



**REPUBLIC OF SOUTH SUDAN**

**SOUTH SUDAN EASTERN AFRICA REGIONAL DIGITAL INTEGRATION  
PROJECT (P176181)**

**PROJECT IMPLEMENTATION MANUAL (PIM)**

**SEPTEMBER 2023**

**JUBA, SOUTH SUDAN**

## Abbreviations And Acronyms

AfCFTA	African Continental Free Trade Area
AfDB	African Development Bank
ASL	Authorized Signatory Letter
CERC	Contingent Emergency Response Component
CoC	Code of Conduct
CSIRT	Computer Security Incident Response Team
CTM	Commercial Transaction Manual
DA	Designated Account
DE4A	Digital Economy for Africa
E&S	Environmental and Social
EAC	East African Community
EACO	East African Communications Organisation
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
EU	European Union
FCS	Fragile and Conflict-Affected Situation
FCV	Fragility, Conflict, and Violence
FM	Financial Management
GBV	Gender-Based Violence
GCRF	Global Crisis Response Framework
GDP	Gross Domestic Product
HoA	Horn of Africa
ICT	Information and Communication Technology
IDP	Internally Displaced Person
IFC	International Finance Corporation
IFR	Interim Financial Report
IGAD	Intergovernmental Authority on Development
IOM	International Organization for Migration
IPSAS	International Public Sector Accounting Standards
ITU	International Telecommunication Union
IXP	Internet Exchange Point
M&E	Monitoring and Evaluation
MDAs	Ministries, Departments, and Agencies
MFD	Maximizing Finance for Development
MICT	Ministry of Information and Communications Technology
MICT&PS	Ministry of Information, and Communication Technologies and Postal Services
MIGA	Multilateral Investment Guarantee Agency
MoFP	Ministry of Finance and Planning
MoU	Memorandum of Understanding
NCA	National Communications Authority
NPV	Net Present Value
NREN	National Research and Education Network
OECD	Organization for Economic Co-operation and Development
ONA	One Network Area
PBA	Performance-based Allocation
PBC	Performance-Based Condition
PCM	Private Capital Mobilization
PDO	Project Development Objective
PFM	Public Financial Management
PIM	Project Implementation Manual
PIU	Project Implementation Unit

PPA	Project Preparation Advance
PPP	Public-Private Partnership
PSC	Project Steering Committee
REC	Regional Economic Communities
SEP	Stakeholder Engagement Plan
SOE	Statement of Expenditure
SOP	Series of Projects
STEM	Science, Technology, Engineering, and Mathematics
STEP	Systematic Tracking of Exchanges in Procurement
TA	Technical Assistance
ToR	Terms of Reference
TVET	Technical and Vocational Education and Training
TWG	Technical Working Group
UN	United Nations
UNFPA	United Nations Population Fund
USAF	Universal Service and Access Fund
WB	World Bank
WBG	World Bank Group

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# CHAPTER 1

## INTRODUCTION

### 1.1. BACKGROUND

The objective of the Project Implementation (PIM) is to provide guidance, procedures, and rules for the implementation of the Eastern Africa Regional Digital Integration Project (EARDIP) in South Sudan. In particular, the PIM outlines the main principles, procedures, and guidelines for the implementation of the Eastern Africa Regional Digital Integration Project (the Project) financed out of the World Bank's proceeds based on a Financing Agreement executed between the World Bank and the Government of South Sudan. The PIM has been developed in conformity with the Financing Agreement, Project Appraisal Document (PAD), World Bank Procurement Regulations for IPF borrowers (Borrowers Regulations), Financial management, Environmental and Social Safeguards requirements.

The PIM should be read together with or alongside the Financing Agreement (FA), Disbursement and Financial Information Letter (DFIL), and the Project Appraisal Document (PAD), among other formal rules and agreements. In case of any inconsistency or conflict between the provisions of the PIM and listed formal rules and agreements, the provisions of the listed formal rules and agreements shall prevail. Changes and amendments of the PIM may be initiated to reflect new developments, to ensure effectiveness and quality of the Project implementation and/or to eliminate any inconsistencies between the PIM and the listed formal rules and agreements. Proposals for changes and amendments are subject to World Bank review and clearance and approval by the Project Steering Committee (PSC).

The PIM encompasses several important annexes, which should not be overlooked. They are the practical tools for implementation, including guidelines and specifications, templates and reporting frameworks, and Terms of Reference (TOR) for various aspects of the project.

### 1.2. PURPOSE OF THE MANUAL

This Project Implementation Manual provides guidelines and procedures intended to enhance the smooth, efficient, and effective operation of the South Sudan Eastern Africa Regional Digital Integration Project. The PIM sets out to:

- Guide the operation of the functions performed under the project to ensure consistency, timeliness, accuracy, and maximize on the intended outputs and outcomes;
- Guide all implementing and participating agents in planning, developing and implementing the various project components;
- Enable all stakeholders to understand the scope, content, organization and activities of the project; and
- Indicate the performance expected by management and stakeholders;
- Ensure consistency, transparency and accountability on the part of those involved in managing the South Sudan Eastern Africa Regional Digital Integration Project financed activities;
- acquaint all new participants and stakeholders on the project;
- Guide implementing and participating agents on the best practices in implementation and management of the project to ensure professionalism and consistency; and
- Guide implementing and participating agents on the environmental, social and resettlement processes on the planned processes, services, and infrastructure investments of the project.

### 1.3. USERS OF THE MANUAL

This PIM has been prepared by the Project Implementation Unit (PIU) established within the Ministry of Information, Communication Technology and Postal Services (MICT&PS) responsible for

implementing the Eastern African Regional Digital Integration Project in South Sudan. The main users of the PIM include but are not limited to:

- The Project Implementation Unit (PIU);
- Ministry of Information, Communication Technology and Postal Services (MICT&PS);
- National Communications Authority (NCA);
- Ministry of Finance and Planning (MOFP);
- Ministry of Higher Education, Science and Technology
- Ministry of General Education and Instruction;
- South Sudan Universal Service and Access Fund (USAF);
- Additional Line MDAs;
- World Bank staff and management who appraise the implementation arrangements of the project; and
- Consultants and service providers in areas such as procurement, management, training, technical assistance support etc.

The key documents relevant for project implementation include:

- (a) Financing Agreement
- (b) Disbursement and Financial Information Letter
- (c) Project Appraisal Document
- (d) General Conditions applicable to financing agreement
- (e) World Bank Procurement Regulations for IPF borrowers (Borrowers Regulations), dated November 2020
- (f) Guidelines Financial Reporting and Auditing of Projects
- (g) Public Finance Management and Accountability Act 2011 as amended
- (h) Public Procurement and Disposal of Assets Act 2018 and its Regulations as amended
- (i) South Sudan Audit Chamber Act, 2011
- (j) Environment Management Act, 2013
- (k) National Communication Act, 2012
- (l) Electronic Money Regulation 2017
- (m) Communications Sector Policy, 2012
- (n) Project Implementation Plan
- (o) Project Procurement Plan
- (p) The Financial Management Manual (FMM)
- (q) Project Procurement Manual (PPM)
- (r) Resettlement Policy Framework
- (s) Environmental And Social Commitment Plan (ESCEP)
- (t) Environmental and Social Management Framework (ESMF)

These key documents are essential to effective implementation of the Eastern Africa Regional Digital Integration Project in South Sudan. Project implementation staff and stakeholders are therefore advised to consult these documents frequently.

#### 1.4. APPROVALS AND AMENDMENTS

The PIM has been reviewed and approved by the World Bank and adopted as the guiding document for implementation of the project. Though the PIM is an evolving live document based on field level implementation experience, the Government of South Sudan agrees not to amend, suspend, abrogate, repeal, or waive any provisions contained in this PIM without prior written agreement from the World Bank Task Team Leader (TTL).

## CHAPTER 2

### DESCRIPTION OF THE EASTERN AFRICA REGIONAL DIGITAL INTEGRATION PROJECT (EARDIP)

#### 2.1. PROJECT DEVELOPMENT OBJECTIVES

The Series of Projects (SOP) development objective is to promote the expansion of an integrated digital market across Eastern Africa by increasing cross-border broadband connectivity, data flows and digital trade in the region.

The phase I development objective of the SOP is to advance digital market integration in the Eastern Africa region by increasing affordable access to regional broadband connectivity and strengthening the enabling environment for cross-border digital services.

#### 2.2. PROJECT COMPONENTS

The Eastern Africa Regional Digital Integration Project is designed around three distinct but interconnected layers of an integrated regional digital development. The three market layers are (a) a single connectivity market, removing barriers for regional telecom infrastructure and services deployment; (b) a single data market, enabling the secure exchange and processing of data across borders; and (c) a single online market, allowing the access and delivery of services online and e-commerce across borders. Advancement in each market layer is expected to build on one another, which will reinforce the development and expansion of regional digital market integration efforts and further drive affordable access to the internet, digital trade and innovation, and uptake in digital services.

Project components described below include a menu of activities which the Government of South Sudan has selected for implementation under SOP-I based on the most pressing needs for the country. Table 2.1 below provides the breakdown of the project components based on cost and financing.

**Table 2.1:** Project Costs and Financing Sources (US\$, millions equivalent)

Component	Allocation and Source of Financing (US\$ million)			
	Regional IDA	National IDA	Commercial financing (unguaranteed)	Total
<b>Component 1. Connectivity Market Development and Integration</b>	<b>35.0</b>	<b>13.0</b>	<b>20.0</b>	<b>68.0</b>
1.1. Cross-border and national backbone network connectivity	26.25	10.0	20.0	56.25
1.2. Last mile connectivity, including in borderland areas	7.00	2.0	0.0	9.00
1.3. Enabling legal, regulatory, and institutional ICT environment	2.00	.75	0.0	2.75
<b>Component 2. Data Market Development and Integration</b>	<b>2.00</b>	<b>2.0</b>	<b>0.0</b>	<b>4.00</b>
2.1. Cybersecurity frameworks, infrastructure, and capacity	1.00	.75	0.0	1.75
2.2. Data exchange, governance, and protection	0.25	2.0	0.0	2.25
<b>Component 3. Online Market Development and Integration</b>	<b>3.80</b>	<b>2.5</b>	<b>0.0</b>	<b>6.30</b>
3.1. Digital enablers for cross-border trade and service delivery	0.90	0.0	0.0	0.90



3.2. Research and education networks and training for digital skills	4.00	1.4	0.0	5.40
Component 4. Project Management and Implementation Support	4.20	4.5	0.0	8.70
Component 5. Contingent Emergency Response	0.00	0.0	0.0	0.00
<b>Total</b>	<b>45.00</b>	<b>22.0</b>	<b>20.0</b>	<b>87.00</b>

**Component 1: Connectivity Market Development and Integration** (US\$68 million, including US\$35 million Regional IDA equivalent, US\$13 million National IDA, and US\$20 million in unguaranteed commercial financing).

**This component will bridge existing network coverage and access gaps through infrastructure financing and support for an enhanced enabling environment to develop the regional broadband connectivity market.** With the objective of expanding access, the financed activities will ensure that recipient countries also enhance network redundancy and cable route diversity, allowing the region to meet increasing demand for internet bandwidth. Cross-border, national backbone and backhaul, and access network infrastructure will be partially financed where there is a market failure, using various financing mechanisms depending on market need. World Bank-executed studies conducted to inform the design of this project identified private sector interest as well as bottlenecks for their participation including limited commercial viability for some of the priority links, difficulty accessing financing for infrastructure, and the need to de-risk market failure and security concerns. Detailed country-level feasibility studies to be funded under this component will further define the precise arrangements under which the cooperation between the Government and the operators on infrastructure deployment will be further developed.

**In addition to financing, potential downstream investment support in the form of International Finance Corporation (IFC) financing, Multilateral Investment Guarantee Agency (MIGA) guarantees,<sup>1</sup> or IDA Private Sector Window<sup>2</sup> support may also be provided, thereby integrating an MFD and PCM approach for crowding in private sector investment.** While there is no up-front commitment on the part of IFC, MIGA, and the Private Sector Window, potential support will be considered at the time of tendering for infrastructure deployment. Upstream support for an enabling legal, regulatory, and policy environment for competitive broadband market development will also be provided, with a view to stimulating wider access, based on better quality and more affordable services. To factor in security risks, infrastructure deployments will be carried out based on the permissiveness of the operating environment (refer to section IV.E for details on the security management plan). This component will introduce measures to ensure deployment of green and sustainable infrastructure, supporting GCRF Pillar 4 (Strengthening Policies, Institutions and Investments for Rebuilding Better).

### **Subcomponent 1.1: Cross-border and national backbone network connectivity**

This subcomponent will support the deployment of key missing cross-border and backbone fiber links to improve the resilience, coverage, and integration of regional connectivity networks. It will support the deployment of up to 2,400 km with new fiber along key backbone and cross-border routes (see table 4.2). Financing will be provided to priority routes based on feasibility of deployment and permissible security conditions. Deployment is expected to be carried out in phases. Financing support will be provided to operators who will be expected to co-finance, design, build, and operate the network infrastructure. Infrastructure deployment will be based on key principles<sup>65</sup> of providing services on an open access basis while offering reasonable wholesale rates to support affordable service expansion to be detailed in a CTM (disbursement condition) the following:

<sup>1</sup> In tenders of public auctions, information on the terms and conditions of potential IFC financing and MIGA guarantees, with support from the IDA Private Sector Window as needed, would be included in the request for proposals to help attract investors and reduce investment risks in the context of these fragile countries.

<sup>2</sup> The IDA Private Sector Window provides strategic use of public resources to catalyze private investments in challenging markets by leveraging IFC's and MIGA's business models.

- (a) TA to (i) refine the network design including technical specifications for prioritized routes, leveraging parallel deployment of linear infrastructure wherever possible<sup>3</sup>, and informed by climate risks; (ii) develop a universal access market gap assessment identifying sites to be connected along priority routes; and (iii) survey and provide quality assurance for deployed routes.
- (b) TA to (i) define financing options for deployment, ownership, management, and maintenance of the network between the Government and the operators to be detailed in a CTM and (ii) provide transaction advisory services to prepare related bidding documents and provide support for launching and administering the commercial transaction.
- (c) Financing associated with broadband network infrastructure deployment, including the construction of cross-border terrestrial links and national backbone network infrastructure, subject to the adoption of a CTM (detailed above).

**Table 2.2: Priority Fiber Optic Links**

Routes and Prioritization	Fiber (kilometers)	
Juba to Nadapal/ Kenya border (A-B) (Priority 1)	361	
Juba to Northern Bhar El Ghazal Northwest Backbone (A-D) (Priority 2)	820	
Juba to Upper Nile Border Northeast Backbone (A-C) (Priority 3)	883	
Wau area to Unity Backbone (2-E) (Priority 4)	357	
<b>Total</b>	<b>2,421</b>	

Source: World Bank and TMG 2022. Horn of Africa Missing Links Study (P176181), World Bank 2023 (forthcoming) Digital Economy for Africa South Sudan (P176361).

Implementation of the fiber connectivity at the common border (priority 1 A-B). In design, the fiber extends from Juba to Nakodok to Nadapal, including an 11 km stretch between Nakodok to Nadapal located in the ‘common border area’ of South Sudan and Kenya. The Government of Kenya and Government of South Sudan have discussed the arrangements to ensure that fiber deployment in this area can be carried out smoothly. This arrangement is expected to be formalized in an MoU to be signed between both countries. The conclusion of the MoU shall be a condition for effectiveness for the project. Neither IDA’s financing of the project nor any designation of or reference to such area in the project documents—including this Project Appraisal Document and the Legal Agreements—is intended to constitute a judgment on the part of IDA as to the legal or other status of such area or to prejudice the determination of any existing or future claims with respect to such area.

<sup>3</sup> This includes deploying underground, aerial, or optical ground wire along the power grid planned under the South Sudan Energy Access Project (P178891) or regional transport corridors such as under the Regional Transport, Trade and Development Facilitation Project (P148853), embedding rights-of-way and dig-once obligations.

## **Subcomponent 1.2: Last mile connectivity, including in borderland areas**

This subcomponent will provide catalytic funding to unlock further infrastructure deployment in unserved or underserved areas, which are highly correlated with higher poverty levels and climate vulnerability (including in camps for refugees/IDPs and their host communities, located in rural and borderland areas), and to connect public institutions along fiber routes. The financed infrastructure will be deployed using a range of modalities, including reverse auctions,<sup>4</sup> bulk purchase of capacity,<sup>5</sup> and/or licensing arrangements, that aim to maximize private sector financing. Project financing will cover the following:

- (a) Financing of connectivity for public institutions along fiber routes (government offices, schools, hospitals, agriculture cooperatives, and other public institutions),
- (b) Financing for backhaul and last-mile networks which could include low-cost online facilities such as Wi-Fi hotspots in borderland areas, for host communities and IDP/refugee camps, which can also act as emergency response facilities.

## **Subcomponent 1.3: Enabling legal, regulatory, and institutional ICT environment**

This subcomponent will support the modernization of the policy, legal, regulatory, and institutional frameworks governing the telecom sector, with financing for the related TA, capacity building, training, and equipment acquisition needed to support reforms. Project financing will cover the following:

- (a) TA on software and hardware for MICT&PS, the Universal Service Access Fund, and ICT Authority;
- (b) TA on software and hardware to enhance the regulatory framework related to quality-of-service monitoring, spectrum management and 5G policy, number portability, infrastructure sharing, interconnection, RIO, type approval, open access policy, license harmonization, and liberalization of the gateway in line with regional standards for the NCA
- (c) TA on ICT sector data collection disaggregated by gender for the NCA.

## **Component 2: Data Market Development and Integration**

### ***Subcomponent 2.1: Cybersecurity frameworks, infrastructure, and capacity***

To strengthen and harmonize cybersecurity frameworks, build capacity for responding to cyber threats/cybercrimes, and create greater awareness on cybersecurity, particularly in the financial sector. Project financing will cover the following:

- (a) TA on developing a cybersecurity strategy and implementation plan
- (b) Financing hardware, software, and training for establishing the CSIRT
- (c) Targeted capacity building, training, and regional exchanges, covering participation in regional workshops and global conferences and establishing partnerships with regional and other national cybersecurity incident response teams
- (d) Financing support for implementation of National Cyber Security Awareness Programs for civil servants, and a wider population, including university students.

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<sup>4</sup> The bidding process will designate targeted geographical areas (in clusters or lots) where interested operators are invited to bid competitively for the lowest amount required to upgrade and/or provide new services in the designated areas.

<sup>5</sup> Up-front purchase of internet bandwidth from private sector operators, under indefeasible right of use operating expense contracts, spanning 5–15 years, will serve as the investment guarantee needed to incentivize private sector capital expense investment in the rollout of last-mile access networks that connect targeted locations and benefit the wider consumer base in the vicinity of connected locations. The Government of South Sudan will serve as the anchor tenant required for enhanced service provision. Although any lease of capacity would be expected to extend for a 5–15-year period, any operations and maintenance costs that go beyond the closing date of the project, as well as additional bandwidth purchased after the closing date, would fall under the responsibility of the Government of South Sudan.

## **Subcomponent 2.2: Data exchange, governance, and protection**

This subcomponent will improve the routing efficiency of data transmitted and build resilience for government data storage. Financing will support the establishment of new IXPs in strategic locations and creation of data backups through public cloud subscription enabling and disaster risk management. TA would be provided on policies and institutional governance for data protection policies. Project financing will cover the following:

- (a) TA on the design, modality of operation, and management of data, including data strategy, data classification, hosting, and backing up/cloud hosting of Government data
- (b) Financing toward establishment of IXPs to support the connectivity network
- (c) Financing for deploying resilient and agile hybrid (cloud and on-premises) data hosting solutions, consolidating data hosting for the Government, and climate proofing-related solutions to prevent data loss
- (d) Capacity building toward collaborative (regional/global) data governance, through participation in regional meetings, workshops, exchanges, and global conferences and establishing partnerships with other national data agencies.

## **Component 3: Online Market Development and Integration**

### **Subcomponent 3.1: Digital enablers for cross-border trade and service delivery**

This subcomponent will support developing digital public infrastructure to enable greater digital services and trade, through creating better interoperable back-end systems and a portal for citizen feedback/seeking recourse with an aim to expand adoption of e-services. Support to build readiness for partaking in regional trade initiatives will also be provided. Project financing will cover the following:

- (a) TA and capacity building for the Ministry of Trade to facilitate South Sudan's participation in regional trade agreements, such as the AfCFTA, and formulation of a national trade and E-Commerce Strategy
- (b) Financing the establishment of an online complaints portal and call center to ensure effective channels for grievance redress and timely feedback from people who use/seek e-services through the existing e-service portal
- (c) TA toward designing a national enterprise architecture.

