

22-28 Jan. 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. Ghana Web
2. Juba Monitor
3. Sudan Tribune
4. The Juba Telegraph
5. Gurtong
6. Radio Tamazuj
7. Eye Radio South Sudan
8. Anadolu Agency (AA)
9. The Nation Mirror

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WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



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PRICES AND MARKETS

Gov't to waive import tax on essential items

Emmanuel Akile: [Eye Radio South Sudan- 22 Jan. 2016](#)

The government will no longer tax imported essential commodities from outside the country, the minister of finance has said. David Deng Athorbei says the move is aimed at reducing the high food prices in the markets. Prices of food items such as beans, flour, maize, and oil among others have increased drastically after the devaluation of the pound against the US dollar. Bus fare has also increased due to the rise in fuel prices, from 6 pounds per litter to 22. Mr. Athorbei says an economic security team will enforce the waiving the taxes. "The government is now taking steps to try to waive customs on basic items especially food stuffs," he told reporters on Thursday. Also reported by Sworo Charles Elisha in [Juba Monitor- 26 Jan. 2016](#): Minister orders reduction of taxes on essential commodities, in [This Day- 26 Jan. 2016](#): The reduction of custom taxes by 40% is a great relief, by William Sunday D Tor in [This Day- 26 Jan. 2016](#): Commodities and tax reduction, in [This Day- 25 Jan. 2016](#): Finance Minister orders reducing taxes on essential commodities at border

Ex-Petroleum Minister roots for local refinery as oil prices plummet below \$30

Chuty Anyar Michael: [The Nation Mirror- 23 Jan. 2016](#)

South Sudan would need to build its own refinery to produce oil for domestic consumption in order to solve fuel scarcity as oil prices in the international market plummet to 29 Dollars per barrel, Dr. Lual Achuek Lual, former Minister of Petroleum and Energy, and member of SPLM Economic Task Force has said. The SPLM Cadre was speaking at a public lecture at Home and Away Business Centre in Juba, organized by SUDD Research Institute on how to handle fuel scarcity and its effects on the daily lives of citizens. South Sudan is the only country among the oil producing countries with no other sources to supplement the revenue. Although the country is in an agricultural zone, much production has not taken place to boost the economy.

US dollars shortage cripples South Sudan industries

[Ghana Web- 24 Jan. 2016](#)

If you follow the road west from Juba until the tarmac ends, cross a dry river bed and bear left down a dirt track, after about 20 kilometers you'll reach what both economists and politicians say South Sudan badly needs: A farm. "Freedom Farms" is one of the country's few commercial farms. Nestled between the Luri Mountain and a seasonal river are rows of low-slung farm buildings and fields of crops. In the fastidiously clean farrowing house, piglets squeal as they compete for milk, while the sows bask in the late afternoon heat. Here, imported and local breeds are reared under the watchful eye of Daniel Matueny, the manager of

Freedom Farms. He keeps a detailed record of which feed formula the animals receive, which vaccinations they've been given, and makes sure that everyone entering the building dips their shoes in a footbath before they cross the threshold. Until last year, Freedom Farms operated on a "farm to table" system of rearing and slaughtering pigs in Juba and selling the meat locally through their restaurant and shop. [Also reported by Anna Cavell \(Aljazeera\) in Juba Monitor- 25 Jan. 2016: US dollars shortage cripples South Sudan industries.](#)

S. Sudan's finance minister outlines steps to tackle inflation

[Sudan Tribune- 23 Jan. 2016](#)

South Sudan's finance minister, David Deng Athorbei, says the nation has taken up steps to overcome inflation caused by the ongoing devaluation. Such steps, he said, include reducing customs taxes on imported food items and increasing food production. "Most of the food is coming outside the country and therefore, we have to zero in on reducing the prices of food items as a first time to tackle inflation," Athorbei told reporters in Juba Thursday. "The government is taking steps trying to waive customs (duties) on certain basic items – especially food stuffs. When food prices reduce, everything will be alright," he said when asked

to outline short terms solution to surging prices of market prices since South Sudanese pound was devaluated against the United States dollars in December. Athorbei, along with Central bank governor Kornelio Koryom, announced free floating of foreign currency exchange rate last month. The official rate was SSP 2.96 to US \$1 but has since been changed to SSP 18.5 per dollar. The minister was speaking to reporters for first time since the SSP was devalued. [Also reported in The Juba Telegraph- 25 Jan. 2016: South Sudan's finance minister outlines steps to tackle inflation.](#)

Effects of low oil prices on the South Sudan's economy

[Mabor Maker Dhelbeny: Sudan Tribune- 25 Jan. 2016](#)

The month of January, 2016 emerges with new crisis of low oil prices, not only in the Republic of South Sudan but worldwide. I called it – "new crises", because we have just closed the old crises known as – 'the senseless war' which strangled or throttled our economy. As various media houses reported, South Sudan crude oil prices in the world markets have seriously fallen from \$ 100 to \$ 30 per barrel. Meanwhile its production had already reduced to 160,000 barrels per day due to the December, 2013 crises which affects the companies'

operations and explorations. Analysts predicted that this year could be worse than the previous ones, particularly to the countries such as South Sudan which depends on oil. According to Tim Bowler, the BBC reporter on businesses: "From 2010 – 2014 world oil prices had been fairly stable, at \$ 110 a barrel. Brent crude oil has now dipped below \$ 50 a barrel for the first time since May 2009 and US crude is down below \$ 48 a barrel".

