of a digital coin) for the purposes of maintaining a stable value, which are commonly known as stablecoins—digital coins designed not to fluctuate wildly in price the way Bitcoin does.

However, the law explicitly excludes several categories. Virtual assets, under this law, do not include:

- Digital representations of fiat currencies (fiat currency is the ordinary government-issued money we use every day, such as the Rwandan franc, the US dollar, or the euro—it is called “fiat” because its value comes from government decree rather than from gold or silver backing it);
- Payment instruments already regulated by the BNR;
- Securities or capital market instruments regulated under existing capital market laws;
- Digital currencies managed by any central bank;
- Digital assets operating within a closed-loop system (a closed-loop system is like a loyalty points programme—the digital tokens can only be used within one specific platform or ecosystem and cannot be cashed out or sent elsewhere);
- Virtual assets created for purely private use with no trading, payment, or investment aspect;
- Non-fungible tokens (NFTs—unique digital collectibles like digital art or virtual trading cards, where each one is one-of-a-kind and cannot be swapped equally for another);

- Anonymity-enhanced virtual assets (also known as “privacy coins” — these are cryptocurrencies specifically designed to hide who is sending money to whom, making transactions virtually untraceable);
- Algorithm-based stablecoins (these attempt to maintain a stable price not by holding real money in reserve, but through complex computer programmes that automatically increase or decrease the coin’s supply—a method that has proven catastrophically unreliable); and
- Other financial assets already regulated under other Rwandan laws.

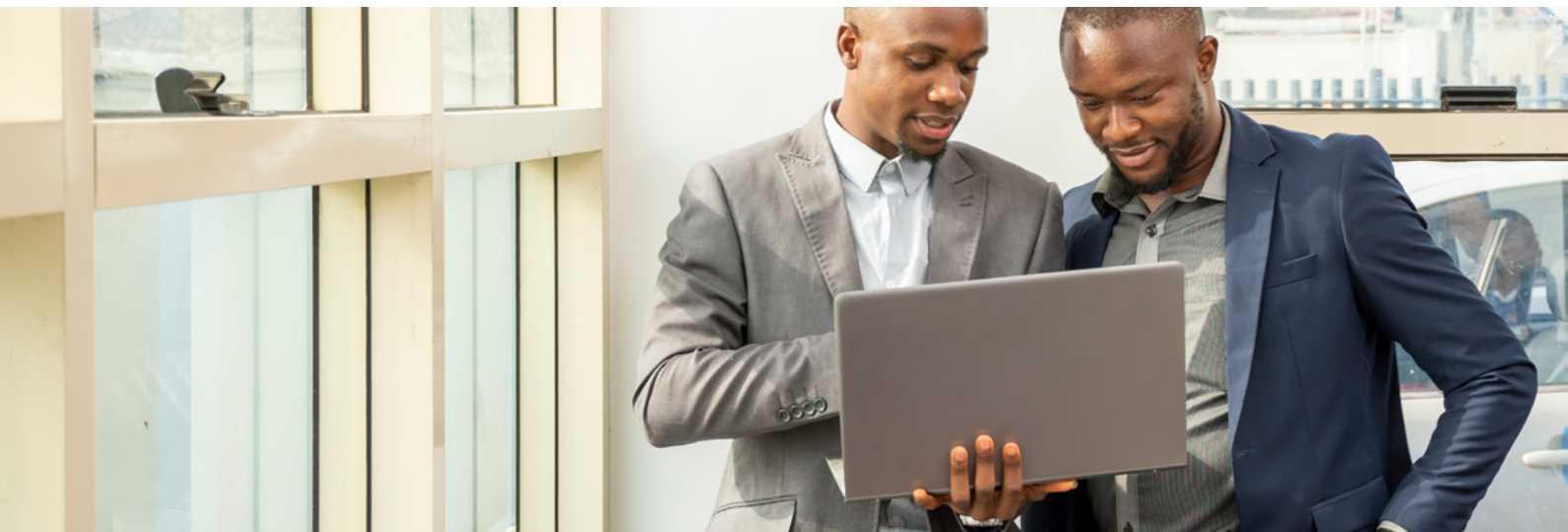
The exclusion of NFTs and anonymity-enhanced virtual assets (sometimes called “privacy coins” like Monero or Zcash) is particularly noteworthy. The ban on anonymity-enhanced assets reflects a global trend driven by anti-money laundering concerns. Japan effectively removed privacy coins from exchanges as early as 2018, and South Korea followed suit. However, the exclusion of NFTs may surprise some, as other jurisdictions like the UAE have brought certain NFTs within their regulatory perimeter. Rwanda appears to be taking a cautious “wait and see” approach to NFTs, possibly recognising that the NFT market has cooled significantly since its 2021 peak and that the sector raises unique regulatory questions better addressed later.

