

WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



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26th Feb. - 3rd Mar. 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. Sudan Tribune
3. Radio Tamazuj
4. The Daily Nation
5. Voice of America
6. DW
7. The East African
8. Juba Monitor
9. The Citizen
10. The Independent
11. Gurtong
12. The Juba Telegraph
13. The Nation Mirror
14. Bloomberg Business
15. Petroleum Economist
16. The Daily Vision Newspaper
17. The National Today

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PRICES AND MARKETS

Traders in Yei state decry shortage of coins

[Sudan Tribune-1 Mar. 2016](#)

Traders in South Sudan' Yei state claim last year's move by the Central Bank to introduce coins into the market has had no impact on the economy. Speaking on behalf of the business community in Yei, the deputy chairperson for South Sudan Chamber of Commerce, Taban Jacob decried the lack of coins for small business transactions since last year. He urged the Central Bank to supply more coins into the markets. "The traders were happy when launching [of the coins] took place, but unfortunately, we realized that the coins disappeared and no longer in circulation as one of the thing that I have witnessed as member of the chamber of commerce," Taban said Tuesday. The new coins, he said, were only in circulation for only about one and half months. "And up to the mid of December, the coins disappeared within the market areas. We are urging the central bank to continue bringing more coins because there are durable and can be used for small commodities like needles and razorblades to our local indigenous within", he added.

Juba City Council Regulates Water Prices in Town

[Ariik Atekdit: Gurtong- 27 Feb. 2016](#)

The Mayor for Juba City Council, Mr. Stephen Wani Michael has issued an order regulating water prices in Juba town. Wani according to his order has instructed the drivers of water tank trucks to reduce their prices after several consultation meetings with the administration of Urban Water Supply and several owners of boreholes in town. Mr. Wani ordered that for the purified water the price for a barrel of 250 liters will be sold at 15 SSP within the residential areas in Juba town centre and 250 litres of direct Nile water for 10 SSP in areas of: Kator, Kalibalak, Malakia, Kosti, Hai Malakal, Hai Neem, Atlabara, Nimra Talata, Medina Juba, Hai Game, Mayo upto Buluk and Hai Thoura. The Mayor specified that residential areas of: Nyakuron, Mauna, Bugroki, Jebel Suki Rocky City and surrounding areas will buy 250 litres of purified water with 20 SSP and direct Nile water with 15 SSP.

Pound weakens against dollar

[Obaj Shago: Eye Radio South Sudan- 29 Feb. 2016](#)

The South Sudanese pound has weakened further against the US dollars. At the parallel market, the rate has risen to a record low of 3,600 pounds for \$100. This followed a similar change in the exchange rates at the Central bank. On Friday, the bank sold the hard currency to commercial banks at a rate of 3,050 pounds against 100 US dollars. But black market

dealers say there is a continuing scarcity of the hard currency in the market. "When you look at the dollar that is coming out from the commercial banks, it passes through several stages and the number of people and anyone puts his profit," said a dealer who requested anonymity.

Water shortage hits Juba

[Tethluach Yong: Eye Radio South Sudan- 29 Feb. 2016](#)

Some residents of Juba Town are complaining of water shortage after the Juba City Council issued an order reducing the prices of water distributed by tankers. Last week, the Town Mayor reduced the price of water from 25 pounds per drum of clean water to 20. Water fetched directly from the river would be sold at 10 pounds in place near the water source and 15 per drum in areas farther away. "What the mayor did is not bad; in fact, it is good because it helps us but he

made the order so extreme. He was supposed to enforce it gradually," a resident told Eye Radio this morning. "The problem is fuel," said another resident. "If fuel prices drop, then the drum of water could even go to 10 pounds. However, the mayor of Juba City says the order is meant to regulate prices and protect the consumers. Steven Wani Michael told Eye Radio this morning that suppliers who fail to follow the new order will be fined 500 pounds.

20+ water trucks fined 500 pounds for raising prices

[Tethluach Yong: Eye Radio South Sudan- 2 Mar. 2016](#)

The Juba City Council has fined more than twenty water suppliers with of 500 pounds for violating an order issued last week. Each of the suppliers has been fined 500 pounds for failing to comply with a list of water prices issued by the mayor. The mayor reduced the prices from 25 pound per drum of clean water to 20. Water fetched directly from the river would be sold at 10 pounds in places near to the source and 15 per drum in areas farther away. "When the local order is

out like this, it should be respected and there are law enforcement agencies that help in executing. On the first day on Monday we were able to confiscate 21 tankers who violated the order," said the Deputy Director for public order in the municipality, Timon Wani. Meanwhile, the Director of Urban Water Cooperation, Yar Paul Kuol, urged the water suppliers to supply clean water to residents, because there is enough of it to be distributed around the city.