BUSINESS

Over 180 MTN staff demand pay rise

Obaj Shago: [Eye Radio South Sudan- 25 Jan. 2016](#)

Over 180 national staff of MTN South Sudan have petitioned the company calling for better working environment and treatment. The national employees asked for salary increment following the devaluation of the pound against the US dollar. They say five of their leaders have been suspended over the petition. "This occurred because there was a HR meeting that was held for the national staff to raise issues affecting them. It was named an update meeting, for all demands of the staff, to have their salary adjusted according to the

current economic situation," said one of the staff who preferred anonymity, in an interview with Eye Radio. He said they are also demanding restricted access to employment for foreigners into the job market. "The national should be employed more because there is more foreigners as staff, for the role the nationals can carry out. Other things including the allowances that include airtime, housing and transport, also need to be adjusted so that the working environment will be favorable," he said.

Equity Bank staff asked to resume work

Junior Ali: [Eye Radio South Sudan- 22 Jan. 2016](#)

The Ministry of Labor has directed the national staff of Equity Bank to end their strike and resume work. More than 200 employees of the bank downed their tools early this week in demand for a pay rise. They wanted the bank management to multiply their current salary six times in line with the devaluation of the pound. They said the management did not respond to their needs. In a letter to the general manager, the undersecretary

for labor and industrial relations said the decision by the workers is 'illegal'. "It does not hold because the current economic situation has come as a result of the realignment of the fixed exchange rate to the managed float exchange rate of US dollar by the government," said Ms Mary Wani. She asked the workers to be patient and advised the bank to establish a communication channel with the striking workers.

ECONOMY AND PUBLIC FINANCE

S. Sudan hails Khartoum's decision to revise oil transit fees

Ghana Web- [23 Jan. 2016](#)

South Sudan has welcomed Sudanese President Omar al-Bashir's decision to revise the transit fees of Juba's oil transport through Sudan's territories, local media reported Saturday. "South Sudan appreciates and welcomes this stance which constitutes a good step towards responding to Juba's request presented by its Foreign Minister Barnaba Benjamin during his recent visit to Sudan," Khartoum's Al Ray Al Am daily quoted South Sudanese Ambassador Mayan Dot as saying. During a recent visit to Khartoum, Benjamin revealed that his country asked Sudan's government to reduce

the oil transit fees due to the drop in the global oil prices. "We were forced to request reduction of the oil transit fees because of the drop in the international oil prices," the diplomat noted. He further disclosed that joint technical committees would hold meetings in the coming days to revise the oil deal between the two countries and come out with consensual decisions regarding the oil file. [Also reported in Juba Monitor- 25 Jan. 2016: S. Sudan hails decision to revise oil transit fees.](#)

Aweil State Receives Fuel for Donated Farm Tractors

Agoth Abraham: [Gurtong- 25 Jan. 2016](#)

The Governor of the newly created State of Aweil on Saturday said that the State has received 31,000 litres of farm fuel to be used for the farm tractors that were donated by President Salva Kiir. Ronald Ruay said that his State is ready to boost agriculture and fight hunger. "The arrival of this fuel shows our seriousness as a State. It is to put agriculture first that is to cultivate well and be able to feed ourselves and neighboring States if possible. I urge our citizens, Staff in the government let us join efforts together and cultivate well and hopefully

have a good return" he said. The Acting Director General in the Ministry of Agriculture, Mr. Joseph Garang Garang appreciated the commitment of the National Ministry in responding to the President's call of prioritizing agriculture in the country. Garang said the State plans to cultivate 4000 feddans of rice this year and another 1500 feddans in other Counties of Aweil State for other cash crops. [Also reported in Radio Tamazuj- 23 Jan. 2016: Aweil receives fuel from national government for agriculture.](#)

Sudan, South Sudan to start talks on oil fees reduction

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

South Sudan's minister of petroleum and mining Stephen Dhieu Dau said they intend to start official talks with Khartoum on reducing oil transportation fees through northern pipelines. Dhieu did not disclose an exact date for those talks. Speaking to reporters Tuesday at Juba International Airport, the minister said he discussed reduction of transit fees with his Sudanese counterpart on the sidelines of an oil and mining

conference in India. The meeting in India also touched on resumption of oil production in Unity State which was disrupted by the civil war, he said. Khartoum recently agreed to consider reducing transit fees due to collapse of international oil prices to under thirty dollars per barrel. South Sudan currently pays about \$24.50 per barrel to Sudan for use of the northern pipelines.

