



RWANDA BANKERS' ASSOCIATION

"Together for a better banking environment"

Together for a better banking environment

High Level Research Framework

Rwanda Bankers' Association
Research Centre

www.rba.rw

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RBA Research Center High Level Research Framework



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Rwanda Bankers Association

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Abbreviations

AFR	Access to Finance Rwanda
AfDB	African Development Bank
DPI	Digital Public Infrastructure
IFIs	International Financial Institutions
IMF	International Monetary Fund
KIFC	Kigali International Financial Centre
MINECOFIN	Ministry of Finance and Economic Planning
MOUs	Memoranda of Understanding
NBR	National Bank of Rwanda
NDAs	Non-Disclosure Agreements
NISR	National Institute of Statistics Rwanda
RBA	Rwanda Bankers' Association
UPI	Unified Payment Interface

— Background

Why the Research Centre

- The Rwanda Bankers' Association (RBA) Research Centre was established in 2023 as a platform for positioning the financial sector as a key driver of the economy's development aspirations.
 - The Centre seeks to anchor market developments on evidence based insights.
 - It intends to support the transformation of the banking sector in Rwanda through the pursuit of depth and clarity underpinned by the imperative of seeking to be at the knowledge frontier.
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What the Research Centre Offers

- An array of research papers and commentaries.
 - Promotion of dialogues on critical policy issues by way of convening conferences and workshops.
 - Grounding the strategic policy advocacy and market developments on evidence-driven insights and forward-thinking solutions.
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The approach

- Position the Research Centre as a pillar of insights with data as the catalysis.
- Collaborate agencies with diverse mandates but having a common objective of a stable and dynamic banking industry and the wider financial ecosystem . The collaborators are policy and regulatory agencies, market players as well as local and international stakeholders.
- Acknowledge that the banking industry operating in a dynamic space, necessitating the pursuing of feedback on the research work. That way the Research Centre will strive to continually contribute towards shaping the industry and the wider financial ecosystem as one of the engines of stability and progress.

The strategic Intent of the RBA Research Centre

RBA is persuaded that an effective advocacy agenda needs to be grounded in solid research. Therefore evidence-based engagement serves well the aspiration of the banking industry as well as the economy well.

The RBA acknowledges that financial sector/economic research is collegial.

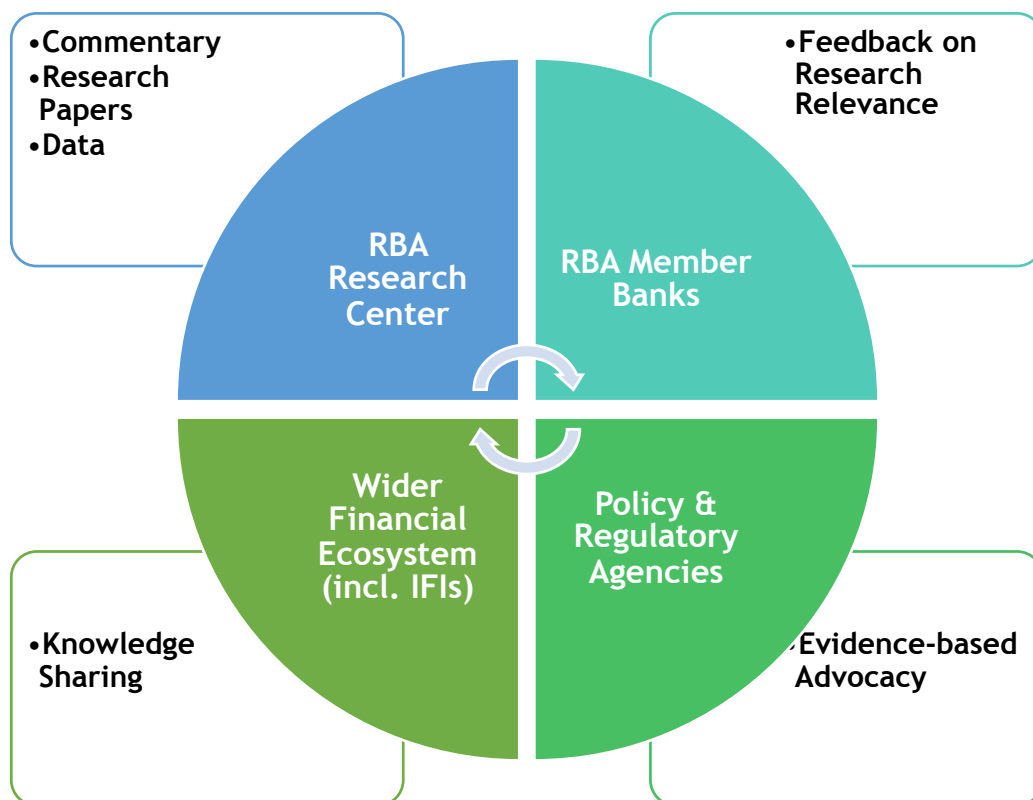
- The various agencies that conduct research relevant to the banking industry (e.g. the National Bank of Rwanda (NBR); international agencies such as the International Monetary Fund (IMF), the World Bank and the African Development Bank (AfDB), academic institutions and think tanks, and organizations such as Kigali International Financial Centre (KIFC)) have attuned their research to their respective mandate.
- The setting up of the RBA Research Center – while complementary to that of the aforementioned agencies – allows for the tuning of the agenda to the mandate of, and relevancy to, the banking industry. This is at the core of the strategic partnership between RBA and Access to Finance Rwanda (AFR) that resulted in the setting up of the RBA Research Centre.

