



**RwandAir**  
*Fly the dream of Africa*

## **RWANDAIR LTD**

### **DELEGATION OF AUTHORITY STANDARD OPERATING PROCEDURE**

**THIS SOP IS BEING INCORPORATED INTO THE COMPANY POLICY MANUAL  
(CMP) AS CHAPTER 10.**

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	COMPANY POLICY MANUAL	WB/CPM/CORP/01
		CHAPTER 10: DELEGATION OF AUTHORITY

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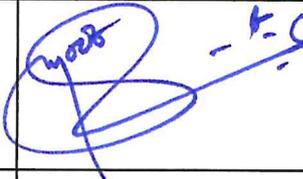
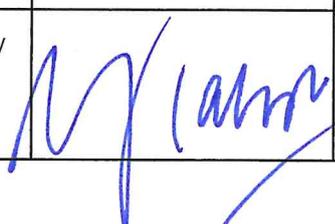
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## 10 DELEGATION OF AUTHORITY POLICY

This Delegations of Authority Standard operating procedure sets out the authorization limits and duty held by the Members of the Executive Management Committee and their immediate alternate in the daily business transactions of RwandAir.

The purpose of this Delegations of Authority Standard Operating Procedure is to set limits and clarity on the delegations of Authority of members of the Executive Committee of the management in the daily operations of the company, when making decisions and approving the execution of some corporate decisions.

This Delegations of Authority Standard Operating Procedure is prepared by the Chief Legal Advisor, reviewed by the Chief Finance Officer and endorsed by the Chief Executive Officer.

Approval details	Name	Designation	Signature	Date
<b>Prepared By:</b>	Isah BYARUGABA	Chief Legal Advisor and Company Secretary		14/06/2023
<b>Reviewed By:</b>	Stella MURUNGI	Chief Finance Officer		14/06/2023
<b>Approved By:</b>	Yvonne MANZI MAKOLO	Chief Executive Officer/ Accountable Manager		14/06/2023

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### 10.1 Rationale and Objective of Delegation Of Authority

The purpose of this Delegation of Authority SOP, is to establish the principles that shall govern the delegation of authority amongst the Executive Management Committee Members of RwandAir in terms of their approval levels and to outline the process by which the authority should act and to make delegation of decision making. This SOP is designed with the purpose to:

- i. Assign clear authorities and accountabilities to the member of the Executive Committee by creating a sound internal control environment, while facilitating efficient decision making in the company management.
- ii. Set out matters specifically reserved for determination of the CEO and those matters delegated to the rest of the members of the Executive Committee, thereby ensuring that decisions made, and actions taken are in the set limits of the appropriate levels.
- iii. Establish the types and threshold of commitments and obligations that may be approved by designated individuals under the Executive Committee Members, thereby maintaining integrity and accountability of owner decisions makers in approval process.

### 10.2 PRINCIPLES OF AUTHORITY DELEGATION

The key principles upon which this delegation of authority SOP are based on, are the following:

#### 10.2.1 Practicality

The delegation of authority to the CEO and the Executive Management Committee should be clear, concise and practical while making corporate decisions,

#### 10.2.2 Accountability

The trail of accountability for decision-making needs to be clear and must remain intact inclusive of any sub-delegation of authority by the CEO, DCEO/COO and members of the Ex Com. By holding the accountability of the decision made.

#### 10.2.3 Sub-Delegation

The CEO will have the ability to delegate his/her authority to other designated individuals of the Executive Committee Members while retaining responsibility for decision-making.

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#### 10.2.4 Temporary Delegation of Authority

It is emphasized that approval of any Business transactions cannot be made by individuals having a lower level of approval authority than the specified transactions requires, except pursuant to a delegation of temporary authority.

Temporary authority may be delegated whenever an individual with approval authority is expected to be out of the office for a specified or prolonged period of time. Assignment of temporary authority must be approved by the manager of the individual who is the delegating authority.

#### 10.2.5 Alternate Delegation of Authority

Each approver must appoint a backup or alternate delegation of authority for his position as a head of business unit. This alternate delegation of authority is used to expedite business transactions during the official absence of the authorizing person.

