

28 Jan-4 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. The Juba Telegraph
2. The Nation Mirror
3. Juba Monitor
4. The National Today
5. Sudan Tribune
6. This Day
7. Eye Radio South Sudan
8. The Stance
9. Gurtong
10. Radio Tamazuj

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WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



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PRICES AND MARKETS

Inflation hindering public transport

Adol Majur: [The National Today- 2 Feb. 2016](#)

Public transport fluidity in the country is being hindered as a result of the inflation which has hiked prices and fares. A devaluation of the South Sudanese pounds in December 2015 set on course a 109.9 inflation which hiked prices six times. "Buses are no longer working these days because we thought that we would make enough money since the transportation money was raised", Ahmed Abdhalla, a taxi tout in Juba told the National Today in an interview yesterday. "We buy 209 litres of fuel at 400 SSP BUT WE DON'T even cover that money after the end of the day," Abdhalla lamented. He said that many taxi operators are contemplating throwing in the towel. They are stopping this business and parking their cars at home," Abdhalla said.

Unstable pounds drives foreign business people out

Robert Nyawanda: [The National Today-1 Feb. 2016](#)

Instability of the South Sudanese pound is forcing many foreigners to quit their businesses and seek a new beginning in their home countries. This, they say, is because they can no longer meet their obligations back in their home countries with the current rates. "The new rates are not sustainable, if our clients pay what they are asking for it will be impossible to remain in business," Janet Anyanje, who owns a store in Juba, and hails from Kenya, told the National in an interview over the weekend. In December last year, the central Bank in an attempt to tame the black market, devalued the South Sudanese pounds against the dollar, removing a peg of 2.96 pounds per dollar and adopting a floating exchange rate. Currently, the dollar sells at 22 in commercial institutions but has hit a new high of 28 on the black market, dealers in Juba said.

Governor meets traders to discuss commodity prices

Agoth Abraham: [Gurtong- 4 Feb. 2016](#)

The appointed Governor of Aweil East State, Deng Deng Akuei on Wednesday summoned business owners to his office over the sky rocketing prices in the State. Deng during his meeting with the business owners asked for a break down on the costs incurred for the different goods being imported. He acknowledged the scarcity of the dollar as being the major factor in price increase of commodities in the State. "I know you have

a number of issues which has forced you to put things high like this, such as scarcity of dollars for those getting their goods from abroad and many others. But, please let's do something in order to improve the economy and help citizens survive as well." He urged the traders. The business community on the other hand raised a number of issues contributing to the inflation rate in the country.

Prices of Commodities Continue To Rise in Yambio

Joseph Nashion: [Gurtong- 2 Feb. 2016](#)

After rising for the major part of last year, prices of commodities continue to increase in Yambio County. People are now having a meal a day and cutting down on unnecessary expenditure. Prices of basic commodities such as rice, sugar, beans, cooking oil and soap have sky rocketed as compared to last year. A 50 kg of sugar for example costs 1,600 SSP, 50 Kg of rice goes for 600 SSP and 1.5 liter of oil is 70 SSP. A bunch

of cassava leaves that used to cost 1 SSP last year is now going for 10 SSP. In an interview with traders in Yambio's open market, Mr. Mohamud Omer attributed the skyrocketing prices to the high exchange rate of the dollars and presence of insecurity the State hindering traders from transporting goods. Amugima a food vendor in Yambio market said that business is coming to a standstill as they are not making any profits.

Prices rise in Kurmuk market

Radio Tamazuj- [4 Feb. 2016](#)

Traders in Sudan's Blue Nile state say prices of consumer goods have risen drastically at Kurmuk market in the last few days. A jerry can of cooking oil costs 330 SDG and a 50 kg sack of sugar costs 300. A carton of soap costs 120 SDG, whereas the prices of

bread increased to 2 SDG per loaf. The sources blamed the increase in prices to the difficulties in transporting the goods after the recent military operations in the area.