BUSINESS

S. Sudan's Yei traders petition government over foreigners' control of trade

[Sudan Tribune- 3 Mar. 2016](#)

Traders in South Sudan's Yei town, capital of the newly established Yei River state, said foreigners have dominated and controlled different kinds of trade and businesses in the area, 160kms south of the national capital, Juba. According to a petition submitted to the

Yei Chamber of Commerce by local South Sudanese traders at a meeting held at Youth Gardens in Yei town, they appealed to the government to protect the local traders who have been overwhelmed by foreign traders in the town. Foreign traders from Uganda,

Ethiopia, Kenya, Eritrea and Sudan have dominated trade in Yei. Also major businesses including retails in the South Sudanese capital, Juba, are also controlled and monopolized by foreign traders. Yei traders say local business people have been sidelined in the town with foreigners also controlling not only big businesses but also small retail shops. In the petition seen by Sudan Tribune on Wednesday and read out by the secretary general of Yei chamber of commerce,

Maliamungu Bosco, local traders also demanded partnership with foreign traders as a matter of law. "All factories and companies should partner with the nationals. All the factories should give privileges and access to the locals in the areas of distribution of manufactured goods and commodities than bringing distributors from their own countries of origin," partly reads the document.

Jonglei woos investors to support agricultural sector

[Sudan Tribune- 29 Feb. 2016](#)

The governor of South Sudan's Jonglei state, Phillip Aguer has urged foreign investors to support initiatives to scale up agricultural production. Aguer was on Saturday officiating at an occasion to launch new tractors at a state-owned farm, which measures 50 km by 30 km in length and width. "We appeal to investors from within the country and abroad to help us because large-scale agriculture requires equipment, capital and skills", said Aguer. "We hope that we will continue to promote our economy so that

we have a better future for Jonglei and for South Sudan", he added. The state has mobilized and registered 35 organised farmers who will be involved in direct food production this year in various counties of the new state, with support from the government using the 20 tractors received in Bor as part of the president 1,000 tractor-initiative distributed last year. According to the governor, Jonglei state will be food secure once large food production is achieved in the former counties of old Jonglei state.

Sudanese traders lost "everything" after Pibor clashes

[Radio Tamazuj- 29 Feb. 2016](#)

Sudanese traders in South Sudan's Pibor town have lost their shops and goods as a result of looting and destruction after clashes between rival groups in the area last week, one trader said in an interview with Radio Tamazuj. Ahmed Yagub, a Sudanese trader sheltering at the UN base in Pibor, told Radio Tamazuj that about 32 shops belonging to Sudanese traders were all burned down during fighting between the SSDM-Cobra Faction and SPLA forces. "We were in the UN base, we didn't not know that the market is finished and everything is looted. All these 32 shops belong to Sudanese traders," he explained. "There is nothing left with us except the clothes we are wearing

now, there is nothing else," Yagub said the number of Sudanese traders could reach up to 350 to 400 in Pibor area, noting they currently plan to travel to Juba, but all roads are still closed. He pointed out that SPLA forces were controlling the area after the clashes with SSDM-Cobra faction. He called on the government to transport them to Juba as soon as possible. Another trader called Ahmed Ibrahim said, "We are now inside the UNMISS, we don't have food and water as traders, neither the government cares about us nor the UNMISS, what we want is to get out from this area, we want to go to Juba or elsewhere."

Juba citizens speak out about water shortage

[Radio Tamazuj- 2 Mar. 2016](#)

Residential areas in the South Sudanese capital, Juba, are witnessing shortages of water after water tanker

owners stopped distributing following an order issued by Juba City Council seeking to force distributors to

lower the price of water distributed by tankers. Residents told Radio Tamazuj on Tuesday that they are facing problem in getting drinking water for three days now. They said this problem came after the Juba City Council issued an order to reduce the price of water, which led to the protest of tanker owners. The residents called on the City Council to reverse the order reducing the price of water distributed by tankers who are complaining of rise in price of fuel.

Deputy Mayor of Juba City Council Ater Ayiel said that the complaint by residents that there are shortages of water in residential areas is not correct. He told Radio Tamazuj that the City Council issued the order to reduce the price of water after meetings with the tanker owners. He accused some of the tanker owners for not complying with the order which led the City Council to seize their tankers and fine them.