### 10.3 LEVELS OF INTERNAL APPROVALS

#### 10.3.1 Approvals by the Chief Executive Officer

The role of the CEO is to broadly manage all daily business affairs and activities of RwandAir within the Board-endorsed strategic, risk, people and financial frameworks. The General management responsibilities of the CEO include among others:

- i. Ensuring that the company's policies, practices and decisions making are undertaken in a manner that is prudent, equitable and consistent with commonly accepted business practices and professional ethics;
- ii. Ensuring that the Company's assets are protected, adequately maintained and not placed at unnecessary risk;
- iii. Ensuring that Board approved priorities are reflected in the allocation of resources;
- iv. Representing the Company externally to licensees, government, media and other stakeholders in ways that enhance the public image and credibility of the Company
- v. Ensure legislative compliance, and if required, report high risk matters or areas of concern to the Board.

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- vi. The CEO has authority to delegate some of her/his roles to specific individuals and the appointed persons will be considered as duly authorized persons.

Below are approvals under the Authority of the Chief Executive Officer,

No	Description of the approval	Threshold	Approving authority
1	All contracts with external stakeholders	Unlimited	CEO
2	All employment contracts with new recruited staff	Unlimited	CEO
3	All Contracts termination letters	Unlimited	CEO
4	Memo requesting unbudgeted goods or services	Unlimited	CEO
5	Memo seeking approval against company policies	Unlimited	CEO
6	Any approval not provided under the company policies	Unlimited	CEO
7	Procurement of urgent/emergency goods or services	Unlimited	CEO
8	All travels clearance for Ex. Com Members	Unlimited	CEO
9	All Company International events	Unlimited	CEO
10	All locally organized events	Above \$ 10,000	CEO
12	All Barter Agreement	Above \$ 20,000	CEO
13	All Sponsorship and CSR	Above \$ 20,000	CEO
14	All other Business Expenses	Above \$ 20,000	CEO

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### 10.3.2 Approval by Chiefs/Directors of User Departments

For the purpose of the approval of internal documents, Chief/Directors of each department shall be delegated power in relation to the level of responsibility as described hereunder:

No	Description of the documents	Threshold	Approving authority
1	All Memos seeking for travels outstation for duty minus the Ex-Com Members	Unlimited	DIR user Dept. and DCEO or CEO
1	All Memos requesting for goods and services	Below \$ 20,000	DIR user Dept. and CFO
2	Invoices and other payments	Below \$ 20,000	DIR user Dept. and CFO
3	Tender Notification for procurement	Below \$ 20,000	DSS
4	Settlement of any business claim	Below \$ 20,000	DIR user Dept. and CFO
5	Letter/Response to external correspondences,	Non-Material impact	All Concerned Depts.
6	Letter/Response to external correspondences,	Financial related	DIR user Dept. and CFO
7	Letter/Response to external correspondences	Legal related	DIR user Dept. and CLA
8	All Letters/responses to external correspondences	Material impact/committing the company or to regulators/heads of institutions	CEO or DCEO/COO

### 10.3.3 Approvals under Chief Commercial Officer

The following shall be approvals by the Chief Commercial Officer and some Co-signed by CLA and CFO.

No	Nature of Approval	Threshold	Signing authority
1	All Corporate Client Contracts	Unlimited	CCO
2	All Interlines Contracts	Unlimited	CCO and CLA
3	Contracts with Cargo General Sales Agent (GSA)	Unlimited	CCO and CLA
4	Contracts with Passenger General Sales Agent	Unlimited	CCO and CLA
5	All Barter Agreement	Below \$ 20,000	CCO and CFO
6	All Local events	Below \$ 5,000	CCO
7	All sponsorship and CSR	Below \$ 5,000	CCO
8	All other commercial expenses	Below \$ 5,000	CCO

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### 10.3.4 Approvals by under Maintenance Department

All the request from the Maintenance and Engineering department should adhere to the below approved threshold:

