

WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



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19th – 25th Feb. 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. Eye Radio South Sudan
2. The East African
3. Gurtong
4. Radio Tamazuj
5. The Nation Mirror
6. The Corporate Weekly
7. The National Today
8. Juba Monitor

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PRICES AND MARKETS

Commercial banks asked to report on sale of forex

[Radio Tamazuj- 21 Feb. 2016](#)

South Sudan's central bank has Friday asked commercial banks in the country to produce written reports on how they have used dollars that they bought from the central bank at the previous foreign exchange auction. Bank Governor Kornelio Koriom Mayik said following a meeting with commercial banks that the central bank scheduled another auction in the coming week but needed the reports from the commercial banks for evaluation. "We called the managing directors of commercial banks in order to review the last situation and to assure them that there is another auction which is planned for the coming week," he said. "The auction is going to take place but before it takes place we also told them that we should first want know what happen to the previous sixty million which was auctioned and went to commercial banks." "Why are we not seeing the results? And we want them to produce documents to show what they have done in the market," he said.

Wau market reopens partially after recent clashes

[Radio Tamazuj- 22 Feb. 2016](#)

Multiple sources told Radio Tamazuj Sunday that Wau market was reopened partially after the situation stabilized following deadly clashes between government forces and opposition fighters last week. A least five people were killed and several houses burned during the clashes at Bisselia area in Wau County of South Sudan's Western Bahr al Ghazal State. Peter Tingo, a member of the SPLM-IO advance team in Juba, commended efforts exerted by Wau Governor Elias Waya for de-escalating the situation upon his arrival in the state on Friday. Speaking to Radio Tamazuj, Tingo urged the National government in Juba to support the newly appointed governor to control elements of the SPLA forces that instigated violence in the Wau area. "The situation is not bad, it is not good outside the town, but the state government needs support from the national government to restore peace and stability in the area," he said.

Central Bank Governor Threatens To Publicize Beneficiaries of Auctioned Dollars

[The Nation Mirror- 23 Feb. 2016](#)

Central Bank Governor, Kornelio Koriom Mayiik on Friday threatened to publicize officials and institutions that have benefited from auctioned hard currency. The Central Bank pumped millions of dollars into market but no positive effect on the market as US dollar exchange rates soar high against the South Sudanese Pound. Koriom held an evaluation meeting with banking institutions in the country to understand what effect the 60 million dollars auctioned earlier this year had on the economic situation in the country. The Governor who sounded more frustrated at the turn of events demanded explanation from banking institution managers before the Central Bank could

auction more hard currency to ease economic hardship. "Why are we not seeing the results? We wanted them to produce documents from those beneficiaries of what effect they have done in the market," Koriom stressed. "If not we shall put the names of those who have benefited from the auction and publicize them in the media so that the people see that the money is not used anywhere," Koriom threatened. The governor revealed that all the auctioned sum of 60 million dollars went to banks, including to certain individuals he did not name, but stressed that the visibility of the money in the market, has not been felt.

Commissioner Assesses Yambio Market

[Joseph Nashion: Gurtong- 19 Feb. 2016](#)

The Commissioner of Yambio County, on Wednesday visited Yambio town open market to assess the order in which people are selling their commodities. Hussein Enoka urged the traders not to sell their commodities along the market path ways to create space for buyers who would like to enter the market. He said that selling food stuff near roads will only make the food contaminated from vehicle fumes. He also said that every seller should be in the area he/she was allocated to failure to do so will lead to a fine. "We want our people

to be organized," said Enoka. Hon. Enoka called upon the shops owners to start renewing their licenses for the year 2016 before the County authority takes necessary measures. Meanwhile, the Chairperson of the Chamber of Commerce, Mr. Hezekiah Phillip Tuu said that those who have moved close to the pathways in the market will soon be moved away. We have done the arrangement for the boys who are invading the market path ways and soon they will be moved," Philip noted.