### **Subcomponent 3.2: Research and education networks and training for digital skills**

This subcomponent will strengthen the higher education network through establishment of an REN and integration with regional RENs, allowing for network economies and knowledge transfer. Relatedly, leveraging enhanced capacity of universities through RENs and in partnership with the Government, digital learning programs would be conducted for civil servants and university students. Project financing will cover the following:

- (a) Financing of the South Sudan NREN, including through prepurchase of international internet access, membership in the EU AfricaConnect3 program, purchase of network equipment, and campus Wi-Fi networks
- (b) Financing collaboration with other NRENs in the region, notably the Kenya Education Network Trust (Kenya), Ethiopian Education and Research Network (EthERNet) (Ethiopia), and the Research and Education Network of Somalia, through regional capacity-building initiatives (study tours and workshops) and regional access to open educational resources
- (c) Design and implementation of new digital skills programs aimed at expanding the availability of digital skills trainings across South Sudan, through existing higher education institutions, targeting university students, with minimum targets for female beneficiaries.

## **Component 4. Project Management and Implementation Support**

This component would finance the establishment and operations of PIUs at MICT&PS for project implementation. Financing will cover core project management and coordination functions required for

implementation, including procurement, FM and auditing, and M&E, as well as management of E&S risks. It will also cover the purchase of equipment and software for the PIU, including a vehicle. The component will cover (a) operating and staff costs of the PIU, including the recruitment of expert consultants in key areas, as well as communications and translation services; (b) M&E, including collection of gender-disaggregated data; and (c) coordination with the regional PIU at IGAD and EAC. This component will also support ESF compliance, by financing (a) dedicated environmental, social, and gender specialists in the PIU; (b) consulting services to conduct localized risk assessments and develop detailed mitigation plans, with a particular emphasis on addressing the high security- and GBV-related risks associated with the deployment of infrastructure and civil works; (c) stakeholder consultation (leveraging traditional governing structures and conducted in local languages); and (d) a robust grievance redress mechanism. This component will also support training, reverse missions, participation in regional forums and exchanges

#### **Component 5. Contingent Emergency Response (US\$0.0 million)**

**This component will allow for rapid reallocation of uncommitted national IDA funds in the event of an eligible emergency declared in South Sudan.** A Contingent Emergency Response Component (CERC) will be prepared to guide the activation and implementation of the CERC activities. For the CERC to be activated and financing to be provided, Government of South Sudan will (a) submit a request letter for CERC activation and the evidence required to determine eligibility of the emergency, as defined in the CERC annex; (b) submit an Emergency Action Plan, including the emergency expenditures to be financed; and (c) meet the environmental and social (E&S) requirements as agreed in the Emergency Action Plan and Environmental and Social Commitment Plan (ESCP).

## CHAPTER 3

### INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENTS

#### 3.1. INSTITUTIONAL ARRANGEMENTS

The project implementation is fully integrated and mainstreamed in the current structure of the Government of South Sudan. The project is therefore fully owned by the Government of South Sudan which is committed to continue the activities initiated under the project.

A Project Implementation Unit (PIU) has been established within the Ministry of Information, Communication Technology and Postal Services (MICT&PS) The PIU will be prim responsible for project day-to-day implementation, including overseeing project-related fiduciary functions, M&E, and E&S commitments.

The PIU will be head by the Project Coordinator (PC), who will report to the Project Steering Committee (PSC) which will provide the function of oversight and supervision. The Project Coordinator will oversee Project implementation, provide advice and support to the MDAs participating in the Project, and report to the Project Steering Committee on Project implementation.

The PIU will act as the single point of contact for the regional PIUs at IGAD to facilitate collaboration on designing and implementing common activities. The PIU will submit project reports to the PSC as well as to the World Bank and engage with the Technical Committee(s) on specific matters requiring technical expertise/input on an ad hoc basis.<sup>6</sup>

Details of the Project Implementation Unit, Project Steering Committee, and the Technical Committee, including composition, hiring, appointment as well as additional information on the roles and responsibilities are further summarized below.

#### 3.2. PROJECT STEERING COMMITTEE (PSC)

A high-level interagency Project Steering Committee (PSC) will be responsible for overall oversight and supervision of the PIU as well as provide policy guidance for the project. The PSC will be chaired by the Deputy Minister and vice-chaired by the Undersecretary of MICT&PS and comprising representatives from all relevant entities including Ministry of Information, Communication Technology and Postal Services, Ministry of Finance and Planning, Ministry of Higher Education, Science and Technology, National Communication Authority, Universal Service and Access Fund with additional MDAs and FMS invited on an as-needed basis, as well as members of the regional PIU at the EAC. The PSC will ensure coordination of project activities across various participating MDAs. The Terms of reference (TORs) for the PSC are defined below.

##### (a) Composition

Members of the PSC:

- Deputy Minister of MICT&PS (Chair)
- Undersecretary of MICT&PS (Vice Chair)
- Representative from the Ministry of Finance and Planning
- National Communications Authority (NCA);
- Ministry of Finance and Planning (MOFP);
- Ministry of Higher Education, Science and Technology
- Ministry of General Education and Instruction;
- South Sudan Universal Service and Access Fund (USAF);

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<sup>6</sup> This will not be the case for the PIU in Somaliland, which will submit reports to the World Bank.

- Additional Line MDAs;

#### (b) Roles and Responsibilities

The main roles and responsibilities of the PSC are:

- Provides overall strategic guidance and recommendations to the PIU and the Technical Committee(s) related to project implementation;
- Reviews procurement evaluations and approval;
- Facilitates overall coordination of project implementation;
- Approves annual project work plans and budgets;
- Reviews project implementation progress periodically including review of project progress report, financial management reports, and procurement plans.

#### (c) Meetings, Agenda, and Minutes

The PSC will meet quarterly for the first year of project implementation. Extraordinary meetings will be convened if needed for agenda items requiring urgent action. All the meetings will be conducted by allowing notice period of not less than five working days and decisions recorded and circulated through minutes. An action plan with key recommendations of the PSC shall form part of the minutes. The periodicity of meetings will be reassessed after the first year of implementation.

#### (d) Reporting Requirements

The PIU will assist the PSC in issuing notice and preparing and circulating agenda notes for the meetings. The minutes of the meetings will be finalized and circulated among all its members within five working days of the meeting. A copy of the minutes including recommendations and action taken report will be forwarded to the World Bank. The action plan shall be revised or edited if needed taking into account comments from the World Bank.

### 3.3. TECHNICAL COMMITTEE

A Technical Committee (TC) comprised of key technical staff from MICT&PS, MoHEST, MOFP, NCA, USAF, and other relevant MDAs. The TC will be responsible for providing technical guidance for meeting the project objectives and ensuring cohesion and coordination of the various components by reviewing and endorsing annual work plans and budgets. This committee will be chaired by the MICT&PS and will meet on a quarterly basis or more often as needed with the participation of the World Bank. The TC will work in close collaboration with the PIU and report to the PSC.

#### (a) Composition

The Chair of the TC will be the Project Coordinator or as appointed by the PSC. The TC will convene participation from:

- Ministry of Information, Communication Technology and Postal Services (MICT&PS);
- Ministry of Finance and Planning (MOFP);
- Ministry of Higher Education, Science and Technology;
- National Communications Authority (NCA);
- South Sudan Universal Service and Access Fund (USAF);
- Private sector;
- Civil society;
- Representatives from additional MDAs deemed key to facilitating successful implementation and stakeholder management to support any technical-level decisions that require broader agreement, resolve operational issues, or facilitate M&E and supervision.

Technical representatives to the TC shall be formally nominated by their respective MDAs, private and sector and civil society organizations as requested by the PSC.

#### (b) Roles and Responsibilities

The key roles of the TC are:

- Provides technical guidance on project activities and implementation;
- Provides Quality assurance of project activities; and
- Maintains efficiency of implementation;
- Advises the PSC on technical aspects of the project;
- Ensures that implementing the PIU and participating MDAs comply with approved policy guidelines;
- Coordinates with other project representatives for resolving cross cutting issues;
- Reviews plans, proposals and progress reports prepared by PIU to ensure technical quality.

(c) Meetings, Agenda, and Minutes

The TC will meet initially on a monthly basis for at least 3 months from the project effectiveness date. The frequency of meetings of the TC will thereafter be on a quarterly basis or more often, as needed.

(d) Reporting Requirements

The Technical Committee will report to the PSC. The reports of the TC will be serially numbered and documented for future reference. The TC will maintain minutes of all its meetings.

### 3.4. PROJECT IMPLEMENTATION UNIT

The day-to-day management of the project will be undertaken by PIU established within the MICT&PS. The PIU headed by the Project Coordinator will be responsible and accountable for successful project implementation. The overall supervision and oversight of the PIU is responsible of the Project Steering Committee. The respective Technical Committee will provide technical guidance for the project.

As the champion of project principles and guidelines, the Project Coordinator is accountable for the achievement of the project objective through attaining the results targets set out in the Results Framework. The Project Coordinator will be responsible for all project documentation including progress reports and minutes of the Project Steering Committee.

(a) Functions of the PIU

The PIU is responsible for day-to-day project implementation and will also function. The main roles and responsibilities of the PIU are:

- Carrying out day-to-day management of the project;
- Preparing annual work plans at the beginning of every year. The plans are prepared for all the key activities outlined in the component description. The annual plan will essentially detail the following:
  - the targeted focus areas for the MICT&PS and other stakeholders involved in implementation;
  - status of implementation (for the second annual plan onwards);
  - activity plan, supported with procurement plan; and
  - disbursement targets for each quarter
- Compiling consolidated annual work plans, budgets and procurement plans for review and endorsement;
- Maintaining Project Accounts, managing designated accounts and preparing project financial statements;
- Ensuring compliance with Financing Agreement'
- Submitting withdrawal applications to the World Bank;
- Monitoring project implementation and preparing progress reports including Environmental and Social Safeguards;
- Making recommendations to PSC and TC on how to effectively implement the agreed work plan;
- Convening PSC meetings including preparing agenda notes and minutes;
- Coordinating with other implementing stakeholders for smooth project implementation, and



- collection of data and reports; and
- Maintaining regular project communications;
- Establishing and operating Grievance Redress Mechanism.

(b) Project Coordinator

The Project Coordinator is the leader of the PIU staff team. As the champion of project principles and guidelines, the Project Coordinator is accountable for the achievement of the project objective through attaining the results targets set out in this manual. The Project Coordinator will be responsible for all project documentation including progress reports and minutes of the Project Steering Committee.

(c) Staffing at the PIU

The PIU will be staffed by the following members, hired as consultants:

- Project Coordinator;
- Financial Management specialist<sup>7</sup>;
- Procurement Specialist;
- Monitoring and Evaluation Specialist;
- Environmental Safeguards Specialist;
- Security Advisor;
- Technical Specialist<sup>8</sup>;
- Social Safeguards Specialist;
- GBV/gender specialist;
- Communications Specialist.

The PIU will also liaise with focal point/coordinators for all FMS to be hired by the project. In addition, a smaller PIU will be established at the MICT in Somaliland, consisting of a focal point/coordinator, FM specialist, procurement specialist, E&S specialist, and connectivity specialist to be recruited for disbursement of funds in Somaliland.

Government staff responsible for core project functions will be deployed to work with the PIU consultants to ensure hands-on capacity building through skills and knowledge transfer. To ensure progressive capacity support and the long-term sustainability of the project activities, the contracts of the PIU consultants will be structured in a way that facilitates complete exit by the end of the project.

Through the shared PIU approach, the projects will seek to establish a talent pool of national fiduciary experts who will progressively take over the responsibility for fiduciary oversight of future projects implemented by the PIU, thereby allowing for the full transition to government-led implementation of World Bank projects.

The details of qualification, experience and job responsibilities of the PIU staff are in table 3.1.

(e) Reporting and Performance Measurement

The specialists in the PI will report to the Project Coordinator. The Project Coordinator will report to the PSC which structurally report to the Deputy Minister and the Undersecretary of MICT&PS for project purposes. Each of the specialists perform their roles as per the terms of reference (TOR) attached to their appointment contracts and will remain accountable to achievement of the deliverables set out in the TOR. A key element of all the PIU consultant appointments will be to work closely with MICT&PS staff and provide skills development through hands-on capacity building and transfer of knowledge. The performance of the specialists will be assessed initially on a six-monthly basis and thereafter annually.

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<sup>7</sup> This position will be complemented by a seconded accountant from the OAG, in addition to an externally recruited FM specialist.

<sup>8</sup> technical specialist with subject matter expertise in areas such as connectivity infrastructure, cybersecurity, regulation, and data governance.

The Project Coordinator will be the Secretary to the PSC and the PIU will have an important role to serve as its Secretariat as follows:

- The PIU will compile detailed agenda notes inter-alia consisting of status of project implementation, action plans on audit reports, annual work plans, monthly payroll review reports, procurement compliance reports, reconciliation reports, confirmation to compliance with negative lists, grievance redress status, Environmental and Social Safeguards, confidential reports on frauds and corruption etc.
- As part of the agenda, the PIU will include an action taken report on the key decisions of the previous steering committee and such other pending actions.
- With the completion of each meeting of the PSC, detailed minutes will be compiled, and copies shared with the World Bank. The minutes will include way forward action plans specifying responsibilities relating to the decisions of the PSC.

**Table 3.1: Job Description of PIU specialists**

Title	Mode of Hiring	Qualification & Experience	Key Responsibilities	Deliverables Responsible for
Project Coordinator	Consultant		<ul style="list-style-type: none"> <li>• Manage day-to-day project operations</li> <li>• Coordinate and oversee the implementation of project activities</li> <li>• Oversee fiduciary, E&amp;S and M&amp;E functions</li> <li>• Report to National Steering Committee</li> <li>• Point of contact for the World Bank management</li> <li>• Technical oversight responsibility for project activities</li> <li>• Primary point of contact for the World Bank task team</li> <li>• Coordinate and liaise with line ministries and other project stakeholders</li> <li>• Request No Objections from the World Bank (for procurement of goods and services)</li> </ul>	<ul style="list-style-type: none"> <li>• Achievement of PDO and results indicators</li> <li>• Collective performance of PIU team</li> </ul>
Financial Management Specialist	Consultant paired with civil servants	<ul style="list-style-type: none"> <li>• Master's degree in accounting, finance, economics, business or any related fields from a recognized university.</li> <li>• Relevant professional qualification such as ACCA, CPA or equivalent, and membership of a recognized professional body in good and regular standing.</li> <li>• At least ten years of post-qualification experience handling financial management responsibilities in the public sector and/or</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure proper accounting records are maintained for the project</li> <li>• Ensure timely submission of drawdown requests to the Bank accompanied based on approved budget and cash forecasts</li> <li>• Ensure timely submission of project Interim Financial Reports (IFRs)</li> <li>• Maintain adequate internal control arrangements</li> <li>• Ensure timely project audits</li> <li>• Fiduciary oversight and knowledge/skills transfer to government staff</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Project Budget</li> <li>• Annual Financial Statements</li> <li>• Quarterly Financial Reports</li> </ul>

Title	Mode of Hiring	Qualification & Experience	Key Responsibilities	Deliverables Responsible for
		<p>projects financed by development partners.</p> <ul style="list-style-type: none"> <li>• At least six of the minimum 10 years of experience should be related to financial management responsibilities in projects funded by the World Bank or similar international organizations.</li> <li>• Good knowledge and application of relevant computerized accounting software such as QuickBooks, SAGE, SAP, IFMIS</li> <li>• Experience of Project Financial Management in a developing country such as South Sudan.</li> <li>• Excellent written and oral communication skills, in English, to deliver complex technical documents, and reports.</li> <li>• Excellent computer skills, including database use.</li> </ul>		
Procurement Specialist	Consultant paired with civil servants		<ul style="list-style-type: none"> <li>• Develop and communicate PPSD</li> <li>• Implement procurement plans and monitor procurement transactions of all implementing agencies</li> </ul>	<ul style="list-style-type: none"> <li>• Procurement plan and PPSD</li> <li>• Compliance with World Bank</li> </ul>

Title	Mode of Hiring	Qualification & Experience	Key Responsibilities	Deliverables Responsible for
			<ul style="list-style-type: none"> <li>• Participate in the hiring and selection process of all firms and consultants under the project</li> <li>• Maintain procurement records</li> <li>• Prepare and submit to the World Bank general procurement notices</li> <li>• Coordinate with procurement units</li> <li>• Contract management</li> <li>• Knowledge transfer</li> </ul>	<ul style="list-style-type: none"> <li>• procurement regulations</li> <li>• Filing and record system for procurement activities including bidding documents</li> </ul>
Monitoring and Evaluation Specialist	Consultant paired with civil servants		<ul style="list-style-type: none"> <li>• Compile M&amp;E guidelines for the project and disseminate monitoring and learning arrangement among all stakeholders.</li> <li>• Assist Project Coordinator in preparing annual work plan</li> <li>• Monitor project indicators and targets</li> <li>• Monitor project activities using geo-enabled system (GEMS)</li> <li>• Prepare progress implementation reports</li> <li>• Coordinate preparation of project completion report</li> <li>• Assist the Project Coordinator in progress review meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Progress reports</li> <li>• Results Framework kept up-to-date</li> </ul>
Environmental Safeguards Specialist	Consultant paired with civil servants		<ul style="list-style-type: none"> <li>• Developing environmental safeguards standards for project implementation and disseminating the same among implementing agencies</li> <li>• Preparing and implementing ESCP</li> <li>• Collecting, compiling and furnishing quarterly progress reports on ESCP implementation</li> <li>• Drafting, getting approval and implementing e-waste management plan</li> <li>• Planning and delivering capacity building programs for environmental aspects of project implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Project is implemented in accordance with approved ESCP</li> <li>• Compliance with e-waste management plan</li> </ul>
Social Safeguards Specialist	Consultant paired with civil servants		<ul style="list-style-type: none"> <li>• Developing social safeguards standards for project implementation and disseminating the same among implementing agencies</li> <li>• Preparing and implementing ESCP</li> </ul>	<ul style="list-style-type: none"> <li>• Project is implemented in accordance with approved ESCP</li> </ul>

Title	Mode of Hiring	Qualification & Experience	Key Responsibilities	Deliverables Responsible for
			<ul style="list-style-type: none"> <li>• Collecting, compiling and furnishing quarterly progress reports on ESCP implementation</li> <li>• Facilitating establishment and operation of grievance redress mechanism</li> <li>• Planning and delivering capacity building programs for social aspects of project implementation</li> </ul>	<ul style="list-style-type: none"> <li>• All grievances received are redressed in a timely manner</li> <li>• Compliance with SEP and LMP</li> </ul>
Communications Specialist	Consultant paired with civil servants		<ul style="list-style-type: none"> <li>• Assisting the Project Coordinator in project's communication activities</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>

## CHAPTER 4

### FINANCIAL MANAGEMENT ARRANGEMENTS

The goal of financial management (FM) is to ensure efficient and effective management of project resources towards the achievement of the project development objective. The financial management arrangements for the project are designed to achieve the following results:

- a. Enhance transparency in project financial management to ensure the proper and effective use of project resources;
- b. Provide guidelines on the financial management procedures and systems to facilitate the monitoring and evaluation tasks conducted by the relevant Government agencies and the World Bank;
- c. Provide clarified requirements, processes, and procedures of project financial management to facilitate project implementation.

A Separate Financial Management Manual (FMM), which contains detailed financial management procedures, is to be developed for the Project, with a deadline of three months after effectiveness. It thus should be noted that this section would not substitute for the detail in the FMM but is designed to provide general information on Financial Management arrangements.

#### 4.1. PROJECT PLANNING AND BUDGETING

Project plans provide information about project activities and costs. It provides the basis for Government oversight institutions, the World Bank, and other related parties to monitor and identify areas that require corrective action.

##### (a) Preparation and Execution of Project Plan and Budget

The PIU will be responsible for the preparation of the budget based on approved work plans reflecting activities to be undertaken over the life of the project. All plans will be prepared for each financial year and will be completed before the start of the financial year in compliance with the process of budget preparation and approval. Project planning includes (i) linking the plan to the activities and processes associated with the project, (ii) linking costs to the physical activities and other monitorable indicators; and (iii) establishing a methodology for control, including tracking variances between actual and planned costs and activities.

Project budget will initially be approved at the PIU level by the Project Coordinator before further approvals at the MICT&PS and concurrence from the World Bank. The project budget will be included in the MICT&PS budget which is incorporated into the national budget for approval by the Council of Ministers and Parliament. The project financial year will be aligned with the fiscal year of the government which runs from January 1 to December 31 each year. The project will also operate a clear budget calendar which will align with the Government's budget calendar.

##### (b) Budgetary Control

Project budget execution will be monitored at three levels by the PIU namely, system, transactional, and reporting. At the system level, the PIU accounting system and capacity will facilitate accurate recording of budgetary allocations and commitments, tracking of payments against the approved budget and enabling comparison of actual performance against the budget.

