

27<sup>th</sup> May. – 1<sup>st</sup> Jun. 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 affect human development and vice-versa.

Media Outlets:

1. Sudan Tribune
2. Financial Tribune
3. Radio Tamazuj
4. Juba Monitor
5. Sputnik International
6. Voice of America
7. All Africa
8. The Dawn
9. The Guardian
10. Associated Press
11. Mediamax
12. AA
13. Aviation Tourism & Conservation news

Disclaimer:

These are extracts from the news media outlets, they are NOT UNDP News.

## WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



Empowered lives.  
Resilient nations.

### PRICES AND MARKET

#### Sudan to Resume Oil Production

[Financial Tribune- 28 May. 2016](#)

South Sudan's transitional government has announced it will resume oil production by July after a halt of more than two years during a bloody civil war for control of the newly independent country's oil wealth. Though production will resume by July, pumping at fields will not reach the levels of production they enjoyed at their peak in 2010 for some time, Oil Price reported. When South Sudan became independent in 2011, it gained not only sovereignty but control of about three-fourths of Sudan's oil production, a devastating blow to Sudan's economy. The IMF estimates that Sudan lost roughly 55% of its fiscal revenues and about two-thirds of its foreign exchange earnings. Sudan's crude oil export revenues were dramatically slashed from a near \$11 billion in 2010 to less than \$2 billion in 2012. The year it became independent from Sudan, South Sudan was producing nearly 350,000 barrels per day. Due to a dispute over transit prices through Sudan—the South's only export outlet—production dropped to a negligent level in 2012.

#### Weak South Sudanese Pound threatens trade with Sudan

[Radio Tamazuj- 28 May. 2016](#)

A number of traders in South Sudan's Northern Bahr el Ghazal state complained that the falling value of South Sudanese Pound against the dollar has affected border trade between Sudan and South Sudan. Speaking to Radio Tamazuj, the chairman of chamber of commerce in Warawar in Northern Bahr el Ghazal said goods are flowing from Sudan, but the falling value of South Sudanese Pound has affected the trade in the market. The South Sudanese Pound now trades at nearly 40 to the US dollar despite formation of a transitional government of national unity.

## **Expedite formation of national revenue authority**

Oyet Alfonse: [Juba Monitor- 27 May. 2016](#)

As the market continues to face challenges due to the devastating economy, the Chamber of Commerce said government should expedite formation of national revenue authority to steer up reform in the economy. Simon Akuei Deng, the Secretary General of the Chamber of Commerce said in a press conference yesterday. He said that government owes business communities a number of unpaid bills which continue to cripple the market. He appeal to government to plan for payment and dialogue with private sectors on how to address loss

of money and payment of outstanding bills. "It is better to have stable currency that is predictable", he mentioned. Saying fluctuating currency rates is dangerous to investment. We are asking the Cabinet to look into this as an urgent matter", Akuei stated. He continued that government should remove non-tariff barriers, road blocks on all high ways that continue to affect business in the country. "Illegal collection of fees by unauthorized officials is making prices high in the market.

## **Co-op Bank to replicate South Sudan model in new EAC markets**

Zachary Ochuodho: [Mediamax- 27 May. 2016](#)

Co-operative Bank plans to venture into new markets in East Africa through the same model it used in South Sudan. The bank wants to establish branches in Rwanda, Ethiopia and Tanzania using the same strategy it adopted when it entered South Sudan in 2012. Speaking during the Annual General Meeting Friday, in which the delegates approved a dividend of Sho.8, chief executive and managing director Dr Gideon Muriuki said the group's future is promising on account of the growth strategies they have put in place, including the full execution of the "Soaring Eagle" transformation agenda. He said the group is still exploring which among the three

countries to go first. "We are still exploring where to launch first, but Ethiopia could be the first one," said Muriuki. He said Ethiopia is still a virgin market as not many banks operate in the country as was the case with South Sudan when they started out. Co-op Bank entered South Sudan through a joint venture partnership where it allowed the South Sudan government have 49 per cent of the company shares, while it retained 51 per cent. The South Sudan branch business had a positive contribution to the group last year with a profit before tax of Sh850 million despite the difficult trading environment.