Yei Traders and Stakeholders Hold General Assembly Meeting

[Modi Gilbert: Gurtong- 3 Mar. 2016](#)

The Chamber of Commerce in Yei on Wednesday held a general assembly meeting to deliberate on business by-laws and other necessary matters of concern to enhance the smooth running of business in Yei. The meeting was attended by business entities of different levels and sectors and different government dignitaries including the Mayor of Yei Municipality Bidali Cosmas Wori Kojo. Jacob Taban is the Chairperson for Yei Municipality Chamber of Commerce. He says that the Chamber of Commerce

presented proposed by-laws to the assembly for necessary observation and later to be taken to the legislative councilors for approval. "These by-laws have been proposed in the office of chamber of commerce so that these by-laws are brought here, we discuss on them and these by-laws become resolutions" he said "we prepare the by-laws, we bring the by-laws before you and we talk as a general assembly."

Juba City Mayor Urge Hotel Owners to Employ South Sudanese

[Ariik Atekditi: Gurtong- 2 Mar. 2016](#)

The Mayor of Juba City Council on Sunday urged the owners of several hotels in Juba to employ South Sudanese nationals in order to reduce the growing number of unemployment among the youth in the country. Stephen Wani Michael said this in a meeting with the union of hotel owners in Juba. Wani said that the city council was serious in implementing the national, State and local government laws in handling the issues in the city. Most of the Hotels in the city are

owned by foreign nationals and that majority of workers in several hotels in Juba are foreigners in the labor market. Recently, South Sudan's President Salva Kiir Mayardit assented to the non-governmental organizations (NGOs) bill that will regulate organizations in South Sudan. The bill indicates that all NGOs in South Sudan must employ not less than 80% South Sudanese and foreigners with average positions of not more than 20%.

Fuel Depot Opened In Bor

[Jacob Achiek: Gurtong- 1 Mar. 2016](#)

A fuel depot was last week opened in Bor, Jonglei State by the Dalbit Petroleum which is a privately owned total energy solutions provider. John Paul Ng'ondi, the Managing Director of the company said that the construction of the depot cost 2 million US dollars to complete. With the opening of the fuel depot, the air

strip in Jonglei according to the Governor will be rehabilitated to become an international airport to accommodate bigger planes. He was speaking during the opening of the fuel depot in Bor last week. "Any plane that will have difficulties in refueling definitely now they are noting Bor airstrip as part of the regional

airport that can help in refueling. We are on the right track to build Bor airport as an international airport,”

Philip Aguer said. [Also reported in The Daily Vision Newspaper- 2 Mar. 2016: Fuel depot opened in Bor](#)

Women in Elegu Trained On Soap Making By a Local Church

[Lioto Samuel: Gurtong- 1 Mar. 2016](#)

The one week training offered by the church authority with support from the Australian-South Sudanese community, is meant to help these women acquire practical skills that will help them in generating income for their families. The training conducted by an expert team from a group of South Sudanese living in the diaspora will also impart skills for the mothers to mobilize local resources, as they set up small scale group enterprises. According to the coordinator of

mission fellowship, Mr. Tobbos Chandiga, the role of their mission to Elegu is to have a holistic transformation of the lives of the refugee mothers through the church so that they can stand on their own, without relying on external support from donors and aid providers. “We travelled thousands of miles, crossing many seas because we need to show you the rightful way on how to catch fish, but we don’t directly give you the fish.” Said Mr. Chandiga.

S. Sudanese in diaspora embrace coping mechanisms to economic turbulence

[Achol Akhol: The National Today- 29 Feb. 2016](#)

The pinch of the economy in South Sudan has set a new precedence for its citizens living in Diaspora. With no more foreign exchange being delivered to them from Juba, families, students among others have taken it up upon their shoulders to seek money to make ends meet. Many South Sudanese have been living in Nairobi, banking on their relatives in the country, to fend for them but now have resorted to operating small business to supplement their living. Some students at a leading university in Nairobi have opened

up a joint venture, a restaurant, serving South Sudanese food at a more affordable rate to their peers, which in turn earn them money for upkeep. “We initiated this idea because it is hard for us to get dollars nowadays in Juba,” one of them who preferred anonymity, told the National Today in an interview last week. “We decided to invest the little money we have to pay for our hostels and personal requirements”, the student added.

