

13th – 19th May. 2016

The digest provides highlights of economic issues in the print and electronic media on South Sudan. UNDP's interest is on how the economic issues affects human development and vice-versa.

Media Outlets:

1. Sudan Tribune
2. Business Day Live
3. Xinhua
4. Voice of America
5. New Vision
6. The New Times
7. Radio Tamazuj
8. Juba monitor
9. The National Today
10. Eye radio South Sudan

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WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



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PRICES AND MARKETS

S. Sudan grapples with shaky economy, weak local currency

[Sudan Tribune- 9 May. 2016](#)

South Sudan's new Transitional Government of National Unity faces an uphill task of reviving an economy dependent on oil resources to fund its budget. The oil sector, accounting for 98% of government revenues, has been badly affected the recent war, in addition to the global decline in oil prices. Commodity prices also shot up due to the devaluation of the local currency, South Sudanese pound, which has gravely impacted on the transport sector in the country. The most affected are importers of food items and general household goods who have to deal with sharply increased prices to bring in goods from its neighboring countries. South Sudan is one of poorest countries in the world with the worst indicators on development, health and education. The conflict, which broke out in 2013, has negatively impacted on the nation's citizens, including pushing the country to the brink of famine with 5.8 million people, nearly half of the population, in desperate need of humanitarian assistance, a joint U.N assessment report recently showed.

Jonglei traders expect drop in market prices

[Sudan Tribune- 16 May. 2016](#)

In a bid to reduce food prices in markets, traders in South Sudan's Jonglei state have started bringing subsidized food items to Bor from the capital, Juba. South Sudan, last year, started importing subsidized food items to the tune of \$10 million from its neighbor to counter skyrocketing food prices in the nation. The state government recommended two companies to supply subsidized food items from the South Sudan capital. Deng Kuol, who owns one of the hired companies, is said to have brought 50 tons of assorted food commodities to be sold at relatively cheaper prices as regulated by the state. "Today, we have received 50 tons of food

from Juba brought by one of the traders, Deng Kuol. The food items would be sold at relatively low prices”, Mawut Achiek, the state secretary general told Sudan Tribune on Saturday. Ayuen Kur Ajok, a member in the state chamber of commerce said food prices were decided by individual traders in Bor, adding that the prices

would be regulated since the state is now receiving subsidized commodities. “The prices are high, sugar is at 1,500 South Sudanese pounds, baking flour is at 800 pounds per bag and 20-Liter jerry can is at 850 pounds in the market,” said Achiek.

Juba residents decry high costs of living

[Sudan Tribune- 6 May. 2016](#)

People residing in the South Sudan capital, Juba have asked the newly formed transitional unity government to help improve the high costs of living. South Sudan’s new Transitional Government of National Unity faces an uphill task of reviving a largely oil-dependent economy to support its annual budget. The oil sector, which accounts for over 90 per cent of government revenues, has been badly affected the recent war, in addition to the decline in oil prices on world markets. Commodity prices also shot up due to the devaluation of the local currency, South Sudanese pound, which has gravely impacted on the transport sector in the country. The most

affected are importers of food items and general household goods who have to deal with sharply increased prices to bring in goods from its neighboring countries. Oyet William, a commercial cyclist in the South Sudan capital, has to toil daily in order to fend for his family. His business has been badly hit by the high fuel prices. “People are suffering always and that is how life goes on. In the case of food, if you go to a hotel, you will find a plate at 35 pounds and in some places it is 30 pounds,” Oyet says. Initially, he adds, one would only pay just 5SSP for a plate of food. Aisha Peter, a tea vendor in Juba, is also facing the country’s economic pinch.

South Sudan officials laud local capital market dev’t

[Appolonia Uwanziga: The New Times- 13 May. 2016](#)

Local and regional firms have been urged to use the capital market as an avenue to raise affordable long-term development capital. Eric Bundugu, the Capital Market Authority (CMA) Deputy executive director, said the market also offers the common man an opportunity to become part owners of big companies through initial public offerings. Bundugu was addressing a delegation of South Sudanese officials who were on a study tour of the Rwanda Stock Exchange recently. The delegation was led by Aggrey Tisa

Sabuni, the presidential advisor on economic affairs and co-chairperson of the High Level Committee for East African Community (EAC), according to a statement from CMA. Speaking during the event, Sabuni said no single country has ever developed without a strong savings culture. He underscored the need for saving and investing through the capital market, arguing that it is critical for economic stability. Sabuni said the study tour at the RSE will support South Sudan’s development efforts as a new country.