## **Jonglei citizens decry rising prices in Bor market**

Radio Tamazuj- [27 May. 2016](#)

Rising prices in the Bor market have caused hardship in the region, citizens tell Radio Tamazuj. "People are suffering because things are expensive in the market," Shol Nhial, a young woman in the area told Radio Tamazuj. Many people in Bor are government workers, and have not been paid in four months. "The problem affecting us is the dollar," said Abdredim Muhamed, a Sudanese

trader in Bor. "Today if you go to the market and ask for an item, you will not get the same price. If you talk to the customer, he will say the price increases," Muhamad said most of his commodities come from Uganda and are heavily taxed — increasing the price by as much as five times the original value. Many traders also complain about the high cost of transportation.

## BUSINESS

### South Sudan Seeks Russian Investment in Energy, Mineral Sectors - Envoy

[Sputnik International- 30 May. 2016](#)

South Sudan welcomes Russian companies interested in investing in the country's energy, mineral and financial markets and has been maintaining contacts with them, South Sudanese Senior Presidential Adviser and Special Envoy, Nhial Deng Nhial, said on Monday. South Sudan looks forward to a renewal of economic ties with Russia, he emphasized, noting that Russian companies had conducted extensive feasibility studies of South Sudan's energy and mineral deposits prior to the country's independence in 2011, after which the sub-Saharan landlocked

country plunged into civil war and a conflict with its neighbor Sudan. "We have other [non-oil] resources that can be tapped, and we would like Russia to participate in that, especially in the mineral sector, and we have the mineral sector, and we have already had extensive contacts with leading Russian companies, notably Gazprom...We have been in touch with them, they are interested to invest in the petroleum sector," Nhial said in an interview with RIA Novosti.

### South Sudanese Women Learn New Skills to Become Self-Sufficient

[Dimo Silva: Voice of America- 31 May. 2016](#)

A group of women from the Greater Equatoria region are in Wau, South Sudan, to train dozens of other women on how to make handicrafts that they can sell to earn a living. Thirty young women are learning how to make handbags, wallets and tablecloths from local materials such as beads. Officials of the Juba-based Women Advance Organization, which put together the training, say they believe the new skills not only will enable young women to earn money, but also will create

jobs for other women. Dozens of women sit on locally made carpets at the Youth and Sports Center in Wau, each holding a needle and spools of threads in different colors, sewing together a variety of handicrafts, including colorful tablecloths. In one corner sits a basket full of handmade handbags, wallets and table mats, all ready to be sold in local markets. The women are expected to spend two more weeks learning their skills.

## ECONOMY AND PUBLIC FINANCE

### Removal of non-tariff barriers boost East African trade

[Sudan Tribune- 28 May. 2016](#)

Removal of key Non-Tariff Barriers (NTBs) has contributed to a 14% reduction in time taken to import goods from one East African country to another, a recent independent evaluation of the NTBs trade programs within East Africa has shown. It currently takes only 26 days from 33, to export goods from each of the East African Community (EAC) nations, hence a 20%

reduction in the time taken. The independent evaluators based their findings on NTBs program valued at US\$ 7.89 million across the EAC partner states, supported by Trade Mark East Africa (TMEA). The programme, it said, identified 112 NTB's and had resolved 87 of them by the time of the evaluation was done. According to the report, the enactment of The EAC Elimination Act

positively impacted on the NTBs programme. The Act seeks to empower the second clause under Article 13 of the Customs Union, which aims at establishing a legal mechanism for identifying and monitoring removal of NTBs.

Establish in 2005, the Customs Union, through its Protocol, subsequently agreed to strive towards the removal of internal taxes and non-tariff barriers on intra-EAC trade.

### **East Africa: EAC Reduces Annual Fiscal Budget**

[Marc Nkwame: All Africa- 28 May. 2016](#)

Despite enlisting a new country, South Sudan, which expands the East African Community (EAC) into a six member state bloc, the EAC has reduced its fiscal year budget to just 101.4 million US dollars. The Arusha-based EAC secretariat presented annual budget estimates for the Financial Year 2016/2017 totalling \$101,374,589 to the East African Legislative Assembly currently sitting here. The Budget speech was read before the EALA by the Deputy Minister for Foreign Affairs and East African Co-operation, Dr Susan Kolimba, on behalf of the Minister and Chair of the EAC Council of Ministers, Dr Augustine Mahiga. The current budget has been reduced

from 111 million US dollars presented to the House in the previous financial year, when the community had only five member states, Kenya, Rwanda, Uganda, Burundi and Tanzania. The new budget, now with South Sudan aboard, prioritizes the full implementation of the EAC Single Customs Territory, enhanced implementation of the EAC Common Market Protocol especially additional commitments and interconnectivity of border immigration systems and procedures across Partner States and enhancement of productivity and value addition in key productive sectors.