Commercial banks summoned over foreign exchange disbursement

[Deng Machol: The National Today- 23 Feb. 2016](#)

The Governor of the Central Bank of South Sudan has directed managing directors of the commercial banks to provide detailed reports on how \$60 million awarded to them was utilized. According to the Central Bank, the commercial banks have to produce written reports on how they have used the dollars sold to them by the lead financial institution. This stems from reports that the effects of the money are not being felt in the market across the country. The government auctioned the 460 million to commercial banks, in an effort to alleviate the economy from shocks triggered by the devaluation of the South

Sudanese pound in December. The step is aiming to make hard currency more accessible for traders and the general public for the purchase of basic commodities. In a report, the Central Bank Governor, Kornelio Koriom Mayik said the banks found to have misused the money will be held accountable. He suggested that the central bank might publish in the press the names of business people who purchased large quantities of dollars so that the public will be able to question what they have done with these dollars. [Also reported by Oyet Alfonse in Juba Monitor- 22 Feb. 2016: Central Bank summons commercial banks.](#)

Bus fares reduced on Bor-Juba-Twic routes

[Radio Tamazuj- 25 Feb. 2016](#)

Bor's bus traders union says the fare from Bor to Juba reduced to 250 SSP this week from a previous rate of 350 SSP. This comes after the price of diesel reportedly dropped from 700 SSP to 500 SSP. According to a local FM station, the fare from Bor to Twic East has also

dropped from 350 SSP to 300 SSP. The station said that passengers going to Twic and Juba from Bor appreciated the reduction of bus fare but they are also asking the government to take steps to reduce prices of basic commodities in the markets.

BUSINESS

KCB staff call off strike

[Magdoline Joseph Eye Radio South Sudan- 22 Feb. 2016](#)

The national staff of the Kenya Commercial Bank has resumed work after striking a deal with the bank management. On Monday last week, at least 300 workers went on strike, demanding a pay rise of 600 percent in line with the devaluation of the pound. They vowed not to return to work unless their demands were met. The Chairperson of the National Staff Association, Paul Ajok Garang, says they have reached what he calls 'compromise agreement' with the management of the bank. "We've resumed work all

over the country even if we could not agree fully with the management of the bank," Mr Ajok told Eye Radio. The government devalued the pound in December, leading to a rise in market prices. In January, the Council of Ministers tripled the pay for junior civil servants in response to what they called 'market shock'. The pay rise will be effective this month. [Also reported by James Deng Dimo and Abraham Agoth in Gurtong- 24 Feb. 2016: KCB Employees end week long strike in South Sudan.](#)

Bus companies suspend travels to and from Uganda

[Lioto Samuel: Gurtong- 20 Feb. 2016](#)

The immigration offices at the border between South Sudan and Uganda, is calm with reduced activities as many buses have suspended trips to Uganda following the on-going elections. As Ugandans go to the polls wide spread violence is being experienced in the country following the arrest of the opposition candidate Dr. Kizza Besigye who was arrested on Friday, after storming the Naguru hills, where the military headquarters is stationed. He was then later released in what police in Uganda say was not an arrest as his supporters took to the streets protesting.

Bus companies have suspended travels to and from Uganda until Monday next week. According to one of the bus Managers of Way Bus Services, the company would like to monitor the state of safety and security in the country after the overall announcement of the presidential results this Saturday. Transport has greatly been paralyzed for two days, but according to the regional police commander in Uganda, Mr. Kaweesa felix, he said that trade between South Sudan and Uganda will be back to normal from Saturday.

Sudan South-Sudan border open for business

[Agoth Abraham: Gurtong- 20 Feb. 2016](#)

Government officials and business owners have confirmed that the border between Sudan and South Sudan has been opened this week for easy flow of business activities between the two neighboring

countries. The opening of the border is expected to reduce the prices of commodities in the market which is threatening the economic situation in Northern Bahr el-Ghazal. It is also believed that free movement of

people, goods and peaceful coexistence among the bordering Sudanese communities will exist. In an interview held with traders in Aweil, they confirmed the movement of goods from Sudan to South Sudan. Kaman Abucin is a trader whose truck loaded with goods is on the way from the north to Aweil. "Yes goods have been coming from the North since Monday and now as I speak to you many trucks will be coming

to these States of South Sudan because the Sudanese authorities have finally opened routes for business and movement of people." Abucin told Gurtong in Aweil market upon arrival from Khartoum. The Secretary for Trade Union, Mr. Wol Amuk Guot in a separate interview with Gurtong said the devaluation of currency in South Sudan still remains a challenge to traders coming from Sudan.

