



SEPTEMBER 2, 2025

# CHARTER AND OPERATING MANUAL OF THE DIGITAL TRANSFORMATION INVESTMENT FACILITY

*TO MOBILIZE, RECEIVE, MANAGE, ALLOCATE, AND SUPERVISE  
FINANCIAL AND TECHNICAL RESOURCES*

**CREATED BY**

EUSL AB

*Care to Change the World*

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# CHARTER AND OPERATING MANUAL OF THE DIGITAL TRANSFORMATION INVESTMENT FACILITY (DTIF)

BETWEEN  
**THE GOVERNMENT OF THE REPUBLIC OF SOUTH SUDAN**  
AND  
**THE EUROPEAN SOCIAL LABEL (EUSL)**

**Date:** [Insert Date]

**Reference:** Strategic Engagement Agreement, Annex I; Presidential Directive No. [Insert Reference]

## Preamble

**WHEREAS**, the Government of the Republic of South Sudan (hereinafter referred to as “the Government”) and the European Social Label (hereinafter referred to as “EUSL”) have entered into a Strategic Engagement Agreement (hereinafter referred to as “the SEA”), which establishes the framework for cooperation in advancing national digital transformation objectives in alignment with the Agenda for Social Equity 2074 and other internationally recognized development frameworks;

**WHEREAS**, pursuant to Annex I of the SEA and in accordance with Presidential Directive No. [Insert Reference], the Parties have resolved to establish a dedicated institutional and fiduciary mechanism to mobilize, manage, and oversee investments in digital transformation initiatives, including but not limited to infrastructure development, capacity building, and innovation ecosystems;

**WHEREAS**, the Parties recognize that the Digital Transformation Investment Facility (hereinafter referred to as “DTIF”) shall serve as the principal instrument for the aggregation, allocation, and administration of financial resources dedicated to the digitalization of public services, institutional strengthening, and the promotion of inclusive and sustainable economic growth;

**NOW, THEREFORE**, the Parties hereby adopt this Charter and Operating Manual (hereinafter referred to as “the Charter”), which shall govern the establishment, governance, fiduciary management, and operational modalities of the DTIF, and which shall be binding upon the Parties and all entities acting under their authority.

## Section 1 – Purpose and Scope

**1.1 Establishment and Mandate.** The Digital Transformation Investment Facility (“DTIF” or the “Facility”) is hereby established by the Government of the Republic of South Sudan and the European Social Label (“EUSL”) pursuant to, and as an operational instrument under, the Strategic Engagement Agreement and the Host Country Agreement. The Facility’s mandate is to mobilize, receive, manage, allocate, and supervise financial and technical resources dedicated to the digital transformation of public administration, essential services, and enabling ecosystems within the territory of the Republic of South Sudan.

**1.2 Objectives.** The Facility shall: (a) finance and implement priority digital infrastructure and platforms for government and public service delivery; (b) support institutional capacity strengthening, standards, and interoperability across ministries, departments, and agencies; (c) catalyze innovation, local

industry participation, and skills development; (d) advance inclusion, accessibility, and resilience of digital public goods; and (e) ensure the transparent, efficient, and accountable use of funds.

**1.3 Scope of Activities.** The Facility may finance or support, inter alia: (a) core connectivity and data infrastructure; (b) digital identity, registries, and foundational platforms; (c) sector digitalization in health, education, agriculture, public finance, justice, and related domains; (d) cybersecurity, data protection, and continuity of government services; (e) capacity building, training, and certification programs; (f) technical assistance, change management, and program management; and (g) innovation pilots and scale-up of proven solutions. Activities shall be executed through projects, programs, technical assistance assignments, framework agreements, and other instruments approved under this Charter.

**1.4 Geographic and Beneficiary Coverage.** The primary geographic scope is the territory of the Republic of South Sudan. Where efficiency or market capacity so requires, the Facility may procure regionally or internationally, provided that the benefits of such procurement accrue to the Republic of South Sudan and are consistent with applicable law. Direct beneficiaries include organs of the Government; indirect beneficiaries include citizens, enterprises, and civil society organizations through improved digital public services and enabling ecosystems.

**1.5 Financing Sources and Eligible Uses.** The Facility may receive resources from domestic budgetary allocations, international grants, concessional and non-concessional finance, trust funds, philanthropic contributions, and private participation where permissible. Eligible uses include capital expenditures, software and licensing, managed services, consulting and technical assistance, training, operations and maintenance, and reasonable program management costs, as approved in the Annual Work Plan and Budget.

**1.6 Principles.** The Facility shall operate in accordance with the principles of: (a) legality and due process; (b) transparency and disclosure; (c) economy, efficiency, effectiveness, and value for money; (d) competition and non-discrimination; (e) integrity and avoidance of conflicts of interest; (f) sustainability and resilience; (g) inclusion and accessibility; and (h) protection of personal data and confidential information.

**1.7 Duration.** The initial term of the Facility shall be [ten (10)] years from the Effective Date of this Charter, unless extended or terminated pursuant to its terms. Ongoing obligations, including reporting and audit, shall survive as expressly provided herein.

**1.8 Relationship with the Host Country Agreement and Strategic Engagement Agreement.** This Charter is an implementing instrument under the Host Country Agreement and the Strategic Engagement Agreement. In the event of inconsistency, the Host Country Agreement shall prevail as to privileges, immunities, and status; the Strategic Engagement Agreement shall prevail as to strategic objectives and high-level commitments; and this Charter shall govern operational matters, fiduciary controls, and governance of the Facility.

**1.9 Definitions and Construction.** Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Host Country Agreement or the Strategic Engagement Agreement. Headings are for convenience and shall not affect interpretation. References to “law” include statutes, regulations, and binding directives as applicable.



## Section 2 – Governance Structure

**2.1 Organs of the Facility.** The governance of the Facility shall comprise: (a) the Joint Steering Committee (the “JSC”), as the supreme decision-making and oversight body; and (b) the Technical Coordination Unit (the “TCU”), as the executive and operational arm of the Facility. The JSC may constitute such subcommittees as are necessary for audit and risk, procurement review, safeguards, and other specialized functions.

**2.2 Joint Steering Committee – Composition.** The JSC shall consist of [•] voting members: [•] appointed by the Government and [•] appointed by EUSL. The Government’s members shall include at least one representative at Director General level or above from the Ministry responsible for digital transformation or information and communications technology and one representative of the Ministry of Finance and Planning. EUSL’s members shall include at least one representative at executive level responsible for fiduciary oversight. The JSC may admit non-voting observers from development partners or competent authorities, subject to confidentiality undertakings.

**2.3 Joint Steering Committee – Mandate and Powers.** The JSC shall: (a) approve the Facility’s Annual Work Plan and Budget, including financing envelopes and performance targets; (b) approve or delegate approval of projects, programs, and major procurements consistent with thresholds defined in the Delegation of Authority Matrix; (c) adopt and amend policies and manuals governing fiduciary management, procurement, safeguards, and monitoring and evaluation; (d) oversee risk management, internal controls, and compliance; (e) review quarterly and annual performance and financial reports; (f) ensure alignment with national strategies and with the Strategic Engagement Agreement; and (g) decide on material amendments to this Charter, subject to Section 10.

**2.4 Joint Steering Committee – Procedures.** The JSC shall adopt written rules of procedure covering meetings, agendas, documentation, circulation periods, and records. Ordinary meetings shall be held at least [quarterly]. Extraordinary meetings may be convened by the Co-Chairs upon written request of either Party or of at least [one-third] of JSC members in view of urgent matters. A quorum shall consist of not less than [two-thirds] of voting members, including at least [one] member from each Party. Decisions shall be taken by consensus where possible; failing consensus, by qualified majority of [•]% of voting members, provided that at least one affirmative vote is cast by each Party. Members shall disclose actual or potential conflicts of interest and shall recuse themselves from deliberations and decisions where appropriate; recusals shall be recorded in the minutes.

**2.5 Joint Steering Committee – Chairs and Secretariat.** The JSC shall be co-chaired by one representative designated by the Government and one representative designated by EUSL. The TCU shall serve as Secretariat of the JSC, prepare agendas and documentation, maintain the decision register and minutes, and monitor implementation of JSC resolutions.

**2.6 Technical Coordination Unit – Establishment and Reporting.** The TCU is established as the executive body of the Facility and shall report to the JSC through the Co-Chairs. The TCU shall be headed by a Director appointed jointly by the Parties in accordance with merit-based criteria set forth in the Human Resources Policy. The Director shall have day-to-day authority to manage the Facility within the limits of this Charter and the Delegation of Authority Matrix.