Soaring Food Prices and Increased Fares Affecting Residents of Nimule

Lioto Samuel Raymond: [Gurtong- 2 Feb. 2016](#)

"We had given up on eating meat since December last year because we cannot afford to buy. A kilogram goes for more than 100 South Sudanese pounds. It is even a surprise that the price of a cock has replaced that of a goat, as it sells for 400 South Sudanese pounds." The biting economic situation in South Sudan is frustrating residents of Nimule who now survive on a meal a day. The tripling prices of food products coupled with the increase of transport fare from a pound to 5 and now to 10 South Sudanese pounds for all routes around the town, are also affecting the lives of the people. Most of

the internally displaced people who were in Nimule have now moved to Elegu transit camp where at least they are able to receive one free meal a day. In an interview with Nyoka Agnes, an internally displaced South Sudanese, she says life has become extremely difficult as she is not able to provide for her four children. "We had given up on eating meat since December last year because we cannot afford to buy. A kilogram goes for more than 100 South Sudanese pounds. It is even a surprise that the price of a cock has

replaced that of a goat, as it sells for 400 South Sudanese pounds.”

BUSINESS

Terkeka State Governor urges investors to invest in South Sudan

[Susan Nyiel Panchol: The Juba Telegraph- 29 Jan. 2016](#)

Governor of the newly created Terkeka State Juma Ali Mlou has urged both local and international investors to invest in different sectors of development in South Sudan. Speaking to the press after meeting President Salva Kiir Mayardit yesterday at the State House, Governor Ali expressed readiness of his government and that of South Sudan to support and facilitate investors’ work in the newly created States. The

governor called on Business people both locally and internationally to come and invest in Terkeka State. The Governor appreciated the support and warm reception he received from the people of Terkeka State and support the decision of creating of 28 States in the country. He added that the creation of 28 States came in line with SPLM Vision of taking towns to villages.

New Newspaper launches in Juba

[Atem John: The Juba Telegraph- 1 Feb. 2016](#)

South Sudan news Cooperation- a new media company yesterday launched a daily newspaper to be known as Dawn aimed at promoting peace among communities of South Sudan. According to George Justin Achor, Chairperson of Board of Directors of the Newspaper while speaking yesterday during the launch at freedom Hall, The Dawn will embark greatly on spreading peace

messages to all South Sudanese in all corners of Country. Mr. Achor said the Dawn Daily newspaper will be based on peace journalism and will work very hard to ensure professionalism in order to ensure publication of objective news for the benefit of the public.

Parliament hires experts to investigate telephone charges increase

[Achol Achien Kiir: The Nation Mirror- 1 Feb. 2015](#)

The parliamentary Committee for Information Telecommunication and Culture and the Ministry of Telecommunication and Postal Services have agreed to import experts who know the operation of telecommunication services to investigate the increment of telephone tariffs. “About two weeks ago, we summoned the Minister of Telecommunication and kindly enough she responded and came with the technical staff here”, the Chairperson of the Information, Telecommunication and Culture Committee Oliver Mori Benjamin told the media after

their last meeting last week in Juba. Mori said they saw the increment as an exaggeration and said they have picked it up as a committee for information to discuss it with the minister concerned. He said they discussed the solutions with the Ministry adding that the Minister then met the four telecommunication companies operating in the country that is Gemtel, Zain, MTN and Vivacell. [Also reported by Oyet Alfonse in Juba Monitor- 30 Jan. 2016: Government to tackle high telephone tariffs.](#)

S. Sudan in \$2 Million deal with Kenyan Bank

Parach mach: [The National Today- 4 Feb. 2016](#)

South Sudan government plans to buy a 51 percent stake in the Kenyan Cooperative Bank worth \$2.1 million, information Minister Michael Makuei said. Currently the government holds a 49 percent share but if the deal goes through it will transfer the banks ownership to the cooperative movement in the country

within three years, Makuei said in a press briefing after a cabinet meeting yesterday. "We did not (yet) pay our share to Kenya government, the transaction, which roughly values the bank at \$2.6 million, he said. "The Cabinet has directed the Ministry of Finance to process the payment."

In life at end of controlled currency regime, firms join SSBL in bleeding

[New times- 1-6 Feb. 2016](#)

Now, the yard which used to bustle with laborers loading crates of beer into trucks for onward sale is empty. The beeping of the forklifts and the smell of malt drifting across the neighborhood have both disappeared, reports Al Jazeera. If you follow the road west from Juba until the tarmac ends, cross a dry river bed and bear left down dirt track, after about 20 Kilometers you'll reach what both economists and

politicians say South Sudan badly needs: A farm. 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.

