

8th - 14th Apr. 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. Gurtong
2. The National Today
3. The Daily Vision
4. Radio Tamazuj
5. Eye Radio South Sudan
6. Juba Monitor
7. The Nation Mirror
8. Xinhua
9. Africa Business Community
10. This Day
11. The Dawn
12. The Guardian
13. New Times
14. Daily Nation

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WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



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PRICES AND MARKETS

Kiir orders Central Bank to restructure exchange rate

Deng Machol: [The National Today- 13 Apr. 2016](#)

The ruling Sudan People's Liberation Movement Parliamentary and Political Bureau caucuses have directed the Central Bank to use its monetary policy to rein in the high exchange rate of South Sudanese Pounds against the US dollar. "The meeting directed the central Bank of South Sudan to double its effort to bring down the exchange rate below to a reasonable rate to stabilize the economy", Nunu Kumba the Acting Secretary General of the SPLM told the reporters Monday after the SPLM meeting. She added the meeting chaired by President Salva Kiir resolved to address the issue of the exchange rate in a bid to stabilize the fragile economy. "The meeting also asked the government to diversify the economy of the country by exploring other minerals such as gold and iron. It also discussed to establish refineries in the country so that we will be able to refine our own oil to meet the domestic demand", she added. Also reported by Oyet Alfonse in [Juba Monitor- 12 Apr. 2016: SPLM to ease economic crisis](#), by Hellen Achayo in [Eye Radio South Sudan- 12 Apr. 2016: Central Bank asked to cut exchange rate further](#) and by Daniel Majack Kuany in [The Nation Mirror- 12 Apr. 2016: Central Bank ordered to lower exchange rate](#)

Pound strengthens against dollar

Dominic Santo: [Eye radio South Sudan- 10 Apr. 2016](#)

The value of the South Sudanese Pound is strengthening against the US dollar. The foreign currency is now selling at 30 pounds in commercial banks. Meanwhile, in the parallel market, the pound has dropped from 42 to 27 per dollar in just less than two weeks. This shows over 40% drop in the black market since the beginning of this month. The reason behind the fall in the exchange rate is unclear. Also reported in [The National Today- 12 Apr. 2016: Pound strengthens against dollar](#)

Fashoda traders report scarcity of essential goods at market

[Radio Tamazuj- 12 Apr. 2016](#)

Citizens and traders in Fashoda County in South Sudan's Upper Nile state are complaining about increasing prices and scarcity of essential commodities at the market. Speaking to Radio Tamazuj, several traders said the market was witnessing an acute shortage of essential commodities these days. Khamis John, a local trader, attributed the problem to devaluation of the South Sudanese Pound against the US dollar,

besides the closure of Sudan-South Sudan borders and the halt of river transport from Juba. John called on the national government in Juba to intervene by providing essential commodities in the market in Fashoda County. [Also reported in The National Today- 13 Apr. 2016: Fashoda traders report scarcity of essential goods at market](#)

SSP gains, commodity prices fall

[Lisi Emmanuel: The Daily Vision- 13 Apr. 2016](#)

Commodity prices that have been skyrocketing for the past several months seem to have come to a standstill a few days after the South Sudanese pounds started gaining against the dollars. Though the prices are fluctuating and rising at the same time, the gap is wide. Foreign currencies like the US Dollars are also falling and this unprecedented occurrence keeps holding. In a weekly market survey, the Daily Vision has

decided to give you what every necessity in the markets cost, however some markets around Juba carry on sale in comparison to the US Dollar. Yesterday, the black market rate read 1 US dollar to SSP 30; a significant shift from 1 US dollar to SSP 45 that trended for the past one and a half months. The survey found out that there are no uniform prices of goods especially in Konyokonyo, Custom and Jebel markets.