**2.7 Technical Coordination Unit – Functions.** The TCU shall: (a) prepare the Annual Work Plan and Budget and submit it to the JSC for approval; (b) manage program and project appraisal, implementation support, contract administration, and performance management; (c) maintain the Facility’s fiduciary systems, including segregation of funds, commitment and disbursement controls,

and financial reporting; (d) conduct and document procurement in accordance with the Facility's Procurement Manual; (e) implement the Monitoring, Evaluation, and Learning framework; (f) manage safeguards, including environmental, social, and data protection measures; (g) maintain the risk register and internal control framework, and escalate high or emerging risks to the JSC; (h) coordinate with Government entities, development partners, and suppliers; and (i) maintain records, document management, and disclosure consistent with applicable policies.

**2.8 Technical Coordination Unit – Staffing and Secondments.** The TCU shall be staffed by qualified personnel recruited by EUSL in consultation with the Government, and may include seconded staff from the Government, EUSL, or development partners subject to written secondment agreements preserving independence, confidentiality, and avoidance of conflicts of interest. All personnel shall be subject to a Code of Conduct and to policies on anti-corruption, sexual exploitation and abuse/harassment (SEA/SH), data protection, and information security adopted by the JSC.

**2.9 Delegation of Authority.** The JSC shall adopt a Delegation of Authority Matrix specifying thresholds and approvals for commitments, contract awards, variations, disbursements, and write-offs. Any delegation shall be in writing, limited in scope, and subject to periodic review. Delegated authorities may be revoked or suspended by the JSC for cause.

**2.10 Records, Disclosure, and Confidentiality.** The JSC and TCU shall maintain complete and accurate records of decisions, contracts, and financial transactions. The Facility shall adopt a Disclosure and Confidentiality Policy balancing transparency with the protection of commercially sensitive information, personal data, and security-related information. Minutes of JSC meetings and non-confidential decisions shall be made available in accordance with such policy.

**2.11 Continuity and Succession.** Vacancies in the JSC or TCU shall be filled without undue delay. The TCU shall maintain business continuity and disaster recovery plans approved by the JSC to ensure uninterrupted operation of critical functions.

## Section 3 – Roles and Responsibilities

**3.1 Parties.** For the purposes of this Charter and Operating Manual (the “Charter”), the Government of the Republic of South Sudan (the “Government”) and the European Social Label (“EUSL”) are collectively referred to as the “Parties.” The Digital Transformation Investment Facility (the “DTIF” or the “Facility”) shall operate through its organs—the Joint Steering Committee (“JSC”) and the Technical Coordination Unit (“TCU”)—and, as applicable, through Implementing Agencies, contracted suppliers and service providers, and accredited oversight functions.

**3.2 Government – General Responsibilities.** The Government shall: (a) ensure policy coherence and alignment of DTIF-financed activities with national strategies and plans duly adopted by competent authorities; (b) provide enabling measures necessary for the effective operation of the Facility pursuant to the Host Country Agreement, including but not limited to privileges, immunities, visas, customs clearances, and access to information; (c) designate focal points at ministerial and agency levels to facilitate coordination, approvals, and access to sites and data; (d) take all reasonable steps to safeguard the independence, integrity, and security of the Facility, its premises, assets, personnel, data, and records; and (e) timely consider and, where appropriate, adopt or endorse policy, legislative, or regulatory instruments required to realize digital transformation outcomes supported by the Facility.

**3.3 Government – Financial and Non-Financial Contributions.** Subject to applicable budgetary processes, the Government may contribute financial resources, in cash or in kind, to the Facility. In-

kind contributions may include office space, utilities, seconded personnel, and use rights to government infrastructure, data, and spectrum, as may be agreed in writing. Any Government cash contribution to the Facility shall be credited to the Facility's Designated Accounts and shall be subject to the same fiduciary controls, reporting, audit, and safeguards as other Facility resources, unless expressly agreed otherwise by the JSC.

**3.4 EU SL – General Responsibilities.** EU SL shall: (a) provide fiduciary management, including financial management systems, internal controls, accounting, disbursements, and financial reporting in accordance with Section 4; (b) provide, or procure, technical assistance, program management, procurement administration, and capacity-building services necessary for the efficient operation of the Facility; (c) ensure that the Facility's operations adhere to the policies and standards adopted by the JSC, including those relating to integrity, anti-corruption, environmental and social safeguards, data protection, and information security; (d) maintain and continuously improve the TCU's systems, tools, and competencies; and (e) promptly notify the JSC of any event or circumstance that could materially affect the implementation of the Annual Work Plan and Budget or the integrity of the Facility's resources.

**3.5 Joint Steering Committee.** Without prejudice to Section 2, the JSC shall exercise strategic direction and oversight over the Facility and its resources, adopt policies and manuals applicable to Facility operations, approve Annual Work Plans and Budgets, and exercise such other powers as are conferred upon it under this Charter and any Delegation of Authority Matrix adopted thereunder.

**3.6 Technical Coordination Unit.** Without prejudice to Section 2, the TCU shall be responsible for day-to-day management of the Facility within the authorities delegated to it, including planning, appraisal, implementation support, contract administration, fiduciary management, safeguards, monitoring, evaluation, learning, risk management, records management, and disclosure as prescribed in this Charter and in policies adopted by the JSC.

**3.7 Implementing Agencies and Beneficiary Entities.** Ministries, departments, agencies, and other beneficiary entities of the Government may be designated by the JSC, upon TCU recommendation, as Implementing Agencies for specific projects or activities. Implementing Agencies shall: (a) designate qualified project managers and fiduciary and safeguards focal points; (b) comply with the Facility's manuals, including procurement, financial management, safeguards, and monitoring and evaluation requirements; (c) maintain separate project records and make them available to the TCU, the JSC, and auditors upon request; and (d) cooperate fully in supervision, monitoring, audits, and evaluations. Implementing Agencies shall not incur any commitment or liability on behalf of the Facility except as expressly authorized in writing under the Delegation of Authority Matrix.

**3.8 Development Partners and Co-Financiers.** The Facility may receive contributions from development partners and other co-financiers under trust fund, grant, loan, or parallel financing arrangements, as approved by the JSC. The rights and obligations of such partners shall be defined in separate instruments consistent with this Charter. Where a co-financier imposes fiduciary or safeguards requirements equivalent to or more stringent than those of the Facility, the JSC may determine, upon advice of the TCU, that such requirements shall apply to the relevant financing.

**3.9 Suppliers and Service Providers.** Suppliers, consultants, and contractors engaged by or on behalf of the Facility shall be selected and managed in accordance with the Facility's procurement and contract management policies. All such parties shall be bound by contractual obligations regarding ethics and integrity, anti-corruption, confidentiality, data protection, intellectual property, occupational

health and safety, environmental and social performance, and reporting. Breach of such obligations shall constitute grounds for sanctions, termination, and recovery as provided in the applicable contract and in this Charter.

**3.10 Independent Oversight Functions.** The JSC shall accredit independent oversight functions, which may include: (a) an external auditor; (b) an internal audit function or outsourced equivalent; (c) an integrity and anti-corruption function; and (d) an independent environmental and social safeguards review as warranted by risk. The mandates of such functions shall be set out in written terms of reference approved by the JSC. All Facility organs and counterpart entities shall cooperate fully with such functions.

**3.11 Data Governance and Protection.** The Parties, the Facility, and all counterpart entities shall (a) process personal data lawfully and fairly for specified purposes; (b) implement appropriate technical and organizational measures to ensure confidentiality, integrity, and availability of data; (c) adopt role-based access controls and data minimization; and (d) ensure secure cross-border data transfers where such transfers are necessary and lawful. The JSC shall approve a Data Governance Policy and Information Security Policy binding upon all Facility operations.

**3.12 Intellectual Property and Licensing.** Unless otherwise provided in a specific contract or financing agreement, intellectual property created with Facility resources shall vest in the Government, subject to (a) perpetual, royalty-free licenses for EUSL and the Facility to use such intellectual property for non-commercial purposes related to this Charter; and (b) open licensing obligations for software and digital public goods as may be prescribed by the JSC in the public interest, taking account of security, sovereignty, and sustainability considerations.