The PIU will maintain simple but effective budgetary control records such as budget books, budget progress/control books, or similar electronic records. At the transactional level, the PIU FM team will conduct checks to ensure that payment requests are approved after checking the availability of the budget. Payment requests for activities that have exhausted their budget allocations will not be approved for further processing. Due process will be followed in undertaking virement of funds across budget lines. At the reporting level, the project will prepare both periodic and ad-hoc financial reports

and analyses to monitor budget utilization and initiate appropriate corrective actions. In particular, quarterly Interim Financial Reports (IFRs) submitted to the World Bank will include statements that show budget utilization, comparing actual expenditures with the approved budget and providing justifications/explanations for significant variances above ten percent.

#### 4.2. PROJECT ACCOUNTING

The project accounting system gathers, processes, and organizes accounting data in order to produce useful financial information. A project accounting system reflects project needs and it is designed to provide the financial information required by all stakeholders and interested parties (the PIU, the Government oversight agencies, the World Bank, etc.) and fulfil all the legal and regulatory requirements of the Government of South Sudan and the World Bank. The project accounting system is a critical part of the project's financial management system, and its design and operation are therefore of great importance to the success of the project.

##### (a) Accounting Capacity

The PIU will maintain a simple accounting system for transaction processing and periodic financial reporting. Accounting for project transactions will follow the cash basis and will cover all project funds. Project accounting records will be maintained using an acceptable computerized accounting system to ensure efficiency in transaction processing and timely financial reporting. The Ministry has proposed procurement and installation of QuickBooks Accounting and Finance Management Software as the most preferred since most of the accounting staff have interacted with QuickBooks in the past and would require a shorter refresher training. The proposed system has modules capable of strengthening recording of financial transactions and thus results in timely, accurate, and reliable financial reports. Project accounting documents and records will be retained for at least seven years, in line with Government rules and regulations for retention of such documents and records.

##### (b) Accounting system and Basis of Accounting

The project's financial transactions will be captured, recorded, analysed, summarized, and reported in line with the provisions of the IPSAS cash basis of accounting. These will be supported by appropriate records and documentation to track commitments and safeguard assets. To facilitate preparation of the relevant reports and annual financial statements, the project budgets and expenditures will be recorded, classified, and reported through the Financial Software (e.g., QuickBooks) or through South Sudan Integrated Financial Management Information System (IFMIS), and the respective activities will be coded on the Standard Chart of Accounts. Accounting records will be maintained in US dollars. The project will maintain accounting records and generate financial reports consistent and in accordance with the government financial reporting requirements and procedures.

The PIU will be responsible for maintaining proper books of account in line with sound accounting practices that reflect the project financial operations and performance. The PIU will ensure that all payments are supported by relevant documentation, recorded in the relevant account books, and that accurate financial reports are submitted to the World Bank on a timely basis in line with the Financing Agreement and Disbursement and Financial Information Letter.

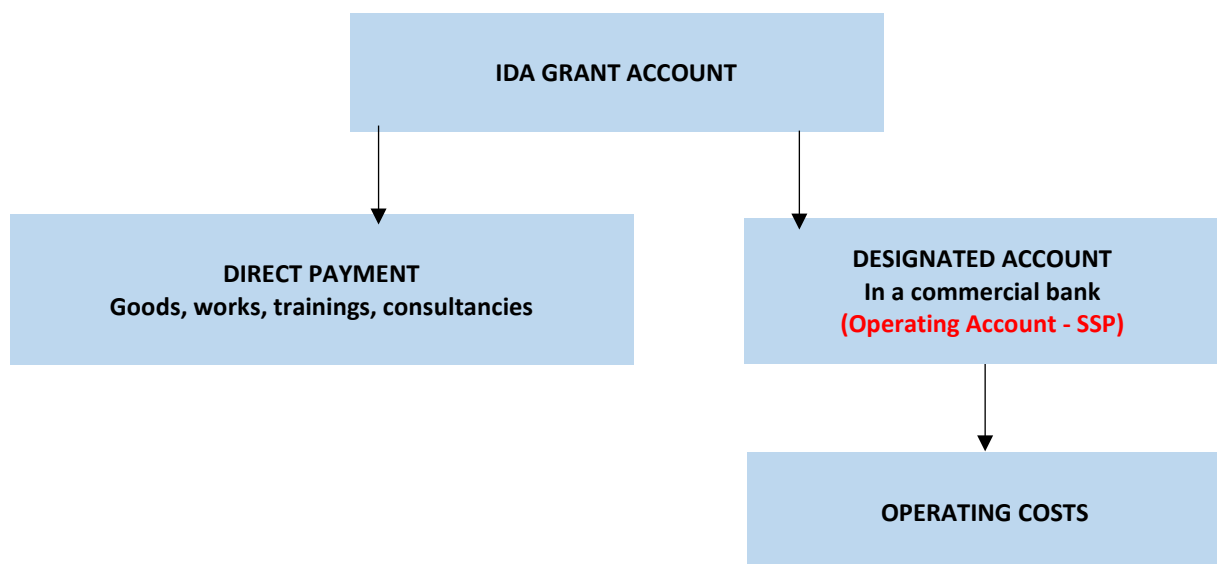
A comprehensive Fixed Assets Register (FAR) of all project fixed assets, as well as a contract register will be maintained by the PIU. The registers must be regularly updated; physical verification/count of assets will be conducted periodically by the PIU to confirm continued existence and operating condition of those fixed assets.



#### 4.3. Funds flow and disbursement arrangements

Disbursement of the grant will use advances, reimbursement, direct payments, and payments under special commitments, including full documentation or against SOE, as appropriate. MICT&PS has opened a project Designated US dollar disbursement account (DA) with Ecobank South Sudan Ltd, for the project, maintaining the already existing signatory mandates created for the PPA. The ministry will prepare quarterly unaudited IFRs through the PIU within 45 days after the end of the quarter, which will be used to account for expenditures in the World Bank records. The grant will be disbursed into the disbursement account following the transaction-based SOE method. The PIU will submit withdrawal applications in the Client Connection system, accompanied by an SOE incurred, to the World Bank for replenishment of the disbursement account. The project will also maintain a special account local currency for making payments denominated in local currency (South Sudanese pounds). Funds will be transferred from the main disbursement account only to the local currency subaccount to meet immediate payment obligations. No significant cash balances will be maintained in local currency to reduce the foreign exchange exposure risk. MICT&PS will be responsible for initiating, incurring, and authorizing expenditures under the project in accordance with the specified procedures and initiating the payment process with all the required supporting documentation. The MICT&PS will transfer funds to other entities implementing parts of the project as appropriate. The fund flow arrangement for the project is summarized in the following chart.

**Figure 4.1: Funds Flow**



#### 4.4. DISBURSEMENT ARRANGEMENTS

Payments to consultants, contractors, and suppliers will be made through the direct payment method as much as possible. Upon receipt of withdrawal applications for direct payment or special commitment from the project, the World Bank may make payments directly to a third party for eligible expenditures. Through the PIU, the MICT&PS will initiate the payment process with all the required supporting documentation in line with the Disbursement and Financial Information Letter.

All payments from the DA to a third party will be made on the basis of properly and fully supported payment vouchers and approved invoices. The authorized invoices signify that; (i) works, goods and services have been accurately delivered; and (ii) details on the invoice such as the amount and payment conditions are precisely reflected. In addition, signed invoices act as authority for payment. Detailed disbursement arrangements are documented in the Disbursement and Financial Information Letter.

#### 4.5. INTERNAL CONTROL ARRANGEMENTS

The internal control arrangements for the project will include adequate segregation of functions in payment processing, regular internal checks in line with the four-eyes principle<sup>9</sup>, approval, and authorization procedures and custody of project assets to safeguard them from loss, waste or damage. This includes a requirement that all payments must be supported by proper documentary evidence and verified outputs. Below are some key elements of the internal control framework that will be applied to the project.

##### (a) Segregation of Functions

Adequate segregation of functions and internal checks in payment processing will be ensured. This will ensure that one person does not have complete control of a transaction from beginning to end. Further, clear roles and responsibilities will be established including the person responsible for approval/authorization, what is to be approved and the limitations of authorization. The approving officers should not have responsibility for posting or the ability to change accounting records. Employee responsibilities will be clearly defined to avoid overlapping or unassigned areas of responsibility. Different persons will be responsible for preparation of payment vouchers, checking the payment voucher, authorization of the payment voucher, approval of the payment and release of actual payment to the service provider. The accounting function should be separated from the custody of assets (e.g., an employee who is entrusted to receive cash should not have access to the cash journals or ledgers). Bank reconciliation statements should be prepared by a person who is not involved in recording transactions in the ledgers or cash book.

##### (b) Internal Audit

The Internal Audit Unit within MICT&PS will be responsible for ensuring regular internal audit oversight of the project. In line with its annual audit plan, Internal Audit Unit will ensure internal audit of project activities during the course of the year to strengthen internal controls. The in-year internal audit reviews will be conducted at least once a year, and the audit reports will be shared with the MICT&PS and the World Bank for review and comments. The project will provide technical assistance, capacity building and institutional strengthening of Internal Audit Unit through targeted interventions that will be implemented during the life of the project.

##### (c) Project Cash and Bank Accounts

The PIU FM team will maintain up to date accounting records that reflect accurate cash and bank balances at any given time. The PIU will maintain project accounting records and prepare monthly bank reconciliation statements to ascertain the accuracy of the cash balances in the DA. The format for bank reconciliation statements will contain the following items:

- Account balance as per bank statement;
- Account balance as per the project accounting records (bank book or cash book);
- The difference and explanations for such difference.

The preparation of the bank account reconciliation is a must even when there is no difference/variance. The difference discovered in reconciliation must be reported to the FMS for timely response. In case the difference is significant, the Project Coordinator must be informed.

For the transactions through commercial banks, the accountants must:

- Keep the voucher for each transaction and attach it to the payment document to prove that transactions have been done;
- Ask for monthly statement from commercial bank.

All payments from IDA bank accounts would only be made for eligible expenditures according to the

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<sup>9</sup> The four eyes principle means that a certain activity, such as a transaction, must be approved by at least two people.

regulations in the Financing Agreement and the approved requests for payment. To ensure safe and convenient funds transfer, all payments will be made through the designated bank accounts. However, a minimal petty cash float will be maintained by the PIU for meeting small and unexpected expenditures and/or payments that cannot conveniently be made through bank accounts.

**(d) Procedures and rules for Seminars and Workshops**

The project will finance training and workshops, when required, based on an annual training plan and budget which will be submitted to the World Bank for prior review and approval. The annual training plan will identify, among other things: (i) the training envisaged; (ii) the justification for the training; (iii) the personnel to be trained; (iv) the duration for such training; and (v) the estimated cost of the training. These trainings, workshops and conferences are examples of soft expenditures which could be susceptible to abuse. To address these challenges, the PIU will establish specific accountability and oversight arrangements as detailed herein.

At the time of the actual training, the staff member or team will generate (i) a travel and training request, (ii) a concept note indicating objectives and justification for the training, participants, location, duration for such training; as well as (iii) the budget providing indicative costs for transport, DSAs, stationery, and incidental expenses. The DSA and accommodation rates will be based on the Government rates applicable to the location of training in accordance with the latest government circular on allowances. In case there is no circular approved by the government, the project will temporarily use the World Bank rates for DSA pending establishment of duly approved rates by the Government. The concept note and budget will be reviewed by the immediate supervisor and the Project Coordinator. Thereafter, it will be submitted to the World Bank for review and concurrence. This process of securing funds for training should begin at least two weeks before the event date.

Upon completion of the training, the trainees will be required to prepare and submit a report on the training received, supported with all necessary documents.

**(e) Serially Numbered Documents**

Project documents should be serialized and pre-numbered to check the completeness of transactions and reduce the potential for use of unofficial documents to process payments. This includes checks, invoices, receipts, and vouchers. Use of serialized and pre-numbered documents also enhances audit trail for transactions processed using such documents.

**(f) Sequencing**

The accounting control system should be set up in such a manner that proper sequencing is followed with regard to payments, posting of transactions to ledgers etc. For example, payments should not be authorized or made before the goods or services for which the payment relates have been received by the project. Documentary evidence of goods received, or services rendered should be attached to the payment voucher before processing. This includes the supplier's delivery notes, goods received notes, inspection and acceptance certificates and signed certificate of services rendered.

**4.6. FINANCIAL REPORTING**

The PIU will prepare quarterly interim unaudited financial reports (IFRs) denominated in US Dollars. The IFRs will present project financial information in sufficient detail to facilitate monitoring of the project's financial performance. It will also contain a comparative statement of budgeted and actual performance to support monitoring of budget execution, Summary of Sources and Uses of Funds, Designated Account Reconciliation Statement, and Special Account Activity Statement.

The IFRs will be submitted to the World Bank within 45 days after the end of the quarter in line with the Financing Agreement. The PIU will also prepare annual financial statements for the project which will be submitted for external audit within three months after the financial year-end.

#### 4.7. EXTERNAL AUDIT ARRANGEMENTS

The project's annual financial statements together with the project bank accounts, Statements of Expenditure (SOE), and the supporting documentation will be audited by the OAG supported by a competent accounting firm.

The external audit will cover specific areas including determination of whether:

- the financial statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) and whether these have been applied consistently;
- project funds have been used for the intended purpose in the achievement of the project development objective with due regard to economy and efficiency;
- goods and services have been procured in accordance with World Bank and Government procurement regulations;
- all required documents and records have been maintained in good condition and are consistent with both the quarterly interim financial reports and the annual financial statements presented to the auditors;
- the use of the Designated Account is in accordance with the Financing Agreement.

The audit report and management letter will be submitted to the World Bank within six months after the end of the financial year. Technical support will be provided to the OAG by the competent firm to help ensure timely and quality audits of project financial statements. Any incremental costs of the project audit will be met out of project funds. Under the project, both OAG and Internal Audit Unit will benefit from additional targeted technical assistance and institutional strengthening as part of the broader support to enhance fiduciary oversight in the country.

#### 4.8. NEGATIVE LIST OF EXPENDITURES

Some of the costs that would be considered negative/unallowable include:

- Contributions –gifts and donations.
- Entertainment – costs of amusement, social activities, and ceremonies and costs relating to these activities such as meals, lodging, rentals, and transportation.
- Fines and penalties – the cost of fines and penalties resulting from violations of, failure by officials to comply with the law;
- Pre-award costs – costs incurred before the signing of the credit agreement unless otherwise specified;
- Any kind of Expenditures not related to the projects;
- Personal items or personal trips;
- Payments requiring No Objection but where there is no No-Objection will not be Eligible until a No-objection is obtained.

#### 4.9. SCRUTINY AND REVIEW OF EXPENDITURE

The overall fiduciary responsibility for the implementation of the project will be vested in the MICT&PS through the PIU. Funds disbursed into the DA will be ring-fenced from ministry-wide fiduciary risks by ensuring segregated project accounts (DA), cashbooks, and financial statements, which will be operated, maintained, and prepared by the PIU. The MICT&PS will be responsible for initiating, incurring and authorizing expenditures under the project.

The internal control framework for the project includes approval and authorization procedures, segregation of functions in payment processing, regular internal check and oversight mechanisms will be in line with government financial regulations and World Bank financial management policies.

#### 4.10. FRAUD AND CORRUPTION MITIGATION MEASURES

The Anti-Fraud and Corruption Policy will be zero tolerance. The project will establish measures to prevent corruption including corruption prevention policy, appropriate corruption reporting channels and integrity assurance mechanisms. In addition, enhanced transparency through publication of project

information will mitigate incidences of fraud and corruption. The project will also work closely with the Southern Sudan Anticorruption Commission to implement corruption prevention measures.

#### 4.11. SUPPORT FROM THE WORLD BANK ON FINANCIAL MANAGEMENT

The required financial management support from the World Bank FM team will include the following:

- Reviewing and approving of Annual Project Plan and Budget and training requests;
- Conducting regular risk-based FM supervision reviews to assess the continued effectiveness of the established FM arrangements and the efficacy of the risk mitigation measures;
- Granting no objections where needed;
- Consultation for clarification as the need arises.

## CHAPTER 5

### PROCUREMENT ARRANGEMENTS

#### 5.1. INTRODUCTION

Procurement is the process established by an organization for acquiring goods, works, and services (inputs). The process spans the whole cycle from identification of needs, choosing adequate procurement methods, sourcing suppliers and evaluation of their offers up to the award of contract. An integral part of the procurement process is the management of the contracts and assets through the whole project life cycle. These inputs lay important foundations for the success of the organization's strategic operations and development. In procurement terms, these inputs are generally grouped into four categories:

- (i) **Civil Works:** this includes work associated with the construction, reconstruction, demolition, repair or renovation of a building or structure or surface and includes site preparation, excavation, erection, assembly, installation of plant, fixing of equipment and laying out of materials, decoration and finishing, and any incidental activity under a procurement contract;
- (ii) **Goods:** this includes objects of every kind and description including raw materials, products and equipment and objects in solid, liquid or gaseous form, and electricity, as well as services incidental to the supply of the goods if the value of those incidental services does not exceed that of the goods themselves. It can include: equipment, materiel and supplies, commodities, textbooks, medical supplies;
- (iii) **Non-consulting Services:** this includes services for which the physical aspects of the activity predominate, are bid and contracted on the basis of performance of a measurable physical output, and for which performance standards can be clearly identified and consistently applied, such as drilling, aerial photography, satellite imagery, mapping, and similar operations;
- (iv) **Consulting Services:** this is the request for services which are of an intellectual and advisory nature provided by firms or individuals using their professional skills to study, design and organize specific projects, advise clients, conduct training or transfer knowledge.

The PIM includes details on procurement in relation to civil works, goods, non-consulting services and consulting services.

#### (a) Applicable Policies and Rules

The World Bank has five basic rules that govern its procurement policies:

- (i) To ensure that the goods and services needed to carry out the project are procured with due attention to economy and efficiency;
- (ii) To ensure that the loan/grant/credit is used to buy only those goods and services needed to carry out the project;
- (iii) To give all qualified bidders from the World Bank's member countries an equal opportunity to compete for Bank-financed contracts;
- (iv) To encourage development of local contractors and manufacturers in borrowing countries; and
- (v) To ensure that the procurement process is transparent.

Procurement shall be done with due regard to:

- (i) **Economy and Efficiency:** These are broad terms, but generally require procuring at prices commensurate with the goods and services obtained, "value for money", and timely delivery of the procured goods and services. In addition, efficiency implies practicality, especially in terms of compatibility with the administrative resources and professional capabilities of the purchasing entity and its procurement personnel;
- (ii) **Competitive Bidding:** Giving an equal and fair opportunity to the potential suppliers of goods and services. The best procurement is simple and swift, producing positive results without protracted delays;

- (iii) Preference for Local Bidders: Except where the goods and services to be procured cannot be obtained locally;
- (iv) Transparency: Throughout the procurement process, transparency should promote prevention of fraudulent and corrupt practices such as bribes or kickbacks. Good procurement establishes and then maintains rules and procedures that are accessible and unambiguous. It is not only fair but should be seen to be fair;
- (v) Accountability and Ethical Standards: Good procurement holds its practitioners responsible for enforcing and obeying the rules. It makes them subject to challenge and to sanction, appropriate for neglecting or bending those rules. Accountability is at once a key inducement to individual and institutional probity, a key deterrent to collusion and corruption, and a key prerequisite for procurement credibility.

(b) World Bank's Procurement Regulations and other applicable guidelines

All project procurement will be carried out in accordance with the 'World Bank Procurement Regulations for Borrowers under Investment Project Financing', dated November 2020, hereafter, referred to as 'Procurement Regulations'. The project will be subject to the World Bank's Anticorruption Guidelines, dated July 1, 2016. As per the requirements of the Procurement Regulations, the MICT&PS has prepared a Project Procurement Strategy for Development (PPSD) which sets out the selection methods to be followed during project implementation in the procurement of goods, non-consulting, and consulting services financed by the World Bank and in the procurement plan.

(c) Procurement Procedures under Bank financed Projects

Any procurement must go through each of the following sequential steps. The details of these steps are elaborated in the Procurement Manual.

(i) Preparation of a Procurement Plan

There must be a procurement plan. The PIU will prepare the project procurement plan. The plan will be submitted to the Procurement Committee before submission to the World Bank. Any subsequent necessary changes in the procurement plan must be communicated to the World Bank alongside the quarterly progress monitoring reports. No procurement shall be initiated prior approval of procurement plan in the World Bank's Systematic Tracking of Exchanges in Procurement (STEP) system.

The procurement plan must cover all the activities of the project/program including goods/services to be procured, the envisaged procurement methods, estimated costs for the planned activities, authorization thresholds and organizations arrangements, the timelines, and any anticipated issues and planned mitigation measures.