Authorities demolish market

[Alison Lemer Francis: The Daily Vision- 13 Apr. 2016](#)

Authorities in Yei River State capital are demolishing small shops made of iron sheets, leaving many business people stranded. The demolition exercise followed a recent order, which directed street vendors, and traders selling in iron-sheet shops to relocate to Lutaya market, which is the main market in the town. The construction in Lutaya market started in 2013, but most of the shops are in bushy areas while others are incomplete. Business men and women who resist the order are subject to face several months' imprisonment or a fine of up to SSP

2000. On Tuesday, shops were closed and many traders could be seen removing their shops which were fully constructed with iron sheet- both roof and wall. Also security personnel were deployed to monitor anyone violating the order as dismantling of the shops continues. The order excluded well-built shops such as old Sudan shops, which were left by Arabs. Traders who asked to remain anonymous told the Daily Vision that relocating to Lutaya market is impossible for them given the high cost to build a shop in this hard economic time.

Central Bank saves the SSP by reversing devaluation

Opinion- Mabor Maker Dhelbeny: [Juba Monitor- 12 Apr. 2016](#)

In December last year, when the government of the Republic of South Sudan (GRSS) discovered that the country's economy had been hit by hard by the civil strife, the Central Bank of South Sudan (CBoSS) and the monetary authority in the country devalued the local currency against the US dollar, by abandoning its fixed exchange rate in which SSP 2.95= US \$ 1. And by adopting the floating rate system which puts SSP 18.5= US \$ 1 and later from SSP 30.5 to US \$ 1. The CBoSS devalued the SSP by 34 % and the rationale behind given by the leadership of the Bank, according to Voice of America is that the devaluation was to reduce the volatile pricing,

curb the black market and to encourage foreign investment. Less than three months later, US \$ 100 is equal to SSP 4000 in the black market as the result of currency devaluation by the CBoSS. This demonstrates that the South Sudanese Pound (SSP) continues to lose its value daily against other currencies in the market. Should it continue like this, then, South Sudan will be compared with other countries, which have devalued their local currencies. For example, a study discloses that Zimbabwe abandoned its currency in 2009, after it became worthless as a result of over devaluation which plummeted to US \$ 1- Z\$ 500, 000 plus.

South Sudan introduces new currency denominations

[Xinhua News- 13 Apr. 2016](#)

South Sudan Central Bank has replaced 25 pound denomination note with 20 pound denomination and effected some color changes in the 10 pound note from light blue features to green features resembling the one pound note. However, the rest of the denominations remain unchanged. The Central Bank's Director General for Banking and Currency Albino Dak Othow told journalists in Juba that the changes were meant to eliminate some confusion on the colors of the local currency. "We replaced 25 pound with 20 pound note but the color is the same and the difference here is only that you will find the signature of the current Bank Governor," Dak said. He said the

circulation of 10 and 100 pound notes since they were introduced in 2011 had great similarities making many to confuse the two dominations. The central bank chief said it was the similarity that has been finally addressed by the apex bank by introducing 10 pounds with green color features while 100 pound notes remain as usual but bearing signature of the current Central Bank Governor. He called on the public not to panic when they see the circulation of the new 10 pound because of the change in color. The Director General explained that the one pound denomination has been changed to coin which will not cause confusion with the 10 pound note.

Fuel shortage disrupts businesses

Obaj Shago: [Eye Radio South Sudan- 14 Apr. 2016](#)

Some residents of Juba town say the current shortage of fuel has disrupted their businesses. The residents say they are not able to go about their businesses because it is difficult to get fuel for their cars and boda-bodas. A motorist, who

requested anonymity, told Eye Radio that he has not gone to work for two days now because he has been lining up at a filling station. "It's a very big problem to us. I'm not going to go to work because I have no fuel," he said. Trucks drivers

also complained that fuel shortage in Juba has caused them to increase the rental fees of their trucks. One of them said he is getting fuel from the black market, a price five times that of the pump. Some boda-bodas say they have stopped the business and parked their motorcycles. They did so because they cannot afford to buy a one and half liter bottle of fuel at 190 or 200 pounds

along the streets. "A ride from Jebel market to Custom market cost 40SSP now; in the past, it was 10SSP. Now they are no customers taking Boda Boda," he told Eye Radio. Some managers of refilling stations say they are not receiving the fuel being distributed by the state oil firm, Nilepet.