ECONOMY AND PUBLIC FINANCE

President directs Finance Minister to continue paying SPLA-IO advance team accommodation

Susan Nyiel Panchol- [The Juba Telegraph- 2 Feb. 2016](#)

President Salva Kiir Mayardit has directed Minister of Finance and Economic Planning David Deng Athorbei to continue to pay the accommodation of the SPLA IO after the government- funding deadline of 31st expired on Sunday. The leader of the SPLA IO ADVANCE TEAM TO JUBA Gen. Taban Deng Gai told the press after meeting the president yesterday at the State House. The SPLA IO chief negotiator was meeting the president together with Finance Minister David Deng Athorbei and the Minister of Information and Broadcasting Michael Makuei Lueth. "We came to meet the

President on two issues, first is the accommodation of the advanced team because we have a problem on how to fund the accommodation of this team, it's a huge team of course because it is about 300 individuals, last time we were supported by Troika and then the government took over but the funding of the government expired on 31st", said Taban. "Now the president has given directives to the committee chaired by David Deng Athorbei the Minister of Finance to continue funding this advance team," he pointed out.

Oil Revenues: South Sudan had a bad deal with Sudan

Opinion-Dr. Lako Jada Kwajok: [The Nation Mirror- 3 Feb. 2016](#)

Today in Juba, the SSP plummeted to a new low with one US Dollar equal to 30 SSP. It was down from one dollar to 5.5 SSP nearly a year ago. Our national currency lost 545% of its value in a space of 10 months. It's a rapid downturn of uncertain outcome. The US

Dollar has an inverse relation to the crude oil price. As crude oil prices continue to fall, the situation can only get worse with a stronger US Dollar and a rapidly diminishing value for the SSP. It's now very likely that crude oil prices could drop to the prices before the oil

embargo that was imposed by the Organization of Arab Petroleum Exporting Countries (OPEC) in the aftermath of the Yom Kippur war between Arabs and Israel in October 1973. Then the price of crude oil was under 10 US Dollars per barrel. When we reach that, which is entirely plausible, only God knows what would happen to South Sudan. The layperson is feeling the impact of

the drop of crude oil prices differently depending on where he or she lives in the world. In Juba, the price of a litre of petrol soar from 6SSP a month ago to 22SSP today. While motorists are reeling from the high prices of petrol and diesel at the pump in South Sudan, their counterparts in the West are making significant savings out of low fuel prices

Sudan oil minister heads to Juba for talks over oil transit fees

[Sudan Tribune- 2 Feb. 2016](#)

The Sudanese oil minister Wednesday will hold talks with his South Sudanese counterpart on the review of oil transit fees. When the two countries stroke a deal on oil transit fees in 2012, world oil price had been stable at around \$110 a barrel. But Since June 2015 prices have been cut roughly by more than 70 percent. As result of this unprecedented fall of oil prices in the international market, Juba and Khartoum agreed to review the deal which gives Khartoum over \$9 per barrel in addition to \$15 as a transitional financial arrangement. South Sudanese Ambassador in Khartoum Mayan Dot Waal announced that Sudanese oil Minister Mohamed Zayed Awad, will fly to Juba on

Wednesday for talks with his counterpart Stephen Dhieu Dau to discuss oil transportation fees via the Sudanese pipelines. Waal who is travelling with Awad to Juba, further said the two ministers will discuss the resumption of oil production from Bentiu state which stopped since more than a year due to the South Sudanese conflict. [Also reported in This Day- 4 Feb. 2016: Sudan oil minister is in Juba for talks over oil transit fees, by Susan Nyiel Panchol in The Juba Telegraph- 4 Feb. 2016: Juba, Khartoum starts discussion on new oil transit fees, by Magdoline Joseph in Eye Radio South Sudan- 3 Feb. 2016: Juba, Khartoum start renegotiation of oil transit fee](#)

Khartoum calls on Juba to resume talks on implementation of cooperation agreements

[Sudan Tribune- 2 Feb. 2016](#)

Sudanese government has renewed call for the implementation of the cooperation agreement signed with South Sudan saying it would ask Juba to hold a meeting for the Joint Political and Security Committee (JPSC). In September 2012, both Sudan and South Sudan signed a series of cooperation agreements, which covered oil, citizenship rights, security issues, banking, and border trade among others. In March 2013, the two countries signed an implementation matrix for these cooperation agreements. Sudan's state minister at the presidency Al-Rasheed Haroun

said a meeting of the higher committee for the implementation of the cooperation agreements chaired by the First Vice President Bakri Hassan Salah discussed the progress made in the implementation of the agreements since they were being signed. According to Haroun, the committee praised recent decisions by the presidents of Sudan and South Sudan to re-open the border between the two countries, stressing that Sudan continued to implement the agreements to enable both peoples to live in peace especially along the joint border.