The exclusion of algorithm-based stablecoins is also a wise precaution. The spectacular collapse of TerraUSD (UST) in May 2022, which wiped out approximately \$40 billion in value virtually overnight, demonstrated the catastrophic risks of algorithmic stablecoins. By excluding them entirely, Rwanda is effectively banning their issuance and operation within its borders, protecting consumers from a category of product that has proven dangerously unstable.

## Who can operate a virtual asset business?

Here is a critical point that every Rwandan should understand: only incorporated legal entities, meaning formally registered companies, cooperatives, or other organisations with legal personality, are permitted to provide virtual asset services. A natural person, that is, an individual acting on their own, is expressly prohibited from conducting or purporting to conduct virtual asset business in Rwanda.

To put this in practical terms: if your neighbour in Nyamirambo has been running an informal crypto exchange from his living room, buying Bitcoin from people and selling it at a markup, that activity is now a criminal offence. This does not mean individuals cannot buy and hold crypto for personal investment; rather, it means they cannot operate as a business offering crypto services to others.



For those who do want to operate legally, the path is clear. A legal entity must:

- Apply to the CMA for a licence and demonstrate, among other things, that it is properly incorporated in Rwanda (or, if foreign, is duly registered with a local presence);
- Has a transparent ownership structure with full disclosure of beneficial owners;
- Has sound governance including an effective board of directors and competent senior management;
- Has a clearly defined business activities and a viable business plan;
- Possesses adequate financial resources and appropriate technical and operational capacity;
- Maintains minimum paid-up and liquid capital as prescribed by regulations; and
- Has effective anti-money laundering, counter-terrorist financing, and counter-proliferation financing controls.

These licensing requirements are robust but not unusual by international standards. Dubai's Virtual Asset Regulatory Authority (VARA) and Singapore's Monetary Authority impose similar "fit and proper" tests. The practical challenge for Rwanda will be ensuring that these requirements do not become so burdensome that they effectively shut out smaller Rwandan startups while only well-capitalised foreign firms can afford to comply. This tension between investor protection and innovation access is something regulators worldwide continue to navigate.

## What services are covered?

The law defines virtual asset services broadly. They include:

- Operating a digital platform for the issuance, listing, buying, selling, and trading of virtual assets;
- Clearing and settlement of transactions;
- Exchange of fiat currency into virtual assets and vice versa;
- Exchange between different forms of virtual assets;
- Transfer services on behalf of customers;
- Reception and arrangement of orders;
- Execution of orders;
- Placement of virtual assets;
- Custody and administration on behalf of customers;
- Escrow services;
- Investment advice on virtual assets; and
- Investment management of virtual assets.

The Regulatory Authority may also determine additional services through regulations.

In practical terms, this covers virtually every commercial activity in the crypto space. If you are building a platform where Rwandans can buy and sell crypto, operating a crypto custody service, advising clients on crypto investments, or even providing escrow services for crypto transactions, you need a licence.

## Virtual assets are not legal tender

Let us be absolutely clear on this point: virtual assets are not recognised as legal tender in Rwanda. Furthermore, they may not be used directly as a means of payment for goods, services, debts, or any other financial obligation, unless specifically authorised by the Central Bank.

What does this mean for everyday life? It means that if you walk into a shop in Kimironko market and try to pay for your groceries with Bitcoin, the shopkeeper is within their rights to refuse, and indeed, the law prohibits such transactions unless the BNR has given specific authorisation. This is different from El Salvador, which made Bitcoin legal tender in 2021, a decision widely criticised as premature and which has seen limited adoption among the general population despite significant government investment.

Rwanda's position is pragmatic. It acknowledges that crypto is an investment asset and a tradable commodity, but it draws a firm line against its use as everyday money. This protects ordinary consumers who might not understand the volatility risks. Imagine paying 0.001 Bitcoin for a kilo of rice today, only to find tomorrow that the Bitcoin you spent has doubled in value, or that the shopkeeper cannot convert it to Rwandan francs to pay their supplier.