**3.13 Conflicts of Interest and Ethical Conduct.** Members of the JSC, TCU personnel, Implementing Agency staff engaged in Facility activities, and contracted parties shall avoid actual, potential, or perceived conflicts of interest and shall disclose any such conflicts in writing without delay. The JSC shall adopt a Code of Conduct and an Ethics and Integrity Policy, including provisions on gifts and hospitality, political activity, and protection from retaliation for whistleblowers.

**3.14 Continuing Obligations.** The obligations of confidentiality, data protection, intellectual property, audit and access to information, and cooperation with investigations shall survive completion of specific activities and any termination or expiry of this Charter to the extent required to protect the Facility's interests and ensure accountability.

## Section 4 – Fiduciary Framework

**4.1 General Standard.** The Facility shall maintain robust fiduciary systems to ensure economy, efficiency, effectiveness, transparency, value for money, and probity in the use of Facility resources. The Facility's financial statements shall be prepared in accordance with International Public Sector Accounting Standards ("IPSAS") as issued by the International Public Sector Accounting Standards Board, on an accrual basis, or, where justified and approved by the JSC, on a modified cash basis with an approved transition plan to accrual.

**4.2 Financial Management System.** The TCU shall maintain an integrated financial management system capable of: (a) budget formulation and execution; (b) commitment and obligation control; (c) multi-currency general ledger; (d) cash and bank management; (e) accounts payable and receivable; (f) fixed asset and inventory registers; (g) project and contract accounting; and (h) automated production



of interim financial reports and annual financial statements consistent with IPSAS. System access shall be role-based and supported by audit trails.

**4.3 Segregation and Ring-Fencing of Funds.** Facility resources shall be segregated from non-Facility funds and shall be deposited in Designated Accounts established in reputable financial institutions acceptable to the JSC. Each financing source may be maintained in a separate Designated Account where required by the contributor, or in sub-ledgers within a pooled Designated Account where pooling is authorized. Funds shall not be commingled with unrelated monies. Transfers between Designated Accounts shall be permitted only for purposes consistent with this Charter and upon approvals specified in the Delegation of Authority Matrix.

**4.4 Banking Arrangements and Signatory Controls.** Banking arrangements, including account opening, signatories, electronic banking profiles, and thresholds for dual or multiple authorization, shall be approved by the JSC upon TCU recommendation. At a minimum, (a) all payment instructions shall require at least two independent approvals; (b) changes to beneficiaries or banking coordinates shall be subject to enhanced verification; and (c) dormant balances shall be minimized consistent with cash-flow forecasts.

**4.5 Treasury and Investment Policy.** The JSC shall adopt a Treasury and Investment Policy governing short-term placement of surplus liquidity, limited to low-risk, highly liquid instruments and counterparties meeting minimum creditworthiness criteria. No speculative investments, derivatives, or lending shall be permitted. Any interest or investment income earned on Facility funds shall accrue to the Facility unless otherwise stipulated by a contributor agreement.

**4.6 Budgeting and Commitment Control.** An Annual Work Plan and Budget (“AWPB”) shall be prepared by the TCU and approved by the JSC prior to the start of each fiscal year. No commitment shall be entered into without verified budget availability. The financial management system shall prevent over-commitments and shall record commitments, obligations, and actual expenditures against approved budget lines.

**4.7 Internal Controls and Segregation of Duties.** The Facility shall maintain an Internal Control Framework approved by the JSC, ensuring effective segregation of duties across initiation, verification, approval, recording, and reconciliation functions; standardized controls over procurement-to-pay and contract-to-cash cycles; periodic reconciliations of bank and ledger accounts; and documented operating procedures. Control deficiencies shall be reported promptly to the Director of the TCU and to the JSC.

**4.8 Disbursement Modalities.** Disbursements may be effected through one or more of the following modalities, as approved in the AWPB and consistent with contributor requirements: (a) direct payment to suppliers and contractors upon certified milestones; (b) reimbursement of eligible expenditures incurred by Implementing Agencies upon submission of acceptable supporting documentation; (c) advances to Implementing Agencies to finance eligible expenditures, subject to ceilings, fiduciary capacity assessments, and periodic justification; and (d) special commitments, letters of credit, or escrow arrangements for complex procurements. All disbursements shall be supported by approved invoices, deliverable acceptance certificates, or other evidence as prescribed in the Disbursement and Payment Manual adopted by the JSC.

**4.9 Conditions Precedent and Withdrawal Applications.** The JSC may establish conditions precedent to disbursement for specific financings or activities, including execution of subsidiary agreements, fiduciary capacity enhancements, or safeguard plans. Withdrawal applications to contributors shall be

prepared by the TCU, supported by Statements of Expenditure or full documentation as required, and shall be subject to internal review and authorization in accordance with the Delegation of Authority Matrix.

**4.10 Eligible and Ineligible Expenditures.** The JSC shall adopt a Negative List of ineligible expenditures. Any expenditure determined by the TCU or by an auditor to be ineligible, fraudulent, or otherwise irregular shall be promptly reported to the JSC, recorded, and recovered from the responsible party or offset against future payments. Recovered amounts shall be credited back to the Facility.

**4.11 Foreign Exchange and Currency.** The currency of account shall be [•]. Payments may be made in the currency of the contract or in local currency as specified in the contract. Currency conversions shall use reliable market rates obtained from approved sources on the transaction date or on another basis defined in the Treasury Policy. Foreign exchange gains and losses shall be recorded in accordance with IPSAS.

**4.12 Taxes and Duties.** To the extent provided in the Host Country Agreement or applicable laws and contributor agreements, Facility resources, goods, services, and personnel shall benefit from exemptions or relief from taxes, customs duties, and similar charges. Where taxes are paid and are recoverable, the TCU shall pursue recovery. Where taxes are not recoverable, they shall be treated as eligible or ineligible expenditures in accordance with the AWPB and contributor terms.

**4.13 Financial Reporting.** The TCU shall prepare and submit to the JSC (a) quarterly Interim Financial Reports within [45] days of quarter-end, including budget-to-actual analyses, sources and uses of funds, cash balances, commitments, and contract status; and (b) annual project and Facility-wide financial statements within [90] days of fiscal year-end, prepared in accordance with IPSAS and accompanied by a management discussion and analysis.

**4.14 External Audit.** The annual financial statements shall be audited by an independent external auditor of recognized standing, appointed by the JSC following a competitive selection process consistent with the Facility's procurement policy. The auditor's terms of reference shall include financial audit, compliance review, internal control evaluation, and, where appropriate, limited assurance on performance information. The audited financial statements and management letter shall be submitted to the JSC within [120] days of fiscal year-end. The JSC shall ensure timely remediation of audit findings and shall track such remediation.

**4.15 Internal Audit and Compliance.** The JSC shall establish an internal audit function, either in-house or outsourced, with unrestricted access to records, personnel, and premises of the Facility and, as contractually agreed, of Implementing Agencies and suppliers. The internal audit function shall conduct risk-based audits and report functionally to the JSC (or to its Audit and Risk Subcommittee) and administratively to the Director of the TCU.

**4.16 Anti-Corruption, AML/CFT, and Sanctions.** The Facility shall adopt and enforce policies prohibiting fraud and corruption, including bribery, embezzlement, collusion, coercion, obstruction, and misrepresentation. The Facility shall implement Know-Your-Counterparty procedures commensurate with risk, including verification of beneficial ownership, sanctions screening against recognized lists, and ongoing monitoring. Allegations of misconduct shall be investigated by an independent integrity function or external authority designated by the JSC. Proven misconduct shall result in appropriate remedies, including contract termination, debarment, recovery, and referral to competent authorities.

**4.17 Records Management and Retention.** Financial and supporting records, including contracts, invoices, delivery notes, acceptance certificates, bank statements, reconciliations, audit working papers provided by the auditor, and correspondence, shall be maintained in durable form (paper or electronic) with appropriate backups for not less than [seven (7)] years after the later of (a) the end of the fiscal year to which they relate; or (b) the closure of the relevant financing; or such longer period as may be required by applicable law or contributor terms.

**4.18 Access to Information.** Subject to applicable confidentiality, data protection, and security constraints, the Facility shall disclose periodic financial information, audit summaries, and key decisions of the JSC in accordance with a Disclosure Policy approved by the JSC. Contributors shall have access to information as specified in their respective agreements. Auditors and accredited oversight bodies shall have full and timely access to relevant records and personnel.