### **Macroeconomic policies' change needed to curb economic crisis- IMF**

[Okech Francis: The Dawn- 2 Jun. 2016](#)

South Sudan needs change in macroeconomic policies to contain a deteriorating economic crisis, a potential threat to the country's peace arrangement, an International Monetary Fund official said. The country has suffered political instability and external shocks over the last two and a half years with a high inflation approaching 300 percent, Jan Mikkelsen who led a team of IMF officials to the country said in a statement in Juba at the end of a week's visit. "The decline in oil production by almost half and the sharp drop in international oil prices caused large shortfalls in

foreign exchange receipts and government revenue", he said. "If macroeconomic policies do not change, the economic situation will deteriorate further, resulting in more humanitarian suffering and potentially threatening the still-fragile peace process," Mikkelsen said. The official said the value of the South Sudanese pound has dropped by close to 90 percent since the exchange rate liberalization in December 2015, while central bank international reserves have dwindled to a few days of import coverage.

### **South Sudan to repair damaged oil facilities**

[Parach Mach: AA-27 May. 2016](#)

South Sudan, supported by unity gov., plans to repair oil facilities in Paloch fields to boost production to pre-war capacity. South Sudan has laid plans to repair oil facilities damaged by two years of civil war to restore output to its original level and to support production from the only region pumping crude, the Paloch fields in the upper Nile state. Oil output from the young nation, which has sub-Saharan Africa's third-largest reserves, is now 130,000 barrels per day, less than a quarter of the 300,000 barrels per day the nation pumped before the civil war broke out in December 2013 when president Kiir accused his deputy Riek Machar of mounting a coup against his regime. The ministry hopes to ramp

up production swiftly with the backing of the new transitional unity government which was formed at the end of April. Minister of Petroleum Dak Duop Bichok said that substantial damage was incurred to oil facilities at the Tharjath Oil bloc 5 and in the Unity fields during the war. He added that repairs to rectify the damage at the oil fields could take years and will delay the restart of the fields that are linked to them. "Oil Companies DPOC [Dar Petroleum Operating Company] and GPOC [Greater Petroleum Operating Company] have agreed to repair oil field facilities in Tharjath and Unity State so that we can resume the previous production of 300,000 per barrel," Bichok told Anadolu Agency.

### **Blood ivory seized at Juba International Airport**

[Aviation Tourism and Conservation news- 27 May. 2016](#)

Information was received from the South Sudan capital Juba that security services at the international airport have arrested an SPLA soldier who carried 8 elephant tusks. The suspect confesses that he had bought the blood ivory from other government soldiers, trying to make a living after not receiving any salary for several months. He named a Sudanese man from Darfur as his buyer and was enroute to the town of Renk to meet him when he was arrested. The minister responsible for wildlife in the current transitional government of national unity Jema Kumba denounced the find and vowed to strengthen measures to reduce poaching and ivory smuggling. During the civil had law and order largely broken down and the government troops as well as the opposition soldiers resorted regularly to poaching, not just to have meat to

eat but, reportedly also for game trophies like ivory tusks to sell and make money. Meanwhile has Spanish police reportedly also made a major seizure, when 74 tusks were found with a trader using fake documents from Mozambique. Kenya will be introducing a motion to ban all trade of any form of ivory at the upcoming CITES meeting in Johannesburg but insider sources have already suggested that there will be opposition from other countries which have over the past weeks belittled Kenya's burning of 105 tons of blood ivory and nearly 1.5 tons of rhino horn. Several countries' leading politicians have poured scorn over Kenya's ivory burn and in various words called the action anything from silly to stupid, as illicit ivory and rhino horn worth nearly 150 million US Dollars was reduced to ashes.

