
The FairCovenant: an Operating System of Trade, Talent, & AI for the Global South

Ling Xiao¹, Warwick Powell²

¹lingxiao@faircovenant.org, wp@faircovenant.org

July 21, 2025

The FairCovenant Foundation is a nonprofit initiative building an inclusive operating system for *trade, talent, and technology* to empower the Global South. In a world marked by the breakdown of multilateral norms, data mistrust, and growing digital inequality, FairCovenant proposes a coordinated architecture to enable equitable, sovereign, and verifiable participation in the global economy. We integrate three circuits of production to accomplish this mission:

1. FairExchange: creates a value-neutral governance quorum for data provenance and AI auditability, so as to provide enforceable rules for cross-border trade, and restore confidence in data-validity and compliance.
2. FairLearn: pursues the dual mandate of aggregating entrepreneurs to build applications consuming validated data to orchestrate trade, whilst also providing much needed education for people of the Global South. This promotes “remigration” of trained talent to catalyze sustainable, endogenous development.
3. Fair01: funds the development of technologies that satisfies the laws laid out by FairExchange. In particular, we build and deploy (*pro*)Metheus Oracles that verify supply chain events and model outputs, whilst also integrating with decentralized finance solutions to link fund disbursement with data validation, thereby reducing systemic risk.

1 Introduction

Global trade is worth over \$32 trillion today, and trade amongst Global South nations is growing faster than trade growth overall. Trade is a key driver of economic development. Historically, trade is a document-intensive process that is paper-heavy. Ambitions to evolve to a paperless trade environment continue globally, but are hampered by the absence of a functional and cross-jurisdictionally interoperable public-goods data integrity infrastructure.

Moreover, trade is now at risk of geopolitical and institutional disruption, not to mention the effects of technological fragmentation and weaponisation. As the world moves, our gaze is fixated upon three arenas: the flow of *trade, technology, and talent*.

1. **Trade.** The liberal “rules-based international order” that once dictated the terms of trade has suffered a deep rupture. Recent highlights include:
 - (a) *Dollar weaponisation*: sanctions on Russian dollar-denominated-deposits have undermined the status of the dollar as a value-neutral tender of trade.
 - (b) *Isolationism*: the U.S. has paused contribution to the WTO, and is tendering the option of exiting the global trade organization that it has nurtured for the past few decades.
 - (c) *Tariff wars*: Trump’s tariffs have exposed the vulnerabilities of nations depending on the graces of the U.S.’s economic and political order.

- (d) *Technology sanctions*: in critical areas such as semiconductors crucial for state-of-the-art artificial intelligence (AI) models.

In light of these events, nations scramble to align themselves within new systems of global trade, systems that would better steward their future prosperity.

2. **Technology.** The boiling geopolitical theater is compounded by major shifts in technology unseen since the second industrial revolution. First there was the internet, and now the proliferation of AI and robotics. Similar to trade, both domains have become vectors of malign influence.

- (a) *Internet*: the “global-goods” status of the internet has proven to be falsehood. U.S. media companies with global reach have shaped the minds of billions of people world-wide. This has adversely interfered the political processes unfolding within societies in America’s allies and foes alike.
- (b) *Artificial intelligence*: deploying AI agents is equivalent to adding as many human workers into the economy as computing power would allow, whilst laying off as many workers as technology would enable. However, current AI agents ingest data without an iota of awareness of its validity, and generates recommendations without any confidence for its veracity. This confusion is compounded by the fact that presently there are no public quorum to govern AI.

The above points bear repetition:

- Whereas the internet is an infinite fire-hose of information, generative AI is the entire internet compressed into "solid-state" format.
- Whereas the internet forms one broad surface area of vulnerabilities, each large language model (LLM) is its own vector of risk.

3. **Talent.** This is the undeniable human element in technology development. Presently the top AI researchers are concentrated in just two nations: the U.S. and China. This concentration is risky for nations in the Global South, many of which are just climbing the industrial and service-sector value chain. However just as a portion of their citizenry are entering the middle class, they are undercut by robotics in the factory, and natural language enabled AI agents in the office. Moreover, the U.S. is defunding public research domestically, whilst restricting international students from studying in the U.S. in critical technology fields. This closed-door policy further undermines U.S.’s credibility as the sole underwriter of education as a “universal public good.”