In line with the principle of transparency, the approved procurement plan must be accessible by any potential supplier; for example, through display of the plan on the website of the procuring entity, and public adverts as explained above under the section of procurement methods. The estimated costs of goods/services should not be part of the displayed information.

(ii) Bid Documents and Request for Proposals (RFP)

The Bid Documents will normally be required for procurement of goods while the Request for Proposals will be required for procurement of services. These documents must particularly explain the technical specifications of the required goods or the terms of reference for the services, the organizational competences and/or qualifications of the anticipated suppliers or consultants, the planned delivery schedule/timelines, the conditions of supply and terms of payment, methods to be used in evaluating the bids (scoring method), and model contract.

(iii) Solicitation of Expression of Interest (EOI)

The purpose of the EOI is to create a short-list of potential suppliers or consultants from whom bids/proposals should be solicited. This assists in directing the solicitations appropriately and thus

minimizing cost of bid processing. Consequently, the prequalification/EOI may be skipped in the case of “single-sourced” suppliers or “closed competitive bidding”.

#### (iv) Solicitation of Bids/Request for Proposals (RFP)

#### Bidding Documents for Goods/Works

The Bidding document (Request for Bid) for Goods or Works is sent to the pre-qualified bidders or open to any bidder if the prequalification has been skipped. Depending on the regulations in specific countries, the Bid Documents may be issued to potential bidders free of charge; and where a bidding fee is required it should be nominal to avoid creating a hindrance to fair competition.

#### Request for Proposals

The Request for Proposals is sent to the short-listed firms/consultants. Usually, the RFP is issued to the consultants free of charge. The Instructions to the Consultants must clearly require separate Technical Proposal and Financial Proposal. Deadlines stated in the Bidding document/RFP must be firm and complied with. Bids Proposals submitted after the lapse of the deadline must be rejected.

#### Evaluation of Proposals/Bid

The Proposals/Bids must be evaluated by a “committee” of not less than three independent persons, who are technically conversant with the subject matter. The procurement specialist/ officer should coordinate the affairs of that committee. The evaluation report for prior review cases shall be submitted to the World Bank to seek a “no objection” depending on the review requirements in the PAD and the Procurement Plan. In line with the principle of transparency, the bidders must be informed of the full evaluation results and allowed days to lodge complaints (if any). In the absence of complaints, the successful bidder will be invited for contract negotiation and award in the case of Services. It is important to note that negotiation is usually not permissible under procurement of Goods or Works.

#### Contract Negotiation and Award

Under no circumstances should a contract, requiring prior review of the World Bank, be negotiated or awarded before obtaining the “no objection” of the World Bank.

#### Applicable Documents

Some of the procurement documents that may be applicable to the project include but are not limited to the following:

- Procurement Request Form (PRF)
- Cost Estimates
- Bank Guarantee
- Bank Guarantee Form for Advance Payment
- Performance Security Form
- Form of Bid Security (Bid Bond): means a security required from Bidders by the Purchaser/Employer (the procuring entity) and provided by the Bidder to secure the fulfilment of any of the required obligations; it may include such arrangements as bank guarantees, surety bonds, standby letters of credit, or cheques on which a bank is primarily liable.
- Form of Bid-Securing Declaration
- Manufacturer’s Authorization Form

## 5.2. LIST OF SBD, SRFPS AND DIFFERENT TEMPLATES

The Standard Bidding Documents (SBDs) and the Standard Requests for Proposals (RFPs) will depend on the Works and type of Goods and/or Services being procured. A few of the SBDs that may be applicable will include at a minimum the following:

- Invitation for Bids;
- Instructions to Bidders;
- Bidding Data Sheet;



- General Conditions of Contract;
- Conditions of Particular Application;
- Technical Specifications;
- Form of Bid, Appendix of Bid, and Bid Security;
- Bill of Quantities;
- Form of Agreement, Forms of Performance Security, and Bank Guarantee for Advance Payment;
- Drawings;
- Explanatory Notes;
- Post-qualification; and
- Disputes Settlement Procedures.

The Templates may include the following:

- Template for Payment Request;
- Template for Acceptance Document; and
- Template for Financial Utilization Reports.

### 5.3. PROCUREMENT INSTITUTIONAL ARRANGEMENTS

The Project Implementation Unit (PIU) will be responsible for procurement under the project. For this purpose, the Project Coordinator, the Procurement Specialist, and Financial Management Specialist in addition to other technical expertise will be responsible for the procurement functions of the project. The Project Coordinator will review all procurement actions taken by the Procurement staff and be responsible for managing the procurement function, delegate, assign and direct the activities of the Procurement Staff. MICT&PS will seek to establish an acceptable Procurement Committee to enable it and the PIU carry out the procurement functions. As needed, hands-on capacity building will be provided to MICT&PS procurement staff to ensure knowledge transfer and sustainability. The World Bank will provide intensive implementation support to guide the counterpart, including regular capacity assessments and training.

### 5.4. PROCUREMENT MANAGEMENT STRUCTURE

The Project Coordinator will review all procurement actions taken by the PIU staff and be responsible for managing the procurement function, delegate, assign and direct the activities of the procurement staff.

#### (a) Procurement Responsibility of Project Coordinator

The Project Coordinator will be responsible for the following procurement functions:

- Facilitating assignment of ad-hoc committee and Procurement committee;
- Certifying the availability of funds to support the procurement activities;
- Ensuring that the best practices in relation to procurement are strictly adhered to; and
- Ensuring compliance with the World Bank Procurement Regulations.

#### (b) Procurement Specialist

The Procurement Specialist shall be responsible for the following procurement functions:

- Prepare and periodically update the procurement plan;
- Identify the method of procurement and follow the procedure;
- Preparing Bidding/RFP documents;
- Preparing and Publish Procurement Opportunities documents - REOI/IFB;
- Open bids and record minutes of opening;
- Prepare preliminary, technical, financial or combined evaluation, if applicable;
- Facilitate award of contracts in accordance with the approved procedure and ensuring that contract awards are published;
- Preparing Contract Documents in line with the authorized evaluation report;

- Prepare any amendments to an awarded contract;
- Inspect the receipt of goods and quality of report using MOFP and PIU staff as appropriate;
- Register and safeguard the project property;
- Facilitate payment for goods, non-consultancy services and consultancy services as well as closure of contracts;
- Responding to Bidder complaints;
- Properly file all procurement and contract documents in an accessible and safe place.
- Handle Procurement activities in accordance with the World Bank Procurement Regulations
- Monitor and Manage Contract Implementation.
- Attend Procurement workshops organized by the World Bank and meetings as required.
- Provide clarification to auditors or other authorities.

(c) Ad-hoc Evaluation Committee (AEC)

The Project Coordinator under the guidance of PSC shall initiate the establishment of a procurement Evaluation Committee in consultation that shall conduct evaluations and prepare reports. The members of the AEC shall depend on the value, type, category and complexity of the procurement requirement, but shall in all cases be a minimum of three members. The AEC members shall be of an appropriate level of seniority and experience depending on the value, type, category and complexity of the procurement activity under consideration.

Members of the AEC are preferably from MICT&PS, and the PIU. However, sometimes the members can be also from other MDAs and non-governmental institutions where the experience, technical skills and expertise relevant to the subject of procurement are not available within the MICT&PS, and the PIU or where members are indisposed or have a conflict of interest.

Members shall select a chairperson from among their membership, who shall coordinate the team members during the evaluation process but shall not direct members in decisions relating to the evaluation or canvas them on any issue for a specific outcome. The committee will be supported by the project Procurement Specialist.

(d) Procurement Committee

All contracts shall be subjected to the review and approval of the Procurement Committee (PC) established at the MICT&PS.

## 5.5. PROCUREMENT INTERNAL CONTROL AND QUALITY ASSURANCE

(a) Internal Controls and Quality Assurance

The PIU is bound by the World Bank's policy on prevention and combating corruption and fraud. When less-qualified bidders are awarded contracts through bid rigging and other anticompetitive activities, qualified bidders lose confidence in the system and stop bidding. Corruption and fraud are collective terms which, according to the definition of the World Bank, generally include the following irregular practices<sup>10</sup>:

- (i) Corruption: the practice of offering, giving, receiving or soliciting, directly or indirectly, anything of value in order to improperly influence the actions of another party;
- (ii) Fraudulent practice: any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (iii) Collusion: an arrangement between two or more parties designed to achieve an improper purpose, including influencing improper actions of another party;

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<sup>10</sup> World Bank (2011); GUIDELINES On Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants (Revised January, 2011).

- (iv) Coercion: is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improper actions of that party; and
- (v) Obstruction: is multifaceted and includes; (i) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or (ii) acts intended to materially impede the exercise of the World Bank's contractual rights of audit or access to information.

The PIU is required to take all appropriate measures to prevent and combat the above stated irregular practices in connection with the use of the project funds. Those measures will include, though not limited to:

- (i) Putting in place sound financial management and administrative practices which ensure that the Grant proceeds are not diverted from the intended activities;
- (ii) Anti-corruption and fraud rules, similar to the World Bank's guidelines, in its administrative and financial management procedures, and disseminating those rules to all persons involved in the use of the Grant proceeds;
- (iii) Prompt reporting to the World Bank, through the Undersecretary of MICT&PS, any allegations of fraud and corruption, and taking timely and appropriate corrective or punitive action in the event of actual corruption or fraud; and
- (iv) Including anti-corruption and fraud provisions in the contracts with suppliers.

(b) Complaints Review Mechanisms

The PIU procurement activities will be subject to the World Bank's Complaints Review procedures unless if and when that the Procurement Policy Unit of the MICT&PS it established similar procedures.

## 5.6. APPLICABLE PROCUREMENT THRESHOLDS, METHODS AND REVIEW ARRANGEMENTS

(a) Choice of Procurement Method

The choice of a procurement method depends on the nature and size of the project being implemented and its procurement elements. These factors may influence the PIU Procurement Team to choose from the following procurement methods:

- (i) International Competitive Bidding or Tendering (ICB/ICT);
- (ii) Limited International Bidding;
- (iii) National Competitive Bidding/Tendering (NCB/NCT);
- (iv) International and National Shopping;
- (v) Force Account;
- (vi) Direct Contracting.

The decisions on procurement method will be made by the PIU procurement team in line with Bank's Procurement Regulations on procurement of goods, works and non-consulting services and as outlined in the Financing Agreement and the PAD for the project. The choice of a procurement method depends on:

- (i) Nature of the Goods to be procured;
- (ii) Value of the procurement (see the Threshold Table);
- (iii) Likelihood of interest by foreign bidders, which is a function of the local availability and cost of goods;
- (iv) Critical dates for delivery; and
- (v) Transparency of procedures to be adopted.

(b) Threshold for each method of Procurement/Selection and for Prior Review

The recommended methods of procurement/selection and the prior review thresholds for the project would be as given below. The World Bank's prior review requirements are stated in Appendix 1 to the Guidelines for Procurement and Appendix 1 to Guidelines for Selection and Employments of the Consultants. All Terms of Reference (TORs) regardless of contract amount shall be subject to the World Bank's prior review.

(c) Procurement Methods and Thresholds for Goods and Non-Consulting Services

Table 5.1 below summarizes the agreed thresholds for the procurement of goods and non-consulting services under the project. This will guide the choice of procurement method and requirement for Bank's review of the PIU Procurement Team's decisions on Procurement of goods.

**Table 5.1:** Procurement Methods and Thresholds for Goods, Works, and Non-Consulting Services

	<b>Procurement Method</b>	<b>Threshold (US\$)</b>	<b>Comment</b>
1.	ICB (Works)	3,000,000	Equivalent or more
2.	ICB (Goods and non-consulting services)	500,000	Equivalent or more
3.	NCB (Works)	5,000,000	Less than
4.	NCB (Goods and non-consulting services)	100,000	Less than
5.	Shopping (Works)	500,000	Equivalent or less
6.	Shopping (Goods and non-consulting services)	100,000	Equivalent or less
7.	Direct contracting	Any value	

(d) Prior Review Thresholds for Goods and Non-Consulting Services

The following table summarizes the agreed prior review thresholds for the procurement of goods and non-consulting services under the project.

**Table 5.2:** Prior Review Thresholds for Goods, Works and Non-Consulting Services

	<b>Procurement Method</b>	<b>Prior Review Threshold (US\$)</b>	<b>Comments</b>
1.	ICB (Goods, Works and Non-Consultant Services)	All Contracts	
2.	NCB (Goods and Non-consulting services)	500,000	Equivalent or more and the first contract
3.	NCB (Works)	5,000,000	Equivalent or more and the first contract
4.	Direct Contracting (Goods, Works and Non-Consultant Services)	100,000	Equivalent or more and the first contract
5.	UN Agencies	All contracts	
6.	Shopping (Goods, Works and Non-Consulting Services)	None	All shopping shall be subject to post review. However, the first contract in each category will be subject to prior review.

(e) Selection Methods and Thresholds for Consultants

The following table summarizes the agreed selection methods and thresholds for the procurement of consultant's services under the project.

**Table 5.3:** Selection Methods and Thresholds for Consultants

	<b>Selection Method</b>	<b>Threshold (US\$)</b>	<b>Comments</b>
1.	QCBS, QBS, FBS, LCS	Any value	Selection Method will depend on nature and complexity of assignment.

2.	CQS	300,000	Normally Equivalent or less than US\$300,000. However, in special appropriate cases CQS for value above US\$300,000 may be agreed by the World Bank and reflected in the Procurement Plan
3	Individual consultant	Any value	
4	SSS (firm/individual)	Any value	

(f) Prior Review Threshold for Consultants

Table 5.4 below summarizes the agreed prior review thresholds for the procurement of consultant's services under the project in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

**Table 5.4 Prior Review Threshold for Consultants**

	Selection Method	Prior Review Threshold (US\$)	Comments
1.	Competitive Methods (Firms)	200,000	Equivalent or more
2.	Individual consultant selection	200,000	Equivalent or more
3	Single Source (Firms)/Individuals	100,000	Equivalent or more

(g) Procurement Methods for Goods and Non-Consulting Services

The procedure for procuring goods and non-consulting services may be summarized in the following steps/stages, in accordance with the approved procurement plan steps:

- Prepare Procurement (Bidding Document); obtain Bank No objection if required
- Prepare and advertise- Invite Bids
- Receive Bids
- Evaluate Bids
- Prepare Bid Evaluation Reports - obtain Bank No objection if required
- Award Contract
- Sign Contract; send copy of signed contract to the World Bank prior to withdrawal application
- Monitor procurement implications during Contract implementation and follow implementation issues that bother on procurement
- Ensure proper contract closure and its documentation.

(h) Selection Methods for Consultancy Services

There are seven methods by which the selection of consultancy services may be accomplished under the World Bank's Consultant Guidelines. They include the following:

- Quality and Cost Based Selection (QCBS);
- Quality Based Selection (QBS);
- Selection under a Fixed Budget (FBS);
- Least Cost Selection (LCS);
- Selection Based on Consultant's Qualifications (CQS);
- Single Source Selection of consulting firm / individual consultants (SSS); and
- Selection of individual consultants.

The method selected depends on the nature, size, complexity, probable impact of the task/project, technical and financial considerations.

## 5.7. PRIOR AND POST REVIEW ARRANGEMENTS

(a) Prior Review Arrangements

All contracts subject to the World Bank's prior review should be submitted to the World Bank using the e-procurement system (STEP). The PIU Procurement Specialist should follow STEP procedures for

submitting documents prior to bid issue and following the bid process. In line with this e-system, the following procedures should be followed:

- (i) In cases where prequalification is used, PIU shall:
  - Before prequalification submissions are invited submit to the World Bank the draft documents to be used, including:
    - The text of the invitation to prequalify;
    - The prequalification questionnaire;
    - The evaluation methodology; and
    - A description of the advertising procedures to be followed.
  - Modify the procedure and documents in line with Bank requests;
  - Before applicants are notified of PIU's decision, submit to the World Bank for comment:
    - The report evaluating the applications received by the PIU;
    - The list of proposed prequalified bidders;
    - A statement of their qualifications and of the reasons for the exclusion of any applicant for prequalification; and
    - Make such additions to, deletions from, or modifications in the said list as the World Bank shall reasonably request.
- (ii) Before bids are invited, the PIU shall submit to the World Bank, through STEP, for its comments:
  - Draft bidding documents, including the invitation to bid;
  - Instructions to bidders, including the basis of bid evaluation and contract award;
  - The conditions of contract and specifications for supply of goods, or installation of equipment, etc.;
  - A description of the advertising procedures to be followed for the bidding (if prequalification has not been used).

The PIU shall modify the documents in line with the World Bank's requests and re-submit through STEP. Any further modification shall require the World Bank's approval before it is issued to the prospective bidders.

- (iii) After bids have been received and evaluated, the PIU shall, before a final decision on the award is made, submit to the World Bank through STEP, in sufficient time for its review:
  - A detailed report on the evaluation and comparison of the bids received;
  - Recommendations for award; and
  - Such other information as the World Bank shall reasonably request.

If the World Bank determines that the intended award is inconsistent with the Financing Agreement and/or the Procurement Plan it will promptly inform the PIU and stating the reasons..

If the World Bank is content that the intended award is consistent with the Financing Agreement and Procurement Plan, the World Bank will provide its no objection to the recommendation for contract award.

The PIU shall award the contract only after receiving the "no objection" from the World Bank.

- (iv) If the PIU requires an extension of bid validity to complete the process of evaluation, obtain necessary approvals and clearances, and to make the award, it should seek the World Bank's prior approval for the first request for extension, if it is longer than four weeks, and for all subsequent requests for extension, irrespective of the period;
- (v) If after publication of the results of evaluation, the PIU receives protests or complaints from bidders, a copy of the complaint and a copy of the PIU's response should be sent to the World Bank for information;

- (vi) If as result of analysis of a protest the PIU changes its contract award recommendation, the reasons for such decision and a revised evaluation report shall be submitted to the World Bank for no objection. The PIU shall provide a republication of the contract award in the format in the World Bank's Procurement Regulations;
- (vii) The terms and conditions of a contract shall not, without the World Bank's prior approval, materially differ from those on which bids were asked or prequalification of Contractors, if any, was invited;
- (viii) One conformed copy of the contract shall be furnished to the World Bank promptly after its execution. Where payments for the contract are to be made out of a Designated Account (DA), a copy of the contract shall be furnished to the World Bank prior to the making of the first payment out of the DA in respect of such contract;
- (ix) All evaluation reports shall be accompanied by a summary of the procurement on a form provided by the World Bank. The description and amount of the contract, together with the name and address of the successful bidder, shall be subject to release by the World Bank upon receipt of the signed copy of the contract.

(b) Post Procurement Review Arrangements

In accordance with the Financing Agreement, the World Bank will carry out a Procurement Post Review (PPR) of contracts on a regular basis at least once in a year. The PPR will cover all contracts below prior review threshold, which shall have been entered since the date of project effectiveness. During these reviews about 20% Sample contracts will be reviewed.

The main objective of the review is to assess the procurement performance of the project and to make recommendations, if any, for the improvement of procurement practice in the implementing agencies.

The following documents (as applicable for a particular type of contract(s) in the review samples must be made available in TST or entity's office:

- Copies of Invitation for Bids/Quotations/EOI;
- No Objections for TOR (Consulting Services);
- No Objections for use of less competitive method;
- Bidding Documents/RFQ/RFP;
- Clarifications by firm requested and issued;
- Addenda to bidding documents RFP/RFP issued;
- Minutes of Bid/quotation/proposal opening;
- Bids/quotations/proposals received;
- Clarifications from firm requested and received;
- Bid/quotation/proposal Evaluation Report;
- Complaints received and responses;
- Notification of Award/Letter of APCEptance/LPO;
- Signed Contract;
- Securities (Mobilization/Performance);
- Payment certificates/Invoices;
- Goods received note/Delivery notes;
- Inspection Certificates/Acceptance Certificates/Certification of Completion;
- Progress Reports; and
- Publication of contract award (for NCB and consultants) if applicable
- Withdrawal Applications/(SoEs).

If the World Bank determines that the goods or services were not procured in accordance with the agreed procedures, as reflected in the Financing Agreement and the Procurement Plan approved by the World Bank, or that the contract itself is not consistent with such procedures, it may declare miss-procurement as established in the World Bank's Procurement Regulations. The World Bank shall promptly inform the PIU the reasons for such a decision.