The RBA Research Centre intends to craft a research agenda that promotes rigour but not at the expense of clarity and relevance to policy dynamics (both regulatory, macroeconomic and sector). The strategic positioning of the RBA Research will serve in:

- Ensuring that the advocacy and market/policy engagement is credible.
- Promoting the status of the banking industry in Rwanda as knowledge repository and a vital point of call on matters relating to the financial sector.

The Ecosystem: Interaction Loop

- The RBA Research Centre’s analytical work crafts its agenda and align it with the aspirational focus of the RBA Member Banks.
- The continuous interaction between RBA Research Centre and Member Banks is for purposes of receiving feedback and entrenching relevance.
- The body of knowledge created by the RBA Research Centre will serve the growth and stability agenda of the banking industry by way of aligning with the policy and regulatory agencies (e.g. MINECOFIN; NBR). RBA’s Advocacy will, in the process, be evidence-based.
- Engagement with the wider financial ecosystem (e.g. International Financial Institutions (IFIs), FinTech community, research agencies with a focus on finance) will enable knowledge sharing and benchmarking.
- The four-way interaction loop will ensure credibility of the RBA Research Centre that include regular commentaries, research papers, state of the banking industry report, datasets, and reports of dissemination fora.



Modality of Delivery: Data

The success of the RBA research agenda hinges on availability of reliable data. Data - both qualitative and quantitative - fits into the equation at two levels:

- i. An input to the analytical work;
- ii. A database that is available for Member Banks and other stakeholders.

Depending on the nature of research being undertaken, the RBA Research Centre will rely on:

- i. Primary data collected from instruments designed for the research questions;
- ii. Secondary data from sources such as National Institute of Statistics Rwanda (NISR), NBR, IMF, World Bank.

Modalities of data access (including signing Memoranda of Understanding (MOUs) and Non-Disclosure Agreements (NDAs) with the data providers. That will allow access to unpublished data whose processing is to conform to the anonymity requirements of the respective MOUs/NDAs.

At a basic level, RBA Research Centre will set up a database of bank level financials based on published financial statements. The database will:

- i. Have a historical series that will allow for rigorous empirical assessment that promotes the understanding of the banking industry.
- ii. Be available to both RBA Research Centre internal research as well as external research.
- iii. Underlie the assessment of “The State of the Banking Industry” and the ensuing report.

Modality of Delivery: Data Governance Issues

The data access and utilization approach takes into account the complexities of the data economy from the standpoint of:

- i. The underlying investments by public agencies such as the NBR and NISR that is meant to address the problem of data compartmentalization.
- ii. The recognition that the RBA Research Centre data requirements will navigate the links between details financial data (as could be available from the NBR's data warehouse initiative) and the real economy dataspace as captured by NISR data.

