

WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



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12th – 18th Feb. 2015

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. The Nation Mirror
2. Juba Monitor
3. Radio Tamazuj
4. Eye Radio South Sudan
5. The Juba Telegraph
6. The National Today
7. The Daily Monitor
8. Voice of America
9. World
10. Paanluel Wel

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PRICES AND MARKETS

Soaring Prices Spur Strike by South Sudan Bank Staffers

Michael Atit: [Voice of America- 16 Feb. 2016](#)

More than 300 employees of Kenya Commercial Bank (KCB) across South Sudan have been on strike this week, demanding a six fold pay increase to cover the soaring cost of living. The staffers say they need the pay hike to keep up with increased prices for food and other basic needs, which have skyrocketed since the government devalued the South Sudanese pound against the U.S. dollar in December. Bank customers said Tuesday that they had not been informed about the strike. Peter Mayen, a student preparing to attend the University of Bahr El-Ghazal this year, said he had come to the bank to withdraw money to pay his tuition fees. Speaking in Arabic, Mayan said he would be in a tough position if the bank did not reopen. "Now I am surprised, because when I came to get [money] from my account, it's supposed to be done today, and if they're not working today I don't know really what I can do," he said. "If there is something happening, they should inform the people in advance."

TGoNU could solve mismanaged currency float

Mayen D. M. A. Ayarbiior: [Paanluel Wel- 18 Feb. 2016](#)

Citing discrimination on a pay adjustment regime which had seen Kenyans and Uganda getting 500% salary increment, last week the national staff of KCB underwent a strike. Because they are employees of the same institution they felt, and rightly so, that the policy was unjustifiable, disrespectful, discriminating to the extent that they could just express their dissatisfaction with a mere petition (request) for justice. To their dismay, in a strange case of abdication of parental (let alone national) sense of duty to protect our employed youth, some senior citizens appealed to the national staff's "patriotism," and urged them to 'go back to work!' Since before the Panthaw (Heglij) war, which was a just war, the population of South Sudan have been living under official and unofficial economic austerity. Most families have tightened their belts with the hope that everything will be okay.

Gov't threatens to cancel licenses over soaring market prices

Mayen Deng: [Eye Radio South Sudan- 18 Feb. 2016](#)

Business licenses of traders who have refused to reduce the prices of basic goods will be revoked, the ministry of commerce has warned. The Undersecretary in the Ministry of Trade, Biel Jock, says traders should reduce the prices by 40% in line with the reduction of taxes and custom duties. "I want to tell the traders that please you have to respect it because it is not good to cheat people,"

he told Eye Radio. He said organized forces have started inspecting the market to find businessmen who still keep the prices high. Some traders who spoke to Eye Radio said they kept the prices high due to the shortage of the US dollars. They also said they just received information on the reduction of taxes this week and would reduce the prices after their next imports.

Traders ordered to reduce prices

[Juba Monitor- 12 Feb. 2016](#)

The Ministry of Trade has directed traders to reduce the prices of basic goods by 40 percent in line with the reduction of taxes the government declared last month. The subsidy is on goods such as maize flour, sugar, cooking oil and rice. Others include formula, sorghum, and salt. The Undersecretary in the Ministry of Trade, Industries and Investment says the move was meant to reduce prices. Biel Jok told Eye Radio that law enforcement

agents have been directed to implement the order. "Since we've reduced duties at the border, any trader who brings maize flour has to sell it at 450 pounds. This is a government policy and it must enforce it", he said. In November, the government gave \$10 million to ivory and alpha banks to import basic goods with the aim of reducing prices.