**4.19 Linkage to Procurement Controls.** Without prejudice to Section 5, the Facility's fiduciary controls shall be integrated with procurement processes to ensure that (a) no payment is made without verified contractual basis, certified deliverables, and appropriate approvals; (b) contract variations are controlled and documented; and (c) performance securities, advance payment guarantees, and insurance certificates are obtained, tracked, and enforced as applicable.

**4.20 Risk Management and Contingencies.** The TCU shall maintain a fiduciary risk register addressing financial, treasury, fraud and corruption, compliance, and reporting risks, with assigned owners, mitigation measures, and residual risk ratings. The JSC shall review the register at least quarterly and may establish contingency reserves within the AWPB to address unforeseen fiduciary risks or cost escalations.

**4.21 Remedies and Set-Off.** In the event of breach of fiduciary obligations, misapplication of funds, or failure to observe material terms of this Charter or of a contributor agreement, the JSC may, upon recommendation of the TCU or an oversight function, suspend disbursements, require additional controls, demand restitution, or take such other remedies as are available at law or under contract. Amounts due to the Facility may be set off against amounts otherwise payable by the Facility to the responsible party, consistent with applicable law and contractual terms.

**4.22 Closure and Final Accounting.** Upon completion or termination of the Facility or of a specific financing, the TCU shall prepare final financial statements and a final sources-and-uses report, subject to external audit, and shall arrange for the disposition of unspent balances in accordance with JSC decisions and contributor terms. Fixed assets shall be disposed of or transferred in accordance with a Disposal Policy approved by the JSC.

## Section 5 – Procurement and Open Contracting Standards

**5.1 General Principles.** Procurement under the Facility shall be conducted in a manner that secures economy, efficiency, effectiveness, value for money, integrity, fair competition, transparency, and accountability, consistent with good international practice and the principles reflected in the UNCITRAL Model Law on Public Procurement.

**5.2 Applicable Framework and Hierarchy.** The Joint Steering Committee ("JSC") shall adopt a Facility Procurement Policy and an accompanying Procurement and Contract Management Manual (together, the "Procurement Manual"). In cases of co-financing or parallel financing by multilateral development banks, the Facility shall apply the procurement regulations of the relevant financier to the activities financed by that financier, including, as applicable, (a) the World Bank Procurement Regulations for IPF

Borrowers (Fourth Edition, November 2020); and (b) the African Development Bank Group Procurement Policy and Framework for Bank Group-Funded Operations (August 2015), or their successors.

**5.3 Open Contracting and Disclosure.** The Facility shall implement an open contracting regime. At a minimum, the Facility shall publish structured data and documents for each contracting process in accordance with the Open Contracting Data Standard (“OCDS”), including planning, tender, award, contract, and implementation information, as specified in the Disclosure Schedule annexed hereto and in conformity with OCDS guidance.

**5.4 Procurement Planning.** Prior to each fiscal year, the Technical Coordination Unit (“TCU”) shall prepare a rolling, risk-based, and market-informed Procurement Plan, aligned with the Annual Work Plan and Budget, identifying lots, methods, prior and post review thresholds, and key risk mitigations. The Procurement Plan shall be reviewed by the JSC at least semi-annually and published in OCDS-compliant form.

**5.5 Methods of Procurement.** The Procurement Manual shall provide for open competitive procedures as the default method, with provision for restricted competition, request for quotations, direct selection, competitive dialogue, and framework agreements, where justified by market conditions or the nature/complexity of the requirement, consistent with the principles and options recognized under UNCITRAL and applicable financier regulations.

**5.6 Standardized Solicitation and Contract Documents.** The Facility shall use standard bidding/request documents and contract forms approved by the JSC, adapted as necessary from the multilateral development banks’ standard procurement documents. Such documents shall define clear, objective, and quantifiable evaluation criteria, allow for life-cycle costing where appropriate, and incorporate conditions on integrity, environmental and social performance, data protection, information security, and intellectual property.

**5.7 Eligibility, Sanctions, and Beneficial Ownership.** Bidders shall meet eligibility requirements set forth in the Procurement Manual. The Facility shall exclude entities and individuals subject to applicable United Nations Security Council sanctions and, where co-financed, those debarred or cross-debarred by relevant multilateral development banks, and shall require disclosure of beneficial ownership in accordance with the solicitation documents.

**5.8 Bid Receipt, Opening, and Evaluation.** The Facility shall ensure secure, timestamped receipt of bids (preferably through an e-GP platform), public opening where appropriate, and evaluation by a designated evaluation committee applying the stated criteria. The evaluation process and recommendation of award shall be recorded in a formal report and subject to quality assurance and approvals in accordance with the Delegation of Authority Matrix.

**5.9 Standstill Period and Debriefing.** For procurements above thresholds specified in the Procurement Manual, the Facility shall observe a standstill period prior to contract signature to allow for review of intended award decisions, and shall provide timely debriefings to unsuccessful bidders upon request, consistent with applicable financier requirements.

**5.10 Complaints and Bid Challenges.** The Facility shall establish an independent, time-bound complaints review mechanism. Complaints shall be received, recorded, acknowledged, and decided upon according to procedures set out in the Procurement Manual, without prejudice to any rights of review provided by applicable financier frameworks.



**5.11 Contract Management and Performance.** Contracts shall include provisions on performance securities, advance payment guarantees, milestones, acceptance procedures, price adjustment (where applicable), variation orders, liquidated damages, and termination for cause or convenience. The TCU shall maintain a contract register and monitor performance and delivery against key performance indicators, publishing non-confidential performance data consistent with OCDS.

**5.12 Integrity, Anti-Corruption, and Conflicts of Interest.** The Facility prohibits fraud and corruption, including bribery, collusion, coercion, obstruction, embezzlement, and misrepresentation. All participants in procurement shall disclose actual or potential conflicts of interest. Proven misconduct shall be subject to sanction, including contract termination, recovery, and debarment, as provided in the Procurement Manual and, where applicable, under the relevant multilateral development bank integrity frameworks.

**5.13 SME Participation and Local Industry Development.** Without compromising competition and value for money, the Procurement Manual may provide measures to facilitate participation by qualified small and medium-sized enterprises, including lotting strategies, proportionate qualification requirements, and subcontracting disclosure, consistent with non-discrimination principles.

**5.14 Sustainable and Responsible Procurement.** Technical specifications, evaluation criteria, and contract conditions may incorporate environmental and social requirements proportionate to the nature and risk of the contract, including energy efficiency, waste minimization, responsible sourcing, labor and working conditions, and community health and safety, with due regard to Section 6 of this Charter and applicable multilateral standards.

## Section 6 – ESG and Safeguards Compliance

**6.1 Adopted Standards and Approach.** The Facility shall apply an environmental, social, and governance (“ESG”) framework proportionate to risk, aligned with (a) the World Bank Environmental and Social Framework (“ESF”) and its ten Environmental and Social Standards; (b) the African Development Bank Group’s Integrated Safeguards System (“ISS”), as updated and effective 31 May 2024; and, for private-sector-style operations or financial intermediation, (c) the IFC Performance Standards on Environmental and Social Sustainability (2012) as a recognized benchmark. In project-finance transactions, reference may also be made to the Equator Principles (EP4, July 2020).

**6.2 Screening and Classification.** The TCU shall screen all activities to assign an environmental and social risk classification (e.g., High/Substantial/Moderate/Low) and determine applicable safeguard instruments, taking into account the significance of potential impacts, sensitivity of the context, and capacity of Implementing Agencies, consistent with the ESF/ISS risk-based approach.

**6.3 Safeguard Instruments.** Depending on risk and impact, the TCU shall prepare or cause to be prepared, reviewed, consulted upon, disclosed, and implemented one or more of the following instruments, as applicable: Environmental and Social Impact Assessment (ESIA); Environmental and Social Management Plan (ESMP); Environmental and Social Management Framework (ESMF); Stakeholder Engagement Plan (SEP); Labor Management Procedures (LMP); Resettlement Policy Framework (RPF) and/or Resettlement Action Plan (RAP); Biodiversity Management Plan; Cultural Heritage Management Plan; and Emergency Preparedness and Response Plan.

**6.4 Labor and Working Conditions.** All Facility-supported activities shall comply with applicable national law and the labor and working conditions requirements reflected in the ESF/ISS and, as relevant, the IFC Performance Standards, including non-discrimination and equal opportunity,

prohibition of child and forced labor, occupational health and safety, workers' organizations, and establishment of a worker grievance mechanism, with due regard to ILO fundamental principles and rights at work.