## The tokenisation of real-world assets: A game-changer?

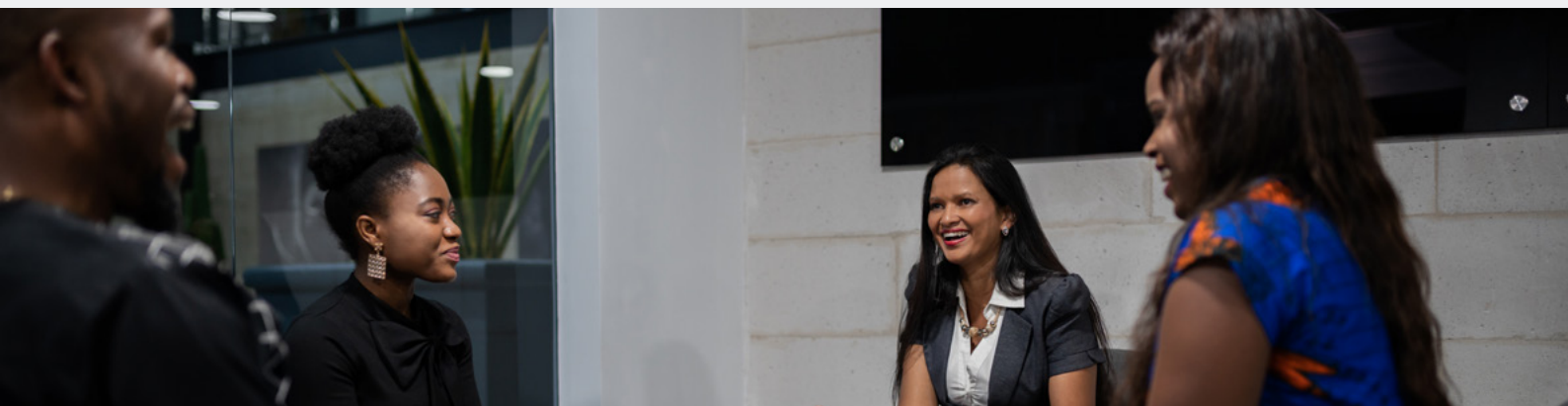
One of the most forward-looking aspects of the law is its provision for the tokenisation of real-world assets. This means the process of representing an actual physical or financial asset as a digital token on a blockchain. A legal entity wishing to issue tokens representing real-world assets in Rwanda must seek approval from the Regulatory Authority.

Consider a practical Rwandan example: imagine a commercial building in Kigali worth RWF 10 billion. Traditionally, only very wealthy investors could own such a property. But through tokenisation, that building could be divided into millions of digital tokens, each representing a tiny fraction of ownership. A young professional in Huye could invest RWF 100,000 and own a small piece of that Kigali property, receiving their proportional share of rental income.

The law imposes strict safeguards. Tokens must be 100% collateralised, meaning every single digital token must be fully backed by the underlying real asset—if tokens represent a building worth RWF 10 billion, there must be exactly RWF 10 billion worth of real building behind them, with no shortcuts. The underlying assets must be valued by a qualified asset valuer with valuations that are transparent, periodic, and regularly updated. The assets must be ring-fenced (meaning they are legally separated and protected, so they cannot be touched, lent out for additional profit, or mixed with other business funds), and must be held by a professional licensed custodian (a trusted institution, like a bank or specialised safekeeping firm, that is authorised to hold assets on behalf of others) subject to regular audits. The issuer must also provide verifiable documentation proving ownership of the underlying asset.

Certain real-world assets cannot be tokenised. These include sovereign assets, public infrastructure, personal identifiable information, artworks, and any asset that cannot be transparently valued, legally enforced, or ethically justified. The prohibition on tokenising artworks may disappoint some, but it likely reflects the difficulty of objectively and transparently valuing art, a market notorious for its opacity and susceptibility to manipulation.

The experience of countries like Switzerland, which has been at the forefront of asset tokenisation, suggests that this area holds genuine promise but also requires careful implementation. Issues around what happens when a tokenised property needs repairs, or when token holders disagree on management decisions, will need to be addressed through the implementing regulations.