No	Nature of the approval	Threshold	Approver
1	All Memo and requisitions	Below \$ 1,000	DME
2	All Memo and requisitions	From \$ 1,000 to \$10,000	DME and CFO
3	All Memo and requisitions	From \$ 10,000 to \$ 50,000	DME, DCEO/COO
4	All Memo and requisitions	From \$ 50,000 and above	DME through DCEO/COO and CEO
5	All Aircraft AOGs requisitions	Unlimited	DME through DCEO/COO and CEO

### 10.3.5 Flight Operations Department Approval

All the request from the Flight Operations department should adhere to the below approved threshold:

No	Nature of the approval	Threshold	Approver
1	All Memo and requisitions	Below \$ 1,000	DFO
2	All Memo and requisitions	From \$ 1,000 to \$ 10,000	DFO and CFO
3	All Memo and requisitions	From \$ 10,000 to \$ 50,000	DFO, DCEO/COO
4	All Memo and requisitions	From \$ 50,000 and above	DFO through DCEO/COO and CEO



### 10.3.6 Approval by the Chief Finance Officer

The following approval shall be under the authority of the Chief Finance Officer,

No	Nature of the Approval	Threshold	Approving Authority
1	All local events	From \$ 5,000 to \$ 10,000	DIR user Dept. and CFO
2	All Business Expenses	From \$ 5,000 to \$ 20,000	DIR user Dept. and CFO
3	All sponsorship and CSR	From \$ 5,000 to \$ 20,000	CFO and CCO

### 10.3.7 Human Resources related Approvals

All employment related Matters concerning, engagement of new staff, replacement hires, termination of an employment contracts, promotions and transfers of employees shall be solely approved by the CEO or where applicable his/her authorized delegate after requests from the Director of Human Resources.

The below table describes the delegation of authority for the Human Resources Approval.

No	Nature of Approval	Threshold	Approving Authority
1	All Employment Contracts	Non-Financial	CEO and DHR
2	All Terminations of Employment Contracts	Non-Financial	CEO
3	All Budgeted Trainings for staff	Unlimited	DIR. User Dept. DHR
4	Unbudgeted Trainings	Non-Financial	CEO
5	All Conference and Symposiums	Unlimited	CEO
6	Response to employment correspondence	Non-Financial	DHR

### 10.3.8 Legal Related Approvals

All legal related matters, shall be concluded by the legal department including but not limited to claims, correspondences, out of court settlement as well as external lawyer's engagement. However, all matters valued to more than USD 20,000 shall be to the attention of the CEO.

### 10.3.9 External Communication

Any verbal or written communication with media, government authorities, or other entities that may have a material impact on the organization are solely limited to:

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*(Handwritten signature)*

- i. The Board Chair
- ii. The CEO or DCEO/COO or his/her authorized delegate.
- iii. Other party delegated or hired by the Board or the CEO

#### 10.4 COMPLIANCE AND EFFECTIVE DATE

- i. All member of the staff of the company are required to adhere and comply with the provision of this SOP,
- ii. All Memos seeking approval addressed to the CEO or DCEO/COO shall be made and signed by the respective director/ chief/ head of department.
- iii. In the absence of the CEO, the DCEO has the authority to make necessary approval under the role of the CEO.
- iv. This SOP does not replace or contradict the existing company Policies and procedures including the Procurement Manual and its amendment.
- v. Any approval made in non-compliance of the present delegation of authority SOP shall be considered as nil and void.
- vi. For Letter/Response to external correspondences shall be sent with identifiable separate reference number through the company central secretariat under DSS.
- vii. Any breaches of this policy will be dealt with in accordance with relevant company conduct policies and procedures.
- viii. This SOP starts to be effective from the time of its signature by the authorized persons of the company.

#### 10.5 Review, Amendment

The Executive Committee of the Management may review the provisions of this Delegations of Authority SOP on need basis and effect any required changes. Any changes to these terms of reference shall not take effect unless approved by Management and shall not in any way whatsoever take recto active effect.

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