**6.5 Land Acquisition and Involuntary Resettlement.** Where land acquisition or restrictions on land use are unavoidable, the Facility shall require avoidance and minimization through alternative design, prompt and adequate compensation at replacement cost, livelihood restoration and, where applicable, improvement of living conditions of displaced persons, consistent with ESF/ISS and IFC Performance Standard 5.

**6.6 Biodiversity, Cultural Heritage, and Natural Resources.** Activities shall conserve biodiversity and ecosystem services and protect tangible and intangible cultural heritage, applying the mitigation hierarchy and site-specific measures consistent with ESF/ISS and IFC Performance Standards 6 and 8.

**6.7 Community Health, Safety, and Security; SEA/SH.** The Facility shall assess and manage community health and safety risks, including those arising from infrastructure, hazardous materials, and security arrangements, and shall implement robust measures to prevent and respond to sexual exploitation and abuse and sexual harassment (SEA/SH), consistent with the ESF, the ISS, IFC Performance Standard 4, and the World Bank Good Practice Notes on SEA/SH. Codes of conduct, survivor-centered grievance pathways, confidential reporting, service-provider mapping, and contractor training shall be mandatory for works and high-risk assignments.

**6.8 Stakeholder Engagement and Grievance Redress.** Proportionate, inclusive, and documented stakeholder engagement shall be undertaken throughout the project cycle, with timely disclosure of relevant information in accessible formats. A project-level grievance redress mechanism ("GRM") for affected communities, and a separate workers' GRM, shall be established and maintained, consistent with ESF ESS10 and the ISS.

**6.9 Climate and Pollution Prevention.** Projects shall identify, avoid, and minimize pollution and shall assess climate risks and, where material, quantify and report greenhouse gas emissions or apply recognized alternatives analysis and reporting consistent with applicable ESF/ISS guidance and, where relevant for project finance, Equator Principles Annex A.

**6.10 Data Protection and Digital Risks.** For digital systems and data-intensive activities, the Facility shall undertake proportionate data protection impact assessments, cybersecurity risk assessments, and adopt organizational and technical controls consistent with the Facility's Data Governance and Information Security Policies and with international good practice referenced in the ESF on privacy, security, and stakeholder engagement.

**6.11 Exclusion List.** The JSC shall adopt an exclusion list of activities ineligible for financing under the Facility, drawing on multilateral development bank practice and reflecting prohibitions under national law and international commitments.

**6.12 Contractual Covenants and Remedies.** Implementing Agencies, suppliers, and contractors shall be bound by contractual obligations to implement applicable safeguard instruments, maintain required management systems, and report incidents. Material non-compliance shall entitle the Facility to suspend disbursements, require corrective action plans, or terminate contracts, without prejudice to other remedies.

**6.13 Monitoring, Reporting, and Independent Review.** The TCU shall monitor implementation of safeguard instruments, maintain an incident register, and provide quarterly and annual ESG

performance reports to the JSC. High-risk activities shall be subject to independent environmental and social review and periodic audits, consistent with ESF/ISS requirements and, where applicable, Equator Principles independent monitoring. Serious incidents shall be notified to the JSC within [48] hours.

**6.14 Capacity Building.** The Facility shall implement a capacity-building program for Implementing Agencies on ESG risk management, safeguards instruments, stakeholder engagement, and SEA/SH prevention and response, aligned with ESF/ISS guidance.

**6.15 Alignment with National Systems.** Where feasible and subject to equivalence and capacity assessments, the Facility may rely on or strengthen national environmental and social management systems, with gap-filling measures to achieve outcomes materially consistent with ESF/ISS.

## Section 7 – MEL and Reporting Obligations

**7.1 General Requirements.** The Facility shall establish and maintain a results-based Monitoring, Evaluation, and Learning (“MEL”) system designed to measure and evidence progress from inputs and activities through outputs, outcomes, and impacts, anchored in a documented theory of change and results framework. The MEL system shall be consistent with recognized good practice for results-based systems and institutional learning. [[World Bank, *Ten Steps to a Results-Based M&E System*]; [OECD DAC, \*Evaluation Criteria—Adapted Definitions and Principles for Use\* \(2019\)](#)]

**7.2 Results Framework.** The Technical Coordination Unit (“TCU”) shall prepare, and the Joint Steering Committee (“JSC”) shall approve, a Facility-wide results framework that: (a) defines indicators at output, outcome, and impact levels; (b) specifies baselines, targets, assumptions, and means of verification; (c) identifies disaggregation requirements (e.g., sex, age, disability, location) where relevant; and (d) sets reporting periodicity. Indicators shall be Specific, Measurable, Achievable, Relevant, and Time-bound, and shall enable attribution and contribution analysis commensurate with the intervention logic. [[World Bank, \*Ten Steps\*](#); [DCED, \*Standard for Results Measurement\*](#)]

**7.3 Baselines and Targets.** Baseline values shall be established for all key indicators before substantive implementation begins, or, where not feasible, within [•] days of effectiveness pursuant to a documented plan; targets shall be set using baseline data, available resources, and timeframes approved in the Annual Work Plan and Budget. [[World Bank, \*Ten Steps\*](#); [DCED, \*Guidelines to the DCED Standard\*](#)]

**7.4 Data Collection, Quality Assurance, and Verification.** The TCU shall adopt and implement a Data Quality Assurance Protocol covering validity, reliability, integrity, precision, and timeliness, including enumerator training, instrument piloting, secure data management, and audit trails. Independent verification of a risk-based sample of results data shall be undertaken annually. [[DCED, \*Standard / Auditing the Monitoring System\*](#); [World Bank, \*Ten Steps\*](#)]

**7.5 Learning and Adaptive Management.** MEL findings shall be integrated into periodic management reviews and used to adapt implementation strategies, procurement approaches, and safeguard measures. Lessons learned shall be documented and disseminated to Implementing Agencies and partners. [[DCED, *Reader on Results Measurement*]; [OECD DAC, \*Adapted Definitions and Principles for Use—emphasis on “coherence” and “use”\*](#)]

**7.6 Periodic Reporting.** The TCU shall submit to the JSC: (a) Quarterly Performance Reports within [45] days of quarter-end, including indicator updates, variance analysis, risk and mitigation updates, and procurement/contract implementation status; and (b) an Annual Results Report within [90] days of



fiscal year-end, consolidating performance against targets, narrative analysis of outcomes, and forward-looking adjustments. Executive summaries suitable for public disclosure shall be prepared in parallel. [[World Bank, Ten Steps](#)]

7.7 Evaluations. The JSC shall commission: (a) an independent Mid-Term Evaluation no later than the end of Year [•] of the Facility term; and (b) an independent Final Evaluation within [6] months of Facility closure or completion of the funded portfolio. Evaluations shall apply, at a minimum, the OECD DAC criteria—relevance, effectiveness, efficiency, impact, sustainability, and coherence—and include clear evaluative judgments, evidence quality assessments, and actionable recommendations. [[OECD DAC, Evaluation Criteria—Adapted Definitions and Principles for Use \(2019\)](#)]

7.8 Performance, Compliance, and Value-for-Money Reviews. Where warranted by risk or scale, the JSC may commission performance audits or value-for-money reviews in accordance with public-sector audit principles. [[INTOSAI, ISSAI 100—Fundamental Principles of Public-Sector Auditing](#)]

7.9 Stakeholder Engagement, Grievances, and Incident Reporting. MEL shall track the effectiveness of stakeholder engagement and grievance redress mechanisms, including registration, resolution times, and user satisfaction. Serious incidents (including material safeguard non-compliance and SEA/SH allegations) shall be reported to the JSC within [48] hours, with subsequent updates until closure. [[World Bank, Environmental and Social Framework \(ESF\)—ESS10 engagement and grievance mechanisms](#)]

7.10 Transparency and Open Contracting Interface. Non-confidential MEL outputs, including indicators and implementation status, shall be disclosed in an open, machine-readable format and, where they relate to procurement performance, linked to the Facility's Open Contracting Data Standard (OCDS) publications for the relevant contracting processes. [[Open Contracting Data Standard—documentation and model](#)]

7.11 Contributor-Specific Reporting. Where a contributor or co-financier prescribes additional results indicators or formats, the TCU shall produce aligned reports provided they are materially consistent with the Facility's MEL system; any material divergence shall be notified to the JSC with proposed harmonization measures. [[World Bank—results frameworks in investment operations](#); [IFAD—corporate Results Management Framework reporting practice](#)]