## Stablecoins: Stability with guardrails

The law permits the issuance of stablecoins, which are virtual assets designed to maintain a stable value by being pegged to reserve assets such as fiat currency, commodities, or other recognised digital currency. A legal entity wishing to issue stablecoins in Rwanda must obtain prior approval from the Regulatory Authority.

The safeguards are comprehensive:

- Stablecoins must be 100% collateralised to ensure fully backed reserve assets are maintained at all times.
- Reserve assets must be ring-fenced and not lent out for additional yield.
- An independent auditor must confirm that reserve assets are sufficiently liquid to cover all redemption requests in a reasonable and timely manner.
- The issuer must provide means for verification of underlying reserves.
- Reserve assets must be held by a professional licensed custodian with regular audits.
- Crucially, reserve assets must be segregated from the stablecoin issuer's own assets to protect holders in the event of insolvency.

These requirements directly reflect lessons learned from the collapse of TerraUSD and questions raised about the reserves backing Tether (USDT), the world's largest stablecoin. For years, Tether faced criticism for opacity about its reserves, eventually revealing that a significant portion was held in commercial paper rather than cash. Rwanda's requirement for independent audits, 100% collateralisation, and public verification mechanisms addresses exactly these concerns.

For Rwanda specifically, one could imagine a Rwandan franc-pegged stablecoin (say, "eRWF") that could facilitate faster, cheaper cross-border remittances from the diaspora. Given that remittances are a significant source of foreign exchange for Rwanda, a well-regulated stablecoin ecosystem could offer real economic benefits, but only if the guardrails hold firm.



## What is specifically prohibited?

Beyond the prohibition on natural persons conducting virtual asset business, the law imposes several specific prohibitions that deserve attention. Legal entities may not, unless specifically authorised by the Regulatory Authority in collaboration with relevant authorities:

- Operate a virtual asset mining facility;
- A crypto or virtual asset ATM, or
- A mixer or tumbler service.

The prohibition on mining facilities is interesting. Crypto mining, particularly Bitcoin mining, is enormously energy intensive. For a country like Rwanda that has worked hard to expand electricity access and is investing in renewable energy to power its development, allowing unregulated mining operations could place unsustainable strain on the grid. This is a lesson learned from countries like Kazakhstan and Iran, where crypto mining operations caused significant strain on national electricity infrastructure and led to power outages affecting ordinary citizens.

The ban on mixer or tumbler services, which are cryptographic services that mix different streams of virtual assets to conceal the origin of funds (imagine throwing ten different people's banknotes into a blender, mixing them up, and giving everyone back different notes—you can no longer tell whose money was whose or where it originally came from), is squarely aimed at preventing money laundering. These services have been used globally to launder proceeds from ransomware attacks, drug trafficking, and other crimes. The United States sanctioned the Tornado Cash mixing service in 2022, and most serious regulatory frameworks worldwide now restrict or prohibit these services.

Marketing of virtual assets is also restricted to licensed service providers and approved issuers. This means that even if you are not directly selling crypto, you cannot advertise or promote virtual asset products unless you have the proper licence or approval. This addresses the problem of aggressive and misleading crypto marketing that has plagued other markets, with celebrities and influencers promoting dubious tokens to unsuspecting followers.

## Protecting you: Consumer and investor safeguards

The law places significant obligations on service providers to protect consumers and investors. A virtual asset service provider must maintain a minimum liquidity ratio (liquidity means having enough cash or easily sellable assets on hand to pay customers who want to withdraw their money—think of it as ensuring the platform always has enough money in the till) and hold sufficient liquid assets, including cash and highly liquid instruments (investments that can be quickly converted to cash without losing value), with effective liquidity risk management measures.

- Provide consumers with appropriate advice;
- Disclose the detailed cost of a product;
- Establish appropriate protection systems against fraud risks; and
- Ensure that information provided to consumers is accurate.
- Report suspicious transactions to the relevant authorities in accordance with anti-money laundering requirements.

Service providers are prohibited from transmitting or publishing information accessible to customers in connection with marketing unless it includes a risk disclosure statement and risk warning prominently displayed.

On fair market practices, providers must ensure their platforms promote fair and transparent trading. All communications to customers must be accurate and presented in a form understandable to the customer, and complaints must be dealt with in a timely and consistent manner.

