

WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



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8-14 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. Sudan Tribune
2. Eye Radio South Sudan
3. The National Today
4. This Day
5. Juba Monitor
6. The Nation Mirror
7. The Juba Telegraph
8. Radio Tamazuj
9. Bloomberg Business

Disclaimer:

These are extracts from the news media outlets, they are NOT UNDP News.

PRICES AND MARKETS

Electricity Cost Hikes As Devaluation Triples Fuel Price

Robert Nyawanda: [The National Today- 11 Jan. 2016](#)

Having electricity in one's home in Juba has always been a luxury but now with the increased cost of fuel, people have to pay more dearly in order to have access to it. Most electricity in the capital is from generators which use fuel, which price has increased from 6 SSP to 22 SSP following the devaluation of the country's currency. Most suppliers, who use generators, have now been forced to hike their prices. "I have had to terminate our agreement, I own a small shop and I only use the power between 7 PM and 9 PM for lighting and to watch my small TV," retailer Wani Achuol told the National Today. "If I pay 120 pounds a month I will make loses, I used to pay 30 Pounds," he said in an interview. Most households were being charged an average of 50SSP a month for normal lighting and charging of phones, but without using other electrical appliances such as television sets, computers or refrigerators.

Citizens concerned in Juba over high prices of consumer goods

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

Citizens in South Sudan's capital Juba have complained of the sharp rise in the price of consumer goods, drinking water, and transportation since the devaluation of the South Sudanese Pound one month ago. Many citizens expressed their concern about the poor economic condition in which they live, as some revealed that prices in the market are increasing every day. Some families are now limiting themselves to one meal a day due to the rise in costs. The price of three tomatoes has reached ten SSP, and one box of milk has shifted from 170 in the past to 570 SSP, while a sack of flour rose from 300 to 1000 SSP and a drum of water become 40 SSP instead of 5. A jerry can of cooking oil costs 540 SSP, whereas a sack of sugar 20 kilo is 1000 SSP. Opposition members have called on the government to raise salaries to match the new value of the SSP.

South Sudanese Consumer Prices More Than Doubled Last Month

Paul Richardson: [Bloomberg Business- 12 Jan. 2016](#)

South Sudan's annual inflation rate surged to 109.9 percent in December as food, clothing, alcoholic-beverage and utility costs increased, the National Bureau of Statistics said. Inflation accelerated from 73.6 percent in November, the Juba-based bureau said in a statement Tuesday. Prices climbed 4.9

percent in the month, after a 13.7 percent increase in November, it said. South Sudan, which has sub-Saharan Africa's third-biggest oil reserves, has been wracked by two years of conflict that have left tens of thousands of people dead and forced more than 2 million people to flee their homes.

Prices rise in Twic East County

The National Today- 9 Jan. 2016

The commissioner of Twic East County in South Sudan's Jonglei State has complained that prices of consumer goods are soaring. Commissioner Dau Akoi Jurkuch told Radio Tamazuj on Tuesday that the county is witnessing increasing prices of commodities at the market after the central bank decided to float the South Sudan Pound against the dollar. He said residents were affected by the

decision because they are underpaid. "The price of a bottle of water reached 7 SSP, a cup of sugar costs 25, whereas a bottle of Pepsi increased from 6 SSP to 15 SSP," said the commissioner. "The sack of flour now costs 700 SSP," he added. The county official explained the ordinary citizens who don't have access to US dollars are immensely suffering as the economic situation hasn't improved.

Customs Market Dollar Vendors Scatter In Morning Police Swoop

Robert Nyawanda: [The National Today- 9 Jan. 2016](#)

A police swoop on dollar vendors at Customs Market yesterday morning sent the businessmen in a scamper, evading arrest and as well seizure of their money. The Police had tried to round up the vendors who sell the dollars on the black market at exorbitant prices. Whether arrest were made, it was not clear. Shoppers at the market said the vendors had become a menace who openly stole from those

who came to purchase the dollars from them. "These people operate in packs, once they realize you are interested in purchasing the dollar they surround you and claim you gave them less money, you end up losing both the dollar and the pounds (South Sudanese pounds), get fewer pounds or add more money to acquire the dollar," Joshua Alum told the National Today.

