

20<sup>th</sup> – 26<sup>th</sup> 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. AA
3. Eye Radio South Sudan
4. Radio Tamazuj
5. Voice of America
6. Money Control
7. Coast Week
8. Xinhua
9. Travel Daily
10. Oyee Times
11. The Dawn
12. This Day
13. The National Today
14. Juba Monitor
15. Geeska Afrika Online

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## WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



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### PRICES AND MARKETS

#### S. Sudanese losing Internet as economic woes grind on

Parach Mach: [AA- 20 May. 2016](#)

War-torn economy makes South Sudan Africa's most expensive country for Internet access. In South Sudan, where the cost of services has become prohibitively high due to its war-torn economy, Internet providers (ISPs) are not proving to be an exception. With ISPs relying on satellite which needs to be paid for with hard currency, Internet users end up paying extra to cover the deficit incurred by providers to keep the service running. Most Internet users in the country, including hard-hit university students, have endured several months without online access due to the growing gap between costs and their income. Some are calling for the government to address this with subsidies. But with so many demands on the public coffers to implement a recent peace agreement, stabilize the economy, boost security and address unemployment, high illiteracy and poverty, it is not clear if getting more people online is a priority. Marial Deng, 23, who studies at the University of Juba said he no longer has access to the Internet. He cannot study or go online to download vital materials because the Internet is getting too expensive and sometimes is not even available at all.

#### Citywide Fuel Shortage Hits South Sudan's Largest Hospital

Jason Patinkin: [Voice of America- 23 May. 2016](#)

Operations have ground to a halt at South Sudan's largest hospital thanks to a week-long power outage, owing to a massive fuel shortage in the capital city. One doctor at Juba Teaching Hospital, speaking anonymously for fear of reprisals from his bosses, said doctors can no longer perform most emergency operations. The last time this happened — in January — 10 patients died because staff could not perform necessary procedures. The doctor said he tells patients to either buy fuel to run the hospital's generators for the

duration of the surgery, or pay for a private clinic elsewhere. But this hospital serves the city's poorest residents. Most cannot afford it. "Even me, they have been calling me now that we need

operation, but I told them, frankly, there's nothing we can do, nothing in my hands," the doctor said

## BUSINESS

### South Sudan hopes to benefit from East African investments

[Coast Week- 25 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 have said. 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. [Also reported in Xinhua- 26 May. 2016: South Sudan hopes to benefit from East Africa's education, investments](#)

### Sarovar Hotels forays into South Sudan

[Charmaine Fernz: Travel Daily- 25 May. 2016](#)

Sarovar Hotels has entered into the Republic of South Sudan by taking over management of The Panorama hotel. The hotel will be rebranded as The Panorama Sarovar Portico, Juba. The group is also planning to operate 10 hotels in Africa in the next five years. Ajay K Bakaya, executive director of Sarovar Hotels, said, "We are very excited to be setting our footprints to another new destination in the African region. We see immense growth potential in this market with high demand and good occupancies in most hotels." The Panorama Sarovar Portico will offer 73 rooms and suites equipped with modern

amenities. The dining options include restaurant serving both local and international cuisine and a bar. Additional block of suites, conference and banqueting facilities will soon be added to the hotel. The tourist attractions near the hotel include All Saints Cathedral and Bahr El Jebel Safaris. The new venture is Sarovar Hotels' fourth operational hotel in Africa. The group already manages The Heron Portico in Nairobi, The New Africa Hotel in Dar-Es-Salaam – Tanzania and The Zehneria Portico in Nairobi. [Also reported in Money Control- 23 May. 2016: Sarovar hotels eyeing 10 hotels in Africa, enters South Sudan](#)

## Feeling the Pinch: Airline Shuts Operations across South Sudan

Jacob A. Jok: [Oye! Times- 25 May. 2016](#)