Understanding of exchange rate regimes in South Sudan

Aborhok Malual Nyincol: [Juba Monitor- 12 Feb. 2016](#)

The country did not have a developed financial market so it was a good decision to adopt a fixed exchange rate regime. Hence, exchange rate policy would remain unchanged for the next four years, even though it was supposed to be stop-gap and transitory measure to be evaluated and adjusted based on the needs of the economy of south Sudan. Addressing the masses at quality Hotel, the expert presenter Ariic David Reng said, a well-intended communication policy strategy must be laid down to enlighten the masses across the country for

reduction devaluation. Exchange rate policy did not go through due to lack of controlling system established by Central Bank, because Central Bank is the Bank of Banks, He explained. David assured the people that, after independence South Sudan adopted a pegged exchange rate where the value of the SSP was fixed at the official rate of 2.95 per US Dollar. This triggered rationing of hard currency at the official rate where preferential access guided the dollar allocation, he urged.

Hunger worries people as prices continue rising

Ayuen Akuot Atem: [The National Today- 15 Feb. 2016](#)

As prices continue to hike in the country, people in Juba are worried of hunger are worried of hunger crisis. Several people who talked to the National today at Konyo konyo market in Juba expressed dismay at the way commodities are becoming expensive. "We are really worried, I am not certain about the way the prices of basic commodities keep rising from time to time. A kilo of meat cost almost 100 South Sudanese

Pounds now, Mary Ayen, a consumer, said at the market. Stocks are also diminishing in the shops she visits, on a daily basis, Ayen said. Meanwhile Betty Keji noted that people are really suffering in the country. "Traders keep changing prices from time to time. What is selling today at 100 SSP will increase with double prices tomorrow.

BUSINESS

KCB bank local staffs on strike over pay

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

South Sudanese staffs working at Kenya Commercial Bank (KCB) went on strike on Monday after they say the bank failed to respond to their demands to adjust salaries following the devaluation of the South Sudanese pound. Langalafa James Oriho, deputy chairman of the staff association at KCB told reporters yesterday that they will continue with their peaceful strike until the bank administration sorts out their issues. He explained that the strike came after two months of negotiation with the bank after the devaluation of the South Sudanese pound. Oriho further said that the other staffs working in the ten state branches are also on strike. Many customers were seen lined up at KCB's Buluk branch yesterday, where they were served by a few non-South Sudanese bank

workers who have not joined the strike. A client called Samson said, "I came this morning to the branch in Munuki, I was told that the staff were on strike, then I decided to come to Buluk but unfortunately as you can see people are very many." Also reported by Vicor Juman in [Daily Monitor- 18 Feb. 2016](#); KCB South Sudan staff go on strike for salary increase, by Paska Alfred Akwoch in [The National Today- 16 Feb. 2016](#); KCB on strike: National staffers demand 600 percent pay rise, by Aborhok malual Nyincol in [The Juba Telegraph- 16 Feb. 2016](#); Kenyan Commercial Bank association of workers on strike, also reported by Richard Jale in [Juba Monitor- 16 Feb. 2016](#); KCB Staffs strike, paralyzes operations

Yambio receives trade commodities

[The National Today- 15 Feb. 2016](#)

Market in Gbudwe State received truckloads of commodities last week, which came as a relief, after insecurity in Western Equatoria region reduced goods entering the area since last year. Food items, fuel among other commodities had been wanting, as a result of cut off due to clashes between youths and the SPLA army on several fronts, including in Mundri and

Yambio. According to a report by Radio Miraya, the town mayor, Daniel Badagu said government authorities arranged for the movement of the trucks from Yei to Yambio via Maridi. "Prices of goods remain high because of the high rate of the dollar on the black market", badagu was quoted, nothing that the authorities were contemplating how to intervene.