ECONOMY AND PUBLIC FINANCE

South Sudan becomes EAC’s sixth member state

[Sudan Tribune- 3 Mar. 2016](#)

The Republic of South Sudan (RSS) was on Wednesday admitted into the East African Community (EAC), increasing the membership of the common market to six with a population of an estimated 163 million people. The 17th Ordinary session of the EAC Heads of State Summit in Arusha, Tanzania, resolved to admit the young nation into the economic bloc. “South Sudan is a new member of the EAC,” the EAC secretariat officially announced. South Sudan’s admission to the EAC ends several years of waiting to join the regional bloc, comprising Uganda, Kenya,

Tanzania, Burundi and Rwanda. Observers say the move was good for the world’s youngest nation, which has been struggling with a crumbling economy following a two-year devastating civil war. Edmund Yakani, a South Sudanese activist, said South Sudan’s EAC membership offers a new opportunity for engaging directly the government of the member states. "On the top of our expectation as priority after the admission of South Sudan is the timely and effective implementation of the peace agreement", he said in a statement. South Sudan applied for EAC

membership soon after gaining its independence from Sudan in 2011, but the process of its admission delayed for a number of reasons. Also reported in [The Daily Nation- 3 Mar. 2016: East Africa: EAC'S expansion timely, in Radio Tamazuj- 3 Mar. 2016: South Sudan joins East African Community, by Peter Clotey in Voice of America- 2 Mar. 2016: South Sudan gains membership to E. African Community, by Richard E. Mshomba in The Citizen- 29 Feb. 2016: Keep Somalia, South Sudan out of EAC, by Aggrey Mutambo in Daily Nation- 27 Feb. 2016: S. Sudan could join EAC despite reports of violence, abuses, in The Independent- 2](#)

[Mar. 2016: Museveni: EAC will ensure region's survival, prosperity and security, by Stella Oneko in DW- 2 Mar. 2016: East African Community admits South Sudan, snubs Burundi, by Christabel Ligami in The East African- 2 Mar. 2016: South Sudan set to join EAC bloc, by Mabior Philip in Eye Radio South Sudan- 3 Mar. 2016: S. Sudan joins EAC economic bloc, by Junior Ali in Eye Radio South Sudan- 1 Mar. 2016: EAC states argue over South Sudan, Somalia, by Oyet Alfonse in Juba Monitor- 2 Mar. 2016: Gov't optimistic to join EAC, VP Igga](#)

S Sudan think-tank warns of economic collapse over money printing, high govt spending

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

A South Sudanese think-tank has released a policy brief warning a possible economic collapse if the government does not make radical reforms and adjust expenditure. "Closing the gaps between the official and parallel rates would require a well-coordinated and coherent monetary framework and fiscal discipline without which gains from new exchange rate regimes would be a budget improving mirage. Eventually the economy runs the risks of crumbling under the heavy weight of uncontrolled public expenditures, deficit-financing, and repeated episodes of devaluations of the local currency and hyperinflation," says the policy brief published on Tuesday. The local think-tank, Sudd Institute, stressed that limited scope for tax revenues and fiscal flexibility

had forced the government to resorting to printing more money and increased domestic borrowing to make up for lost revenues from oil and other sources. "Money supply has increased by over 20 percent over a short time between the fourth quarter of the last fiscal year and the first quarter of the current fiscal year. This means much of the fiscal deficit is being and will continue to be financed through monetization or money creation where the amount of the local currency in existence has far exceeded the demand in the economy," the brief adds. Also reported by [Aurelious Simon Chopee in The Nation Mirror- 29 Feb. 2016: SUDD institute recommends a review of the floating exchange rate.](#)

South Sudan Economic Crisis Easing on Sudan Ties, Minister Says

[Michael Gunn: Bloomberg Business- 2 Mar. 2016](#)

Sudan's reopening of its border with South Sudan will help to ease an economic crisis in the world's newest nation that's caused the currency to collapse and inflation to surge, South Sudanese Foreign Minister Barnaba Marial Benjamin said. The government announced in January that the border would open for the first time since South Sudan seceded from Sudan in 2011, allowing a flow of cheaper goods. Growth in the East African nation's economy contracted 5.3 percent last year, according to International Monetary

Fund data, because of a two-year civil war that's curbed oil production. "Opening the border will enhance the process in order to get out of this economic crisis we are in," Benjamin said in an interview in Arusha, Tanzania, where he is attending a summit of regional leaders. The country's pending membership of the five-nation East African Community will be discussed at the meeting. Sudan sealed its borders with South Sudan in 2011, after accusing President Salva Kiir's government of

supporting rebels on Sudanese territory. The reopening signaled a further rapprochement between the two countries and followed an announcement

earlier in January that Sudan will renegotiate fees it charges South Sudan for oil passing through its territory.