Traders complain of demolition of shops in Kadugli market

[Radio Tamazuj- 17 May. 2016](#)

A number of traders in Kadugli town of Sudan's South Kordofan state have complained of demolition of their shops by the local authorities who are carrying out a reorganization of the market. Speaking to Radio Tamazuj, traders said the local authorities imposed high fees reaching 8,000 SDG for each shop which forced many traders to leave the market. They pointed that many traders were forced to sell their shops to

others because they are unable to pay, saying the affected are mostly small traders and widows who are selling tea to earn a living. Separately, local sources from Kadugli said a big number of Rapid Support Force (RSF) has reached to the area last week. They added that the force were stationed north of Kadugli town and opened fire sporadically which created fear among the residents.

Blue Nile refugees in Maban complain of food shortages

[Radio Tamazuj- 16 May. 2016](#)

Thousands of displaced people from Sudan's Blue Nile state in Maban County are complaining of shortages of foods in Yusuf Batil refugee camp saying they are depending on leaves of trees to survive. Al-Said al-Semat, the leader of the camp told Radio Tamazuj on Sunday that humanitarian organizations have reduced food portions that are provided to the refugees. He said there are shortages of non-food items like mosquito nets and other items. Al-Semat claimed that refugees

are depending on leaves of trees to stay alive, calling on humanitarian organizations to provide enough food assistance to the refugees. South Sudan's Maban county is hosting thousands of refugees from Sudan's Blue Nile county who fled the war in Sudan but were also affected by the outbreak of the civil war in South Sudan since mid-December 2013 before a peace deal was signed in August last year.

BUSINESS

Rumbek business communities feel economic pinch

[Sudan Tribune- 17 May. 2016](#)

Women engaged in business Rumbek, the capital of South Sudan's Western lakes state are grappling with economic hardships, worsened by the dollar crisis that hit the country after months of a bloody civil war. Most of them struggle to get money to sustain their families. Debora Yom, who operates from Rumbek market, has sold the locally-produced alcohol for more than five years now. To her, the bad road conditions are a setback to business. "I have worked for five years in making local alcohol, but business was affected by local market supply from neighboring countries. We get sorghum from Juba and Juba is

getting its supply from Kenya or Uganda," says Yom. "The bad road is also affecting business community in Rumbek, issues of unknown gunman on the road have scared everyone, affecting local market supply," she adds. Authorities in Western Lake state say cases of revenge killings are still rampant in the area, but security has improved lately and few incidences have been recorded. The state minister for local government and law enforcement agency, Benjamin Makuer said the restoration of peace would eventually normalize business in Rumbek.

SABMiller's full-year earnings take hit from Angola, South Sudan

Robert Laing: [Business Day Live- 18 May. 2016](#)

SABMiller's aftertax profit fell 18% to \$2.9bn in the year to end-March, the brewer reported on Wednesday. This drop in profit was partly due to a \$721m write-down of its investments in Angola and South Sudan, and costs relating to its acquisition by Anheuser-Busch InBev. The group's revenue fell 10% to \$19.8bn. Despite the drop in profit, SABMiller raised its dividend by 8% to \$1.22 per share. SABMiller reported drops in revenue across all five geographic regions for which its results give breakdowns. Africa, its highest revenue contributor at \$6.8bn, reported a 9% drop in sales from the previous year's \$7.5bn. Latin America, the group's second-biggest revenue generator at \$5.2bn, fell 10%

from the previous year's \$5.8bn. In terms of earnings before interest, taxes, depreciation and amortization (ebitda), Africa falls behind Latin America. Africa's ebitda contribution fell 10% to \$1.7bn while Latin America's fell 12% to \$1.96bn. Measured in local currencies rather than dollars, the group grew sales and profits, according to SABMiller CEO Alan Clark. "Achieving these results this year, notwithstanding economic and currency volatility and the distraction of the AB InBev offer, is a testament to the dedication and hard work of our people," Clark said in the results statement. In SA, SABMiller grew beverage volumes by 6% and lager volumes grew 2%.

Partners to support youth, women entrepreneurship

Oyet Alfonse: [Juba Monitor- 19 May. 2016](#)

Economic growth is the most important means of raising people's incomes and reducing poverty in the developing world- it creates jobs and opportunities for poor people to support their families and build more stable future. As one of the countries with high level of unemployed youth of unemployed youth, the United Nation development Programme (UNDP) Deputy Country Director Jean Luc Stalon yesterday met with the Minister of Trade and Industry Stephen Dhieu Dau to see how youth and women entrepreneurial skills can be improved. After the meeting, Mr. Jean Luc Stalon said that the

meeting was about the ongoing partnership between UNDP and South Sudan government in particular the Ministry of trade and Industry on entrepreneurship. He said that the meeting was a courtesy call on the Minister of Trade on how government through partners would support and women to be self-reliant through businesses. Mr. Stalon stressed that UNDP is keen to support South Sudan's government start new initiative on entrepreneurship aiming at creating opportunities to train youths and women to create their own jobs and to be self-employed.