Farmers worry as seeds price shot up

[Kidega Livingstone: Juba Monitor- 8 Apr. 2016](#)

Farmers in Palwa and Agatta in Lobone Payam are worried of the high prices of maize, groundnuts and bean seeds after the drastic escalation of prices in Magwi and Torit markets. Kagwa Patrick a farmer in Palwa said that most people in the area plant improved maize seeds but the increase in market prices is now worrying

the farmers. "We have few people here who have started planting their maize but the rest of us have not yet started because the prices have gone high and you know here we don't have money. We are waiting for money from the sale of crops", Kagwa told Juba Monitor.

BUSINESS

Customers unhappy after MTN goes off-air in Awerial County

[Radio Tamazuj- 13 Apr. 2016](#)

MTN mobile customers in Awerial County are upset with the lack of service in the area after the MTN network went off air since Friday last week. Local radio station Mingkaman 100 FM reported that some customers are unable to reach relatives and friends since the loss of network coverage, pointing out that MTN was the only mobile network operating in the area. "I have loaded by ten pounds the time it goes off and I was about to call my daughter who is in Yirol and up to now we are not connected," said one

customer. "I want MTN management to work on it to help us get connected again." Mingkaman 100 FM was unable to get MTN management to comment. Recently, however, MTN South Sudan announced that it would be cutting its activities in the country and laying off staff owing to the shortage of foreign exchange and the poor economic situation in the country. The company also warned that it may be forced to stop its operations completely if inflation of the South Sudanese pound continues.

USAID joins Nespresso and Techno Serve in supporting South Sudan's coffee farmers

[Linda Larbie: Africa Business Communities- 11 Apr. 2016](#)

Nespresso and its non-profit development partner Techno Serve announce a new partnership with the United States Agency for International Development (USAID) to support its efforts to rebuild the coffee industry in South

Sudan. USAID will invest USD 3.18 million over the next 3 years to assist Nespresso and Techno Serve to help raise farmers' incomes and expand export markets. Jean-Marc Duvoisin, CEO of Nestlé Nespresso said, "This funding injection will

allow us to scale the project up and help an even greater number of farmers grow and sell high quality coffee for international export at a higher price, thus creating a better quality of life for farmers and their families.” Nespresso and Techno Serve have been working with local farmers in South Sudan since 2011 to revive high-quality coffee production after the local coffee industry was decimated by years of civil war. So far more than 700 farmers have received technical assistance and training in sustainable

farming methods through the Nespresso AAA Sustainable Quality™ Program. [Also reported by Linda Larbie in The National Today- 12 Apr. 2016: USAID, Nespresso and Techno Serve support South Sudan’s coffee farmers, in The Dawn- 9 Apr. 2016: USAID joins Nespresso and Techno Serve to support South Sudan’s coffee farmers and in This day- 8 Apr. 2016: USAID funds Nespresso effort to revive South Sudan coffee sector](#)

Why Rumbek traders closed shops

[Emmanuel Akile: Eye Radio South Sudan- 8 Apr. 2016](#)

Traders in Rumbek have closed their shops over a disagreement with state authorities on market prices. Officials had directed them to reduce food prices. For example, officials said a 50-kilogram bag of flour sold at 1,000 should be reduced to 700 pounds. Traders responded by closing the shops on Thursday, resulting in shortage of food items. “There is a shortage of flour in Rumbek market. It is only one shop which has flour and the

rest of the shops have no flour as a result of the agreement,” Stringer Michael Makuach reported from Rumbek. Some of the residents of the town have described the situation as terrible. “The situation in Rumbek now is worsening my brother. That’s why we want to appeal to the government to quickly intervene,” resident John Garang told Eye Radio.