South Sudan nears the brink

[Gerald Butt: Petroleum Economist- 2 Mar. 2016](#)

Independence in 2011 held great promise, but war and the market's plunge are ruining the world's newest oil nation. CIVIL WAR, which has halted some oil production, and the slump in global prices have combined to leave South Sudan and its energy sector on the verge of collapse. When South Sudan achieved independence in 2011 it was producing 350,000 barrels a day, and high oil prices bred optimism about a secure economic future. Today, output is estimated

to be around 200,000 b/d shy of that number – and the cost of transporting crude oil northwards to Sudan for export exceeds its value on the open market. South Sudan began to unravel in mid-December 2013 when a dispute broke out between President Salva Kiir and vice president Riek Machar. The row escalated into a major armed conflict, resulting in the deaths of tens of thousands of people and the displacement of an estimated 2 million from their homes.

No lights at S Sudan parliament due to fuel shortage

[Radio Tamazuj- 2 Mar. 2016](#)

South Sudan's parliament has failed for the second consecutive day to conduct a sitting this week due to shortage of fuel to run the parliament's generators. Parliamentarians said that on Tuesday and Wednesday they failed to sit due to no fuel. The

parliamentarians added that the situation is expected to continue into the next week pointing out that the government also has failed to pay February salaries, an indication that government has no money at the time.

Former state MPs seeking millions in post-service benefits

[Radio Tamazuj- 1 Mar. 2016](#)

A lobby group of former state MPs and officials says the National Ministry of Finance has promised over the weekend to pay close to 104 million SSP in post-service benefits to over 2000 constitutional post-holders and parliamentarians from six states. The decision is in line with a 2013 directive by Government Secretary-General Abdon Agaw that the ministry of finance could assist state governors to pay claims by former officials and MPs provided that the same amounts are deducted later from state block transfers. According to John Atak Garang, the chairman of a follow-up committee of former officials who were seeking payment of their post-service benefits, said Sunday

that the government has hitherto not adhered to the resolution and kept on dodging scheduled meetings to resolve the matter. However, he said that the government has promised to pay their dues after a press conference about the matter, which was scheduled for Sunday but then delayed. "Let it be known by the public that what has taken place since 2010 up to now which this committee has been given this task by over 2000 workers across the ten states to follow up their dues, post-service and then since 2014 we have been given, especially Northern Bahr el Gazal has been given half and most of the nine states are still yet not paid," Atak said

Renk official says county secure but economy bad

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

The head of the government in Renk County of Upper Nile State says that security in his area is stable but there is hunger in the county owing to the bad economy. "The security inside Renk is fine, there is nothing, there is no problem," said Renk County Commissioner Chan Aluong. "The challenge here is hunger." Speaking on Radio Tamazuj's regular program With the Commissioner, Chan explained that authorities found out that three elderly people had died of hunger last week. He reported that prices of a sack of sorghum rose from 550 SSP to 700 SSP. "The

people don't have any money in their hands," he said. Also he pointed out that the border with Sudan still has not opened in spite of announcements by President Omar al Bashir that the border should be opened, though traders are still bringing goods by unofficial routes. Chan said he had good relations with local authorities in neighboring states of Sudan, Blue Nile and Sennar: "Regarding the security, there is nothing bad at all, except the road has still not opened."

Gov't asked to enlighten public on EAC membership

[Mabior Philip: Eye Radio South Sudan- 3 Mar. 2016](#)

The community empowerment for progress organization, CEPO, has urged the government to carry out public sensitization on the admission of South Sudan into the east African community. The call comes a day after the 17th summit of the East African Heads of State in Arusha resolved to accept South Sudan as a member. In a statement, the Executive Director for CEPO, Edmond Yakani says the membership provides a new opportunity for the member states to directly engage the government on the peace process. "Whatever the next procedural or

regulatory steps that South Sudan government has to follow for gaining the full membership of EAC, CEPO is calling upon the old member states of EAC to use the timely and effective implementation of the signed peace agreement as a benchmark," Mr Yakani stated. The membership of South Sudan now increases the common market of the East African Community to 162 million people. South Sudan applied for the membership soon after gaining independence from in 2011.

Parliament probes irregularities in \$60m auction

[Mayen Deng: Eye Radio South Sudan- 27 Feb. 2016](#)

The National Legislative Assembly says it is investigating how more than \$60 million auctioned by the Central Bank have been used. The auctioning was meant to stabilize the pound after the devaluation in December. But since then, the pound has continued to weaken, reaching a record high of more than 3,000 against \$100 in the parallel market this month. The

chairperson of the Economy and Finance Committee says the commercial banks did not sell the hard currency at the rate agreed upon with the central Bank. Hon Goch Makuach told Eye Radio that the funds were not managed properly. "Those who bought these dollars should have used it for the welfare of their citizens," Hon Makuach said.