While the U.S. desecrates the foundations of its own *Ancien Cathédrale*, FairCovenant reforms its pillars for the benefit of the Global South.

We term this once US-centered but now decaying technology-talent-trade ecosystem: the *Ancien Cathédrale*. During the liberal “end of history” moment, the U.S. surveyed the *Ancien Cathédrale* as a global commons in earnest, working with friends and foes alike. However that era has passed, and the U.S. is now a bellicose partisan desecrating the foundational pillars of this very *Cathédrale*. It is:

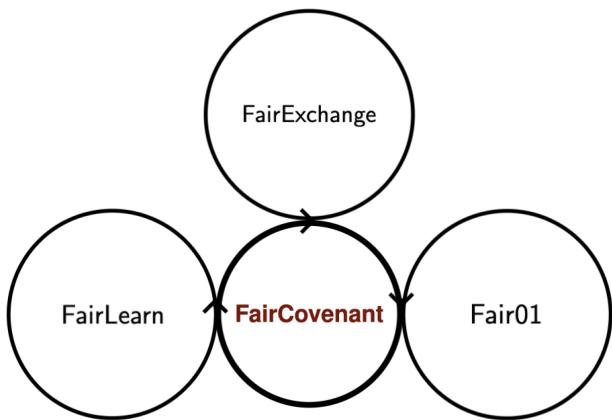
1. Channeling its advantage in cutting-edge internet technology to undermine national sovereignty across the globe.
2. Weaponizing its market size and position as talent magnet to disrupt global development - squeezing the little nations structurally, whilst injuring the major nations materially.
3. “Kicking the ladder out” from below by restricting immigration and technology transfer, thereby denying the right of every nation’s citizenry to prosper in the digital industrial economy via a highly-educated workforce.

If the nations of the Global South are to escape this *dead-end of history*, they must build new *defense in depth capabilities* across the education, trade, and technology domains. Only then, will they reshore their foundation for the post *Pax Americana* reality.

2 Three Pillars of FairCovenant

FairCovenant is a non-profit foundation that targets the *Ancien Cathédrale* for reformation. We do so by mobilizing a diverse set of industrial and governance resources, so as to discover a median path towards peaceful re-globalization, all centered around peoples of the Global South. This is a major undertaking that demands legal, technical, and talent infrastructure. The FairCovenant Foundation operates at three levels to carry out the mission.

1. **FairLearn**: is the talent circuit supporting teams of entrepreneurs who build technology promoting trade across the Global South. As the teams build technology, they also provide education *Pro Bono* to partner nations, thus increasing said nations’ talent density.
2. **FairExchange**: defines and actions transnational governance frameworks that steer trade and technology in a consensus-based manner. Unlike prior



FairCovenant is a nonprofit organization that supports trade in the Global South by developing new technologies for protecting data integrity, and circulating technical personal that build applications around the audited-information-economy. These three pillars, or circuits of economic activity work in concert to drive a new era of globalization.

iterations, the quorum is a value-neutral global commons, whereby the rules of commerce are not dictated by the whims of any individual nation.

3. Fair01: is the decentralized tech ecosystem that operationalizes the rules of trade in the digital realm. This scaffold is customizable and composable, so that regional actors may construct protected environments at their discretion. On the AI front, Fair01 is particularly sensitive to national sovereignty - to this end, we fund gated and securely audited computational environments to deploy safe and responsible AI servicing global trade.

The rest of the document unpacks each aspect of FairCovenant's organization, with particular emphasis on relevant stakeholders, funding arrangements, and technical offerings.

2.1 FairLearn: the Talent Circuit for People Centered Economic Development

The peoples of the Global South require three conditions in pursuit of uninterrupted and sustainable growth:

1. Peaceful and secure international environment that protects the dignity and sovereignty of each individual nation.
 2. Access to technology that underpins the future of production, in particular the foundational hardware and software capabilities underlying artificial intelligence and robotics.
 3. Access to education, so their domestic work force can up-skill and partake in the digital economy.