South Sudanese air operator Golden Wings Aviation has shut operations in Bor, Panyangor, Pibor, Yei and Yambio following the rising inflation rates. The airline's official Kuot John Akech told Gurtong that the firm has so far lost 80 percent of its income over the rising dollar rates. Akech said all commercial flights in Jonglei State have been stopped because of high fares occasioned by the rising fuel costs. The ticket costs have risen from 900 South Sudanese Pounds to 2,000 South Sudanese Pounds, hence

scaring away potential travelers. The firm has also attributed its economic impasse to high fuel costs and non-payment by the national government. "We are on our knees now because the national government that we have been working with very well has not paid us for our services," said the firm's Bor director Lazarus Ayuel. "The government chartered our planes but has not paid for the same. We have been promised payment but so far nothing has been received," he said.

## Mobile telecommunication to resume this week in Fangak

Mach Samuel Peter: [The Dawn- 25 May. 2016](#)

Telecommunication companies are set to resume operations in the new state of Fangak this week, state minister James Lony Kang said. The telecommunication towers for MTN and Zain networks were destroyed in 2013 crisis when the war erupted in Juba and spread to Jonglei state causing massive destruction to public infrastructures. Communication in the area has

always been by use of Thuraya phones, which are prohibited without approval from the national security service. Speaking by phone to the Dawn yesterday, the minister said a team of experts has been sent to the field to assess the damages incurred during the war. The damages, he said could take four days to fix.

## ECONOMY AND PUBLIC FINANCE

### S. Sudan working to boost oil production soon

Geeska Afrika Online- [24 May. 2016](#)

South Sudan's newly appointed national minister of Petroleum in the Transitional Government of National Unity (TGoNU), Dak Duop Bichiok, has said his ministry is working to ensure that the oil production in the country should increase by July 2016. Oil production in South Sudan reduced significantly from the beginning of the two years of the civil war when almost all the oilfields in Unity state were shut down as well as some others in Upper Nile state. It reduced from over 300,000 barrels a day in 2013 to about 165,000

barrels per a day in 2014 at the peak of the war. The reduction of the oil production, which the nation depended on for 98% of its budget, coupled with reduction in global oil prices, has resulted to lack of revenues to run the government. Minister Dak told Sudan Tribune on Monday that he has set up a team of 21 members to work on the process to increase the oil production. He also said the team will kick off with the implementation of the reform and review in the oil sector as stipulated in the August

2015 peace agreement. Also reported in [This Day- 25 May. 2016: South Sudan working to boost oil production soon, in Xinhua- 26 May.](#)

[2016: South Sudan to restart oil production to shore up economy](#)

### **South Sudan restricts exports of timber, charcoal, fish**

[Xinhua- 25 May. 2016](#)

South Sudan has imposed restrictions on exports of timber, charcoal and unprocessed fish, in a bid to regulate depletion of natural resources and widen tax base, an official said. Minister of Trade, Industry and Investments, Stephen Dhieu Dau, said late Wednesday that these goods will only be exported under special licenses issued by his ministry as provided for in the Import and Export Act 2012. The ministry also restricted imports of arms and ammunition, ivory, genetically modified products, non-indigenous species of fish, narcotic drugs, agricultural chemicals like

DDT dieldrin, soaps, among others. The undersecretary in the Ministry of Trade, Biel Jok Thich, said some senior government officials had in the past encouraged illegal exports and imports of some banned goods. "Some of these people involved in illegal trade of these prohibited goods are senior people in government." We are now trying to restrict that," Biel said. South Sudan is facing economic challenges, marked by a shortage of hard currency and shrunk oil production, after more than two years of civil war.