Like many aspects of the Rwandan economy, the data economy is evolving:

- i. The digitization of financial transactions have drawn focus on aspects such as Digital Public Infrastructure (DPI) with the aspiration for a Unified Payment Interface (UPI), like the case of India.
- ii. Beyond DPI, areas of key consideration in the data economy dynamics (a) include data protection issues, (b) common data spaces (line in the European Union) that link financial data and real economy data, and (c) consumer data needs (in Australia) that enables one access and shared data with accredited third parties to access better deals on everyday products and services.

On the above backdrop, RBA (non-transacting, therefore non-data generating) will rely on regulatory agencies for high-frequency transaction-based data that they access under given legal mandates.

The RBA Research Centre financial database that relies on published financial statements will be:

- i. Initially managed as a basic data set, but subsequently upgraded to a database amenable to basic querying.
- ii. Available at bank level (albeit anonymized) but analyzed at cluster or industry level.
- iii. A cost-saving undertaking as it will obviate reliance on subscription-based datasets such as The Banker Database, which is essentially buying ones own data.

The Delivery Modality : Publications

The Analytical work by the RBA Research Centre will be showcased in various publications that include the following:

Publication	Overview	Frequency
The State of the Banking Industry	A comprehensive assessment of the Rwandan banking industry that provides for a holistic understanding of the developments on a given year.	Annual
Research Notes	Condensed assessments of topical market and/or policy issues underpinned by a coherent thought process	At least one quarterly
RBA Bulletin	Highlights of key economic and market developments.	Quarterly
RBA Working Papers	Detailed research papers showcasing work presented at the RBA Annual Research.	At least four papers annually.

The Delivery Modality: Convening Research Fora

The RBA Annual Research Conference will be the flagship forum for showcasing detailed research work on topical issues relevant to the banking industry.

- i. Beyond the research papers, the Conference will provide a platform for captains of industry and policy makers to engage in a policy panel on matters linked to the Conference's theme.

The RBA Research Centre will from time to time host workshops and seminars/webinars on various analytical subjects where it is actively engaged.

The RBA Research Centre website will be revamped to allow for:

- i. Tracking downloads.
- ii. Active blogging on the published work to motivate feedback.

Media releases and/briefing sessions will promote the RBA research to a wider audience. Both conventional and social media platforms will provide avenues for popularizing RBA research work.

Resources

Human Resources Requirement

- The key Research Centre staff will be part of the RBA Secretariat (initially a research advisor and one research officer).
- RBA Research Centre will develop a framework for a 6 months – one year research internship program to not only offer research assistance but also develop research skills
- A pool of research associates available on specific assignment

Financial Resources Requirement

- A budget for the core research staff at the RBA Secretariat.
- A budget for a modest stipend for the research interns (2 interns per year).
- A budget for research associated for specific assignments, including external review of comprehensive research work.
- A budget for dissemination of research work (publications, conferences, workshops, media events).

The Look of Success

The impact of research is not realized instantaneously, at least in the first year. Even at the initial stage, a sign of progress will however be tracked in research outputs as follows:

Research Intent	Output
1. Evidence based advocacy/ engagement	Number of engagements drawing on RBA Research.
2. Shaping the market narrative based on the RBA research	Research/knowledge repository in the form of publications and dissemination fora.
3. Thought leadership underpinned by the credibility of RBA research	The extent of recourse to the research output and the number of times RBA views as informed by research is sought.
4. Shaping the wider understanding of the dynamics of the banking industry and the financial sector.	The extent to which RBA research output has shaped public debate arising from its dissemination.

Moving the importance of RBA research from output to outcomes necessitates the deployment of feedback monitoring tools from the inception point. Feedback/evaluation on relevance, usefulness, timeliness and credible is critical.

Acknowledgement



The partnership between Rwanda Bankers Association and Access to Finance Rwanda that facilitated the establishment of the RBA Research Centre is acknowledged

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