### **Minister: South Sudan lacks resettlement and repatriation plan**

[Radio Tamazuj- 27 May. 2016](#)

South Sudan does not have a plan for resettlement and repatriation for people living in either Protection of Civilian sites or displaced citizens in other countries, South Sudan Minister of Humanitarian Affairs and Disaster Management Hussein Mar Nyuot said on Thursday. The minister said he needed to meet with UN agencies to discuss what support the displaced need to rebuild their lives. "We do not want our people to stay in the camp when the peace agreement is signed and there is implementation going on. We are going to do this very soon" Nyuot said during a press conference. A top UN official urged South Sudanese who

attended a recent humanitarian summit in Turkey to ensure the country is not forgotten by international donors. Eugene Owusu, UNDP Resident Representative in South Sudan, said the summit in Turkey showed how important political will is for addressing the root causes of the conflict in South Sudan. "The humanitarian appeal that we launched late last year is today funded at only 29 percent," Owusu said. "We need more contribution urgently in order to reach people in dire need across the country as they seek to regain their lives and indeed their livelihoods,".

### **Boma state yet to receive president Kiir's tractors**

[Sudan Tribune- 31 May. 2016](#)

Boma state, a region comprising mainly of pastoralists, is yet to get the 20 tractors promised to each state by the South Sudanese President, Salva Kiir. Plans to increase food production in Boma state, through engaging its redundant youth in agricultural activities had been marred by failure to secure the 20 tractors meant for the state population, according to the Boma state governor, Baba Medan Konyi. "We did not manage to receive our share of tractors this year from Juba. Majority of the people, whom we wanted to engage on agriculture, especially the youth, are now redundant. Very few have cultivated around their homestead, on less than a

fedan. This cannot support them in any way", he told Sudan Tribune in Pibor on Saturday. The communities in Pochalla and Anyuak are said to have tried best, using their manual hand tools to cultivate reasonable sizes of their farms. He however said the Murle had not done much in farming due to several challenges its communities had been faced with. "One of the reasons is that man in Murle don't cultivate, they only go after cattle, while women remain at homes to do the rest of the jobs, including cultivating for the family. Maize is the common crop they plant, but what they plant cannot feed them for even a month", stressed Medan.

### **South Sudan: Army Major arrested allegedly smuggling ivory**

[Jason Patinkin: Associated Press- 27 May. 2016](#)

South Sudan authorities arrested an army major and a Chinese oil worker for allegedly trafficking elephant ivory and endangered pangolin meat through the country's Paloich oil fields. National wildlife service officer Bona Adino said he

arrested the army officer at Juba International Airport Tuesday with 27 pieces of cut ivory from eight elephants on a cargo flight to Paloich, the country's only functioning oil fields. On Wednesday, an airport sniffer dog unit found 10

kilograms (22 pounds) of frozen pangolin meat in the luggage of a Chinese national upon his arrival in Juba from Paloich where he works as an oil engineer, according to documents shown to reporters by National Wildlife Service external relations director Khamis Adieng. The Chinese man was arrested but released with the contraband, Adieng said. "I'm trying to work for

him to be brought back. I hope he didn't consume the meat," he said. Some Chinese people highly prize the meat and scales of pangolin, or scaly anteater. The ivory was likely destined for Sudan, said Adieng. Further tests will determine if the ivory comes from elephants poached in South Sudan or neighboring countries, he said.

### **'It's like Florence Nightingale's time': South Sudan's public services collapse**

Jason Patinkin: [The Guardian- 27 May. 2016](#)

From candlelit births to a lack of power and basic supplies, the desperate plight of South Sudan's largest public hospital is symptomatic of a countrywide crisis. Wednesday afternoon found Jeremiah Kuol pacing up and down the maternity ward of Juba teaching hospital, wondering whether his wife, Hannah Nyabok, would live or die. She had suffered a severe hemorrhage after giving birth the day before but, with South Sudan's largest public hospital facing a week-long power cut and a shortage of medicine, there seemed little hope of saving her life. "There's no power, no facilities here, there's nothing," Kuol said. "Nothing I can do." The teaching hospital, a

sprawling complex of wards and operating theatres built up over the past decade with tens of millions of dollars of international donor support, has all but ceased functioning. Medical staff haven't been paid for three months and, for more than a week, there's been no fuel for the generators, making surgery impossible. Outside one ward sat a paralyzed man who was waiting for the electricity to be restored so that surgeons could try to remove the bullet from his spine. At night, only the maternity ward stays open. In it, women give birth by the light of the candles that they bring themselves.