South Sudan hopes to benefit from East Africa's education, investments

[Xinhua- 17 May. 2016](#)

South Sudan hopes its citizens will benefit from education, foreign direct investments and infrastructure development after it joined the East African (EAC) community, a regional trade bloc in April, officials said on Tuesday. The Secretary General of the South Sudan EAC Secretariat which will be upgraded soon to the level of Ministry of East African Affairs, Mou Mou Athian Kuol told Xinhua that before joining the trade bloc South Sudanese were paying high visa fees to go and study in Uganda and Kenya but this will soon change as member countries called for harmonization of visa fees and free movement of persons in the EAC. "Already before joining EAC our children were having education in Uganda

and Kenya but this was only for the rich due to high visa fees denying many poor families from taking their children to school there," Kuol said in Juba. "With our membership the fees will be waved and payment will no longer be in U.S. dollars but local currency," he added. He revealed that South Sudan before plunging into war attracted foreign direct investments in oil and mining, agriculture due to its vast unexploited land and dilapidated infrastructure after long decades of civil conflict of independence from Sudan. South Sudan won independence from Sudan in 2011 going with 75 percent of the oil resource.

S. Sudan's VP says improved roads enhance service delivery

[Sudan Tribune- 18 May. 2016](#)

South Sudan's vice president, James Wani Igga said Tuesday that proper roads in the country would enhance service delivery of goods to its population. Igga, who paid a visit to the roads and bridges ministry, said the transitional national unity formed last month would only succeed only if people in rural areas are availed services. "Sincerely speaking, you cannot deliver services if there are not roads and bridges to reach to the countryside and that is why ministry's role is very vital in service delivery," said Igga, at a reception

organized by its minister, Rebecca Joshua Okwaci. South Sudan, which has a land mass nearly equivalent to the five countries of Uganda, Kenya, Rwanda and Burundi only, has 192 kilometers of a paved road, constructed with financial support from the United States aid arm (USAID). The 192km Juba-Nimule highway is essential for the importation of food items from Uganda and Kenya for landlocked South Sudan, which is unable to its population.

Nilepet head proposes refineries to address fuel crisis

[Radio Tamazuj- 13 May. 2016](#)

South Sudan's fuel shortage is caused by a lack of refineries, according to the head of the government owned oil producer Nilepet. A leading South Sudanese economist however said the fuel shortage was a result of South Sudan's currency crisis. In recent months, South Sudan

has been hit with a crippling fuel shortage, which have rendered South Sudan's main export all but worthless. Drivers have been waiting for petrol in queues that spanned kilometers, and many buy fuel on the black market for triple the previous prices. "The issue of fuel shortage will not go

away without establishing our own refineries in the country. If we had our own refineries, then this issue of fuel shortage would not have a recurring matter. But because of the lack of refineries the issue of fuel shortage will continue to be one of the issues which the energy sector will always have to deal with. It will continue to be

a recurring matter”, said the head of Nilepet, Machar Ader in an interview on Wednesday. Santino Garang, a South Sudanese based in the United States with economics and financial studies background, said the fuel shortage is caused by a currency crisis.

Peace heralds oil fortune for South Sudan – Envoy

[Taddeo Bwambale: New Vision- 19 May. 2016](#)

A little more than two years of fighting in South Sudan had threatened to destroy the country’s oil production, a critical resource the country now needs to sustain its nascent economy. Two weeks ago, former rebel leader, Riek Machar was inaugurated as vice president, a position he returned to after civil unrest that started in 2013 pit him against President Salva Kiir. With the guns at bay and a unity government under formation, the commitment to peace will be critical in getting the country out of the ruins, China’s top diplomat to Africa has advised. Zhong Jianhua, China’s Special Representative for African affairs told journalists in the capital

Beijing that the reunion of Kiir and Machar was a positive step in stabilizing South Sudan. Jianhua, who has been widely involved in the peace process since the first clashes in 2012 that emerged following South Sudan’s split from Khartoum. “I think peace will hold; I have met President Kiir and talked to Dr Machar. We can all see that there is nothing more to fight for,” Jianhua said. In December 2013, a fight broke out between a faction of the Sudan People’s Liberation Army (SPLA) led by Machar and government forces. [Also reported in The National Today- 18 May. 2016: Peace heralds oil fortune for South Sudan- envoy.](#)

Urging South Sudan to Facilitate Aid Delivery

[Voice of America- 16 May. 2016](#)

“We urge the government to prioritize humanitarian access so that we can reach those who most need our help.” The people of South Sudan are in trouble. More than two decades of north-south conflict followed by over two years of factional fighting have further weakened an already fragile nation. The insecurity has limited farmers’ access to plant their fields and devastated livestock, resulting in inadequate food production. Today, South Sudan has the world’s highest inflation rates. “South Sudan’s economy is collapsing, its people struggle to find enough to eat, and human rights violations and abuses continue with impunity,” said Bob Leavitt,

USAID Deputy Assistant Administrator for Democracy, Conflict, and Humanitarian Assistance. To date, some 2.5 million South Sudanese have fled their homes, in search of food and safe haven from violence. This year, half the country’s population, over 6 million people, need humanitarian assistance. The United States is South Sudan’s largest donor. Working through the U.S. Agency for International Development, or USAID, and in collaboration with various partners, the U.S. government has so far provided nearly \$1.6 billion in humanitarian assistance for conflict-affected people in South Sudan and South Sudanese refugees.