These are welcome protections. However, one critique is that the law does not appear to establish a specific compensation fund or insurance scheme for customers who lose assets due to platform failures or hacking. The United Kingdom, for example, considered but ultimately did not extend its Financial Services Compensation Scheme to crypto. Singapore's framework similarly lacks a crypto-specific deposit insurance. This remains a gap globally, and Rwandan investors should understand that while the law creates rules and penalties, it does not guarantee that they will recover their investment if a licensed platform fails.

## The penalties: What happens if you break the law?

The law imposes severe criminal penalties that every Rwandan should know about:

- A **natural person** who engages in virtual asset business faces a fine of not less than FRW 30,000,000 but not more than FRW 50,000,000, and imprisonment for 3 to 5 years, or one of these penalties. To put this in perspective, FRW 30 million is a sum that would take an average Rwandan many years to earn. The imprisonment term of up to five years signals that the government takes unauthorised crypto business seriously.
- A **legal entity** providing virtual asset services without a licence faces a fine of FRW 70,000,000 to FRW 100,000,000. Issuing virtual assets without approval attracts a fine of FRW 120,000,000 to FRW 150,000,000. Marketing without a licence or approval carries a fine of FRW 15,000,000 to FRW 20,000,000.
- Providing false or misleading information or obstructing supervisory activities by a board or senior management member carries a fine of FRW 3,000,000 to FRW 5,000,000 and imprisonment for 6 months to 1 year, or one of these penalties.
- Using virtual assets for payment without BNR approval, establishing a mining facility, making available a crypto ATM, or establishing mixer/tumbler services without authorisation carries a fine of FRW 20,000,000 to FRW 30,000,000 and imprisonment for 2 to 3 years for natural persons, or a fine of FRW 70,000,000 to FRW 100,000,000 for legal entities.
- Competent authority may freeze virtual assets in connection with criminal investigations or for the purposes of complying with international sanctions and regulations, including United Nations Security Council Resolutions or other recognised sanctions lists.

These are among the stiffest penalties seen in African crypto regulation and signal that enforcement will be taken seriously. By comparison, South Africa's Financial Sector Conduct Authority has been criticised for being too lenient with unlicensed crypto operators, allowing scams like the Mirror Trading International fraud, which cost South Africans billions, to fester for too long before intervention.





## The regulatory sandbox: Room for innovation

Recognising that regulation should not stifle innovation, the law provides for a regulatory sandbox, a controlled environment in which innovative products or services can be live tested on a limited scale for a specified period under regulatory oversight. A person wishing to test virtual asset-related business models participates in the sandbox, and participants who successfully complete testing may apply for a licence or approval.

This is a particularly important provision for Rwanda's growing tech ecosystem. Imagine a group of Rwandan developers who have created a new blockchain-based agricultural supply chain solution that does not neatly fit within the existing categories of regulated services. Rather than being forced to either operate illegally or abandon their innovation, they can apply to test it within the sandbox under regulatory supervision.

The sandbox approach has been pioneered by jurisdictions like the United Kingdom's Financial Conduct Authority and has since been adopted across the world, including in Abu Dhabi, Singapore, and closer to home, in Kenya and Nigeria. The success of Rwanda's sandbox will depend on how accessible it is made to local entrepreneurs, how quickly applications are processed, and whether the CMA and BNR can provide genuine guidance rather than merely observing from a distance.

### Practical implications: What should you do now?

#### For individual investors

If you are an individual who holds cryptocurrency as a personal investment, the immediate impact is limited. You are not prohibited from owning or holding virtual assets. However, you should be aware that you cannot use them for payments, and you should exercise extreme caution about which platforms you use, ensuring they are (or will be) properly licensed in Rwanda. The practical opportunity here is significant: once licensed platforms begin operating under CMA oversight, you will finally have the protection of a regulated environment. This means platforms will be required to disclose risks clearly, protect your assets with proper custody arrangements, handle your complaints in a timely manner, and maintain sufficient liquidity to honour withdrawals. For the first time, if a platform mistreats you, there is a regulator you can turn to.

## For existing businesses in the crypto space

For businesses currently operating in or considering entering Rwanda's virtual asset sector, the message is clear: formalise or face severe consequences. If you are operating without proper incorporation and licensing, the window to come into compliance is now. This includes adherence to key regulatory requirements such as anti-money laundering obligations and the implementation of the "travel rule," which requires virtual asset service providers to collect and share information on the originators and beneficiaries of transactions, particularly in cross-border transfers.