Resumption of operations for South Supreme Airlines

[Paska Alfred Akwoch: The National Today- 23 Feb. 2016](#)

The operations of South Supreme Airlines, a privately owned flight service in the country, may remain stalled after the devaluation of the country's currency in December last year further affected its resumption, an official at the company said. In September, as the country's economy reeled and foreign exchange became scarce, South Supreme Airlines ceased business, as it could no longer fund operations which demanded the US Dollars. Handling indigenous flights,

it could only manage one plane out of the ten it has. Early this year, the single plane also grounded. "We are not sure of when South Supreme will resume operations because the country's economic position is not favourable", Captain John Manak, South Supreme Airlines' General Manager told the National Today by phone yesterday. "Unless things normalize, its operation will be a bit tricky", Manak said.

Businessmen to contribute in developmental activities

[Majur Chol Khor: Juba Monitor- 22 Feb. 2016](#)

The Chamber of Commerce commended the business community for the work they are doing and it asked them to contribute money for the road clearance in response to the bad connectivity of roads between counties, villages and bomas of the newly created Jonglei state. Mr. Mabior Kuol Ajok works for the chamber of commerce. He said the chamber is charging business people to help the government in the construction of roads which may in turn stabilize

the security and ease the movement of people and their goods. In the same development, a Ugandan business lady, said the business atmosphere has become difficult in the state due to the devaluation of the pound against US dollars which led to an increment of market prices and higher taxation reducing profit margins. She added "citizens feel that we are cheating them, but we are no longer getting any profit.

ECONOMY AND PUBLIC FINANCE

EAC to admit South Sudan as an observer

[Adan Ihucha: The East African- 21 Feb. 2016](#)

South Sudan is edging closer to become a member of East African Community after it emerged that it will be admitted as an observer. Admission of the war-torn country into the EAC is on the agenda of the 17th Ordinary EAC Heads of State Summit set for February 29 in Tanzania. Sources privy to the outcome of the

final talks on the admission said Juba will stay as an observer until concerns over instability, bad governance, democracy and its human-rights record are addressed. "Negotiators on both sides agreed that Juba become an observer for a certain period so that it can fix its internal issues on governance, democracy,

human rights and insecurity,” a source privy to the negotiations told The East African. The source said the Heads of State Summit is expected to determine the period Juba will stay as an observer member of the EAC. Should South Sudan secure observer status, it will

become the first country to be accorded such a status since the EAC was formed in 1999. Observer status allows a country to attend key EAC meetings but it cannot participate in decision-making or vote.

MP: Parliament to review national budget after formation of TGoNU

[Radio Tamazuj- 25 Feb. 2016](#)

The head of the economic committee in the South Sudan Parliament Goc Makuac Mayol says that the Parliament is going to review the budget after the formation of the Transitional Government of National Unity. Makuac said in an interview with Radio Tamazuj that the budget of 2015-16 which was passed in September last year on the basis of ten states, but after the decision of President Kiir to increase the number of states and the creation of new institutions according to the peace agreement there is need to

review the budget. He said the Ministry of Finance is working on a supplementary budget to table in the parliament soon with the presence of SPLM/A-IO members of parliament, who have not yet taken up their positions in the parliament. Makuac pointed out that the parliament is still waiting for the opposition members and the formation of Transitional Government of National Unity (TGoNU) in order for them to review the budget.