## 5.8. PROCUREMENT PROCESS

The procurement of goods and services should be executed in accordance with the following:

- Initiated by raising an appropriate Procurement Requisition. The Procurement Requisition needs to be approved by the Project Coordinator;
- On approval it should be sent to the PIU Procurement Unit to commence the procurement process;
- Each requisition should be accompanied by the necessary Specifications of the Good(s) requisitioned or Terms of Reference for the service required;
- The PIU will submit TORs to the World Bank for review and clearance. The procurement process cannot commence until the TORs have been cleared by the World Bank - time should be built in to allow this;
- The PIU will manage the advertising or the request for expressions of interest;
- For NCB procurement, the PIU will submit the first bidding documents through STEP to the World Bank for review, comment and clearance;
- An appropriate Evaluation Panel will be convened for each procurement;
- Officials of other MDAs and non-government agencies may be invited to join evaluation panels for certain procurements – they should make available the appropriate people and ensure that they fulfil their role;
- The PIU will liaise with the Steering Committee to convene ad-hoc evaluation committees at regular intervals to conduct and prepare evaluation reports and agree on issue of award; and
- The PIU will follow up with successful tenderers through contract negotiations and award.

The initial requirements, in preparation for a contract award, will include:

- Goods/services required;
- Identification of key aims, outputs or deliverables;
- Acceptable standards;
- Price;
- Timescales/Delivery schedule;
- Duration of contract;
- Termination clauses; and
- General contractual terms.

When an award is made, the contract is signed by the successful vendor and the Project Coordinator. The work of the PIU in respect of a particular requisition ends when the request has been satisfied, i.e. when the successful vendor completes its obligation under the contract and the contract is completely and finally closed technically and financially.

The PIU will prepare quarterly procurement reports, which will cover the status of each procurement process, procurement plan update and highlight procurement issues that may require further attention or action.

## 5.9. PROCUREMENT PLANNING

There must be a procurement plan indicating procurements to be carried out over the first 18 months of the project. The procurement plan must cover all the activities of the project including goods and services to be procured, the envisaged procurement methods or consultant selection methods, the need for pre-qualification, estimated costs for the planned activities, authorization thresholds and organizations arrangements, the timelines, and any anticipated issues and planned mitigation measures. The procurement plan will be updated annually, or more frequently as required, to reflect the actual project implementation needs and improvements in institutional capacity. The procurement plan shall be implemented in the manner in which it was approved by the World Bank.



The PIU will consolidate the planned project activities of for each project year into an Annual Work Program and Budget. The approved consolidated work plan and budget will be used by the PIU Procurement Team to prepare the annual procurement plan. The Procurement Team will categorize the procurement requirements into goods, non-consulting and consulting services, and package them into reasonable sizes to ensure procurement efficiency and effectiveness. Decisions on packaging procurement will take into account the needs of the PIU regarding timing, specifications, local supplier characteristics and likely foreign bidder interest.

The procurement plan, annual work plan and budget will be presented to the Steering Committee for internal review and approval before it is forwarded to the World Bank for approval, annually or more frequently as required.

If there are local and foreign interests and capabilities to supply project procurement needs, it may be possible to meet both of these by appropriate sizing and timing of contract awards. Procurement items can be “sliced and packaged” into lots to allow for parties to tender for one or more lots depending on their skills and capacity. The lots can be designed to match local tendering capacities and contracts awarded for individual lots, or a number of lots, thereby allowing large and smaller suppliers to compete among each other.

## 5.10. PROCUREMENT PROCESS FOR GOODS AND NON-CONSULTING SERVICES

### (a) International Competitive Bidding/Tendering (ICB/ICT)

The purpose of International Competitive Bidding/Tendering (ICB/ICT) is to give all eligible and qualified prospective Bidders adequate and timely notification of a project implementing Agency’s requirements and to give them equal access and a fair opportunity to compete for contracts. Tendering opportunities must be advertised internationally and all eligible bidders must be given a fair opportunity to participate. ICB/ICT is the preferred method for procurement. However, in circumstances in which it can be demonstrated that ICB/ICT is not appropriate, the PIU may, with the approval of the World Bank, use the other methods of procurement. Methods other than ICB/ICT must also be open and fair to all interested bidders to the extent possible.

Additional criteria for ICB/ICT include:

- (i) Tendering documents should clearly describe the criteria and methodology for evaluation of tenders and selection of the successful bidder. As part of the tendering documents, the PIU Procurement Team should make available technical specifications. International standards and specifications should be used where available;
- (ii) Registration of foreign bidders with local authorities should *not be a requirement* for tendering under ICB/ICT procedures. The successful bidder may have to register, if required by law, but should not be denied registration on grounds unrelated to the bidder’s ability to perform the contract. Likewise, where the subject of procurement so requires, a successful bidder may be required to establish a local agency or representation. For instance, the supplier of a large fleet of equipment may have to establish service or spare parts facilities needed to maintain the procured equipment;
- (iii) Foreign firms should *not be required* to associate with domestic firms in joint ventures or employ specific personnel, as a condition for prequalification or tendering. Further, local or foreign contractors should *not be permitted* to present more than one tender either individually or as members of a joint venture;
- (iv) For a project requiring similar but separate items of equipment, bids may be invited under alternative contract options that would attract the interest of both small and large firms, which could be allowed, at their option, to bid for individual contracts (slices) or for a group of similar contracts (package). All bids and combinations of bids shall be received by the same deadline and opened and evaluated simultaneously so as to determine the bid or combination of bids offering the lowest evaluated cost.

**(b) Limited International Bidding (LIB)**

Limited International Bidding (LIB) is essentially ICB by direct invitation without open advertisement. It may be an appropriate method of procurement where (a) there is only a limited number of suppliers, or (b) other exceptional reasons may justify departure from full ICB procedures. Under LIB, Borrowers shall seek bids from a list of potential suppliers broad enough to assure competitive prices, such list to include all suppliers when there are only a limited number. Domestic preferences are not applicable in the evaluation of bids under LIB. In all respects other than advertisement and preferences, ICB procedures shall apply, including the publication of the award of contract as indicated in paragraph 7 of Appendix 1 of the “Guidelines: Procurement of Goods, Works and Non-Consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers”, January 2011, Revised July 2014.

**(c) National Competitive Bidding/Tendering (NCB/NCT)**

National Competitive Bidding/Tendering (NCB/NCT) may be the most appropriate procurement method where foreign bidders are not expected to be interested because:

- (i) The contract values are small;
- (ii) Delivery points of goods are scattered geographically or spread over time; or
- (iii) The goods are available locally at prices below the international market.

NCB procedures may also be used where the advantages of ICB are clearly outweighed by the administrative or financial burden involved. An acceptable NCT system generally incorporates the basic principles of ICB/ICT including, inter alia, timely notification through advertising in local newspapers, adequate competition, clarity of procedures, fair treatment for all bidders and award to the lowest evaluated responsive and qualified bidder in accordance with the criteria set out in the tendering documents.

Eligible foreign firms can also participate in procurement under NCT procedures. The essential differences include the use of national advertising, of national tendering documents, and the national currency for tender and payment.

**(a) Shopping (National and International)**

Shopping is employed for procuring readily available off-the-shelf goods or standard commodities in quantities of small value. Shopping does not require formal tendering documents and is carried out by requesting written quotations from several local or foreign suppliers or contractors, usually at least three, to ensure competitive prices. Telephone or verbal quotations are not acceptable, but on-line or email quotations are acceptable.

International shopping is used to solicit quotations on a Cost, Insurance and Place (CIP) or Cost, Insurance and Freight (CIF) basis, and quotations from at least three suppliers in two different countries are necessary.

National shopping is used to procure goods which are ordinarily available locally from more than one source at competitive prices which include tariffs and sales taxes. Requests for quotations should include:

- (i) The description and quantity of the goods; and
- (ii) Desired delivery (or completion) time and place.

Quotations may be submitted by letter, facsimile or by electronic means. The evaluation of quotations shall follow the same principles as of open bidding.

In evaluating quotations submitted by bidders under shopping, price and ability to meet required delivery requirements are usually the main selection considerations for these simple purchases. However, the process may also take into account, things such as the availability and costs of maintenance services and spare parts.

The terms of the accepted offer should be incorporated in the purchase order.

(a) Direct Contracting (Single/Sole Source Procurement)

Direct contracting without competition (Single/Sole Procurement), while a procurement method available to the project is considered only in specific circumstances and it must be demonstrated that it would not be feasible to apply a competitive tendering procedure. All direct contracting and single source selection are subject to the World Bank's prior review and no objection.

Direct Contracting may be considered only under some or all of the following circumstances:

- (i) An existing contract for goods, awarded in accordance with procedures acceptable to the World Bank, may be extended for additional goods of a similar nature. The World Bank shall be satisfied in such cases that no advantage could be obtained by further competition and that the prices on the extended contract are reasonable. Provisions for such an extension, if considered likely in advance, shall be included in the original contract.
- (ii) Standardization of equipment or spare parts, to be compatible with existing equipment, may justify additional purchases from the original Supplier. For such purchases to be justified, the original equipment shall be suitable, the number of new items shall generally be less than the existing number, the price shall be reasonable, and the advantages of another make or source of equipment shall have been considered and rejected on grounds acceptable to the World Bank.
- (iii) The required equipment is proprietary and obtainable only from one source.
- (iv) The Contractor responsible for a process design requires the purchase of critical items from a particular Supplier as a condition of a performance guarantee.
- (v) In exceptional cases, such as in response to natural disasters.

After contract signature, the purchaser is required to publish, in UNDB online, the name of the contractor, price, duration, and summary scope of the contract. This publication may be done quarterly and in the format of a summarized table covering the previous period.

Where appropriate, purchasers should inquire into the prices paid by other recent purchasers of goods or examine recent contracts of a similar nature, to determine the fairness of the quoted price for single source procurement. Delivery requirements should be considered when comparing prices. The contractors or suppliers hired by direct contracting must be qualified to supply the goods on time, meeting specifications and fulfilling the special requirements of the sole source contract. They should also be required to meet any performance security and warranty conditions that would normally apply in a competitive tendering situation.

## 5.11. SELECTION PROCESS FOR CONSULTANCY SERVICES

(a) Quality and Cost-Based Selection (QCBS) Method

This method is based on the quality of the proposals and the cost of the services to be provided. Under this method the cost of the proposed services is the primary selection factor. Some other considerations include the following:

- (i) The scope of work of the assignment is precisely defined and the TOR is clearly specified;
- (ii) The cost, estimated staff time, and other inputs required for the assignment are indicated early; however, these estimates may be amended as appropriate.

Proposals submitted after the specified deadlines are rejected. Evaluation of proposals is based on quality and cost criteria, each of which is carried out separately. The World Bank will issue a "no objection" for the evaluation and the evaluation report when completed.

(b) Quality-Based Selection (QBS) Method

This is based on an evaluation of the quality of the proposals and the subsequent negotiation of the financial proposal and the contract with the consultant who submitted the highest ranked technical proposal. Under the QBS method:

- The impact of the assignment is large and the quality of the services is the overriding factor for the outcome of the project;
- The complexity of the assignment makes it difficult to precisely define the scope of work and the TOR;
- Cost proposals may not be comparable due to differently methodology used by the consultant; and
- Cost is not a factor resulting in lengthy contract negotiations with the winning consultant.

(c) Selection under a Fixed Budget Method (SFB)

This selection method is based on the available budget which is disclosed in the Request for Proposals (RFP) and only the consultant whose technical proposal is within the budget is selected. Due to cost constraint, the scope and quality of service are adjusted to the budget. SFB method is used for (a) simple assignments that are well defined; and (b) the financial risk for the consultant is low; and (c) funds allocation lacks flexibility due to fixed amounts from donors.

The following criteria are present when using SFB:

- (i) The budget is fixed and cannot be exceeded;
- (ii) The TOR are precisely defined;
- (iii) The time and staff-month required for the assignment are precisely ascertained; and
- (iv) The TOR is consistent with the budget established for the assignment.

(d) Least Cost Selection Method (LCS)

Under the Least Cost Selection (LCS) method a pre-determined minimum qualifying mark for quality is disclosed in the RFP. Any technical proposals scoring less than the minimum technical qualifying mark are rejected, and the consultant with the lowest evaluated price is selected. LCS is used for small assignments for which the practices and standards are well established and in which specific outcome is expected.

(e) Selection Based on Consultant's Qualification Method (CQS)

This method is used for small assignments and the objective is to reduce the cost of a full selection process as well as the time needed to recruit a consultant. It may also be suitable for assignments with limited scope and duration and requires a consultant with the best possible qualifications. Under this method, the TOR is prepared before publishing the request for expression of interest (REOI) and information regarding the consultant's qualification, competence and experience relevant to the assignment is required. Only the selected consultant with the best qualifications, references and technical and financial proposals is invited for contract negotiations.

(f) Single Source Selection (SSS)

Under this method, a specific consultant is requested to prepare technical and financial proposals for negotiation; it is used in exceptional cases since the selection is not competitive and it is based on strong and convincing justifications. Some of the criteria for using the SSS method may include:

- (i) Assignment is a continuation of a previous one awarded competitively, and the performance of the incumbent consultant has been satisfactory; or
- (ii) Prevailing condition of the operation calls for a quick selection of the consultant;
- (iii) Value of the contract is considered small; or
- (iv) Only the selected consultant possesses the unique qualifications or experience of to execute the assignment.

The likelihood of retaining an incumbent consultant for a downstream work on a continuing project must be disclosed on the RFP for the original assignment.

(g) Commercial Practices

In some cases, the World Bank provides a loan to a financial intermediary that finances private enterprises or autonomous commercial enterprises in the private sector. These practices should follow

Bank principles for the selection of consultants and be acceptable to the World Bank. However, the World Bank recommends consideration be given to using one of the competitive methods described above, particularly for large assignments.

## 5.12. TENDER DOCUMENTS

The PIU shall prepare tender documents for each proposed purchase involving international and national competitive tendering, both to inform and instruct potential bidders, suppliers and contractors of the requirements expected of them in particular procurement opportunities. Tendering documents should be drafted to permit bidders to submit responsive tenders. Tender documents should clearly define the scope of goods or services to be supplied, the rights and obligations of the PIU and of suppliers and contractors, and the conditions to be met in order for a tender to be declared valid and responsive. They should also set out fair and non-discriminatory criteria for selecting the winning tender.

Tender documents should thus:

- (i) Encourage eligible and potentially qualified firms to tender, by making reasonable demands for information and form-filling;
- (ii) Not discriminate against any potential bidder; and
- (iii) Provide a clear and objective means of evaluating the bidders.

The detail and complexity of tendering documents vary according to the nature and size of the contract, but they generally would include the following:

- (i) *Invitation for Tender (IFT)*: the IFT (or SPN) would be used by the PIU Procurement Team to invite potential bidders to present their tenders for the project at hand, and it would describe the project, the source of financing and indicate the goods or services to be procured.
- (ii) *Instructions to Bidders (ITB)*: the ITB provides information to bidders regarding the form, procedure and timing of tendering.
- (iii) *The Tender Data Sheet (TDS)*: the TDS specifies the parameters of the Instructions to Bidders for the particular procurement including source of funds, eligibility requirements, procedure for clarification, tender preparation form, number of copies to be submitted, language of the tenders, pricing and currencies and currency conversion mechanism, instructions on modification and withdrawal of tenders, tender submission procedures, closing date, tender validity period, opening and evaluation of tenders, and award of contract procedures, procedure for correction of mathematical discrepancies in tenders, purchaser's right to accept any tender and reject any or all tenders; award criteria; notification of award and procedures for signing of contract.
- (iv) *Evaluation and Qualification Criteria*: this section specifies the criteria that the PIU Procurement Team will use to evaluate the tenders and post-qualify the lowest evaluated Bidder.
- (v) *The General Conditions of Contract*: sets out the general provisions of the contract between the PIU and the bidder awarded the contract.
- (vi) *Particular Conditions of Contract*: complements the General Conditions of Contract for the particular procurement.
- (vii) *For Goods: Schedule of Supply*: this specifies the quantities, delivery dates and locations for the items required by the purchaser.
- (viii) *The Technical Specifications and Drawing*: this details the characteristics of the technologies and technical services required (and for goods/equipment specify the common format in which bidders must present their materials, including a technical responsiveness cross-reference form).
- (ix) *Tendering Forms*: these comprise forms for Tender Submission and Price Schedules, Tender Security, Contract Agreement, Performance Security, Bank Guarantee for Advanced Payment and/or the Manufacturer's Authorization.

- (x) *Country Eligibility for Provision of Goods and Services in Bank-Financed Procurement*: this is a list of countries from which firms are not eligible to participate in Bank-financed procurement.

In procurement procedures under ICB/ICT, Procuring Agencies are required to use Standard Bidding Documents (SBDs) issued by the World Bank, with minimum changes acceptable to the World Bank. No changes should be introduced to the Instructions to Bidders and the General Conditions of Contract. However, if changes are necessary to address country and project specific issues they may be introduced only through tender or contract data sheets or through Special Conditions of Contract.

The project shall use the following Standard Documents:

- (i) SBDs for Procurement of Goods (SBDG);
- (ii) SBDs for Supply and Installation of Plant and Equipment (SBDPE);
- (iii) SBDs for Supply and Installation of Information Systems; and
- (iv) Standard Tender Evaluation Form (STEF) - Procurement of Goods.

In addition, model documents for NCB/T and Shopping include:

- (i) Standard Tendering Document for Goods under NCT;
- (ii) Standard Invitation to Quote – International Shopping; and
- (iii) Standard Invitation to Quote – National Shopping.

In ICB/ICT, the specification must be drafted to permit the widest possible competition, and at the same time make a clear statement of the required standards of workmanship to be provided, standards of plant and other supplies and performance of the goods and services to be procured. Only if this is done will the objectives of economy, efficiency and fairness in procurement be realized, responsiveness of tenders be ensured, and the subsequent task of tender evaluation be facilitated.

Care must be taken in drafting specifications to ensure that they are not restrictive. In specifications for standards for materials, equipment, plant, workmanship and other supplies, international standards should be used as much as possible. Where other standards are used, whether national standards of South Sudan or other standards, the specifications should state the acceptability of other equivalent standards, which ensure substantially equal quality to the standards mentioned will also be acceptable.

In the procurement of goods or the supply and installation of plant and equipment, reference to brand names, catalogue numbers or other details that limit any materials or items to a specific manufacturer should be avoided as far as possible. Where unavoidable, such item description should always be followed by the words “substantially equivalent”. Technical specifications in this instance should be descriptive and give the full requirements in respect of, but not limited to, the following:

- (i) Standards of materials and workmanship required;
- (ii) Details of all factory tests required (type and number);
- (iii) Details of all work required to achieve completion;
- (iv) Details of all pre-commissioning and commissioning activities to be performed by the Contractor; and
- (v) Details of all functional guarantees required and liquidated damages to be applied in the event that such guarantees are not met.

It is recommended that essential technical and performance characteristics and requirements, including maximum or minimum acceptable values, as appropriate, be summarized in a specific section, to be completed by the bidder providing the characteristics of the equipment offered and submitted as an Attachment to the tender form.

Contract Provisions in the SBDs  
General Conditions of Contract (GCC)

The GCC in the tendering documents establish an accepted basis for similar procurement contracts. *GCC should not be changed by the PIU Procurement Team without the approval of the World Bank.*

*The GCC contains Operational Clauses. These establish the relationship between the project (PIU and participating MDAs) and the supplier/contractor.*

Operational Clauses contain information regarding:

- Definitions;
- Rights and obligations of both parties;
- Procedures for shipment and documentation;
- Delivery and transfer of risk;
- Terms and currencies of payment;
- Mode and form of dispute settlement;
- Governing language; and
- Applicable law.

Protective Clauses: They establish protection against various risks and allocate them between the parties. They include instructions on:

- Performance security;
- Retention of payments;
- Insurance;
- Inspection and tests;
- Warranty;
- Protection against third party infringement suits; and
- Force Majeure.

Variations: Unforeseen or planned changes during the life of the contract are provided for under these parts of the GCC. They cover the following:

- Quantity changes;
- Adverse physical conditions;
- Price adjustments; and
- Changes in delivery requirements.

Remedies: These clauses deal with the breach of contract by one of the parties. They include provisions on:

- (i) Forfeiture of performance security;
- (ii) Procedure for damages, penalties for delay;
- (iii) Procedure for suspension and termination; and
- (iv) Non-payment or failure to provide required approvals and information.

#### Special Conditions of Contract

Special Conditions of Contract contain provisions that should be drafted specifically by the PIU Procurement Team for each procurement transaction. Unlike the other sections of SBDs, the Special Conditions of Contract do not generally contain mandatory provisions and are meant to assist the Purchaser (PIU) in providing contract-specific information relating to corresponding clauses in the General Conditions of Contract. The provisions of the Special Conditions of Contract complement the General Conditions of Contract, specifying contractual requirements linked to the special circumstances of the Purchaser (PIU), the sector and the goods or services to be purchased.

In preparing the Special Conditions of Contract, the PIU Procurement Team should take into consideration the following aspects:

- Data that complements the General Conditions of Contract must be incorporated; and

- Amendments and/or supplements to the provisions of the General Conditions of Contract, as necessitated by the specific circumstances of the purchase must also be incorporated.