But beyond compliance, think about the competitive advantage that early licensing brings. Rwanda's regulatory framework will likely attract institutional investors and international partners who previously avoided the Rwandan crypto market precisely because it lacked oversight. A licensed Rwandan exchange or custody provider could become the trusted gateway for East African crypto investment, much as regulated platforms in Dubai and Singapore became regional hubs after those jurisdictions established clear rules.

## For aspiring entrepreneurs

This law creates a wealth of specific business opportunities for those willing to meet the regulatory bar. Consider the following:

- The law lists twelve categories of licensable virtual asset services, each representing a potential business. Rwanda does not yet have a licensed domestic crypto exchange; there is no licensed local custodian for digital assets; no regulated investment advisory firm specialising in virtual assets. Each of these is a gap waiting to be filled. A young Rwandan entrepreneur with the right technical skills and governance structures could build any of these businesses from scratch, with the confidence that they are operating in a legally sanctioned space.
- Tokenisation of real-world assets presents perhaps the most transformative opportunity. Imagine a cooperative of tea farmers in Nyungwe who want to raise capital by tokenising their plantation, allowing diaspora Rwandans and international investors to purchase fractional digital ownership stakes backed by the real asset. Or consider a Kigali-based property developer who tokenises a new apartment complex, enabling middle-class Rwandans to invest in real estate with amounts as small as RWF 100,000 rather than needing tens of millions. The law provides the legal foundation for these innovations, provided the 100% collateralisation and custodian requirements are met.



- Stablecoin issuance is another frontier. A Rwandan fintech company that successfully launches a Rwandan franc-pegged stablecoin, fully backed by reserve assets and approved by the CMA, could revolutionise cross-border remittances. Currently, sending money from the diaspora to Rwanda through traditional channels can cost 5-10% in fees. A well-designed, regulated stablecoin could reduce this dramatically while remaining fully within the law.
- The regulatory sandbox offers a low-risk entry point for innovators whose ideas do not fit neatly into existing categories. If you have developed a blockchain-based microinsurance product for moto riders, or a decentralised savings platform for market traders in Nyabugogo, you can apply to test it within the sandbox without needing a full licence upfront. Success in the sandbox creates a pathway to full licensing.

## For professional service providers

The law also creates derivative opportunities for lawyers, accountants, compliance consultants, and technology auditors. Every virtual asset service provider will need legal counsel for licensing applications, compliance officers to maintain AML/CFT controls, independent auditors for their technology and information security frameworks, and qualified asset valuers for tokenisation projects. Rwandan professionals who develop expertise in virtual asset regulation now, while the market is still forming, will be well positioned as the sector grows.

## For the broader Rwandan economy

At a macroeconomic level, a well-regulated virtual asset sector could attract foreign direct investment, create high-skilled technology jobs, position Kigali as a regional fintech hub competing with Nairobi and Lagos, and generate new tax revenues. The law's emphasis on innovation alongside regulation suggests that Rwanda is not merely trying to control crypto but to harness it as an engine of economic growth, consistent with the country's broader Vision 2050 aspirations for a knowledge-based economy.

## What we are still waiting for

While the law is now in force, much of the operational detail remains to be developed through regulations. Key areas where further guidance is expected include:

- Specific licensing criteria, standards, and procedures;
- Minimum capital requirements;
- The liquidity ratio to be maintained;
- Additional requirements for initial virtual asset offerings and stablecoin issuance;
- The regulatory sandbox framework and application process; and
- The administrative sanctions regime.

This is both normal and necessary. Primary legislation sets the framework, and regulations fill in the technical detail. However, the gap between the law's commencement and the issuance of implementing regulations creates a period of uncertainty. South Africa experienced a similar lag with its crypto regulations under the Financial Sector Conduct Authority, leaving market participants unsure of exact compliance requirements for months. Rwanda should learn from this and ensure regulations are issued promptly.

## A critical perspective: Challenges ahead

No law is perfect at inception, and Rwanda's virtual asset legislation, while comprehensive, faces several implementation challenges.

First, there is the capacity question. Does the CMA, an institution traditionally focused on conventional capital markets, have the technical expertise to regulate a rapidly evolving technological sector? Crypto moves fast. New products, protocols, and risks emerge weekly. Other regulators globally have struggled to keep pace, and Rwanda will need to invest significantly in building regulatory capacity.