South Sudan Launch First Ever National Human Development Report

[Jok P Mayom: Gurtong- 25 Feb. 2016](#)

South Sudan on Wednesday launched its first ever National Human Development Report (NHDR) since Independence under the theme ‘People, Peace and Prosperity’ to provide opportunity for dialogue on best way forward to prosperity. H.E James Wani Igga, 2nd Vice President who officiated the launch said the President of the Republic, H.E Salva Kiir Mayardit had signed the 144 page report and passed it forward for the launch. “This report on Human Development is the first to be written for South Sudan as an Independent country. The theme-people, peace and prosperity-reflects what we as a people aspire” said Igga as he quotes President Kiir’s statement on signing. The first NHDR report is being written at the time when the country has gone through and continues to face, tremendous economic, social and political challenges

but has concluded a peace agreement in August 2015. “It is therefore my pleasure to forward this report to you and to all those who partner with us to ensure all South Sudanese citizens better and fulfilling lives” President Kiir said in his statement read by Igga. “The launching gives us another progress by opening space for us. We ensure peace and prosperity for development to take place. Let us use this report to compare with the region and continent in terms of services delivery. It is important to everyone not only government” said Igga. NHDR has been written to encourage debate and policy discussions on what further steps are needed to ensure that the three-pronged goal of ‘people, peace and prosperity’ can take firm root.

UNMISS Constructing Fish Market in Bor

[Juuk Othana Mading: Gurtong- 22 Feb. 2016](#)

The Humanitarian Development Communiqué has begun the construction of a fish market funded by the United Nations Mission in South Sudan at Bor dock in

Bor town. The community project has been initiated and funded by the United Nations Mission in South Sudan [UNMISS] implemented by HDC, a national

organization in South Sudan. Eng. William Gabonziza for Humanitarian Development Consortium told Gurtong on Saturday that the project is part of the United Mission in South Sudan [UNMISS] programme to support the community on a small scale project called quick impact project. “This centre is being built by the Humanitarian Development Consortium [HDC] after the community raised a concern that they have a problem of where to sell fish. They don’t have where to wash and sell their fish. It is a programme of how to get the market and how to maintain hygiene so that

people trust them that their fish are treated well”, he explained. The market has been divided into seven stools where around 28-40 women can sell their fish inside. “The last compartment is the washing area. We will tile it so that they wash their fish from there and then they come to sell here”, he added. William said the first part of the project is only the structure. Putting in refrigerators and training of women will be the second phase. He assured that they are expecting to handover the structure to the community in Bor municipality by the end of March.

Ministry of Trade, Industry and Investment and UNDP launch Diagnostic Trade Integration Study

[The Corporate Weekly- 18 Feb. 2016](#)

The Ministry of Trade, Industry and Investment, and the United Nations Development Programme (UNDP) announce the joint launch of the Diagnostic Trade Integration Study (DTIS), prepared as a national trade policy and programming framework to build domestic competitiveness and leverage regional and international trade for sustainable economic development in the country. The DTIS will also support channeling of multilateral trade-related development assistance in South Sudan. The report, led by a group of leading international experts, identifies a clear roadmap for South Sudan to overcome the supply-side limitations to trade, integrate trade into its national development strategies, and leverage its comparative advantage as a powerful engine of inclusive growth.

“The DTIS report presents before us a clear roadmap and an action agenda on what needs to be done in the priority sectors derived through consultations with all the key stakeholders,” says the Deputy Minister of Finance and Economic Planning, Hon. Mary Jervase Yak. “In the agriculture sector, we need to urgently tap into the opportunities offered by the local market through import substitution, developing value chains and look for exporting opportunities in the regional and international markets. Similar opportunities abound in the tourism, energy and mining sector. The peace agreement provides us with a historic opportunity to develop our tourism sector, build up tourism infrastructure, and create new job opportunities.

Kayumba: Salary increase is not the solution

[Thomas Lodovico Oryem: Juba Monitor- 22 Feb. 2016](#)

The Director General of State Ministry of Finance, Commerce, Investment and Economic Planning Alfred Kayumba Tugul disclosed that the delay of the salary was due to the delay of sending the money from central bank in Juba. The government is working on the opening of the 28 States’ bank accounts and he assured the public that they will receive their salaries soon as the process is underway. He believed that the salary increase or adjustment of the salaries of the

lowest payed civil servants is not the solution to the economic crisis. He said it may look as a solution to others but to him it is not a real solution. According to him the real solution is the full implementation the agreement on resolution of conflicts in the Republic of South Sudan. He continued by implementing the peace agreement the economic condition will improve and will reduce the rate of the US dollar.