Where there is a conflict between the provisions of the General Conditions of Contract and those of the Special Conditions of Contract, the provisions of the latter prevail.

#### Contract Securities

Contract securities are used to ensure that suppliers/contractors will perform their contractual obligations when an award is made after the procurement process. Securities include:

- (i) Tender and performance securities;
- (ii) Advance payment securities; and
- (iii) Retention money.

The first two groups of securities may be provided in the form of a bank guarantee or irrevocable Letter of Credit, cash, cashier's check or certified check or an insurance certificate. Retention money may be in the form of either cash retention or a bank guarantee or irrevocable LC. Securities must be denominated in the currency of the tender/contract or another freely convertible currency.

#### Tender Security

A tender security is required as part of the tender. It assures compensation to the PIU for the time and money lost if the successful bidder fails to honor their tender and enter into contract. Tender securities may not be required in small contracts and should not be too high. About 2% of the contract price is acceptable. The World Bank recommends that the amount of the tender security be fixed and that the security should remain valid beyond the tender validity period. A sample form establishing the acceptable wording should be included in the tendering documents.

The tender security should be released upon:

- (i) The end of the tender validity period, unless extended;
- (ii) Notice to the successful bidder of contract award; and
- (iii) Receipt of the successful bidder's signed contract and performance security.

#### Performance Security

Performance security is required as a condition of contract validity. It guarantees the contractor's obligations under the contract and should always be required where the contract value is large. However, the amount of the security should not exceed 10% of the contract price. A 30% Performance Bond/10% Performance Security is acceptable. The performance security may be called in part or in full in case the contractor fails to perform his obligations under the contract. Where there is no default, the performance security must be discharged after completion of the contract and at the latest upon expiration of the warranty period.

#### Advance Payment Security

Another form of security is the advance payment security which guarantees any advance payment made by the PIU against the contractor's failure to repay such advance. It is in the form of a bank guarantee or irrevocable letter of credit for an amount equal to the advance payment and is normally callable on demand.

#### Retention Money Security

Retention money represents a portion of the payments due under a contract which is retained to ensure performance by the supplier/contractor. When used as a guarantee, it should not exceed 5% of the contract value. Instead of the PIU retaining part of the due payments, the supplier/contractor may also provide a money retention security in form of a bank guarantee or irrevocable Letter of Credit.

### 5.12. Qualification of Bidders

#### (a) Prequalification



The Financing Agreement will usually specify whether prequalification is required and for which categories of contracts. Prequalification is common for some special goods and complex information technology systems. However, prequalification is not generally needed for vehicles, PC supply and ordinary goods. Prequalification should be carried out using the current Bank's Standard Prequalification Document.

(b) Post qualification of Bidders

In the absence of prequalification, the World Bank requires Procuring Agencies (in this case the PIU Procurement Team) to undertake post-qualification of bidders who tender for procurement contracts. Post-qualification involves a determination by the PIU that the bidder, supplier or contractor submitting the lowest responsive evaluated tender, has the capability and the capacity to perform the contract. If this bidder fails to demonstrate the necessary experience and capability to carry out the contract, the tender is rejected and the next lowest evaluated bidder is subject to post-qualification. Post qualification is suitable for use in the procurement of goods under ICB/ICT or NCT.

Post qualification should be based entirely upon the technical, managerial and financial capabilities of the Bidder to perform the particular contract satisfactorily and taking into consideration the bidder's past performance history. It should be based on compliance with quantifiable clearly identified minimum thresholds, which establish the capability of a Bidder to carry out the contract satisfactorily. A Bidder is qualified if it meets all the required criteria on a pass/fail basis. The criteria should also be objective and should not be unfairly discriminatory. Qualifications of the lowest evaluated bidder should be scrutinized using data submitted by the bidder as well as information gathered by the PIU Procurement Team.

To ease evaluation during the process of post qualification, the tender documents should contain a questionnaire on qualifications similar to that which the PIU Procurement Team would use in a prequalification document. The criteria for post qualification should be clearly set out in the tender documents. When practical and appropriate, the minimum qualification requirements should be listed in the Invitation for Tenders, to provide guidance to potential bidders as to whether in their own judgment they are qualified to submit tenders.

Information that bidders should provide with their tenders include:

- Financial data
  - Audited financial statements for the past three financial years; and
  - A banker's statement.
- Performance data
  - Information on similar deliveries in the last three years;
  - Description of competence of the bidder's technical personnel;
  - Certification by official quality control institutes; and
  - Information on actual performance of same goods in similar environment.

After post qualification, the PIU Procurement Team would prepare and submit to Bank a detailed Standard Tender Evaluation report, indicating how the recommendation for award was reached or determined.

### 5.13. Tender Comparison and Evaluation

Tenders should be opened at a time and place specified in the tender document and data sheet, in the presence of the bidders or their representatives who wish to be present. Members of civil society or the press should not be excluded if they wish to attend. The name of the bidder and total amount of each tender, and of any alternative tenders if they have been requested or permitted, should be read aloud and recorded when opened.

Tender evaluation may begin promptly after tender opening. The basic sequence for tender evaluation activities for goods consists of the following steps:

- (i) Preliminary examination;
- (ii) Determination of tender responsiveness;
- (iii) Correction of arithmetic errors;
- (iv) Conversion to common currency;
- (v) Quantification of omissions and deviations;
- (vi) Application of evaluation criteria;
- (vii) Comparison of tenders;
- (viii) Verification of qualifications of the lowest evaluated bidder and
- (ix) Preparation of evaluation report.

(a) Tender Evaluation Committee

In order to examine and evaluate tenders, an Ad-hoc Evaluation Committee comprising (AEC) of the PIU, MICT&PS staff will be assigned by the PSC to evaluate procurement of goods using ICB as well as NCB methods and all consultancy selections. It should be composed of a minimum of:

- Three qualified members, preferably persons who participated in the preparation of or are familiar with tendering documents;
- The members should be obliged to declare any conflict of interest and exclude themselves from tender evaluation.

In appointing members of the Ad-hoc Evaluation Committee, the PIU should consider the purpose of procurement being carried out and ensure appropriate technical and informed personnel are included. Ideally membership should be an odd number to allow the Chair to take decision in case of tied decisions.

The Ad-hoc Evaluation Committee is responsible for the evaluation and comparison of the tenders received and for the preparation of the Tender Evaluation Report, which will be submitted to the PIU and to the World Bank after the process is complete. The following sections describe in detail the steps to be followed by the Committee carrying out the evaluation.

(b) Preliminary Examination

The tender examination phase begins immediately after the public tender opening with a preliminary examination of the tenders. Except for decisions about rejecting tenders received after the closing date and time, which is mandatory for all late tenders, other decisions about whether a tender is compliant with tender document requirements should not be made during the tender opening.

The preliminary examination of tenders determines whether the tenders meet the general procedural requirements of the tendering documents. In particular, the Committee should examine tenders for compliance with the following requirements, using the tendering documents as the reference point:

- (i) The Tender should be signed properly by an authorized party, including a Power of Attorney if stipulated and is generally in order;
- (ii) Tender securities should be in acceptable format, for suitable amount and duration;
- (iii) Tender packages should contain all required documents including supporting evidence of bidder eligibility and qualifications;
- (iv) Changes should be initialed;
- (v) The mathematical calculations should be properly computed - if not, corrections should be made; and
- (vi) Tenders should be complete and quote prices for all items in the lot or package if so stipulated in the tendering document.

The purpose of this examination is to eliminate any tenders from further and more complicated consideration if they do not meet the minimum standards of acceptability as set out in the tendering documents and are therefore not substantially responsive. However, the Evaluation Committee should exercise reasonable judgment in applying these tests and should avoid rejecting tenders on trivial procedural grounds. The latter can be rectified through the clarification process without giving any

benefit to the bidder and without prejudice to the interests of other bidders and need not be causes for rejection. Such discrepancies should be noted, however, and decisions about their acceptance or rejection should be recorded in the tender evaluation report.

(c) Correction of Arithmetic Errors

Tenders should be checked carefully by the evaluation committee for arithmetic errors in the tender form to ensure that:

- (i) Stated quantities and prices are consistent;
- (ii) The quantities are the same as stated in the tendering document;
- (iii) The total tender price for each item is the product of the quantity and the quoted unit price. If there is a discrepancy, the quoted unit price shall govern in the recalculation. Prices spelled out in words shall take precedence over numeric quotations in case of differences.

The Evaluation Committee should correct all arithmetic errors and notify each bidder of the detailed changes. The Bidder must accept such arithmetic corrections, or its tender should be rejected.

(d) Application of Evaluation Criteria

The preliminary examination stage of tender evaluation described above is aimed at making sure that the tenders received are substantially responsive. A substantially responsive tender is one that conforms to all the terms, conditions and specifications in the tendering documents without material deviations, reservations or omissions. After the preliminary tender evaluation stage, the tenders should be taken through a detailed evaluation in order to select the bidder whose tender complies with the technical requirements in tendering documents, as well as offers the PIU the lowest price for the goods and/or services to be procured.

During the tender evaluation period Bank policy requires the PIU to strictly adhere to the following principles:

- Ensure that the tender evaluation process is strictly confidential;
- Reject any attempts or pressures to distort the outcome of the evaluation;
- Reject any proposed action likely to lead to fraud and corruption;
- Comply with the World Bank's prior review requirements, if necessary; and
- Strictly apply only the evaluation and qualification criteria specified in the tendering documents.

(e) Conversion to Common Currency (Only if tenders may be priced in foreign currency, such as in ICB/ICT, LIB, International Shopping)

In order to minimize the foreign exchange risk for bidders in ICB/ICT, the Guidelines allow every bidder to express its tender price in the currency or currencies of any member country (up to a maximum of three currencies). This provision effectively causes the Purchaser (PIU) to carry the exchange risk rather than bidders and eliminates disadvantages some bidders would otherwise experience because of differences in strengths of bidders' currencies, which would translate into higher tender prices. However, it results in tenders being presented in a wide variety of currencies which must be converted to a single common currency before they can be compared.

The Tender Data Sheet in the tendering document will specify a calendar date as the reference date for currency conversions. It will also indicate the source to be used for obtaining exchange rate information for that date, usually the World Bank of South Sudan (BoSS) official rates. These published rates for each currency of tender are applied to the quoted prices of each bidder to calculate the equivalent common currency figures for tender comparison purposes.

(f) Evaluation of Tenders on the Basis of Price Only

In the procurement of simple commodities, semi-finished raw materials and goods, where all offers are of identical and comparable material, price alone is an appropriate deciding factor.

For purposes of comparing local and foreign tenders for goods contracts under ICB/ICT, the Tender Evaluation Committee should compare the ex-works (EXW) price of goods manufactured in South Sudan with the CIP (named place of destination) price of foreign goods and add the quoted price for inland transportation to the place of final destination.

Under NCT and National Shopping, the prices are obtained and compared on the basis of all taxes having been included.

#### (g) Delivery Schedules

Delivery schedule offered by a Bidder may be taken into account if specified in the Tendering Documents as follows:

- During tender evaluation under ICB/ICT, the estimated time of arrival of goods should be calculated for each tender after allowing for reasonable international and inland transportation time.
- The Tender Evaluation Committee should then treat the Tenders resulting in such arrival time as the base and a delivery “adjustment” calculated for other tenders by applying a percentage, specified in the tendering documents of the EXW/CIP price for each week of delay beyond the base. The Committee should add this to the tender price for evaluation.

Whenever possible, the PIU should initiate procurement sufficiently early so that delivery schedules normally available in the market are acceptable and avoid payment of additional premium for urgent deliveries. The tendering documents should indicate the latest delivery schedule acceptable to the PIU. A tender offering delivery beyond this time would be clearly non-responsive. No advantage should be given for early delivery unless this will produce real benefits to PIU.

Where tendering documents require delivery of goods in partial shipments, tenders offering delivery earlier or later than the specified dates should be adjusted by adding to the tender a factor equal to the percentage to be specified in the documents, of the EXW/CIP price per week of variations from the specified delivery schedule.

#### (h) Cost of Spare Parts

In the procurement of simple durable goods such as vehicles, the cost of initial and subsequent spare parts is very important as it adds up to a substantial part of the maintenance costs. Bidders should be required to include in the tender the price of spare parts over a specified period of time. These prices are added to the tender price when evaluating the tenders. Bidders should also be asked to include the costs of maintenance and the supply of spare parts. After the lowest evaluated bidder is determined, the PIU and such bidder could enter into an appropriate arrangement for both the supply of spare-parts and maintenance as may be required in the specific circumstances.

##### (i) Evaluation on the Basis of Life Cycle Cost

Life cycle cost is the assessment of the initial acquisition cost plus the follow-on ownership cost to determine the total cost during the life of equipment. In the procurement of equipment in which the follow-on cost of operation and maintenance are substantial, a minor difference in the initial purchase price between two competing tenders can easily be overcome by the difference in follow-on cost. In these cases, it is most appropriate for the PIU to evaluate tenders on the basis of life cycle cost.

##### (j) Deviations from the Requirements of Tendering Documents

Bidders sometimes submit tenders that deviate from the specifications required by the tender documents. Deviations include exceptions, exclusions, qualifications, conditions, stated assumptions, alternative proposals and changes to stated requirements. Deviations may either be material or non-material. Material deviations are:

- (i) Those which affect the scope and quality or performance of a contract;
- (ii) Limits the PIU’s rights or bidders’ obligations; and
- (iii) Affect unfairly the competitive position of other bidders.

A tender which has complied with all the mandatory requirements of the tendering documents but has minor or non-substantial deviations from the tendering documents, should be retained for more detailed evaluation and should not be rejected. On the other hand, one which is not substantially responsive because it contains material deviations to the terms, conditions and specifications in the tendering documents should not be considered further. In determining whether a tender is substantially responsive, the Evaluation Committee, apart from taking into consideration the general procedural issues, would also consider the bidder's compliance with the required technical specifications and the commercial aspects of the tender. Deviations may be clarified by bidders but bidders may not withdraw their bids on account of deviations.

The following examples are considered to be non-material deviations and would be permissible in a "substantially-responsive" tender:

#### Commercial Aspects

- A tender offering delivery at a date slightly different from that indicated in the tender invitation, unless it is later than an absolute cut-off date that is clearly stated as such in the tendering documents;
- A tender with a fixed price in response to tendering documents calling for bidders to submit prices subject to price adjustment (the reverse situation, i.e., a submitted price subject to adjustment when a fixed price is called for, would normally not be permissible); or
- A tender having minor deviations in payment terms.

#### Technical Aspects

- A tender offering alternative goods that are equal or superior in specifications and performance, unless the tender documents explicitly prohibit consideration of any alternatives;
- A tender which offers goods with minor deviations from the technical specifications which do not affect the suitability of the goods for the intended use; and
- A tender which offers the equipment specified but has omitted minor attachments and components, e.g. a tool kit in motor vehicle. However, the Evaluation Committee must quantify this deviation in monetary terms during the detailed evaluation process prior to comparing such tender with the other tenders.

The tender document is the authoritative source for determining whether various kinds of deviations are acceptable in a particular case. If it does not specifically rule out or set limits on commercial deviations, these can be evaluated on present value calculations. Specifications and Tender Data Sheets should indicate if technical deviations are acceptable and, if so, what criteria and procedures should be used for their evaluation.

#### (k) Confidentiality

The World Bank's Procurement Regulations stress the confidential nature of the evaluation process. After suppliers, contractors and consultants have submitted their tenders to the PMS Procurement Team by the required deadline, the tender evaluation process outlined above begins on the date indicated in the tendering documents for tender opening.

#### (l) Rejection of All Tenders

In some situations the PIU is permitted by the World Bank to reject all tenders submitted in response to an invitation for tenders. However, usually the approval of the World Bank must be obtained by the PIU Procurement Team.

The PIU may reject all tenders under the following circumstances:

- Where the price in the lowest evaluated tender exceeds the PIU budget by a substantial margin; and
- Tenders were not responsive to the requirements in the tender documents.

Where all the tenders are rejected, the PIU should review the tendering documents and make any appropriate revisions. The PIU should then invite new tenders on the basis of the revised tendering documents.

#### 5.14. The Standard Tender Evaluation Report

Upon completion of the evaluation process the Tender Evaluation Committee should prepare a tender evaluation report setting out the process by which it evaluated the tenders, to be submitted to the PIU for approval. This report covers among other things:

- (i) Key dates and steps in the tendering process;
- (ii) Tender prices, corrections, and discounts;
- (iii) Additions, adjustments and price deviations;
- (iv) Technical evaluations if any;
- (v) Post qualification results;
- (vi) Names of bidders rejected and reasons for rejection of tenders; and
- (vii) The contract award recommendation.

#### 5.15. Award and Signing of the Contract

Once the Evaluation Committee has evaluated the tenders and made a determination on the lowest evaluated responsive tender, and a decision has been made about the award by the Project Coordinator, the PIU should:

- (i) Request and obtain the World Bank's "no-objection" prior to awarding the contract, if applicable;
- (ii) Negotiate the award with the successful bidder;
- (iii) Require the selected bidder to provide performance security in that specified in the Tender Documents;
- (iv) Send notification of the award, and a contract form to the successful Bidder in a manner and within the time specified in the tendering documents;
- (v) Request the Bidder to return the signed contract together with the required performance security within the time specified in the tendering documents; and
- (vi) Notify unsuccessful Bidders as soon as possible after receiving the signed contract and the performance security from the successful bidder.

If the successful Bidder fails to return the signed contract or provide the required performance security, the PIU may:

- Require forfeiture of the Bidder's Tender Security; and
- Proceed to offer the contract to the second lowest evaluated Bidder, provided that he is capable of performing satisfactorily.

#### 5.16. Publication of Contract Awards

Within two weeks of receiving the World Bank's "no objection" to the recommendation of contract award, the PIU shall publish in UNDB online the results identifying the bid and lot numbers and the following information:

- (i) Name of each bidder who submitted a bid;
- (ii) Bid prices as read out at bid opening;
- (iii) Name and evaluated prices of each bid that was evaluated;
- (iv) Name of bidders whose bids were rejected and the reasons for their rejection; and
- (v) Name of the winning bidder, the price it offered as well as the duration and summary scope of the contract awarded.

#### 5.17. Bank Review of Procurement Decisions

##### (a) Scheduling of Procurement

The World Bank will review the procurement arrangements proposed by PIU in the Procurement Plan for its conformity with the Financing Agreement and the World Bank's Procurement Regulations. The Procurement Plan would usually cover an initial period of at least 18 months. The PIU is required to update the Procurement Plan every after six months or as needed. Any revisions proposed to the Procurement Plan, after it has been approved shall be sent to the World Bank for its prior approval. Procurement plans are published by the World Bank once approved.

(a) Prior Review

For Prior Review arrangements, see Section 5.7 above.

(b) Post Review

For Post Review arrangements, see Section 5.7 above.

### 5.18. Contract Process Trail and Accountability

#### (a) Records Management

The World Bank requires Borrowers to maintain records on each of the steps taken during the procurement process. Where contracts are to be awarded on the basis of competitive bidding, the procuring entity should maintain a complete record of the process and documentation. In addition, the World Bank reserves the right to audit, at any time, any procurement transactions. Consequently, for each transaction, the following procurement records must be maintained for this project:

- i. A copy of the Procurement Plan and identification of the particular contract on the plan;
- ii. Advertisement notices, RFP, bidding documents, Supplier Bids/Proposals, Bid/Proposal evaluation reports, letters of acceptance, contract agreements, securities, related correspondence, record of disputes/complaints (if any) and their resolutions;
- iii. The names, addresses and qualifications of suppliers, both successful and unsuccessful, that submitted Bids/Proposals, including notification/regret letters to the unsuccessful bidders;
- iv. The notes about the rounds of rejecting the bids/proposals;
- v. If, the bid/proposal evaluation did not result in a contract, a statement to that effect and the reasons thereof;
- vi. Prequalification documents (if used) and resulting decisions to accept or reject applicants;
- vii. Bid documents and addenda;
- viii. Records of any pre-bid meetings;
- ix. Bid opening minutes;
- x. Bid evaluation results including summary rating sheets;
- xi. Appeals against procedures or award recommendations; and
- xii. A signed copy of contract and performance securities.

For small contracts or goods purchased using shopping procedures, a database should be maintained showing:

- (i) The current market price for commonly needed items;
- (ii) Names of suppliers invited to submit written price quotations for each lot, and their prices; and
- (iii) Names of selected suppliers, quantity and value of orders.

For contract administration process, the following should be done:

- (i) Keeping records of contractual notices issued by the supplier contractor, purchaser or employer; Maintaining a detailed record of all changes or variation orders issued affecting the scope, quantities, timing or price of the contract;
- (ii) Records of invoices payments;
- (iii) Certificates of inspection, acceptance; and
- (iv) A copy of the purchase order.