State oil firm ordered to supply hospital with fuel

Hellen Achayo: [Eye Radio South Sudan- 11 Jan. 2016](#)

The Ministry of Health has directed Nile Petroleum Company to supply fuel to Juba Teaching Hospital, which has been without electricity for a month now. Officials there say they have not been able to buy fuel due to the rise in prices, from 6 to 22 pounds per liter. The increase in fuel prices followed the devaluation of the pound. Last week, the Director General at the Juba Teaching Hospital, Dr John Chol said they would stop receiving dead bodies at the mortuary due to lack of electricity. But this morning,

Dr Chol told Eye Radio that the hospital is expecting fuel within the next two days. "Hopefully today or tomorrow, we should be able to get the hospital electricity back," he told Eye Radio. Last week, there were media reports that up to ten people, including premature babies, died at the hospital due to lack of power. [Also reported by Achol Achien Kiir in The Nation Mirror- 14 Jan. 2016: Juba Teaching Hospital receives fuel supplies.](#)

Dollar Deficit Fails South Supreme Airlines in Resuming Operations

Paska Alfred Akwoch: [The National Today- 9 Jan. 2016](#)

South Supreme Airlines may not find respite and resume travel operations across the country soon, as it fails to garner the hard currency to cover costs, Captain John Manak, the General Manager of the Company said. Only one plane out of ten that the company operates has been flying in the last three months, Manak told the National Today in an interview yesterday. South Supreme airlines operate indigenous flights across the country. Maintenance of its planes has stalled as it cannot

acquire the US Dollars to hire mechanics from abroad, he said. "The economic situations in the country is hindering the operation of the airline, as it's hard to access hard currency, since our operations are based on US dollars only," Manak said. The economy of the country has been reeling since December 2013 when the conflict which emanated from a leadership disagreement in the ruling SPLM party turned violent in the capital Juba.

Traders quit business due to currency devaluation

Poni Florence Amos: [Juba Monitor- 12 Jan. 2016](#)

After the devaluation of South Sudan pounds for the first time in history, some traders have shut down their businesses. One of the traders in Suk Libya who owns a big supermarket, Tesfay Abdul closed down his shop two weeks ago. Speaking to Juba Monitor yesterday, Abdul said business in South Sudan has become less profitable. He said his supermarket business was dealing in foods and beverages which he purchased locally and it was increasingly getting difficult for him to make any

profit. "Until the local currency gains back its value, I will not come back to business," said Abdul. "Currently, we the business men work on big losses because the rent is expensive and power bills have gone high just like how the prices in the markets have increased," he emphasized. Abdul said business is no longer profitable to foreigners because it is very expensive to change the local currency into the hard currency.

Gov't, phone companies disagree over new call rates

Mabior Philip: [Eye Radio South Sudan- 8 Jan. 2016](#)

Telecommunication companies have disagreed with the government over the new call rates after the devaluation of the pound. In December 2015, the Central Bank abandoned the fixed rate of the pound against the US dollar and allowing the rate to be determined by the demand and supply. After the change, 100 dollars was selling at 1,855 at the banks. The companies in turn raised the rate from 16 piasters per minute to 64, causing public outcry.

Telecom companies say they raised the call rates in accordance with the change. "The argument is that they base their adjustments on actual costs. To them, they are profit-making company. So for a certain cost, there should be somebody meeting it," said Dr Wani Lado, director of Communications Authority. For its part, the government insists that the companies should raise tariffs gradually.

Yei Residents Invest In Coffee to Tap International Market

[The National Today- 9 Jan. 2016](#)

While fighting rages elsewhere, at the peaceful town of Yei, farmers try to tap into the international coffee market. Under the hot, midday sun, a handful of farmers huddle around a coffee tree, holding down a branch to pick off the ripe, bright red coffee cherries. "There's a lot of benefit in growing coffee," says Iseya Lokolo Latio, a coffee farmer. The statement reflects a new way of

thinking among local farmers, many of whom have casually grown coffee for decades. This year, however, they are scaling up and selling their beans abroad to multinational coffee company Nespresso. "The money I get will pay for school fees and medicine," Latio says as he drops off six kilos of coffee cherries at the cooperative's newly built wet mill.