Whilst the outcome of the first item is in open litigation, FairLearn contributes to the latter two points



FairLearn complements BRI by distributing physical locations along the silk roads connecting nations across Eurasia. Under FairLearn's work for Global South program, startup teams domicile in FairCovenant locations and serve clients along this trade route. As they work, the teams will also provide education resources to the local populace, so that their economy can move up the value chain. The physical arrangement mirrors Soho House, but oriented towards technology, not the arts.

with a global missionary work program: “*Work for Global South*.” Presently we offer explorations along two vectors: artificial intelligence for supply chain orchestration, and decentralized technology servicing global trade. Specifically, we offer:

1. In the domain of artificial intelligence, (*pro*)Metheus (a Fair01 product) will partake in this program with mixed work/teach arrangement. As (*pro*)Metheus-associated machine learning (ML) teams are deployed across Global South servicing clients, they will partake in education outreach programs to up-skill the local populace. Moreover, all refined AI models trained in the (*pro*)Metheus computational environment are open-sourced, further catalyzing innovation across member nations by inspiring their youth to contribute to global commons in the form of knowledge sharing.
 2. Closer to earth, small family farms and SME manufacturers who sell through the FairCovenant supply chain management system will receive further training in sales and marketing. Thereby enabling them to disintermediate distributors, and allowing them to communicate to a global audience that is previous unreachable. A foundational application developed by Smart Trade Networks will be deployed to support early activation.

Funding Model. Work for Global South is funded through a combination of public and private sector activities.

1. *Public front*: we seek grants to launch the education out-reach program, and to source the first cohort of AI engineers who serve as teachers.
 2. *Private sector*: (pro)Metheus operates a prediction market for AI models, whereby statistical models

are listed for trading as they are being trained. Retail traders then buy/sell models as their quality improves. Revenue from the (*pro*)Metheus prediction market subsidizes the cost of mentorship.

3. Finally, we seek physical locations in both urban centers along West Asia, as well as domiciles across ASEAN nations to host classrooms and engineers. This places the FairCovenant workforce closer to the locations of commerce, so that they may better serve clients and learners.

Looking out across the ten year horizon, we envision FairLearn to become a significant vector of *remigration*. Under the remigration wave, talented scholars who studies in the U.S. now return to their origin in the Global South, thereby catalyzing the next wave of global technological and economic development. This process occurs naturally, and has been accelerating under Trump's new isolationist stance. FairLearn systemizes the flow of remigration, and directs its benefit towards FairCovenant-member organizations.

FairLearn channels remigration to benefit developing economies.

2.2 FairExchange: the Governance Quorum of Trade in the Global South

In FairExchange, the primary domain under governance are the laws, norms, and technical standards driving the task of *supply chain orchestration* across the Global South. FairExchange differs from traditional orchestration in how rigorously we regulate data validity. In traditional supply chain orchestration, data is collected to provide an image, (or digital twin) tracing the flow of commodities along the chain. However under this regime, the validity of data is taken for granted, when in fact:

1. *in the digital domain*: the quality of sensors is not systematically regulated;
2. *in the analogue space*: the truthfulness of paper work is not rigorously validated.

The dubious integrity of data directly impacts key business functions downstream, creating a *cascading data composability problem*. That is to say:

1. The disbursement of funds by central banks to commercial banks in cross-border trade relies on false, out-of-date, and incomplete information.
2. In the event of incomplete delivery, faulty analysis impacts insurance payouts and future premiums.
3. Any downstream statistical analysis done on the data is also of dubious value.



Just as one would grade the karat of diamonds before purchasing, FairExchange judges the quality of data and AI models before servicing. We term this measure of information quality the data integrity index.

In light of this glaring flaw in the system, FairExchange is specifically focused on governing standards targeting the provenance, validity, and integrity of the data itself. This jurisdiction of interest then naturally extends to all downstream models trained on said data. In effect, FairExchange assigns a *karat* grade to data as one would classify diamonds. We term this measure of information quality *the data integrity index*.