Government to Cater For SPLM-IO Accommodation Costs in Juba

Peter Lokale Nakimangole: [Gurtong- 24 Jan. 2016](#)

The Government of South Sudan has said it will cater for the accommodation cost of the SPLM-IO advanced team in Juba despite severe financial constraints. The government's Chief Negotiator, Nhial Deng Nhial on Friday told reporters in Juba that lack of accommodation for the SPLM-IO team is a minor issue and will not in any way undermine the implementation of the peace agreement. We, with the modest resources at our disposal, we (government) shall cater for the accommodation of the SPLM-IO advanced team in Juba despite severe financial constraints. We will try to do whatever it takes. Lack of accommodation will not undermine the implementation of the peace agreement," said Nhial. Nhial said that the SPLM-IO are

in Pagak for a consultative meeting and that their absence shouldn't cause any alarm. The announcement to support the SPLM-IO comes shortly after the Troika and EU in a statement on Friday announced that they will be terminating funding costs of accommodation for the SPLM-IO in Juba. [Also reported by Peter Lokale Nakimangole in Gurtong- 22 Jan. 2016: Troika and EU terminates accommodation costs for SPLM-IO in Juba, by Ayuen Panchol in Eye Radio South Sudan- 22 Jan. 2016: SPLM-IO applauds gov't move to pay hotel bills, by Mabior Philip in Eye Radio South Sudan- 22 Jan. 2016: Gov't offers to foot SPLM-IO advance team's hotel bills.](#)

Yei Governor Encourages Citizens to Embark On Agriculture

Modi Gilbert: [Gurtong- 25 Jan. 2016](#)

David Lokonga Moses, the Governor of Yei River State is encouraging citizens in the State to embark on agriculture to boost food security. Yei River State is a fertile land with conducive climatic conditions favorable for farming. The region is said to have been the food basket for the country in the earlier times. However, of late most of the food commodities are imported from the neighboring countries, with Uganda taking the lead. Nonetheless, the Governor in his first speech upon his arrival to the State emphasized that locally produced food should be looked into. David

Lokonga said the government is going to extend support to the farmers. "Our president has given every State 20 tractors and ours are on the way, so therefore I am calling on all the youths, women and everybody to join hands in agriculture." He appealed to the citizen to move away from the small scale farming that is now being practiced and enter into large scale farming. The aim is to earn them income and to help in developing the State and help them in paying school fees for their children.

Gov't sets vision 2040 to guide future development

Oyet Alfonse: [Juba Monitor- Jan 26. 2016](#)

With the current crisis facing South Sudan, the government has set up 2040 vision; an inspiration to establish the foundation for socio-economic and political transformation of the country. The Minister of Cabinet Affairs Hon. Dr. Martin Elia Lomuro tabled the vision 2040 to the national parliament yesterday under the theme; "South Sudan Vision 2040: towards Freedom, Equality, Justice, Peace and Prosperity for

all." The 69-page document is a wide strategic vision and long term goals which the government plans to achieve by 2040. It covers security, international relations, good governance and service delivery. In his presentation, the Minister Lomuro said the vision 2040 provides a blue print for South Sudan future. "This is a blue print for our future, which should be understood and internalized by everybody in South Sudan

Council of Ministers to discuss new salary structure next week

Atem John: [The Juba Telegraph- 23 Jan. 2016](#)

The Government of South Sudan has revealed today that it will discuss the proposed salary structure by Ministry of Finance in its extra-ordinary Council of minister's meeting Tuesday next week. After the devaluation of South Sudanese pounds early last year, the government announced it would review salary of the civil servants to meet the hiking market prices that citizens are facing as a result of currency realignment. Hon. Michael Makwei Lueth, the Minister of Information and Broadcasting, while addressing the press shortly after the Council of Ministers meeting yesterday said the proposed structure will be presented to the council by the Finance Minister David Deng Athorbei for consideration by the Council. Minister Makwei added that as a means to curve the continuously rising of essential commodities in the

markets, the Council has further directed the Minister of Finance and Economic Planning to make partial exemption of essential commodities coming into the country from custom duties by 40%. [Also reported by Oyet Alfonse in Juba Monitor- 27 Jan. 2016: Government announces salaries increment, by Benjamin Takpiny in This Day- 27 Jan. 2016: Cabinet approves increase of civil servant salaries by 300%, by Oketayot Santo in The Juba Telegraph- 27 Jan. 2016: Government to increase junior staff salaries by 300% and by Parach Mach in The National Today- 27 Jan. 2016: Government ups salaries for low income by 300 percent.](#)