'There's no work, no money': oil-rich but desperately poor South Sudan shuts up shop

[Simona Foltyn: The Guardian- 14 Apr. 2016](#)

On a good day, people have to wait for hours to get fuel in Juba. Most of the time, however, petrol stations in South Sudan’s capital stand deserted amid a deepening currency crisis that has reduced imports to a trickle and sent prices through the roof. But this is one of the good days, and the government-owned Nilepet station near the centre of town is open for business – and doing a roaring trade. A long line of cars extends from the petrol station around half the block, while dozens of motorcycles jostle for space to edge closer to the pumps. Police officers and plain-clothed national security agents cast a watchful eye on every transaction, occasionally

funneling the sprawling line of vehicles back into a neat single file. Soldiers and women with jerry cans buy petrol at the regulated price, only to sell it on the black market to those who end their wait empty-handed. The scene epitomizes the scramble for basic commodities in a country rich in oil, but home to an increasingly impoverished population that struggles to cope with a mismanaged economy. “There is fuel in the country, but those who bring it don’t want to sell it at the regulated price,” says Luka William, sticking his head out of his car to gauge the queue ahead of him. “They are waiting for the prices to go up, but nobody could afford that.”

Shops run out of Vivacell mobile scratch cards

[Radio Tamazuj- 14 Apr. 2016](#)

Customers of the telecommunication company Vivacell have not been able to get scratch cards (airtime) at many shops in Juba for several days now, with only higher-value cards available for purchase. Many shops have only scratch cards for 50 SSP and 100 SSP and some citizens cannot afford to buy these cards. Previously, Vivacell Company sold scratch cards for 2 SSP, 5 SSP, 10 SSP and 25 SSP but all at the moment are not in the market. Vivacell users are seriously

concerned about the trend. Sources said that the company scheduled a meeting for today to address the shortage in the country. Alongside Zain and MTN, Vivacell is one of the leading mobile network providers in South Sudan. MTN recently announced it was scaling back its activities and may need to shut down owing to the continuing weakening of the South Sudanese pound.

Construction firm to encourage foreign investors

[Kidega Livingstone: Juba Monitor- 14 Apr. 2016](#)

Free South Construction Company Limited in collaboration with Public Private Partnership (PP) is organizing a summit in South Sudan to promote foreign investors to come and invest in building and construction in the country. The Chief Executive Officer of Free South Construction Company Limited, Zakaria John Niem said the three days Summit which is scheduled to take place from August 23rd -28th 2016 at Freedom Hall under the theme "Creating place where people want to live and will continue to want to live, work and invest" will bring

investors from all parts of the world. Niem said during the summit, investors will have opportunity to meet key decision makers to discuss investment opportunities in South Sudan especially in the area of building and construction, infrastructure, manufacturing, hospitality, agriculture, mining, housing and property development as well as cement and construction materials. [Also reported by Dau Majok John in This Day- 14 Apr. 2016: Chamber of Commerce launching new company](#)

ECONOMY AND PUBLIC FINANCE

South Sudan targeting COMESA

[Susan Nyiel Panchol: The Daily Vision- 13 Apr. 2016](#)

The Secretary General of the Common Market for Eastern and Southern Africa (COMESA), Sindiso Ngwenya who is in the country for an official visit yesterday said that South Sudan stands to benefit greatly if she joins COMESA. Sindiso is in the company to discuss prospects of South Sudan joining membership of COMESA. He expressed gratefulness with government officials and said he was happy to have met President Salva Kiir and discuss on the reactivation process. The

Cabinet Affairs Minister, Dr. Martin Elia Lomuro, added that the country will benefit a lot from COMESA especially in regards to developmental projects and programs that will boost economic growth. The Minister made the remarks yesterday after meeting president Kiir and from COMESA led by Sindiso. "I am happy to say that we have just met H.E the President with the secretary General of COMESA to discuss membership of South Sudan into COMESA; this

process started a long time ago but was interrupted on December 15th 2013”, Dr. Elia said. He mentioned that the COMESA Secretary General’s mission in the country was to find

avenues to reactivate the process and that there were a lot of useful things in the deal that will assist with the development of the country.