### **Ivory of eight elephants seized at Juba Airport**

[Radio Tamazuj- 26 May. 2016](#)

Security forces at Juba International Airport have arrested an SPLA soldier who was carrying with him from Juba to Renk elephant tusks from eight elephants. The arrested suspect told journalists that he was given money to buy the tusks by a man he did not name but said his customer is from Darfur of Sudan. He said the Darfuri is in Renk. He said he bought the tusks from soldiers at Gadiang in Jonglei. He added that he has been working in the Upper Nile for months at the Unit guarding the oil fields but without salary, which forced him to operate other business. Jema Nunu Kumba the Minister of Wild life in the transitional

government of National Unity said, "In front of us a number of ivory, elephant tusks and other tusks that has been impounded by our security in Juba International Airport. This ivory was being taken out of Juba to Renk," she said. Nunu said the ministry is working hard to ensure that wildlife are protected. The minister appealed to the people of South Sudan to avoid poaching, urging the security forces to strengthen their work for the benefit of the country. She said the law will be applied to people arrested in the business adding that ivory in the custody of the government will be burnt, but she did not say when it will be burnt.

### **Lawmakers endorse South Sudan's EAC membership**

[Sudan Tribune- 25 May. 2016](#)

South Sudan lawmakers have unanimously supported the nation's membership to the East African Community (EAC) at a special parliamentary sitting, despite opposition's

outcry. South Sudan was admitted to the five nation bloc this year, five years since the application was dropped at the headquarters in Arusha, Tanzania. Uganda, Rwanda, Burundi and

Kenya are other members of the EAC, first established in the 1970s. Philip Thon Leek, chairperson for foreign affairs and international cooperation, presented the motion in parliament on Tuesday, outlining possible benefits in joining the group. "South Sudan will have a chance to work with powerful investors especially for large infrastructure projects [such as Africa power master plan, East Africa network, East African railway]. This will enable South Sudan to integrate its oil pipeline projects in addition to

transportation of imports and exports cheaply," said Thon. Members of the main opposition Democratic Change (DC) Party protested the sitting, describing it as illegal since the Transitional Government of Nation Unity (TGoNU) was established under the terms of peace agreement signed last year. [Also reported by Dau Majok John in This Day- 24 May. 2016: Parliament approves South Sudan accession to EAC, by Oyet Alfonse in Juba Monitor- 24 May. 2016: Parliament endorses EAC accession](#)

### **Why the need for transparent management of public funds-EU**

[Hellen Achayo: Eye Radio South Sudan- 24 May. 2016](#)

In order for South Sudan to address the economic crisis in the country, the interim government must form a mechanism for a transparent management of public funds, says the European Union. It says the crisis should also be resolved through comprehensive economic reforms, including measures to eliminate mismanagement and corruption. The economic-political group says the measures will establish realistic targets for government expenditures. In a statement, the EU reiterated its call to ensure that the resources of south-sudan are used responsibly for the reconstruction and the recovery of the country. On the issue of the states, the EU reechoed it's the call by African

Union, urging the South Sudan administration to suspend implementation of the twenty eight states. "All parties must refrain from any unilateral acts that might undermine the Agreement," it said in the statement, "the EU supports the Intergovernmental Authority on Development (IGAD) communiqué urging the suspension of any action on implementing the Presidential Decree dividing the country into twenty eight states until a Boundary Commission comprising all parties to the Agreement had proposed states and their boundaries." It encouraged the transitional government to work closely with relevant regional and International financial instruments to end the economic crisis.

### **What the transport ministry plans for a 27 million dollar grant**

[Memoscar Lasuba: Eye Radio South Sudan- 24 May. 2016](#)

The government of Japan has offered South Sudan 27 million dollars for construction of river ports along the Nile. The minister of transport, John Luk Jok, says an agreement was signed a in Japan few days ago. "We have just signed an agreement. My undersecretary and the CEO of the river transport just returned two days ago from Japan," he said, speaking on Eye Radio's dawn show, adding that his ministry was

considering the establishment of about 4 river-ports. "Well japan is now offering twenty seven million dollars for upgrading the juba river transport." He said a timeline of thirty months has been awarded for the project, within which, if not all, at least some of the ports will be ready for use. He said the river ports will help in handling bulk transportation.