These records should be available for review and examination by the TTL, Procurement Specialist and other designated World Bank staff during evaluation of the procurement as a whole and during procurement audits.

(b) Contract Register

The contracts registers will be used to monitor contract performance; that is, contract obligations, including progress payments, on the part of the two parties. The structure/format of the register will be similar to the Contract Monitoring Form (CMF).

(c) Central Register of Contracts

The PIU will maintain a register of all contracts entered into by the project. Each contract shall have, at least, a page in the register for monitoring contract progress.

In addition, the PIU will reserve a section in the Contract Register, for each contract, to monitor the financial obligation of the project towards each Vendor/Contractor. The second page of the Contract Register will have a format similar to the one shown in Table 5.5 below to monitor the status of the financial obligation of the project to each contract/contractor.

Table 5.5 Contract Register – Page 2

Date	INV #	Currency	Amount	Date	PV #	Beneficiary	Currency	Amount

Each contract shall have, at least, a page in the register for monitoring contract progress.

- Contract #
- Contractor/Vendor Name
- Vendor/Contractor ID
- Contract Description

(d) Contract execution monitoring/tracking

It is good practice to develop a tool for tracking contract obligations and deliverables – e.g. using of Excel spreadsheet.

In preparing such a spreadsheet:

- Carefully go through the whole contract and note every instance where there is a requirement, a deliverable or a specific obligation (look for “The Supplier shall...” and “Both parties will ensure that...”);
- Add sub-categories to filter all obligations relating to invoicing, for example, regardless of where they are in the contract; and
- Sort the spread sheet by “Due date” to plan forthcoming requirements or use it as a checklist to ensure the supplier/service provider complies with their obligations.

(e) Contract Revisions

Changes are almost inevitable during the period of a contract, particularly in the case of complex service contracts. They should not necessarily be seen as causes for concern but, when effectively managed, as opportunities to improve the contract outputs.

It is important to understand the implication of a contract revision for both parties. Significant revisions will affect the scope and potentially the viability of the contract for either party. If a revision results in



a reduction in the value or scope of the contract, the project could be faced with claims for increases in charges and/or legal claims that there was, for example, misrepresentation in relation to the likely volumes required over the period of the contract.

If the change results in a substantial increase in the value or scope, it is important that the project continues to ensure that value for money is secured. The PIU should also be aware that the requirements of the World Bank's procurement rules may affect what changes can be made and the World Bank's no objection may be required for the revision to be effected.

Contract Revisions can be driven by a number of factors such as:

- (i) Amendments to the project objectives;
- (ii) Changing needs of the project;
- (iii) Market changes;
- (iv) Technological developments;
- (v) Economic trends that affect the viability of the contract; and
- (vi) Legislative change.

These revisions in turn can lead to changes in the service required, the metrics needed, service infrastructure and workload.

## CHAPTER 6

### ENVIRONMENTAL AND SOCIAL SAFEGUARDS ARRANGEMENTS

#### 6.1. INTRODUCTION

The project will be implemented in accordance with the Stakeholder Engagement Plan (SEP), and the timelines specified in Environmental and Social Standards (ESS) documents as part of Environmental and Social Commitment Plan (ESCP). The Government of South Sudan has also prepared and disclosed an Environmental and Social Management Framework (ESMF), including the following as annexes: Resettlement Framework; Labor Management Procedures; Sexual Exploitation and Abuse and Sexual Harassment Risk Assessment, Prevention, and Response Action Plan; and E-Waste Management Plan as well as a Security Risk Assessment and Management Framework.

#### 6.2. ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

The MICT&PS will implement material measures and actions so that the project is implemented in accordance with the Environmental and Social Standards (ESSs). The Environmental and Social Commitment Plan (ESCP) sets out material measures and actions, any specific documents or plans, as well as the timing for each of these documents. The MICT&PS will also comply with the provisions of any other E&S documents required under the ESF referred to in this ESCP, such as a Stakeholder Engagement Plan (SEP), Labor Management Procedures (LMP) and the timelines specified in those E&S documents. The MICT&PS is responsible for compliance with all requirements of the ESCP.

Implementation of the material measures and actions set out in this ESCP will be monitored and reported to the World Bank by the MICT&PS as required by the ESCP and the conditions of the legal agreement, and the World Bank will monitor and assess progress and completion of the material measures and actions throughout implementation of the Project. As agreed by the World Bank and the MICT&PS, this ESCP may be revised from time to time during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to assessment of Project performance conducted under the ESCP itself. In such circumstances, MICT&PS will agree to the changes with the World Bank and will update the ESCP to reflect such changes. Agreement on changes to the ESCP will be documented through the exchange of letters signed between the World Bank and MICT&PS. The MICT&PS will promptly disclose the updated ESCP.

#### 6.3. REGULAR REPORTING

MICT&PS will prepare and submit to the World Bank regular monitoring reports on the environmental, social, health and safety (ESHS) compliance and performance of the project, including but not limited to the implementation of the ESCP, status of preparation and implementation of environmental and social (E&S) documents required under the ESCP, stakeholder engagement activities, functioning of the grievance mechanism(s). The PIU will prepare and submit monitoring reports to the World Bank on a quarterly basis throughout the project implementation period.

#### 6.4. INCIDENTS AND ACCIDENTS

MICT&PS will promptly notify any incident or accident related or having an impact on the project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including without limitation any allegations of gender-based violence, project-related occupational accidents or fatalities, or labor unrest. The MICT&PS will provide sufficient detail regarding the incident or accident, indicating immediate measures taken to address it and further remediation action plan where required. The PIU is responsible for notifying the World Bank within 48 hours after learning of the incident or accident using such reporting formats as may be required. A detailed report of the incident shall be provided within two weeks of making the initial report of the incident or accident, unless a different timeline is agreed with the World Bank.

## 6.5. ORGANIZATIONAL STRUCTURE

The PIU will include a functional environmental and social risk management organizational structure throughout project implementation with qualified Environmental and one Social Safeguards Specialists. The qualified E&S specialists shall be appointed one month after effectiveness. The organizational structure, including the E&S specialists, should be maintained throughout project implementation.

## 6.6. ENVIRONMENTAL AND SOCIAL ASSESSMENT/ PLANS AND CONTRACTORS

As set out in the ESCP, MICT&PS will:

- (a) Prepare, disclose, adopt, and implement the E-Waste Management Plan (E-WMP), Stakeholder Engagement Plan (SEP), a SEA/SH plan proportionate to the risk and a simplified Labor Management Procedures (LMP), in accordance with the ESSs, in a manner acceptable to the Association;
- (b) Ensure Terms of References (TORs) for relevant Technical Assistance (TA) include assessment of potential environmental and social implications and measures to ensure that the advice provided through the TA for addressing those implications is consistent with the ESF. The TORs will be reviewed and cleared by the World Bank.

## 6.7. STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE

### (a) Stakeholder Engagement Plan Preparation and Implementation

The project will prepare and adopt the Stakeholder Engagement Plan (SEP) which shall include measures to, inter alia, (i) provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation, and (ii) includes measures to reach tribal groups and ensure they are meaningful consulted with throughout project implementation, are informed and have access to the project in a culturally appropriate manner. MICT&PS will adopt and update the SEP prior to disbursement of funds and commencement of project activities.

### (B) GRIEVANCE REDRESS MECHANISMS

The project will harness existing GRMs if they are deemed appropriate. The grievance mechanism shall be publicized, maintained, and operated to receive and facilitate resolution of concerns and grievances in relation to the project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties (including ensuring that tribal groups are able to access the project's grievance mechanism in a culturally appropriate manner), at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10. The grievance mechanism shall also receive, register, and address concerns and grievances related to GBV/SEA-H in a safe and confidential manner and shall include the referral of survivors to GBV/SEA-H service providers.

### (C) LABOR MANAGEMENT

The project shall be carried out in accordance with the applicable requirements of ESS2 including through, inter alia, implementing adequate occupational health and safety measures (including use of personal protective equipment, , prohibition of child labor and forced labor, drafting codes of conducts including clauses and sanctions against Gender-based violence and/or sexual exploitation, abuse and harassment (GBV/SEA-H) behaviors, setting out grievance mechanisms for Project workers sensitive to GBV/SEA-H risks, and incorporating labor requirements into the ESHS specifications of the procurement documents and contracts). All staff shall be trained on GBV/SEA-H risks and codes of conduct expectations before starting work through project implementation. These requirements shall be detailed in Labor Management Procedures (LMP) and considered as required in the plans, instruments and measures.

#### 6.8. RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT

MICT&PS will develop and implement measures and actions to manage electronic waste and hazardous materials. An E-Waste Management Plan and relevant training will be prepared and adopted regarding proper handling and safe disposal of e-waste including other general and paper waste expected to be generated as the system become automated and voluminous archived paper records become redundant. The E-Waste Management Plan must be completed before computers or equipment are procured and replaced. One day of mandatory e-waste management training for contractors and government ministry staff.

#### 6.9. INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES

The SEP shall include the social, political, and economic dynamics of project planning and activities. A social assessment will guide the project on how to mainstream respective measures and suggest additional activities to address particular vulnerabilities.

#### 6.10. CAPACITY BUILDING

Capacity building and strengthening is part of the project and includes a capacity building plan with training topics which among others include:

- Management and disposal of electronic waste
- Capacity enhancement support including training for PIU staff based on the identified need to support project risk and E&S impact management.
- Grievance redress mechanisms
- Risk and prevention of gender-based violence, including the mechanism for submitting GBV/SEA-H complaints
- Occupational Health and Safety

**Table 6.1:** Environmental and Social Commitment Plan (ESCP)

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
<b>MONITORING AND REPORTING</b>			
A	<p><b>REGULAR REPORTING</b></p> <p>Prepare and submit to the World Bank regular monitoring reports on the environmental, social, health and safety (ESHS) compliance and performance of the Project, including but not limited to the implementation of the ESCP, status of preparation and implementation of environmental and social (E&amp;S) documents required under the ESCP, stakeholder engagement activities, functioning of the grievance mechanism(s).</p>	<p>Submit quarterly reports to the Association throughout Project implementation, commencing after the Effective Date. Submit each report to the Association no later than 30 days after the end of each reporting period.</p>	PIU
B	<p><b>INCIDENTS AND ACCIDENTS</b></p> <p>Promptly notify the Association of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury. Provide sufficient details regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising entity, as appropriate.</p> <p>Subsequently, as per the Association’s request, prepare a report on the incident or accident and propose any measures to prevent its recurrence.</p>	<p>Notify the Association within 48 hours after learning of the incident or accident using such reporting formats as the Association may specify.</p> <p>A detailed report of the incident shall be provided within fifteen (15) days of notifying the Association of the incident or accident, unless a different timeline is agreed with the Association throughout the Project implementation.</p>	PIU
C	<p><b>CONTRACTORS MONTHLY REPORTS</b></p> <p>Require contractors and supervising firms to provide monthly monitoring reports on ESHS performance in accordance with the metrics specified in the respective bidding documents and contracts and submit such reports to the Association.</p>	<p>Submit the monthly reports to the Association upon request.</p>	PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
D	<p><b>NOTIFICATIONS RELATING TO DAAB COMPLIANCE REVIEW OF CONTRACTOR COMPLIANCE WITH SEA/SH PREVENTION AND RESPONSE OBLIGATIONS</b></p> <p>Notify the Association of any referral submitted to the Dispute Avoidance and Adjudication Board (DAAB) to initiate a process of compliance review in relation to a contractor's obligations to prevent and respond to sexual exploitation and abuse (SEA), and/or sexual harassment (SH) specified in the respective works contract with such contractor; and, in the event of any such referral, notify the Association of: (i) the DAAB's decision on such referral; (ii) the contractor's Notice of Dissatisfaction, if any, with such DAAB decision; (iii) any notification received on the commencement of an emergency arbitration proceeding or full arbitration proceeding in relation to the DAAB's decision; and (iv) the resulting emergency arbitration order and/or full arbitration order, if any.</p>	No later than 7 days after the issuance or receipt, as applicable, of the relevant document (i.e., referral to the DAAB, issuance of DAAB decision, Notice of Dissatisfaction, notice of commencement of emergency/full arbitration, emergency/full arbitration order, as applicable).	PIU
<b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b>			
1.1	<p><b>ORGANIZATIONAL STRUCTURE</b></p> <p>Establish and maintain a PIU with qualified staff and resources to support management of ESHS risks and impacts of the Project including one environmental risk expert and one social risk management expert.</p> <p>In addition, the PIU will be supported by one Security Specialist, one Environmental and one social risk management consultant and other thematic consultants as required (e.g. in regards to Occupational Health and Safety (OHS), GRM, Gender Based Violence (GBV) etc.</p>	<p>Recruit for the PIU, an Environmental Specialist, a Social Specialist, and a Security Specialist as set out in the Financing Agreement, no later than three months after the Effective Date and thereafter maintain throughout Project implementation.</p> <p>Consultants shall be hired throughout Project implementation when required as agreed with the Association and specified in the Project Implementation Manual (PIM).</p>	PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
1.2	<p><b>ENVIRONMENTAL AND SOCIAL INSTRUMENTS</b></p> <p>1. Prepare, disclose, consult upon and adopt and implement an Environmental and Social Management Framework (ESMF) for the Project, consistent with the relevant ESSs, including:</p> <ul style="list-style-type: none"> <li>a) Project-wide environmental and social risk assessment in line with ESS1-ESS10</li> <li>b) Exclusion list</li> <li>c) Labor Management Procedures (LMP)</li> <li>d) Resettlement Policy Framework (RPF)</li> <li>e) Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) Action Plan</li> <li>f) Procedures for managing contractors</li> <li>g) Monitoring and reporting system</li> <li>h) Capacity Building and Training Plan</li> <li>i) Chance Find Procedures</li> <li>j) E-Waste Management Plan</li> </ul> <p>2. Prepare, disclose, consult upon, adopt and implement site-specific Environmental and Social Impact Assessments (ESIAs) and/or Environmental and Social Management Plans (ESMPs) as set out in the ESMF. The activities described in the exclusion list shall be ineligible to receive financing under the Project.</p>	<p>1. Adopt the ESMF prior to Project Effective Date and thereafter implement throughout Project implementation.</p> <p>2. Adopt the site-specific ESIA/ESMP before launching the bidding process for the respective Project activity that requires the adoption of such ESIA/ESMP. Once adopted, implement the respective instruments throughout Project implementation.</p>	PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
1.3	<p><b>MANAGEMENT OF CONTRACTORS</b></p> <p>Incorporate the relevant aspects of the ESCP, including, inter alia, the relevant E&amp;S instruments, as listed under 1.2. (ESIA, ESMP, RAP, LMP) and Code of Conduct into the ESHS specifications of the procurement documents and contracts with contractors and supervising firms. Thereafter ensure that the contractors and supervising firms comply and cause subcontractors to comply with the ESHS specifications of their respective contracts.</p> <p>Ensure compliance with the protocols for local implementation permissiveness as per the Project Implementation Manual (PIM) and Security Risk Assessment Management Framework (SRAMF).</p>	As part of the preparation of procurement documents and respective contracts. Supervise contractors throughout Project implementation.	PIU
1.4	<p><b>TECHNICAL ASSISTANCE</b></p> <p>Ensure that the consultancies, studies (including feasibility studies, if applicable), capacity building, training, and any other technical assistance activities under the Project are consistent with the ESSs. Thereafter ensure that the outputs of such activities comply with the terms of reference.</p>	Throughout Project implementation.	PIU
<b>ESS 2: LABOR AND WORKING CONDITIONS</b>			
2.1	<p><b>LABOR MANAGEMENT PROCEDURES (LMP)</b></p> <p>Adopt and implement , as part of the ESMF, the Labor Management Procedures (LMP) for the Project, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (OHS) (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA / SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.</p>	Adopt the LMP prior to the Effective Date, and thereafter implement the LMP throughout Project implementation.	PIU



MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
2.2	<p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b></p> <p>Establish, maintain, and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.</p>	Design grievance mechanisms as part of the LMP/ESMF, prior to Effective Date, and establish grievance mechanism prior engaging Project workers and thereafter maintain and operate it throughout Project implementation.	PIU
<b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	<p><b>E-WASTE MANAGEMENT PLAN</b></p> <p>Adopt and implement an E-Waste Management Plan (EWMP), as part of the ESMF, to manage hazardous and non-hazardous wastes, including proper management of construction wastes generated during excavation for fibre laydown and/or access road construction consistent with ESS3.</p>	Same timeframe as under Section 1.2 (1) above.	PIU
3.2	<p><b>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT:</b></p> <p>Incorporate generic resource efficiency and pollution prevention and management measures as per GIIPs and include in the respective sub-project specific ESMPs/ESIAs where applicable, including for construction waste generated during the excavation for fiber laydown and/ or access road construction.</p>	Same timeframe as for the adoption and implementation of the ESMF under Section 1.2 (1) above. Inclusion in site-specific ESMPs same timeline for adoption and implementation as ESIA/ESMPs under Section 1.2 (2) above.	PIU
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>			
4.1	<p><b>TRAFFIC AND ROAD SAFETY</b></p> <p>Incorporate measures to manage traffic and road safety risks as required in the ESMPs to be prepared under action 1.2 above.</p>	Same timeframe as for the adoption and implementation of the ESMPs/ESIAs under Section 1.2 (2) above.	PIU
4.2	<p><b>COMMUNITY HEALTH AND SAFETY</b></p> <p>Assess and manage specific risks and impacts to the community arising from Project activities, including in relation to e-waste, labor influx and other issues, and include mitigation measures in the ESMPs/ESIAs to be prepared in accordance with the ESMF.</p>	Same timeframe as for the adoption and implementation of the ESMPs/ESIAs under Section 1.2 (2) above.	PIU
4.3	<p><b>SEA AND SH RISKS</b></p> <p>Adopt and implement a SEA/SH Action Plan as part of the ESMF (1.2.) to assess and manage the risks of SEA and SH.</p>	Same time frame as for the adoption and implementation of the ESMF under Section 1.2 (1) above.	PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
4.4	<p><b>SECURITY MANAGEMENT</b></p> <p>Assess and implement measures to manage the security risks of the Project, including the risks of engaging security personnel to safeguard project workers, sites, assets, and activities, as set out in the Security Risk Assessment and Management Framework (SRAMF) guided by the principles of proportionality and GIIP, and by applicable law, in relation to hiring, rules of conduct, training, equipping, and monitoring of such personnel.</p> <p>Incorporate in the SRAMF; i) protocols for assessments of local implementation permissiveness, (ii) preparation of site-specific approaches to implement in a secure manner including respective fiduciary and ESF Bank requirements, and (iii) protocols for decisions of local readiness including on deployment, scale-down and discontinuation of project activities.</p>	Same timeframe as for the adoption and implementation of the ESMF under Section 1.2 (1) above.	
<b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>			
5.1	<p><b>RESETTLEMENT POLICY FRAMEWORK:</b></p> <p>Adopt and implement a Resettlement Policy Framework (RPF) for the Project, consistent with ESS5 as part of the ESMF (1.2.)</p>	Same timeframe as for the adoption and implementation of the ESMF, under Section 1.2 (1) above.	PIU
5.2	<p><b>RESETTLEMENT PLANS</b></p> <p>Adopt and implement a resettlement action plan (RAP) for each activity under the Project for which the RF requires such RAP, as set out in the RF, and consistent with ESS5.</p>	Adopt and implement the respective RAP-before commencing the relevant Project activity, including ensuring that before taking possession of the land and related assets, full compensation has been provided and displaced people have been resettled and moving allowances have been provided.	PIU
5.3	<p><b>GRIEVANCE MECHANISM</b></p> <p>Describe in the RPF and RAPs any distinctive feature as to how ESS5 related grievances will be handled.</p>	Same timeframe as under Sections 5.1 and 5.2 above.	PIU
<b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>			
6.1	<p><b>BIODIVERSITY RISKS AND IMPACTS</b></p> <p>Where relevant, adopt and implement mitigation measures and a mitigation hierarchy, in particular to risks associated with sensitive habitats, as part of the sub-project specific ESIA or ESMP, consistent with ESS6.</p>	Adopt measures with the same timeline as the site-specific ESMP/ESIA under Section 1.2 (2) above and thereafter implement throughout Project implementation.	PIU
<b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>			