## **Section 8 – Audit and Oversight Mechanisms**

8.1 Oversight Architecture. Oversight of the Facility shall comprise: (a) independent external audit of the Facility's annual financial statements and of such project-specific statements as the JSC may require; (b) an internal audit function reporting functionally to the JSC (or its Audit and Risk Subcommittee) and administratively to the Director of the TCU; (c) integrity and anti-corruption mechanisms, including whistleblower protection; and (d) the right to commission special audits or investigations. [[INTOSAI, ISSAI 100—financial, performance, and compliance audit modalities](#)]

8.2 External Audit. The JSC shall appoint, through a competitive process, an independent external auditor of recognized standing to audit the Facility's annual financial statements prepared under IPSAS. The audit shall be conducted in accordance with International Standards on Auditing, including ISA 700 (Revised) on forming an opinion and reporting on financial statements, and shall result in an auditor's report and management letter delivered within [120] days of fiscal year-end. [[IAASB, ISA 700 \(Revised\)](#); [ISA 700—full text \(illustrations and requirements\)](#)]





8.3 Internal Audit. The internal audit function shall operate in conformance with The Institute of Internal Auditors' professional standards, including the International Standards for the Professional Practice of Internal Auditing and the Global Internal Audit Standards (effective 9 January 2025), and shall maintain unrestricted access to records, personnel, systems, and premises necessary to discharge its mandate. An internal audit plan shall be risk-based and updated at least annually. [[IIA, International Standards for the Professional Practice of Internal Auditing](#); [IIA, Global Internal Audit Standards \(2025 update\)](#)]

8.4 Internal Control Framework. Management shall design, implement, and maintain an effective system of internal control over financial reporting and operations, drawing on the COSO *Internal Control—Integrated Framework* (2013, with 2017 clarifications), including control environment, risk assessment, control activities, information and communication, and monitoring. Periodic assessments of control effectiveness shall be reported to the JSC. [[COSO, Internal Control—Integrated Framework \(2013\) Executive Summary](#); [IFAD note referencing COSO application](#)]

8.5 Public-Sector Audit Principles. In commissioning performance or compliance audits of Implementing Agencies or Facility-funded activities, the JSC shall ensure alignment with the Fundamental Principles of Public-Sector Auditing and, as appropriate, applicable INTOSAI pronouncements. [[INTOSAI, ISSAI 100](#)]

8.6 Integrity, Sanctions, and Cross-Debarment. The Facility shall maintain and enforce policies prohibiting fraud and corruption and shall screen counterparties against applicable sanctions lists, including the multilateral development banks' cross-debarment regime, under which debarment decisions of one MDB may be mutually enforced by others. Where co-financiers are the World Bank Group or the African Development Bank Group, the Facility shall cooperate with their sanctions systems, as applicable. [[World Bank, Integrity Vice Presidency \(INT\)—Sanctions System](#); [World Bank, *Agreement for Mutual Enforcement of Debarment Decisions* (2010)]]

8.7 Whistleblower Protection and Complaints Handling. The Facility shall adopt a whistleblower policy offering confidential and, where feasible, anonymous reporting channels and protection against retaliation for good-faith disclosures. In engagements with AfDB co-financing or alignment, the Facility shall ensure compatibility with AfDB whistleblowing and complaints handling policies. [[AfDB, Whistle Blowing and Complaints Handling Policy](#); [AfDB announcement on updated policy and safeguards against retaliation \(2023\)](#)]

8.8 Audit and Risk Subcommittee. The JSC shall constitute an Audit and Risk Subcommittee with a written charter covering: oversight of external and internal audit; review of financial statements and auditor independence; monitoring of integrity investigations and sanctions; review of risk registers and internal control assessments; and tracking of remediation plans to closure. [[INTOSAI, ISSAI 100—organizational requirements and audit process principles](#); [IIA, Standards—governance expectations for internal audit](#)]

8.9 Access to Information and Cooperation. The external auditor, internal audit function, and accredited oversight and integrity bodies shall have full and timely access to all books, records, information systems, premises, and personnel pertinent to their mandates, and the right to obtain written representations as necessary to support their conclusions. [[IAASB, ISA 700 \(Revised\)—management representations and disclosure](#); [IIA, Standards—unrestricted access](#)]

8.10 Follow-Up and Remediation. The TCU shall maintain a register of audit findings, control deficiencies, integrity determinations, and evaluation recommendations, with assigned owners,

deadlines, and status; periodic summaries shall be submitted to the Audit and Risk Subcommittee until closure. [[IIA, Standards—monitoring and follow-up of audit results](#); [COSO, Internal Control—Integrated Framework—monitoring activities](#)]

## **Section 9 – Administrative Fee and Cost Recovery**

**9.1 Principles and Objective.** The Parties agree that the Digital Transformation Investment Facility (“DTIF” or the “Facility”) shall operate on a full and transparent cost-recovery basis. The administrative fee and cost-recovery mechanisms shall be standardized, proportionate to services rendered, and designed to avoid cross-subsidization across contributors or activities, consistent with recognized development-finance practice emphasizing clarity, fairness, and movement toward full cost recovery.

**9.2 Recoverable Cost Components.** Recoverable costs comprise: (a) direct program and project management costs (e.g., project appraisal, supervision, procurement administration, safeguards, MEL); (b) direct support costs (e.g., financial management, legal support, treasury, ICT and cybersecurity specific to the Facility); and (c) indirect costs allocated on a rational and documented basis (the “Indirect Cost Rate”). Benchmarks from multilateral trust-fund practice (e.g., a TF indirect rate applied to personnel costs; tiered administration fees for recipient-executed grants) may inform, but do not determine, the Facility’s specific rates, which shall be set by the Joint Steering Committee (“JSC”).

**9.3 Administrative Fee – Recipient-Executed Activities.** For activities in which an Implementing Agency executes funds, the Facility may levy a one-time administrative fee at commitment, calculated on the committed grant/financing amount in accordance with a tiered schedule adopted by the JSC. For guidance, comparator frameworks apply tiered percentages assessed at the time of legal commitment (e.g., 5% on the first tranche, then declining tiers on higher tranches).

**9.4 Administrative Fee – Facility-Executed Services.** For Facility-executed services (including program management, technical assistance, supervision, and centralized procurements), the JSC may approve: (a) an Indirect Cost Rate applied to eligible personnel and consultant costs; and/or (b) a fixed program management fee reflecting portfolio scale and complexity. The Indirect Cost Rate shall be periodically reviewed against actual overheads to ensure neither under- nor over-recovery, following good practice under comparable trust-fund cost-recovery directives.

**9.5 Set-Up, Onboarding, and Close-Out Costs.** The JSC may authorize time-bound set-up and onboarding costs (e.g., systems configuration, OCDS publication pipelines, disclosure portals), and close-out costs (e.g., records archiving, final audits), to be charged to the Facility on a budgeted and disclosed basis in line with recognized administrative arrangements for trust-funds and special-purpose facilities.

**9.6 Waivers and Concessional Adjustments.** Any waiver or concessional adjustment of standard administrative fees or indirect rates shall require an explicit JSC resolution, with written justification demonstrating alignment with the Facility’s strategic interest and financial sustainability. Reference practice shows that exceptional waivers are tracked and disclosed to governance bodies with quantified impact.

**9.7 Budgeting, Invoicing, and Payment.** Administrative fees for recipient-executed activities shall be charged at commitment and reflected in the Annual Work Plan and Budget. Indirect and direct support costs for Facility-executed services shall be budgeted ex ante and recovered via periodic invoices or automated allocations, supported by system audit trails and consistent with adopted cost-recovery policies.

**9.8 Public Disclosure.** The Facility shall disclose, at least annually, the schedule of applicable administrative fees and indirect rates, and a narrative on their application and rationale, consistent with transparency norms in multilateral cost-recovery frameworks.

**9.9 Review and Adjustment.** The JSC shall review the administrative fee schedule and Indirect Cost Rate at least annually against actual indirect cost pools and projected portfolio volumes, adjusting prospectively to maintain proportionality and full cost recovery without accumulation of structural deficits or surpluses.

## **Section 10 – Dispute Resolution and Amendments**

**10.1 Good-Faith Consultation and Escalation.** Any dispute, controversy, or claim arising out of or relating to this Charter, its interpretation, performance, or termination (a “Dispute”) shall first be addressed through good-faith consultations between the Parties at operational level. Failing resolution within [30] days, the matter shall be escalated to the Co-Chairs of the JSC for an additional [30]-day period of amicable settlement.