Second, there is the enforcement challenge in a cross-border digital world. A Rwandan citizen can access unregulated foreign crypto platforms through a VPN. The law applies to service providers operating "in or from Rwanda," but enforcement against offshore platforms that serve Rwandan customers remotely will be practically difficult. India faced exactly this challenge after imposing heavy taxes on crypto: trading volumes on domestic exchanges plummeted while activity shifted to offshore platforms beyond the regulator's reach.

Third, the prohibition on natural persons conducting virtual asset business, while intended to professionalise the sector, may disproportionately affect young Rwandans and entrepreneurs who lack the resources to incorporate and meet full licensing requirements. Many African crypto ecosystems were built by individuals operating peer-to-peer. A phased approach that allows smaller operators to formalise overtime might have been more inclusive.

Fourth, and perhaps most importantly, public education will be critical. A law is only as effective as public awareness of it. Given that many Rwandans interact with crypto informally, through WhatsApp groups, peer-to-peer platforms, and word of mouth, a concerted education campaign will be essential to ensure that ordinary people understand both their rights and their obligations under the new framework.



## Conclusion: A promising foundation

Rwanda's Law N° 023/2026 represents one of the most comprehensive virtual asset regulatory frameworks in Africa. It is thoughtful in its scope, serious in its enforcement mechanisms, and forward-looking in its provisions for innovation through the regulatory sandbox and tokenisation of real-world assets. The Parliament, in adopting this law on 5 May 2026, and President Kagame, in promulgating it, have signalled that Rwanda intends to be a serious, regulated participant in the global digital asset economy rather than a bystander or a Wild West.

The true test, however, will come in implementation. The CMA and BNR must now demonstrate that they can translate these legislative principles into workable regulations, enforce them fairly and consistently, and adapt them as the technology evolves. For Rwanda's citizens, the message is simple: the days of unregulated crypto are over. This is both a protection and a responsibility. Understand the law, use licensed platforms, and approach virtual assets with the same prudence you would bring to any other investment. In a sector that has made some people wealthy and left others devastated, Rwanda has chosen the path of regulated participation. Now it must walk that path with both ambition and vigilance.





## How PwC can help

Navigating a new regulatory landscape of this complexity requires more than good intentions; it requires experienced guidance. PwC has deep global expertise in virtual asset regulation, having advised governments, regulators, and private sector clients across multiple jurisdictions as they implement crypto frameworks. Whether you are a startup seeking your first virtual asset service provider licence, an established financial institution exploring tokenisation opportunities, or a regulator developing implementing regulations, PwC can assist across the following areas:

- **Licensing and regulatory advisory** — Helping clients prepare robust licence applications that meet the CMA's fit-and-proper requirements, including business plan development, ownership structure disclosures, and governance documentation.
- **Anti-money laundering and compliance programme design** — Ensuring your AML/CFT/CPF controls meet both Rwandan law and international standards such as the FATF Recommendations, from risk assessments to suspicious transaction reporting frameworks.
- **Technology risk and cybersecurity assessments** — Conducting the independent audits of technology and information security frameworks that the law requires, including reviews of cryptographic key management, disaster recovery planning, and platform resilience.
- **Governance and internal controls structuring** — Building the sound board and senior management arrangements that regulators expect, including fit-and-proper assessments, compliance function design, and corporate governance frameworks.
- **Tax advisory** — Guiding virtual asset businesses through Rwanda's evolving fiscal landscape, including the tax implications of tokenisation, stablecoin issuance, and cross-border virtual asset transactions.
- **Strategic market entry advisory** — Supporting businesses looking to enter Rwanda's virtual asset market or expand regionally from a Rwandan base, including market assessments, regulatory gap analyses, and competitive positioning.
- **Tokenisation and stablecoin structuring** — Advising issuers on the legal, financial, and operational requirements for tokenising real-world assets or launching stablecoins, including asset valuation, custodian arrangements, and reserve management.

With professionals on the ground in Kigali and access to PwC's global network of blockchain and digital asset specialists, we are uniquely positioned to help Rwanda's virtual asset ecosystem develop responsibly, compliantly, and profitably. If you would like to discuss how this law affects your business or explore the opportunities it creates, please reach out to our contact team.



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