Experts to study new call rates

[Mabior Philip: Eye Radio South Sudan- 12 Jan. 2016](#)

The Communications Authority has invited foreign experts to study the new call rates set by telecom companies. In December 2015, the mobile phone service providers raised the rates from 16 to 64 piasters per minute after the Central Bank floated the exchange rate. The US dollar rose from 3.17 in the commercial banks to 18.55. The authority and the companies have disagreed on the new rates, with the companies insisting that they were

conforming to the value of the pound. "If making inflation gives the lower tariffs and they go out of business, then the country will be in problem. So we are trying to be fair on that," said Dr Wani Ladu, director of the authority. The authority may recommend reduction of taxes on the companies if the experts find that the rise was fair. [Also reported in The Juba Telegraph- 14 Jan. 2016: Experts to study new call rates.](#)

New Arabic-language newspaper in Juba

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

A new daily Arabic-language newspaper has appeared on streets of South Sudan capital Juba since Saturday. Al-Wihda (Unity) is published by Light Media, a private company owned by a group of young South Sudanese journalists. On the first day of publication, the paper was distributed for free of as a step of a promotion. The newly launched newspaper is headed by editor-in-chief Bohairat Bakhtan with Abraham Malek as chairman.

Leadership of the paper say they want to promote unity and co-existences among the South Sudanese. The paper comes out few weeks after another new Arabic newspaper, El Tabeer, was forced to close down by National Security Services after the the paper published an article annoyed them. One of their reporters is behind bars on undisclosed charges.

ECONOMY AND PUBLIC FINANCE

S. Sudan asks Khartoum to reduce oil transportation fee

[Sudan Tribune- 11 Jan. 2015](#)

The Government of South Sudan has asked Khartoum to cut the lease of Sudanese oil transportation facilities. Juba said its request was prompted by the fall in oil prices on the

international market. Speaking to Ashrooq's TV the South Sudanese foreign minister, Barnaba Marial Benjamin said a request to this effect was presented to the Sudanese government. "Oil prices

have dropped .They are no longer like in the past. We have to see how we can share the oil revenue under these conditions.. And if we suppose that the oil price can go down to 20 dollars, at that time there would be nothing to share,” said the South Sudanese top diplomat. He said the oil ministers in Khartoum and Juba were discussing the matter, but no decision has been reached so far. Benjamin has,

however, expressed optimism that a solution could be reached on the matter. Oil prices have been on continuous decline, dropping to less than 36 U.S Dollars per barrel this week. [Also reported in This Day- 12 Jan. 2016: S. Sudan asks Khartoum to reduce oil transportation fee, in Juba Monitor- 12 Jan. 2016: S. Sudan asks Khartoum to reduce oil transportation fee.](#)

Khartoum to reduce S Sudan oil transport costs

[Junior Ali: Eye Radio South Sudan- 12 Jan. 2016](#)

The government of Sudan has promised to reduce the cost of transporting South Sudan’s crude oil to the export terminal in Port Sudan, an official has said. Sudan has been taking \$24 per barrel since 2012 for transporting the oil and for financial compensation for the independence of South Sudan. But the government says the fees have become too expensive for South Sudan to pay due

to the sharp decline of oil production since last year. The Spokesperson of the Ministry of Foreign Affairs, Amb Mawien Makol, told Eye Radio that the two governments are currently engaged in discussions on the matter. “We’re building bilateral relations with them; they promised that this is true [the cut],” said Amb Makol. “We will work that out soon in our technical meetings.”

Economic crisis reduces teachers’ pay to nothing- Undersecretary

[Candida Jacky: The Nation Mirror- 13 Jan. 2016](#)

The economic crisis has greatly affected the education sector as the greatest employing institution in the government but with little salary that cannot cope with rising commodity prices, Michael Lopuke Lotyam, undersecretary in the Ministry of Education, Science and Technology revealed yesterday. “We are handling over 33, 000 t teachers and supporting staffs are likely to go up to 40-45 in the country”, Lopuke said in an exclusive

interview with The Nation Mirror. “These people are spread all over to the Bomas, Payams and the Countess in the country but this economic crisis has cut off their standard of living”, he stated. The Undersecretary stressed that a teacher in the village is unable to buy half a sack of maize flour for the family and therefore making life very difficult for the mentors to cope with.