ECONOMY AND PUBLIC FINANCE

Salary delays for civil servants in several South Sudan states

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

Officials in South Sudan's Eastern Equatoria, Western Equatoria, Warrap and Jonglei states have confirmed to Radio Tamazuj that civil servants in government institutions in their states did not receive their salaries of January. Torit County Commissioner in Eastern Equatoria German Charles told Radio Tamazuj that the civil servants in the state did not receive their salaries of January. However, German downplayed this issue

saying civil servants receive their salaries in the middle of the next month in most cases. Meanwhile, the Commissioner of Twic East in Jonglei State Dau Akoi said the civil servants in the state did not receive their salaries of January due to a delay from the national government in Juba. For his part, the deputy governor of the newly created Tonj State Manhiem Bol Malek also confirmed that many civil servants did not receive

their salary but said they will probably receive it on Wednesday or Thursday. "We still did not receive the salaries of January but they may be receiving it today

or tomorrow because the bank account of the state was one in the former Warrap state," he said.

Will economic crisis finally bring peace to South Sudan?

[Onize Ohikere: World- 15 Feb. 2016](#)

South Sudan's president, Salva Kiir, has appointed rebel leader Riek Machar as vice president in a move to restore peace and resolve the country's deepening economic crisis. The appointment complies with a Compromise Peace Agreement between the government forces and the rebels signed in August. The agreement sought to end the civil war that began in 2013 after Kiir fired Machar, who then served as his

deputy. So far, the opposing parties have repeatedly violated the deal. But the failing economy has pushed Kiir to honor the agreement by creating a long-stalled transitional government. After it became the world's newest country almost five years ago, South Sudan's public debt skyrocketed from zero to \$4.2 billion. In December, the country devalued its currency to 84 percent as it struggled through declining oil prices.

Partners to restore economic dynamic

[Oyet Alfonse: Juba Monitor- 17 Feb. 2016](#)

The development partners did not only need a government of national unity but rather to restore economic dynamism of the country. Eugene Owusu, the Deputy Special Representative of the Secretary General, UN Resident Representative and Humanitarian Coordinator made the statement yesterday. He made the statement during the launch of the Diagnostic trade Integration Study. "We are gathered here today at a time of immense opportunity and challenge for this young nation. As we express our

support for government, we wish to extend our appreciations for all who supported the study. We are delighted that this event would be instrumental in shaping our evolving and diverse partnership as we head into the future", he said. "South Sudan's survival is no longer a choice between conquest and annexation; it is now a choice between poverty, marginalization and prosperity. We must invest in trade to secure durable peace", he stressed.

Yei River state receives 20 tractors

[Daniel Friday Martin: Juba monitor- 18 Feb. 2016](#)

Authorities in Yei River state received at least 20 tractors from the National Government on Wednesday. In 2014, President Salva Kiir Mayardit promised to donate one thousand tractors to all the states aimed at fighting food insecurity through mechanized farming. Speaking to the press at the reception, Yei river County agriculture Commissioner Edimon Taban Gogo said the tractors will boost this year's crop production. "Today is a remarkable day; we are receiving our tractors which

are overdue. We have seen them, they are brown in color, and sustainably we are going to maintain them. How many will be given to us we shall come up with a project proposal on maintaining and sustaining these tractors in place. Am also happy that our production level is going to increase. Most farmers have already uprooted their trees and are waiting for the ploughing season," Mr. Gogo remarked.

Gov't to produce enough food

Thomas Lodovico Oryem: [Juba Monitor- 15 Feb. 2016](#)

The acting secretary general Imatong state Kamerino Ochang Daniel on Thursday received a team from Juba comprising of members of national ministry of agriculture and ministry of defence. Speaking during the meeting Ochang thanked the team and welcomed them to Imatong state saying, the state governor and the secretary General were on peace and reconciliation mission in Ikwoto and Kidobo administrative areas as one of the government's priorities is security of the citizens. He confirmed to the team that the state

received 20 tractors from the ministry of defense of South Sudan although he said that other tractors were missing some parts to be provided like filters and others. Speaking to Juba Monitor after the meeting Ochang said the team from ministry of defense, national ministry of agriculture and mechanical engineers from Israel came to establish rural agro-mechanical service center to train local drivers and mechanics on how to use and maintain the donated tractors.