Kiir reportedly endorse EAC admission

Junior Ali: [Eye Radio South Sudan- 13 Apr. 2016](#)

Media reports indicate that President Salva Kiir is expected to sign the Treaty of Accession this week to make South Sudan a full member of the East African Community. This comes roughly a month since the bloc confirmed the membership in the bloc. According to the Tanzanian media, President Dr John Magufuli, who is also the Chairperson of the East African Community, will sign the deal on behalf of the bloc. It reported the Head of Corporate Communications at the secretariat based in Arusha, Owora Othieno, as saying that the event will take place in Dar-es-Salam, on April 15. South Sudan’s admission to the bloc brings to six, the memberships of the East African Community. Other member countries include Kenya, Uganda, Rwanda and

Burundi. With South Sudan’s membership, the bloc will now have a market size population of about 162 million people, within a territory measuring about 1.8 million square kilometers. [Also reported by James Karuhanga in New Times- 13 Apr. 2016: South Sudan to sign EAC Treaty Friday, by Allan Odhiambo in Daily Nation- 14 Apr. 2016: South Sudan's EAC entry a boon to Kenyan businesses, by Opio Jackson in Juba Monitor- 9 Apr. 2016: Kiir to ratify EAC Treaty, by Deng Machol in The National Today- 14 Apr. 2016: President Kiir, Magufuli to sign EAC Treaty- South Sudan will become full member of EAC tomorrow and in The Daily Vision- 14 Apr. 2016: South Sudan to sign EAC treaty Friday](#)

Government Approves SSP 226M to Buy 12,600 Metric Tons of Sorghum from Renk

Jok P Mayom: [Gurtong- 12 Apr. 2016](#)

South Sudan government on Friday said it is putting SSP226 million to buy 12,600 metric tons of sorghum from Renk Town of Eastern Nile State for distribution in the country to quell the looming hunger situation. Hon. Michael Makuei Lueth, government spokesperson also Minister of Information told reporters after the cabinet weekly meeting No. 10/2016 on Friday that the government has laid strategies to overcome the hunger situation. Makuei said the move comes following a report presented by the Minister of Humanitarian Affairs and Disaster Management, Hon. Awut Achuil prompting the cabinet to adapt the report. “The government has approved the plan as presented by the Minister. It is planning to buy 12,600 metric tons of Dura from Renk. This

will be transported; some of this will be airlifted while others will be transported by land or river so that they are distributed to the people of South Sudan all over” said Hon. Makuei. He admitted that the hunger situation is worsening but clarified that the country is only facing what he called hunger gap and not famine. “There is a difference between a famine and hunger gap. [Also reported Benjamin Takpiny-The Dawn- 11 Apr. 2016: Government purchases 12, 600 metric tons of food to rescue hunger situation, by Oyet Alfonse in Juba Monitor- 9 Apr. 2016: Government avails 226m SSP for Dura and by Chuty Anyar Michael in The Nation Mirror- 9 Apr. 2016: Government provides SSP 226 million to avert hunger](#)

Peace partners ask IMF to assess economy

Emmanuel Akile: [Eye radio South Sudan- 11 Apr. 2016](#)

Parties to the peace agreement have agreed to invite the International Monetary Fund to assess the economy and prepare the recovery program for the forthcoming government of national unity. The government, the SPLM in Opposition, the former detainees, and other political parties signed up to the commitment over the weekend. The SPLM acting Secretary-General, Jemma Nunu Kuma, signed for the government, Taban Deng Gai for the SPLM in Opposition, Kosti

Manibe, for the Former Detainees, and Dr Lam Akol, for other political parties. In a statement of commitment, the parties say the move is to address the current economic crises. "The parties appeal to the development partners to urgently assist with a rescue package that include the balance of payment support, budget support and humanitarian intervention while we wait the finalization of the IMF Program," Ms. Jemma Nunu Kumba told journalists in Juba on Monday.