**10.2 Mediation (Optional).** The Parties may agree to attempt settlement by mediation under rules of a recognized institution or ad hoc procedures. Where applicable, any resulting international settlement agreement may benefit from the enforcement regime contemplated by the United Nations Convention on International Settlement Agreements Resulting from Mediation (“Singapore Convention on Mediation”).

**10.3 Arbitration.** Any Dispute not resolved under Sections 10.1–10.2 within [60] days of escalation shall be finally settled by arbitration as follows:

(a) **Rules and Administration.** Unless otherwise agreed in writing, arbitration shall be conducted under the UNCITRAL Arbitration Rules (2021). The Parties may, by written agreement for a particular Dispute, elect arbitration administered by the International Chamber of Commerce (“ICC”) under its Arbitration Rules (2021).

(b) **Seat and Language.** The seat (legal place) of arbitration shall be [•]. The language of the arbitration shall be English, unless otherwise agreed.

(c) **Tribunal.** The tribunal shall consist of three arbitrators, one appointed by each Party and the third (presiding) appointed by the co-arbitrators; claims not exceeding [•] may be heard by a sole arbitrator. Appointment shall follow the applicable rules, including, for UNCITRAL, the designating/appointing authority mechanism.

(d) **Interim Measures and Emergency Relief.** The tribunal may order interim measures. Where ICC rules are selected, either Party may seek emergency measures from an emergency arbitrator as provided in the ICC Rules.

(e) **Enforcement.** Any award shall be final and binding upon the Parties and enforceable in accordance with the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York, 1958), subject to its terms.

(f) **Confidentiality.** The Parties shall maintain the confidentiality of the arbitration, including pleadings, evidence, and awards, except as disclosure may be required for enforcement, by law, or to protect a legal right.



**10.4 Privileges and Immunities.** Nothing in this Section shall be construed as a waiver, express or implied, of any privileges and immunities conferred by the Host Country Agreement. Any waiver shall be explicit and in writing.

**10.5 Governing Law.** This Charter shall be governed by and construed in accordance with the laws of [•], without regard to its conflict-of-laws rules, provided that procurement, safeguards, audit, and fiduciary matters may be governed, for specific financings, by the applicable rules of the relevant co-financier as incorporated by reference in the respective financing arrangements.

**10.6 Amendments.** This Charter may be amended only by a written instrument executed on behalf of both Parties by duly authorized representatives, following prior recommendation by the JSC. Amendments shall specify their effective date and whether they apply prospectively or to existing activities; no amendment shall retroactively impair vested contractual rights without the affected party's written consent.

**10.7 Severability.** If any provision of this Charter is held invalid or unenforceable, such invalidity shall not affect the remaining provisions, which shall remain in full force, and the Parties shall negotiate in good faith a valid provision that most closely approximates the parties' original intent.

**10.8 No Waiver.** Failure or delay in exercising any right or remedy under this Charter shall not constitute a waiver thereof. Any waiver must be in writing and shall be effective only in the specific instance and for the specific purpose for which it is given.

**10.9 Order of Precedence.** In case of inconsistency: (a) the Host Country Agreement shall prevail as to status, privileges, and immunities; (b) the Strategic Engagement Agreement shall prevail as to strategic commitments; and (c) this Charter shall govern operational, fiduciary, procurement, and safeguards matters, subject to applicable co-financier rules expressly incorporated for specific financings.

#### **Signatures and Annexes**

IN WITNESS WHEREOF, the undersigned representatives, duly authorized by their respective governments and institutions, have signed this CHARTER AND OPERATING MANUAL OF THE DIGITAL TRANSFORMATION INVESTMENT FACILITY in two original copies, each in the English language, both texts being equally authentic.

Signed in Juba, Republic of South Sudan, on [Date].

#### **For the Government of the Republic of South Sudan**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

#### **For the European Social Label (EUSL)**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_



## Annexes to the DTIF Charter and Operating Manual

### Annex A — Disclosure Schedule (Open Contracting Data Standard)

A.1 Scope. The Facility shall publish structured, machine-readable data and associated documents for each contracting process across the planning, tender, award, contract, and implementation stages, in conformance with the Open Contracting Data Standard (“OCDS”) and the Facility’s Disclosure and Confidentiality Policy. The publication schedule, redaction grounds, and frequency shall be set out herein and reviewed annually by the Joint Steering Committee (“JSC”).  
*Authority and guidance:* OCDS core documentation and model publication patterns; World Bank note on OCDS.

[Open Contracting Data Standard](#) ; [World Bank OCDS Note](#).

A.2 Minimum publication (by stage) and cadence.

1. Planning: project rationale, budget source, Procurement Plan identifier, market analysis summary, risk and safeguards summary, intended method, indicative timeline; publish at plan approval and upon revision.
2. Tender: notice, solicitation documents, eligibility and evaluation criteria, clarifications, pre-bid minutes, bidder Q&A log; publish upon issuance and on addenda.
3. Award: identity of winner, value and currency, summary evaluation report, beneficial ownership declaration, standstill notification and outcome; publish upon standstill expiry.
4. Contract: signed contract (subject to redactions), scope, price(s), payment terms, performance security, advance payment guarantee, key performance indicators, data-protection and ESG clauses; publish at signature and on amendments.

5. Implementation: milestone status, deliverable acceptance certificates, invoices and payments, variations, claims, performance issues and remedies; publish quarterly until closure.

*Authority and guidance:* OCDS stage definitions and document mapping.  
[OCDS Reference](#) ; [OCP Data Standard overview](#).

A.3 Redactions. Redactions shall be strictly limited to information whose disclosure would (a) compromise commercial confidentiality demonstrably outweighing public interest; (b) expose security-sensitive arrangements; or (c) disclose personal data contrary to law or ESF data-protection requirements. Redaction rationales shall be recorded and disclosed.  
*Authority and guidance:* OCDS redaction practices; ESF disclosure and stakeholder engagement principles.

[OCDS Guidance](#) ; [World Bank ESF](#).

A.4 Illustrative OCDS release (minimal).

### Annex B — Quarterly Performance Report (“QPR”) Template

B.1 Cover page. Facility name; reporting period; version; distribution list.

B.2 Executive summary. Salient achievements, issues, and decisions required.

B.3 Results framework update. Indicator table with baseline, target, current value, disaggregation, variance, and narrative. Methods and data sources documented.

*Authority and guidance:* Results-based systems and adapted DAC criteria; DCED Standard.



[World Bank “Ten Steps to a Results-Based M&E System”](#) ; OECD DAC Criteria (2019)58/FINAL/en/pdf) ; [DCED Standard](#).

B.4 Workplan execution. Gantt/timeline deviations; critical path; change requests.

B.5 Procurement and contracts. Status by package: stage, key dates, issues, complaints, and compliance with standstill and debriefing. Link to OCDS identifiers.

*Authority and guidance:* World Bank Procurement Regulations (Nov 2020); OCDS. [WB Procurement Regulations](#) ; [OCDS](#).

B.6 Financials. Sources and uses of funds; commitments and disbursements; burn rate; forecast; variances; exchange impacts (IPSAS-consistent).

*Authority and guidance:* IPSAS references implied by Facility policy and fiduciary controls; COSO for internal control reporting.

[COSO Internal Control \(2013\) Executive Summary](#).

B.7 ESG and safeguards. Instrument implementation status; incidents; stakeholder engagement/GRM metrics; SEA/SH measures and training completed; outstanding corrective actions.

*Authority and guidance:* World Bank ESF; AfDB ISS (updated 2024); WB SEA/SH Good Practice Notes. [World Bank ESF](#) ; [AfDB Updated ISS \(2024\)](#) ; [WB SEA/SH GPN \(2022\)](#).

B.8 Risk register excerpt and mitigations; audit/compliance follow-up.

B.9 Decisions requested of JSC; annexed evidence.

## Annex C — Annual Results Report (“ARR”) Template

C.1 Highlights and outcomes. Summative assessment against targets, with explicit evaluative judgments using OECD DAC criteria including coherence.

*Authority and guidance:* OECD DAC (2019).

OECD DAC Criteria (2019)58/FINAL/en/pdf).

C.2 Effectiveness and efficiency analysis. Unit-costs, time-to-deliver, portfolio churn; value-for-money narrative.

C.3 Sustainability and systems change. Institutional capacity built; policy and regulatory outcomes; digital public goods sustainability.