In regulating data integrity, we take a systemic view. Under this gaze, the data lifecycle is its own *data supply chain*: beginning at the hardware sensor end, and complete its lifecycle as ML models or AI agents servicing the client. FairExchange seeks end-to-end oversight privileges in the legal domain. On the technical front, our resources are concentrated at key pressure points along the data-supply-chain:

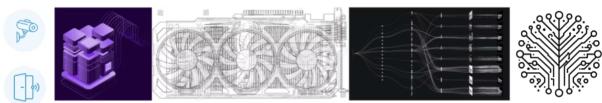
1. *Data provenance governance*: concretely we seek to audit the quality of installed edge sensors/robotic units. This has significant repercussions on how sensors are procured and priced in supply chains under audit.
2. *AI agent and statistical model audit*: with specific emphasis on:
 - (a) how the quality of data percolates onto the models trained on the data;
 - (b) how model and data composition impact information integrity at inference time.

The above two requirements are satisfied in the (*pro*)Metheus Oracle.¹

3. *Data storage and compute hardware oversight*: the pressure point here is data and model sovereignty. That is to say how we distribute computational and storage assets across partner nations to safe-guard their data from foreign interference.

The specific data domains under governance are broadly defined. It spans perishable foodstuff, consumer packaging, medicine, machinery, and media.

¹See <http://bit.ly/44EM6Ll>



FairCovenant's view of the data lifecycle:

1. (Blue icon): the supply chain initiates at the edge sensors (IOT) end, where data is collected.
2. (Purple icon): data is stored in data lakes, domiciled in locations across the world.
3. (Middle two icons): data is processed by GPUs to train statistical models.
4. (Far right icon): finally the statistical models are packaged into AI agents deployed on the clients' machines.

This collection, storage, pre-processing, compute, model-training, and model-inference process constitutes to its own data-supply-chain.

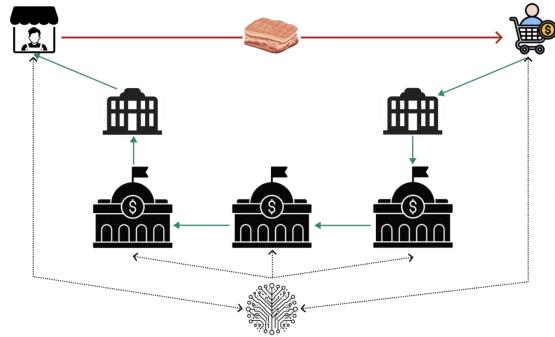
The different product verticals constitute different function groups within FairExchange. Each vertical features its own industry experts, who work with FairExchange members to define the vectors of data validity. They then socialize its relevant applications deeply within each industry vertical.

2.3 Fair01: Funding the Tech Infrastructure Protecting Data Integrity

While FairExchange architects new rules of commerce free from the unilateral diktat of any individual nation, Fair01 translates this mandate to the technical realm by building defense-in-depth capabilities in the digital domain. We leverage multiple technical disciplines, and complement existing technical initiatives in the BRIC organization and beyond.

1. **Digital payment solutions:** this class of permissioned decentralized ledgers support cross border payments across BRIC nations and others. Notably, mBridge enable central banks to update their ledgers without a singular central authority. However, a pressing risk persists in this arrangement, namely the disbursement of funds without valid information proving the transfer of underlying commodity. Fair01 builds a suite of capabilities to address the data-validity pressure point in supply chain management. In proving beyond the reasonable doubt the proper movement of goods in the physical world, Fair01 tech complements the movement of money in the digital realm, thereby complementing digital payment initiatives.

While digital payment solutions address the flow of funds, Fair01 Oracles command central banks when to release said funds.



Fair01's technical products complement digital payment initiatives. In this example:

- (a) (red arrow): sellers in SE Asia sell foodstuff to buyers in West Asia, traversing multiple national borders.
- (b) (green arrow): the buyer deposits payment into commercial banks (small building icon). The central banks (building icon with flag) adjust a shared ledger as the product traverse across the globe.
- (c) (dotted black arrow): Fair01 fields (ρ o)Metheus Oracle (brain and circuit icon) that inform the central banks the state of the supply chain using validated data, thereby ensuring funds are released per correct condition of delivery.^a