S. Sudan mulls power import from Uganda: Minister

[Xinhua- 14 May. 2016](#)

South Sudan is considering importing electricity from Uganda's Karuma hydropower dam that will be completed soon, minister for energy and dams, Dhieu Madhok announced on Friday. "We are considering importing 400 megawatts of electricity from Uganda's Karuma dam. This is a short-term measure as we hasten completion of mega hydro-power projects to bridge energy shortfalls in the country," Madhok told Xinhua. He revealed that currently South Sudan depends on generators that produce 12 megawatts of power. "Power outages have been the norm even in the capital Juba, and we spend colossal amount of money to service generators that provide

electricity to the city," said Madhok. He disclosed the African Development Bank (AfDB) has extended a grant totaling 33 million U.S. dollars to help South Sudan expand access to cleaner energy sources. International donors have pledged new financial support to help South Sudan rebuild its transport and energy infrastructure that was destroyed during the country's civil strife, which erupted in December 2013. Madhok said the unity government in Juba has prioritized creation of friendly policies and regulations to facilitate foreign direct investments in the energy sector.

South Sudanese to be exempt from East African visa fees

[Radio Tamazuj- 18 May. 2016](#)

South Sudanese citizens will not have to pay entry fees to East African nations, according to a top diplomat. "The protocol that deals with visa and travel will begin in January next year. South Sudanese will pay the entry fee until January and after that they can be exempted" said Jimmy Deng, charge d'affaires of South Sudan Embassy in Kenya. South Sudan was the sixth country to join the East African Community on March 2nd.

Deng said South Sudanese are suffering from paying entry visa fees to East Africa countries. "Our people in Kenya are suffering from visa issue. They are being arrested by police because their visa has expired and not renewed" Deng said. [Also reported by Junior Ali in Eye Radio South Sudan- 19 May. 2016: When visa fee to EAC countries will be scrapped for S. Sudanese.](#)

S Sudan health ministry unable to pay Juba hospital's doctors

[Radio Tamazuj- 18 May. 2016](#)

More than 61 doctors at Juba Teaching Hospital have continued a strike since about 24 days ago over delayed payment since the beginning of this year. A number of doctors told Radio Tamazuj they are still on strike since 22 April. They said the undersecretary of the ministry of health told the director of Juba teaching hospital officially that

they are unable to pay doctors salaries and asked them to continue working without payment if they want, which the doctors rejected. The doctors pointed that they will resume work if the ministry pays them their salary. A number of doctors and staff at Juba teaching hospital said the work environment at the hospital is very bad.

Gov't to engage in private sector development

Oyet Alfonse: [Juba Monitor- 18 May. 2016](#)

As South Sudanese business community continues to face challenges, the Chamber of Commerce has appealed to the Transitional Government of National Unity to focus on private sector development. The Secretary General of Chamber of Commerce Simon Akuei Deng said that focusing on the private sector would create employment opportunities for the youth and improve livelihood of South Sudanese population. Mr. Simon Akuei Deng stressed that

the market continues to face a number of challenges to be addressed during the interim period. He added that the private sector and the government should work together to build confidence in the market both locally and internationally. Akuei appealed to the Minister of Trade and Industry to engage partners and government to create women and youth entrepreneur enterprises and fund to facilitate the development of small scale business.

Youth to create employment

Sasuk Taban: [Juba Monitor- 13 Mar. 2016](#)

The Undersecretary at the Ministry of Labour and Industrial Relations, Mary Hillary Wani has called on the youth of South Sudan to look at possibilities of self-employment by coming together and set up businesses. Madam Hillary made this remark in an exclusive interview with Juba Monitor yesterday at her office. "The government which is the major employer in South Sudan in the long run will not be able to employ all the youths who have completed their studies in the country and those coming from abroad who are coming back to contribute to nation building. Youths need to think outside the box by looking at opportunities of self-employment", Mary Hillary said. She said the

government is trying to put systems in place that will reduce the high unemployment rate in the country. "In Sudan, once graduates have completed their studies, they go to the labor office where they register and are given a Labour card and according to their specialization. Whenever a vacant position arises at the ministry's on an annual basis. This is something here in the Ministry of Labour, I want to put in place so that graduates register and we have an idea of how many graduates we have in the country and from what field of study so that the ministry can employ the graduates whenever vacant positions arise, she said.