## **Sudan petroleum minister reiterates commitment to review South Sudan oil transit fees**

[Radio Tamazuj- 20 May. 2016](#)

Sudan's minister of petroleum and gas Mohammed Zaid Awad said his ministry is committed to president Omar al-Bashir's directives to review South Sudan's oil transit fees. In a press release after a meeting with the head of PETRONAS Oil Company in Khartoum, Awad pointed out that stability in South Sudan will help in developing the relationship with the two countries, saying many issues with the two

counties are governed by agreements signed by both sides. The minister said Sudan is ready to cooperate with all partners and international companies in oil industry who helped extract oil in Sudan. South Sudan currently pays about 25 US dollars per barrel to transport its oil through northern pipelines. However, Juba has pushed Khartoum to reduce this fee owing to the drop in worldwide oil prices to under \$50 a barrel.

## **Western Lakes state ban illegal tax collection**

[Sudan Tribune- 25 May. 2016](#)

Lawmakers in South Sudan's Western Lakes state on Tuesday passed a resolution directing the state ministry of local government and law enforcement agency to deal with illegal tax collectors. The chairman of market committee surveillance, Madhieu Makuac Adhil said several institutions are involved in collecting taxes in Rumbek market without proper authorization from authorities concerned with tax collection. "The ministry of finance, trade and industry is in charge for tax collection from all businesses operators, but local security agents have turned into tax collectors on streets, from shop to shop and establishing more road blocks without

justification," he said. At its seventh session held in Rumbek, 17 members passed the vote against four, authorizing the local government ministry to deal with illegal tax collectors. "There will be an auditing body and investigation body to track those involved and if anybody is found guilty, immediately that person must face law," said Madhieu. He also cautioned the public to desist from illegally using the form designed by the finance ministry for tax collection. Meanwhile, Western Lakes state minister for local government and law enforcement, Benjamin Makuer Mabor has directed that the order from MPs be imposed.

## **Gov't launches action plan for financial accountability**

[Magdoline Joseph: Eye Radio South Sudan- 26 May. 2016](#)

The National Audit Chamber has launched an action plan aimed at introducing a culture of financial accountability in government institutions. The Local Government Audit Strategy is a document that gives guidelines to help public office holders manage finances with transparency. "The strategy tells the leadership of local government and the leadership of the national audit chamber the thinking behind the project; what we want to do and why and how

and by who," Stephen Wondu, the Auditor General said was speaking during the launch. He said the document will also explain the linkages between national institutions in the process of the rural development projects at the local government level. Mr. Wondu said the local government authorities will also struggle to assist new auditors so that the resources that they use resources given to them effectively.

## S. Sudan's university lecturers go on strike over unpaid salaries

[Sudan Tribune- 26 May. 2016](#)

Lectures of various universities in South Sudan have begun to go on strike on Wednesday, 25 May, over unpaid salaries for three months as the government has failed to secure money. The strike, which has no limited period until the matter is resolved, began on Monday and may go on until the Ministry of Finance has settled the payment of three months of salaries. According to Philip Finish Apollo, member of the academic staff at Juba University, he told the media that the salaries include allowance of medical coverage, annual air tickets as well as higher education employees in the new salary adjustment. The affected universities which lecturers have gone on the strike include Juba University, Bahr el Ghazel University, Upper Nile University, John Garang University and Rumbek University. Minister of higher education, whose

institution is responsible for paying the lecturers their salaries, however said the lecturers had the right to strike if there was no money to pay them. Peter Adwok Nyaba, a new minister of the transitional government of national unity who took up his position only three weeks ago, and represents the armed opposition faction of the Sudan People's Liberation Movement (SPLM-IO), said he had nothing to do to pay the three months of salary arrears as he got the ministry without money. [Also reported Atem John in The Dawn- 25 May. 2016: Public Universities vow strike over three months' salary delay, in This Day- 25 May. 2016: University staff to strike today after three months no pay, by Parach Mach in The National Today- 25 May. 2016: University lecturers on strike over delayed salaries](#)