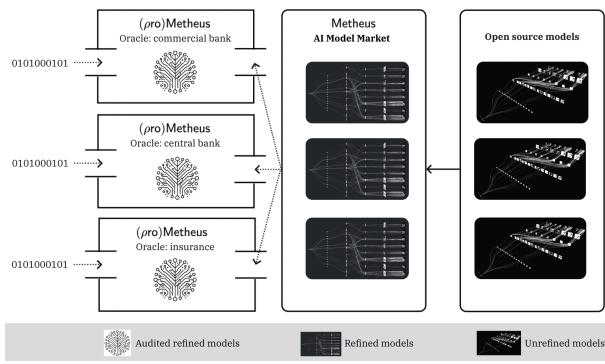
^aSee <http://bit.ly/44EM6L1>

2. **Deployment of AI solutions across industries:** the past decades has seen one watershed moment for AI after another. However, AI trained on low quality data and misinformation cannot be trusted to make recommendations in business critical settings. Fair01 funds the (ρ o)Metheus Oracle, ensuring machine intelligence is audited end-to-end before downstream applications are used in industrial settings.

While FairExchange governs the rules of the data supply chain, Fair01 reifies the rules into covenant-bound data-driven computational environments.

Funding Similar to FairLearn, Fair01 pursues a mix of private placement and retail participation.

1. **Private placement:** all major network and data-integrity oracle software development are funded through private investments. The institutional container is defined in section 3.2. Parties who participate in funding the development of Fair01 companies' fundamental infrastructure have privileged access to all downstream applications developed in accordance to FairExchange's rules.
2. **Retail participation:** we expect a significant volume of ML models in the (ρ o)Metheus computational environment will be developed by the



Fair01 company (*pro*)Metheus deploys audited open-source computational environments for enterprise clients, wherein:

1. *The provenance of data is audited according to FairExchange-defined rules.*
2. *Foundational models are refined on a prediction market. This market targets open-source teams, who train the models on domain-specific data from industry verticals.*
3. *The quality of refined AI models are audited before deployment into client's protected (*pro*)Metheus computational environments.*
4. *The interaction or composition of models with new data is rigorously protocolled, so that the output of their analysis can be used to inform high-valued transactions.*

open source community. Specifically, distributed teams of software engineers refine foundational LLM models to align with specific application verticals. Development of said models are funded by retail participation in the (*pro*)Metheus ML prediction market. See figure above, and monograph at <https://bit.ly/4lFn8Sf> for details.

3 Governance Structure

This section outlines the governance structure of FairCovenant. It is separated into two layers:

1. FairExchange *non-profit Oracle Association*: henceforth the Oracle Association, or simply the Association. The nonprofit governance layer that determines the rules pertaining to data integrity and AI trust and safety.
2. Fair01 *VCLP for-profit Commercialization Layer*: henceforth the VCLP or Fair01. The for-profit arm funds the development of technologies compliant with rules defined by the Association.

See figure 1 and 2 for diagram on value flow and organizational structure.

3.1 The Oracle Association

1. **Purpose.** Governs the Data Integrity Index and oracle system. Sets standards, admits members, ensures accountability, and upholds data trust across ecosystems.

2. Legal Structure.

- (a) International not-for-profit association (e.g. Swiss Verein, Dutch Stichting, or similar).
- (b) Membership-based with governance rights for foundational members.

3. Membership Model

Type	Description	Fee	Benefit
Foundational Members	Early backers must also be LPs in VCLP	Low	Governance, privileged access to AI marketplace
Common Members	Join later, LP status	Standard	Service access, limited governance

4. Funding

- (a) The Association does not rely on membership fees.
- (b) Core operational funding provided via VCLP investment, see section 3.2.
- (c) Additional sources: grants, cost-recovery service fees, donor contributions.

5. FairCovenant's Role in Association

Function	Role	Term
Founding Secretariat	Administers governance, runs association ops	Fixed 3-yr term
Network R&D Maintenance Provider	Develops & maintains oracle infrastructure, evolves standards & tooling	5-yr renewable evergreen contract, governed by the association board

After the initial 3 years, the association will appoint a new secretariat via election or nomination according to its constitutional rules.

6. Governance Structure

Body	Description
General Assembly	Voting rights for members, esp. foundational members in initial phase
Board Exec. Committee	Include reps from founding members during init phase
Secretariat (yr 1-3)	Handles ops, convenings, & documentation
Technical Council	Curates evolution of data integrity index & oracle design
Independent Auditor	Ensures contractual & performance accountability, including associations' delivery role

3. Funding Flows

Flow	Description
VCLP → Association	Funds association operations, contracts Fair01 for R&D
VCLP → Fair01	Capital for AI marketplace development
LPs → VCLP	Capital contributions via fundraising
Fair01 → Market	Builds & commercializes services, returns flows to LPs

In particular, the (*pro*)Metheus Oracle is *public infrastructure*, and thus conform to the norms of public utility financing. Its operational model proceeds as follows:

3.2 Fair01 for AI Commercialization

1. Purpose:

- (a) Funds and monetizes the AI models marketplace that runs within the (*pro*)Metheus Oracle computational environment.
- (b) Drives commercialization and value capture.