C.4 Safeguards and inclusion. ESF/ISS performance; SEA/SH and community health and safety; grievance resolution effectiveness.

[World Bank ESF](#) ; [AfDB ISS 2023 text \(PDF\)](#).

C.5 Lessons and forward program adjustments. Documented learning loop in line with DCED and adaptive management.

[DCED Guidelines](#).

## Annex D — Procurement Plan Template

D.1 Cover and approval page (JSC date, version, OCDS reference).

D.2 Plan table (one line per package).



Fields: Package ID; Description; Estimated value and currency; Procurement method and market approach; Pre/post-qualification; Review type (prior/post); Key dates (ITT, bid opening, evaluation, standstill, award, signature); Risk rating and mitigations; ESG/safeguards requirements; Data-protection clauses; Lotting strategy; Domestic SME facilitation (where applicable); OCDS ocid. *Authority and guidance:* World Bank Regulations (methods, review thresholds, planning); AfDB Policy; UNCITRAL Model Law (procedural principles); OCDS (linking identifiers).

[WB Procurement Regulations](#) ; [AfDB Procurement Policy \(2015\)](#) ; [UNCITRAL Model Law \(2011\)](#) ; [OCDS](#).

## Annex E — Bid Evaluation Report (“BER”) Template

E.1 Process summary and integrity attestations. Confirmation of method, publication, bid receipt and opening, and compliance with the Procurement Manual.

E.2 Responsiveness screening. Pass/fail table with reasons for rejection (documented and consistent with solicitation criteria).

E.3 Detailed evaluation. Technical scoring; financial evaluation; life-cycle costing (if applicable); arithmetic corrections; clarifications; application of preferences only where allowed and disclosed.

E.4 Recommendation of award. Substantiated by comparative analysis; standstill plan and timeline; draft regret letters and debriefing notes.

E.5 Conflicts of interest disclosures; sanctions and beneficial-ownership screening evidence. *Authority and guidance:* World Bank Regulations (evaluation and award); AfDB Policy; cross-debarment regime overview (screening); OCDS publication of award results.

[WB Procurement Regulations](#) ; [AfDB Procurement Policy](#) ; [World Bank Sanctions/INT](#) ; [Cross-Debarment Brief](#) ; [OCDS](#).

## Annex F — Contract Management and Implementation Status Report

F.1 Contract identification and linkage to Procurement Plan and OCDS ocid.

F.2 Performance dashboard. Milestones; deliverables; KPIs; acceptance certificates; payment status; securities and guarantees on file; insurance certificates.

F.3 Variations and claims. Justification, time/cost impact, approvals.

F.4 Safeguards and data-protection compliance. ESMP/LMP/SEP status; incident log; DPIA items; cybersecurity posture for digital deliverables.

F.5 Risk outlook and supplier performance rating; corrective actions. *Authority and guidance:* World Bank Regulations (contract management); ESF safeguards; OCDS implementation stage.

[WB Procurement Regulations](#) ; [World Bank ESF](#) ; [OCDS Implementation Data](#).

## Annex G — Facility Risk Register Template

G.1 Columns. Risk ID; Category (strategic, fiduciary, procurement, ESG, data/cyber, legal); Description; Inherent likelihood/impact; Existing controls; Residual likelihood/impact; Owner; Mitigations; Target date; Status; Link to audit findings and MEL indicators.

G.2 Method. Scoring scales approved by JSC; quarterly review; escalation thresholds; alignment with internal control and assurance mapping.

*Authority and guidance:* COSO Internal Control—risk assessment and monitoring components; ESF risk-based approach to safeguards.

[COSO Internal Control](#) ; [World Bank ESF](#).

## Annex H — Incident Notification and Management Forms

H.1 General incident form (fiduciary, procurement, data/cyber, OHS). Fields: Date/time; Reporter; Description; Affected contracts and locations; Immediate containment; Potential materiality; Notifications triggered; Evidence preserved; Next actions; Confidentiality designation.

H.2 SEA/SH-specific intake form (confidential, survivor-centered). Fields: Non-identifying case code; Nature of allegation (SEA, SH); Service-provider referral and consent; Safety plan; Mandatory reporting assessment; Contractor code of conduct reference; Case management log; Reporting to JSC (aggregated, de-identified) within [48] hours per Charter.

*Authority and guidance:* ESF ESS4/ESS10; WB SEA/SH Good Practice Notes (2020/2022); AfDB ISS updates on GBV/SEAH and community health and safety.

[WB SEA/SH GPN \(2022\)](#) ; [WB SEA/SH GPN \(2020\)](#) ; [AfDB Updated ISS \(2024\)](#).

## Annex I — Audit and Oversight Pack

I.1 External audit terms of reference (ToR) outline. Objectives and scope; applicable standards (ISA); financial statements under IPSAS; compliance testing; internal control evaluation; management letter; timelines; independence and rotation expectations.

*Authority and guidance:* IAASB ISA 700 (Revised); INTOSAI ISSAI 100 principles for public-sector audits. [ISA 700 \(Revised\)](#) ; [ISSAI 100](#).

I.2 Internal audit charter excerpt. Mission; independence; unrestricted access; risk-based plan; reporting line to Audit & Risk Subcommittee; follow-up obligations.

*Authority and guidance:* IIA Standards (and 2025 Global Internal Audit Standards). [IIA Standards](#) ; [Global Internal Audit Standards \(2025\)](#).

I.3 Management representation letter—key assertions. Completeness and accuracy; title to assets; related-party disclosures; compliance with laws and regulations; subsequent events; fraud representations.

*Authority and guidance:* ISA reporting and representations framework; COSO components underpinning assertions.

[ISA 700 \(Revised\)](#) ; [COSO Internal Control](#).

## Annex J — Treasury and Disbursement Controls Checklist

J.1 Banking and signatory controls. Dual/multiple authorization; beneficiary change verification; segregation between initiation, approval, and reconciliation; periodic review of e-banking profiles.

J.2 Cash forecasting and investment compliance. Surplus liquidity placement per Treasury & Investment Policy; counterparty limits; prohibition of speculative instruments.

J.3 Disbursement file testing. Contract reference; acceptance certificate; invoice; tax treatment; sanctions screening; IPSAS-compliant recording.



*Authority and guidance:* Facility fiduciary framework aligns with good practice under multilateral regulations and COSO internal control.

[WB Procurement/Financial Controls interface](#) ; [COSO Internal Control](#).

## Annex K — Data Governance and DPIA Outline

K.1 Data Protection Impact Assessment (DPIA). Context and purpose; categories of data; lawful basis; processing operations; cross-border transfers; risks to rights and freedoms; technical and organizational measures; residual risk and approvals.

K.2 Information security controls set. Role-based access; encryption in transit/at rest; logging and audit trails; vulnerability and patch management; supplier security due diligence; incident response integration with Annex H.

K.3 Disclosure alignment. Reconciliation of open-data commitments (Annex A) with privacy, confidentiality, and security obligations; redaction decision logs.  
*Authority and guidance:* ESF stakeholder engagement, privacy and security references for digital operations; OCDS disclosure guidance.

[World Bank ESF](#) ; [OCDS Guidance](#).

## Annex L — Dispute Resolution Clauses (Model Texts)

L.1 Mediation clause (optional insertion in project-level agreements). Reference to institutional or ad hoc rules; enforceability pathway referencing the Singapore Convention on Mediation where applicable.

L.2 Arbitration clause (UNCITRAL default; ICC alternative). Seat, language, number of arbitrators; emergency measures; confidentiality; New York Convention enforceability statement.  
*Authority and guidance:* UNCITRAL Arbitration Rules (2021); ICC Arbitration Rules (2021); New York Convention (1958).

[UNCITRAL Arbitration Rules \(2021\)](#) ; [ICC Arbitration Rules \(2021\)](#) ; [New York Convention Text](#).

## Annex M — Cost-Recovery Disclosure Sheet

M.1 Schedule of applicable administrative fees and indirect rate(s); definitions of direct/indirect cost pools; tier logic for recipient-executed commitments; review cycle and governance.

M.2 Annual reconciliation narrative demonstrating avoidance of structural surplus/deficit and adherence to full cost-recovery principles.

*Authority and guidance:* Cost-recovery frameworks in multilateral trust-fund practice; harmonization principles in UN agencies.

[World Bank Trust Fund Cost-Recovery Directive](#) ; [UNDP/UNFPA/UNICEF/UN-Women Joint Report on Cost Recovery](#).