South Sudan delegation leaves for IMF, World Bank spring meeting

Daniel Majack Kuany: [The Nation Mirror- 12 Apr. 2016](#)

The government delegations to the International Monetary Fund (IMF) and the World Bank Spring Summit will present papers on the economic hardship and progress of the implementation phase of the August 2015 peace agreement, Michael Makuei Lueth, Minister of Information and Broadcasting, has revealed. The IMF Spring Meeting is expected to kick off on 15th to 18th April and government delegation travelled yesterday, headed by Minister of Finance and Economic Planning, other Ministers in economic cluster, members of SPLM-IO, FDs AND OTHER Political Parties. South Sudan is one of the countries

undergoing difficult economic situation and is eager to attend the spring meetings in Washington DC to solicit support to rejuvenate her current stagnating economic crisis. It also wants to use the event to appeal to the development partners and humanitarian agencies to urgently rescue the young nation. According to Makuei, the meeting is very significant because the summit aims at soliciting support and resources to various institutions. [Also reported by Benjamin Takpiny in The Dawn- 11 Apr. 2016: S. Sudan takes part in Mini-economic conference- Washington D.C.](#)

'Jubek State' employees go nearly three months without salary

Radio Tamazuji- 11 Apr. 2016

The appointed governor of South Sudan's so-called Jubek State Augustino Jadalla Wani told journalists last week that civil servants have not received pay for nearly three months. Jadalla said he has received reports that some officials are using the money for salaries for their own

businesses, but he denied that the government is profiting from workers' salaries. He attributed the delay to the current situation in South Sudan. He urged the state officials to work hard to meet the demands of the citizens despite the tough conditions in the state and country.

Abyei agriculture ministry launches use of 15 tractors

[Radio Tamazuj- 12 Apr. 2016](#)

Atem Nyok, Agriculture Minister in the disputed Abyei area between Sudan and South Sudan, said they will use the 15 new tractors that have arrived in Abyei from South Sudan's capital Juba for this year's agricultural season. Nyok told Radio Tamazuj that five tractors were brought without ploughs. He pointed out that they launched their plan yesterday to use the donated tractors for this year's agricultural season. The local official explained that they had directed Abyei farmers to

form groups and prepare agricultural lands for cultivation so farmers can request the Ministry of Agriculture to give them the tractors. Farmers in the disputed Abyei area previously told Abyei Today they should be allowed to control the use of 15 new tractors that have arrived in the area. They said each tractor should be assigned to a different area, where farmers instead of the Agriculture Ministry could decide how it is used.

Revenue Authority directs payment of taxes to Kush Bank in Bor

[Juuk Othana Mading: Gurtong- 9 Apr. 2016](#)

Jonglei State Revenue Authority Commission has issued an order directing business owners, NGOs, government department, and individuals to pay their income tax and rental tax to the official account at Kush Bank in Bor. According to a circular dated 07th April seen by Gurtong, all employers are directed to deduct personal income tax [PIT] from their employees and pay directly to Jonglei State revenue authority commission block account. "To all non-governmental organizations [NGOs], business owners, government departments, and individuals who are leasing properties here in

Jonglei State and withholding 105 rental tax are hereby advised to pay directly to Jonglei State revenue authority commission block account at Kush bank as from the 7th April, 2016", it reads. "To all business owners are here directed by this circular to directly pay business profit tax [BPT] and other collectable tax to Jonglei State revenue authority commission block account at Kush bank as from the 7th April, 2016", it continues. The circular also directed the owners who are leasing properties/land to the above mentioned entities/individuals to advise their tenants to follow and adhere to this circular.