2. Structure:

- (a) Fair01 acts as General Partner.
- (b) Foundational association members must also be Limited Partners (LPs).
- (c) LP participation grants:
 - i. Financial upside.
 - ii. Preferential licensing or model deployment opportunities.
 - iii. Access to proprietary use cases tested against the oracle.

- (a) The user base is composed of FairCovenant Association members.
- (b) FairCovenant members call the (*pro*)Metheus Oracle for validated data and audited model API requests. They are charged on a per-call basis.
- (c) As the (*pro*)Metheus Oracles operate, the Oracles themselves are under constant review by the Association.
- (d) Proceeds from Oracle operation are allocated as follows:
 - *Fixed returns*: a portion of which is returned to the Association. Observe that from the Association's perspective, investments into the (*pro*)Metheus Oracle is booked as Capex - per norms of public infrastructure investment.
 - *R&D*: funds further R&D of technology in the FairCovenant01 portfolio.
 - *Teaching*: the final portion is allocated to up-skilling pupils of the Global South under the Fair01 umbrella.

See figure 1 and 2 for diagram on value flow and organizational structure.

3.3 Interface Summary

The interface amongst Fair01 ↔ Association ↔ VCLP proceeds as table below.

Function	Association	VCLP	Fair01
Governance	Sets data trust standards & requirements	Provides capital & G2M vehicle	Acts as Secretariat (yr 1–3), & R&D executor (5+ yrs)
Technology	Owns governance of the oracle standard	Funds build-out of AI marketplace	Builds & maintains the oracle & marketplace
Accountability	Oversees Fair01 contract performance	Monitors Fair01 as GP	Delivers tech, maintains integrity
Member Incentives	Policy power, standard-setting	LP rights & returns	GP carry & strategic control

3.4 Summary of Key Time-limited Roles

Role	Holder	Duration	Notes
Secretariat	Fair01	3 yrs	Initial phase; successor appointed by Assoc. vote
R&D / Maintenance	Fair01	5-yr rolling	Renewable contract. Assoc. can audit & review performance
VCLP-GP	Fair01	Fund lifetime	Governance via fund documents. LP oversight possible

3.5 Summary of FairCovenant Benefits

Stakeholder	Value Realized
SMEs & Entrepreneurs	Gain access to global markets via validated AI and data infrastructure. Reducing dependency on extractive intermediaries.
Policy Makers & Development Agencies	Reclaim strategic control over trade, education & tech development pathways.
Finance Providers, Insurers & Central Banks	Gain visibility and verifiable assurance over asset movements, reducing counterparty & delivery risk. FairCovenant infrastructure reduces fraud exposure & enables compliant, data-driven disbursement of funds and insurance.
Technology Developers & Investors	Access to new markets where validated AI can be deployed responsibly and commercially.
Communities & Talent	Opens up pathways for upward mobility & digital inclusion, reducing brain drain & fostering remigration.