South Sudan strikes new deal with Sudan on oil transit charges

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

South Sudanese government on Wednesday announced that it has reached an understanding with the government of neighboring Sudan from which it seceded in 2011 to reduce charges for transporting crude oil to the international markets through Sudanese territory. South Sudanese minister of petroleum and mining, Stephen Dhieu Dau, told reporters after concluding a closed door meeting with his Sudanese counterpart had reached an agreement to review the charges considering the sharp fall in oil prices. "Our meeting has finished. We have discussed

and agreed in principle to review the agreement, especially the section related to the oil and now we have resolved to negotiate. And when we negotiate on the transitional financial arrangement in particular, it will not be a fixed \$15 per barrel as it was agreed in 2012. It will be fluctuating up and down depending on the prices of the crude globally," minister Dau told reporters on Wednesday. He said the two parties through their technical teams would work out how much the new charges would be.

Sudan to import South Sudanese crude oil

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

In line with a second agreement signed by the oil ministers of the two countries Wednesday, South Sudan will provide Sudan with 28,000 barrel of crude oil per day to be used in power production and cover its local needs. South Sudanese oil Minister Stephen Dhieu Dau and his Sudanese counterpart Mohamed Zayed Awad who is visiting Juba agreed to review the fees paid by South Sudan for exporting its oil using Sudan's pipeline and oil infrastructure. The Sudanese oil ministry said in a statement extended to Sudan Tribune Wednesday that Juba agreed to provide 18,000 barrel oil crude per day to a power plant in the White Nile state. The statement further said that additional 10,000 barrel of oil crude will be supplied to Khartoum

refinery in order to meet a growing demand for petroleum products. The oil deal is signed 24 hours before the inauguration by President Omer al-Bashir of a power plant in Um Dabakir area in the White Nile state at a capacity of 500 megawatts. Also, the agreement comes in phase with Sudanese government plans to increase the capacity of Khartoum refinery to 200,000 barrel per day. [Also reported by Oyet Alfonse in Juba Monitor- 4 Feb. 2016](#); [S. Sudan to sell crude oil to Sudan, by Ayuen Akuot Atem in The National Today- 4 Feb. 2016](#); [South to sell crude oil to North, and in The Nation Mirror- 4 Feb. 2016](#); [S. Sudan reach agreement on purchase, sale of crude oil.](#)

China Exim Bank to fund Juba-Torit Highway

[Odiongo Clement Jumelo: The Stance- 1 Feb. 2016](#)

Torit- China Exim Bank has accepted to fund the construction of Juba-Nesitu -Torit road, an official in the national government has disclosed. The undersecretary in the national ministry of Roads and Bridges Engineer Gabriel Marko told the authorities in Imatong state that a week ago he had sent a team from Juba to survey the road ahead of the actual construction works which is expected to begin late

March or early April, 2016. Engineer Gabriel who was meeting the governor of Imatong Nartisio Loluke at the state secretariat General said China Exim Bank has already approved some fund (undisclosed amount) to cater for construction highway that will penetrate beyond Torit town. "Of late (January, 2016), the China Exim Bank approved to finance Juba-Nesitu-Torit Road.

Aweil Receive 15 Tractors from Juba

Agoth Abraham: [Gurtong- 3 Feb. 2016](#)

“Today we are receiving tractors that were pledged by the President to Aweil State. We are all happy in Aweil. We are happy to receive the pledge which will help support us cultivate and feed ourselves.” Aweil State Ministry of Agriculture, Forestry, Water and Rural Cooperatives received its share of the 15 tractors from Juba on Monday. While receiving the tractors, the State Governor of Aweil, Ronald Ruay Deng said that the State will embark on agriculture and utilize the tractors properly in order to have a good harvest. “Today we are

receiving tractors that were pledged by the President to Aweil State. We are all happy in Aweil. We are happy to receive the pledge which will help support us cultivate and feed ourselves” he said. He called on the people of the State and South Sudan in general to stand firm with the President to achieve peace and stability. The Director General in the Ministry of Agriculture, Joseph Garang Garang said the rest of the 21 tractors will soon be brought in the second consignment.