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
7.1	<p><b>INDIGENOUS PEOPLES</b></p> <p>Prepare, disclose, consult, adopt and implement relevant instruments (such as an IPPF/IPP) when project sites are identified as required.</p>	Adopt and implement relevant instruments (e.g., IPPF/IPP) and throughout project implementation.	PIU
<b>ESS 8: CULTURAL HERITAGE</b>			
8.1	<p><b>CHANCE FINDS</b></p> <p>Describe and implement the requirements of ESS8 including Chance Finds procedures in ESMF and site-specific ESMPs. This procedure shall be followed if cultural heritage is encountered during Project activities. Ensure relevant workers shall be trained in the requirements of the procedure prior to ground disturbance during actual construction work.</p>	Same timeframe as under Sections 1.2 (1) and 1.2 (2) above, respectively.	PIU
<b>ESS 9: FINANCIAL INTERMEDIARIES</b>			
ESS 9 is not currently relevant. The Project will not make use of or support financial intermediaries as defined by this standard.			
<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<p><b>STAKEHOLDER ENGAGEMENT PLAN (SEP) PREPARATION AND IMPLEMENTATION:</b></p> <p>Project activities/subprojects will be implemented only in areas selected, through a consultative process; an exclusion list for activities that can have significant adverse impacts on ESS8; and address activities which have potential substantial adverse impacts on a known cultural heritage site through the ESMF screening process. Describe and implement the chance find procedures, as described in the ESMF of the Project and any other measures needed in accordance with ESS8; and will be detailed in site-specific ESMPs/ESIAs .</p>	Same timeframe as for the adoption and implementation of the ESMF under Section 1.2 (1) above. Inclusion in site-specific ESMPs same timeline for adoption and implementation as ESIA/ESMPs under Section 1.2 (2) above implementation.	PIU

10.2	<p><b>PROJECT GRIEVANCE MECHANISM:</b>  Establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10.</p> <p>The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.</p>	Establish the grievance mechanism prior to Project appraisal and thereafter maintain and operate the mechanism throughout Project implementation.	PIU
<b>CAPACITY SUPPORT (TRAINING)</b>			
CSI	<p>Training shall be provided to PIU staff, contractors communities on:</p> <ul style="list-style-type: none"> <li>• stakeholder mapping and engagement</li> <li>• specific aspects of environmental and social assessment and screening</li> <li>• GRM</li> <li>• Implementation and monitoring of ESMPs</li> <li>• Resettlement plan implementation</li> <li>• emergency preparedness and response</li> <li>• community health and safety.</li> <li>• SEA/SH awareness</li> <li>• Code of Conduct</li> <li>• E-Waste management</li> </ul>	Throughout Project implementation, as specified in the ESMF	PIU
CS2	<p>Training for Project workers shall be required on topics, including:</p> <ul style="list-style-type: none"> <li>• Occupational health and safety (OHS) including on emergency prevention and preparedness and response arrangements to emergency situations.</li> <li>• Workers' GRM</li> <li>• Code of Conduct</li> <li>• SEA/SH awareness</li> <li>• LMP</li> </ul>	Throughout Project implementation, as specified in the ESMF	PIU

**Table 7.2:** Summary of Stakeholder Needs

Community	Stakeholder Group	Key Characteristics	Language requirements	Preferred notification means (email, radio, phone, letter)	Specific needs (accessibility, large print, child care, daytime meetings etc.)
National Level	MDAs	Potentially Influencing Party	English	Memo/letter, email, telephone calls, in-person meetings	Meetings on at least semi-annual basis, hand-outs.
	Business Associations and Digital Businesses	Interested Party	English	Memo/letter, website, email, telephone calls, in-person meetings	Meetings on at least semi-annual basis, hand-outs.
	Universities and Educational Centers and healthcare centers	Potentially Influencing Party	English	Email, website, telephone calls, in-person meetings	Face to face meetings on a regular basis.
	Telecom and Insurance Providers	Interested Party	English	Email, telephone calls, in-person meetings	Face to face meeting on a regular basis.
	Internet Service Providers (ISP)	Interested Party	English	Email communication	Face to face meeting on a regular basis.
	Telecom Regulator and Implementing Authorities	Potentially Influencing Party	English	Email, telephone calls, in-person meetings	Face to face meeting on a regular basis.
	Construction Companies	Interested Party	English	Website, emails	
	Donor Partners and Multilaterals	Interested Party	English	Website, emails, in-person meetings	
	International NGOs	Interested Party	English	Website, emails	
Local Level	County Government	Interested Party	English and locally applicable languages	Email, telephone calls Face-to-face meetings, radio	Need for close coordination and information sharing for smooth implementation.
	Payam and Boma leadership	Interested Party	English and locally applicable languages	Email, telephone calls Face-to-face meetings, radio	Very important body - link between the community, the county and development partners. Contact should be initiated on a regular basis during implementation
	Municipal leadership	Interested Party	English and locally applicable languages	Email, telephone calls Face-to-face meetings, radio	Very important body - link between the community, the county and development partners. Contact should be initiated on a regular basis during implementation

Local leadership	Interested Party	Locally applicable languages	Email, telephone calls Face-to-face meetings, radio	Regular contact
Women and girls	Vulnerable Group	Locally applicable languages	Face-to-face meetings at community level, notice boards, radio	May be illiterate, methods must cater for that. Child care needs
Vulnerable Households	Vulnerable Group	Locally applicable languages	Notice board, Face-to-face meetings at community level, radio	Cannot afford services at high cost and may be illiterate
Youth	Vulnerable Group	Locally applicable languages	Notice board, Face-to-face meetings at community level, radio	Need to be empowered and should therefore be well as being integrated into consultations
IDPs and Returnees	Vulnerable Group	Locally applicable languages	Notice board, Face-to-face meetings at community level, radio	May find that their place of origin or home is occupied by other people
Ethnic minority groups	Vulnerable Group	English and locally applicable languages – in particular language of the minority group	Notice board, Face-to-face meetings at community level, radio	Feel marginalized and mechanisms need to be in place to empower and involve them in productive endeavours
Persons with disabilities	Vulnerable Group	Locally applicable languages	Notice board, Face-to-face meetings at community level, radio	May require different engagement methods to cater for disability and allow information to reach them
General community members	Potentially Influencing Party	Locally applicable languages	Notice board, Face-to-face meetings at community level, radio	Need to have clear information dissemination in order to be inclusive

## CHAPTER 7

### GRIEVANCE REDRESS ARRANGEMENTS

#### 7.1. OBJECTIVES

The Grievance Redress Mechanism (GRM) is intended to:

- Provide avenues for stakeholders to seek information and ask questions on the Public Financial Management and Institutional Strengthening project.
- Provide project affected people with avenues for registering concerns, complaints and resolving any disputes arising from project activities.
- Ensure that appropriate and mutually acceptable redress actions are identified and implemented to the satisfaction of complainants.
- Provide avenue for vulnerable groups and victims of SEA/SH to have equal access to grievance redress process and support.
- Avoid project-community conflicts and improve community support for the project activities.

#### 7.2. PRINCIPLES OF THE GRM

The operationalization of this GRM will be guided by the following principles:

- An accessible, inclusive, and free grievance mechanism, broadly disclosed, which facilitates the resolution of concerns and grievances in a safe, confidential, and timely manner;
- A grievance mechanism that allows stakeholders to file complaints by various means (face-to-face, mail, email, phone, text, website, and in person) and when necessary, in an anonymous manner;
- A grievance mechanism that provides a clear, impartial, and objective procedures for handling and responding to complaints, including timelines for acknowledgement, decisions, and appeals;
- A grievance process free of retaliation, abuse, or discrimination; and
- A grievance mechanism that provides an avenue for lodging SEA/SH cases in a safe, confidential, and non-stigmatizing manner and with a referral pathway for such cases.

#### 7.3. INTERNAL MANAGEMENT OF THE GRM

The overall management of the GRM will reside with the designated Environmental and Safeguard Focal Person. The Safeguard Focal Person will specifically be responsible for:

- The disclosure of the GRM to project stakeholders;
- Sensitization of implementing partners and staff on the GRM;
- Keeping records of all complaints received, updating, and closing complaints;
- Pre-empting and facilitating activities of Grievance Committees (GC);
- Checking if all grievances have been addressed and follow-up actions have been taken;
- Escalating cases to PIU;
- Referring survivors of SEA/SH cases to Gender Based Violence (GBV) service providers; and
- Monitoring and producing biannual performance report on GRM

#### 7.4. RECORD KEEPING

Once a complaint has been received, by any channel, it should be recorded in the complaints logbook or grievances (excel-sheet or grievance database). Once all possible redress has been proposed and if the complainant is still not satisfied then the complainant should be advised of their right to legal recourse.

#### 7.5. WORLD BANK GRIEVANCE REDRESS SERVICE (GRS)

Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the

WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, because of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit <http://www.inspectionpanel.org>.



## CHAPTER 8

### MONITORING AND EVALUATION ARRANGEMENTS

#### 8.1. INTRODUCTION

The M&E system is designed to assess whether implementation of the proposed program is on track to achieve its objectives and expected results. Progress in the achievement of program results will be measured through tracking the indicators established in the program Results Framework, as detailed in section VII of the PAD. The PIU will bear the primary responsibility for M&E and will establish standard formats and guidelines for data collection and reporting and organize training sessions for project stakeholders for their use. The PIU and project beneficiaries will be responsible for data collection and reporting for the indicators, according to the methodology detailed in the Results Framework.

Progress in achieving the PDO will be measured and monitored through the PDO and the intermediate results indicators of the results framework. The results framework provides indicators that are assessed under each component, including baselines and details concerning the reference data, target values, and frequency of data collection, as well as source and methodology.

The PIU's M&E specialist will coordinate with relevant units in the MICT&PS and other MDAs, to collect the relevant data for the project results indicators and provide reliable analysis. Reporting on project implementation progress will be done on a quarterly basis.

In addition to reporting on intermediate and outcome indicators, quarterly project progress reports will include information on disbursement, implementation of the annual workplan and budget, FM, procurement, E&S, and risk management.

#### 8.2. OBJECTIVES OF MONITORING AND EVALUATION

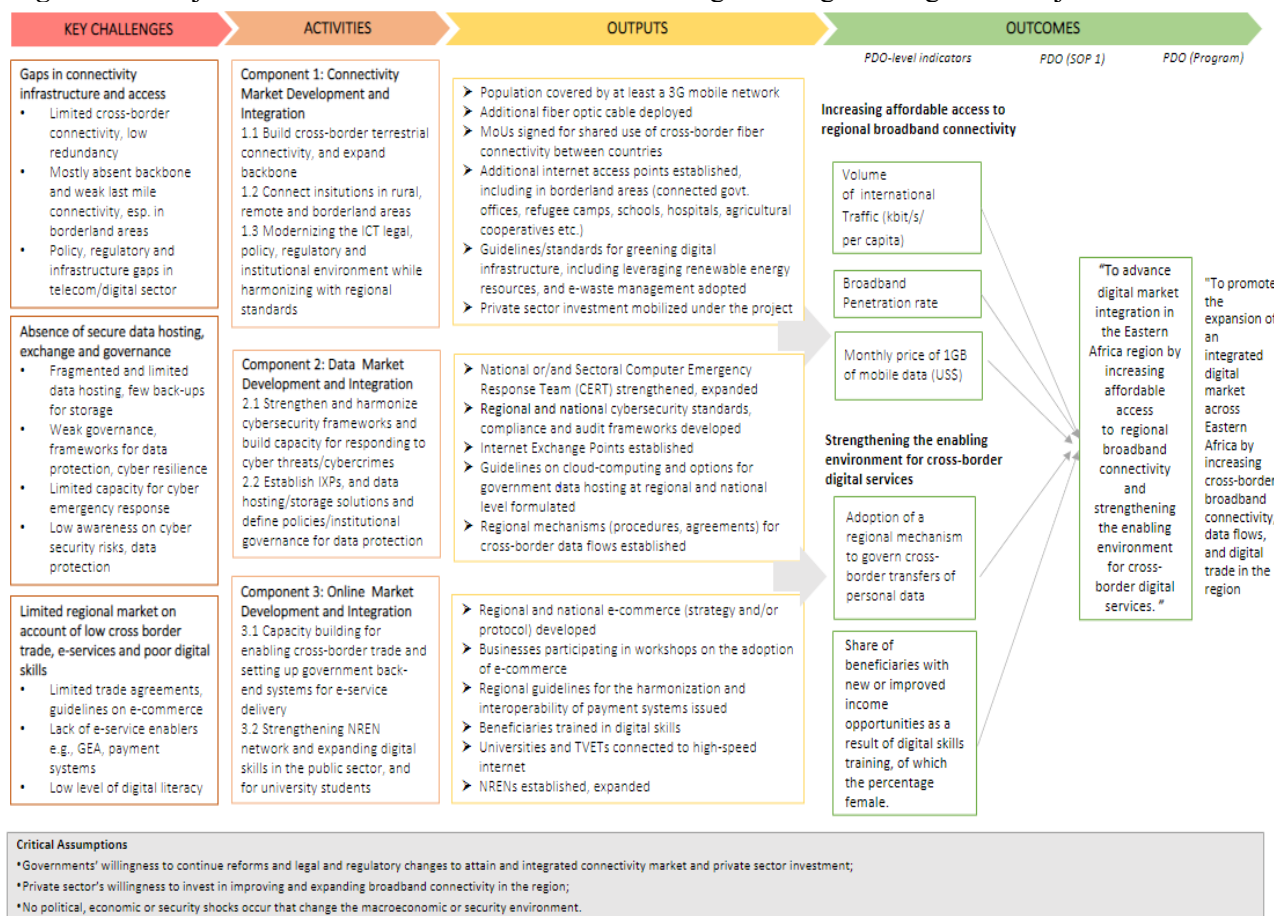
The main objectives of the M&E activities for the project are:

- to support information gathering and analysis for informing project management the quality of project implementation and tracking progress;
- to assess whether project activities are in compliance with the guidelines, operational stipulations, and agreed timelines detailed in the PAD and PIM; and
- to evaluate the outcomes and impact of the project in comparison to the results framework agreed for project implementation.

### 8.3. RESULTS CHAIN

The activities and outputs described in the project’s results chain below contribute to key outcomes that, in turn, demonstrate improvements as a result of the Eastern Africa Regional Digital Integration Project.

**Figure 8.1: Project Results Chain for the Eastern Africa Regional Digital Integration Project**



### 8.4. RESULTS FRAMEWORK

The results framework provides PDO and intermediate indicators that will be assessed to determine the progress toward achievement of the development objective. The results framework also elaborates the evaluation plan for data collection and monitoring. The results framework outlining the Projects Development Objective and Results Indicators including their definitions and monitoring plan is given in table 8.1.

#### (a) PDO Indicators

The Series of Projects (SOP) development objective is to promote the expansion of an integrated digital market across Eastern Africa by increasing cross-border broadband connectivity, data flows and digital trade in the region.

Phase I development objective of the SOP is to advance digital market integration in the Eastern Africa region by increasing affordable access to regional broadband connectivity and strengthening the enabling environment for cross-border digital services. The key indicators that will be used to monitor the PDO are summarized in Table 8.1 below. All relevant beneficiaries and other stakeholders are expected to review and understand these indicators for prompt and quality reporting.

**Table 8.1 Details of PDO indicators**

S/No.	Indicator Name	Baseline	End Target
<b>1. Increasing Access to Affordable Broadband</b>			
1.1	Volume of international data traffic (Used international bandwidth in Gbit/s/per capita) - (Number)	0.00	2.00
1.2	Broadband penetration rate (active mobile and fixed broadband per 100 people) - (Percentage)	5.00	25
1.3	Monthly price for 1 GB of Mobile broadband data (US\$) - (Amount (USD))	2.51	1.50
<b>2. Strengthening the Enabling Environment for Cross-border Digital Services</b>			
2.1	Share of beneficiaries with new or improved income opportunities as a result of digital skills training - (Percentage)	0.00	50.00
	Share of beneficiaries with new or improved income opportunities as a result of digital skills training, of which percentage female - (Percentage)	0.00	30.00

**(b) Intermediate Indicators**

The intermediate indicators are organized in the Result Framework for each of the project components. The indicator descriptions including the source for generating the data and responsibility are summarized in Table 8.2.

**Table 8.2 Details of intermediate indicators**

S/No.	Indicator Name	Baseline	End Target
<b>Component 1: Connectivity Market Development and Integration</b>			
1.1	Population covered by at least a 3G mobile network - (Percentage)	15.00	45.00
1.2	Additional internet access points established - (Number)	0.00	50.00
1.3	Guidelines/standards for greening digital infrastructure, renewable energy and e-waste management adopted - (Yes/No)	No	Yes
1.5	Private sector investment mobilized under the project – Amount (USD))	0.00	20,000,000.00
<b>Component 2: Data Market Development and Integration</b>			
2.1	Guidelines on government data hosting, including adoption of cloud computing, embedding energy efficiency - (Yes/No)	No	Yes
<b>Component 3: Online Market Development and Integration</b>			
3.1	e-Commerce (strategy and/or protocol) developed – Yes/No	No	Yes
3.2	Additional Universities and TVETs connected to high-speed internet - (Number)	0.00	10.00
3.3	Beneficiaries receiving specialized digital skills training - (Number)	0.00	2,000.00
3.4	Beneficiaries receiving specialized digital skills training, of which percentage women - (Percentage)	0.00	30.00
3.5	Establishment of NREN - South Sudan (Yes/No)	No	Yes
<b>Component 4: Project Management and Implementation</b>			
4.1	Number of nationally representative indicators on ICT (internet use), disaggregated by gender - (Number)	0	1
4.2	Code of Conduct and allegation procedures for GBV designed and implemented for contractors and service providers - (Yes/No)	No	Yes
4.3	Citizen engagement: Grievances registered that receive an adequate response within 30 days - (Percentage)	0	75

### **8.5. Data Collection Arrangements**

Data collection is the responsibility of the PIU. The responsible officers who are to generate status of project implementation in respect of the indicators shall submit the data within the specified timelines. The M&E Specialist will be responsible for consolidating and generating a quarterly report based on data coming in from the various beneficiaries and other stakeholders involved in project implementation. The Technical Committee will ensure quality of the data and approve reports to be submitted to the Project Steering Committee on progress of the project relating to the key indicators.

### **8.6. REPORTING**

The project will track progress of implementation on a regular basis by collecting information from the various beneficiaries and stakeholder. However, the key progress reporting will be through quarterly progress reports. The quarterly will have the following critical information:

- Overall status of implementation including status of PDO and intermediate indicators;
- Component implementation including issues identified and mitigation measures undertaken;
- Activity report on all main activities plan and progress on a timeline;
- Procurement plan progress;
- Disbursement progress; and
- Environmental and social safeguards monitoring and details of any complaints received

The M&E Specialist will be responsible for producing the quarterly progress reports, within 30 days from the closure of the quarter. The quarterly progress reports while reporting progress on each of the activities of the project component will also attach a summary of key achievements relating to PDO and intermediate indicators. The reports will be submitted to the World Bank no later than 45 days after the end of the related period.

At project closing the MICT&PS will prepare a completion report, which includes:

- Description of the project story line, including the operation's context, the rationale for the operation, and the relevance of the operation's objectives during preparation and at completion;
- Assessment of the outcome of the operation against the agreed objectives; with a focus on providing evidence of the achievement of the operation's objectives and of the contribution of the supported activities and outputs to the project's development outcomes;
- Assessment of the key factors and events pertaining to the World Bank, the MICT&PS and other stakeholder, and other partners, and the external environment during preparation and implementation, that affected performance and outcomes;
- Evaluation of the MICT&PS and other implementing stakeholders' own performance during the preparation and implementation of the operation with special emphasis on lessons learned that may be helpful in the future; and
- Description of the proposed arrangements for future operation of the project.

In addition, the MICT&PS will assist the World Bank with the preparation of the Implementation Completion Report (ICR), by responding to requests for information and documentation, participating in discussions, and reviewing and providing comments to the World Bank's draft ICR.

### **8.7. GEO-ENABLING INITIATIVE FOR MONITORING AND SUPERVISION**

For real-time data collection and analysis, the project will implement the Geo-Enabling Initiative for Monitoring and Supervision (GEMS). The GEMS initiative was developed by the World Bank. It enables project teams to use open-source tools for in-field collection of structured digital data that automatically feeds into a centralized M&E system. The integrated data can include any kind of indicators, based on tailor-made forms; photos, audio, videos; time and date stamps; as well as Global Positioning System (GPS) coordinates that allow for automated geo-mapping of the information. The systematic use of these tools allows for the enhancement of the transparency and accuracy of project planning and M&E throughout the project cycle. Moreover, GEMS facilitates the establishment of a

digital platform for remote supervision, real-time safeguards monitoring, and portfolio mapping for coordination across project components as well as with other operations in the country.

**8.3. Results Framework: Monitoring and Evaluation Plan** (Refer to a separate Spreadsheet and the PAD).

## **ANNEXES**

ANNEX 1: PROJECT AUDIT TOR

ANNEX 2: DESIGNATED ACCOUNT RECONCILIATION STATEMENT

ANNEX 3: STATEMENTS OF EXPENDITURES (SOEs)

ANNEX 4: FGS REPORT FORMS

ANNEX 5: OTHER ACCOUNTING AND REPORTING FORMS

ANNEX 6: ENVIRONMENTAL AND SOCIAL SAFEGUARDS