3.6 The Association Structure and Value Flow

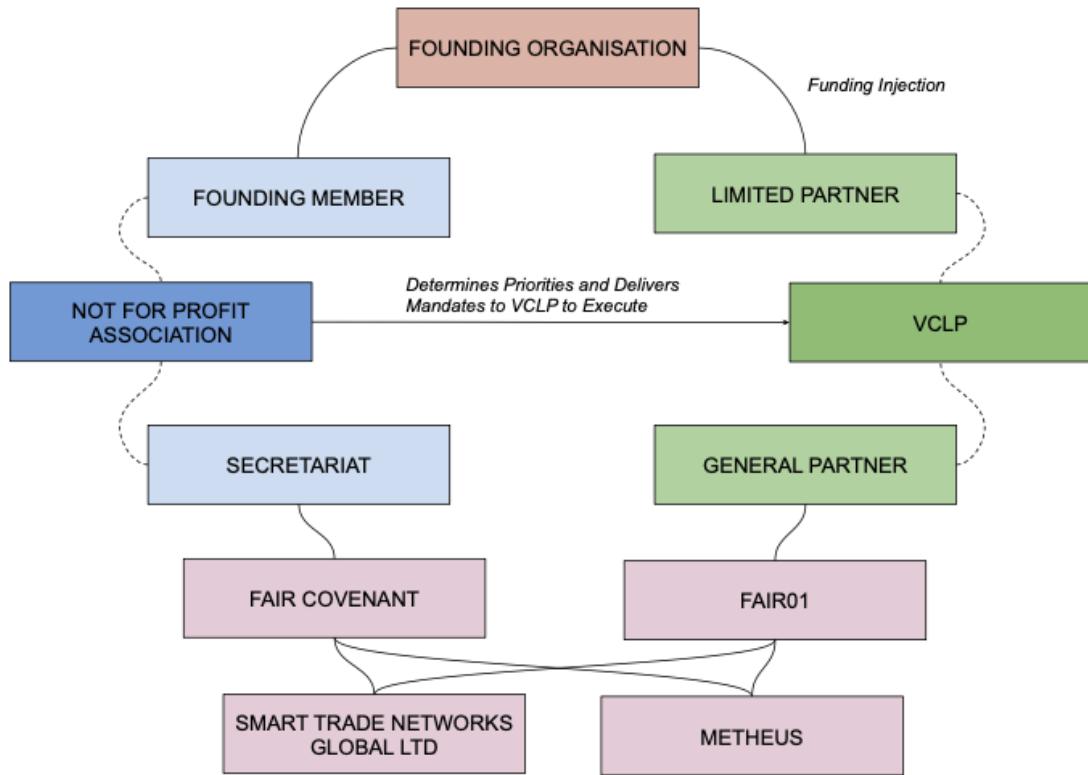


Figure 1: *The FairCovenant Foundation organizational structure.*

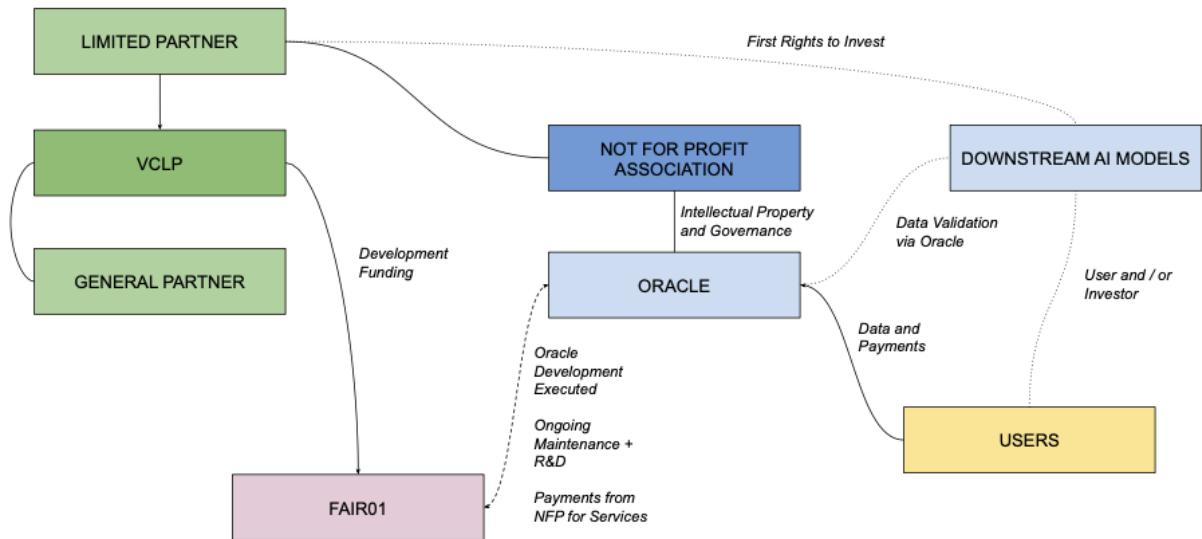


Figure 2: *The FairCovenant Foundation value flow.*