



# The Republic of South Sudan: Opportunities and Challenges for Africa's Newest Country

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## Summary

In January 2011, South Sudan held a referendum to decide between unity or independence from the central government of Sudan as called for by the Comprehensive Peace Agreement that ended the country's decades-long civil war in 2005. According to the South Sudan Referendum Commission (SSRC), 98.8% of the votes cast were in favor of separation. In February 2011, Sudanese President Omar Hassan al-Bashir officially accepted the referendum result, as did the United Nations, the African Union, the European Union, the United States, and other countries. On July 9, 2011, South Sudan officially declared its independence.

The Obama Administration welcomed the outcome of the referendum and recognized South Sudan as an independent country on July 9, 2011. The Administration sent a high-level presidential delegation led by U.S. Ambassador to the United Nations, Susan Rice, to South Sudan's independence celebration on July 9, 2011. A new ambassador is also expected to be named to South Sudan.

South Sudan faces a number of challenges in the coming years. Relations between Juba, in South Sudan, and Khartoum are poor, and there are a number of unresolved issues between them. The crisis in the disputed area of Abyei remains a contentious issue, despite a temporary agreement reached in mid-June 2011. The ongoing conflict in the border state of Southern Kordofan could lead to a major crisis if left unresolved. The parties have yet to reach agreements on border demarcation, citizenship rights, security arrangements, and use of the Sudanese port and pipeline for oil exports. South Sudan also faces various economic, government capacity, and infrastructure challenges (see "Development Challenges").

The United States maintains a number of sanctions on the government of Sudan. Most of these sanctions have been lifted from South Sudan and other marginalized areas. However, existing sanctions on the oil sector would require waivers by the executive branch. The U.S. Congress is likely to deal with these issues in the coming months.

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## Introduction

On July 9, 2011, South Sudan officially declared independence. In January 2011, South Sudan held a peaceful and transparent referendum on Southern secession or unity, as called for in the 2005 Comprehensive Peace Agreement (CPA).<sup>1</sup> An estimated 3.9 million people were registered to vote, including those residing in other countries. An estimated 3.8 million people, or 97.5%, voted in the referendum, which was deemed peaceful and transparent by international observers. According to the South Sudan Referendum Commission (SSRC), 98.8% voted for secession, while 1.1% voted for unity. In early February 2011, Sudanese President Omar Hassan al-Bashir officially accepted the result of the referendum. The international community endorsed the result of the referendum.

In February 2011, shortly after the announcement of the result of the South Sudan referendum, President Obama stated that “on behalf of the people of the United States, I congratulate the people of Southern Sudan for a successful and inspiring referendum in which an overwhelming majority of voters chose independence. I am therefore pleased to announce the intention of the United States to formally recognize southern Sudan as a sovereign, independent state in July 2011.”<sup>2</sup> The Obama Administration sent a high-level delegation led by U.S. Ambassador to the United Nations, Susan Rice, to South Sudan’s independence celebration in July 2011.

Many Members of Congress welcomed the vote for independence. Over the past two decades, the U.S. Congress has been actively engaged on Sudan. Numerous hearings have been held and legislation has been passed on a wide range of issues related to the crisis in Sudan. There have been multiple visits to liberated areas by Members of Congress since the late 1980s. In November 1993, the U.S. House of Representatives passed H.Con.Res. 131, recognizing the right of the people of South Sudan to self determination.

In the coming years, Congress is likely to remain active on issues related to South Sudan. U.S. assistance to South Sudan will be an important issue for Congress in light of the fact that South Sudan is one of the major recipients of U.S. assistance. The Obama Administration has requested \$518 million for FY2012. The United States has maintained sanctions imposed on Sudan but removed them from South Sudan and other marginalized areas. However, there are current sanctions on Sudan that will have an impact on South Sudan even after independence. Congress is likely to deal with this issue in the coming months.

South Sudan faces serious challenges in the coming years. There are a number of unresolved issues between the governments of Sudan and South Sudan, which could pose a serious threat to peace and stability in both countries. South Sudan lacks the capacity to deliver basic services to its people and demands are likely to increase in the coming years. There are also a number of new

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<sup>1</sup> On January 9, 2005, the government of Sudan and the Sudan People’s Liberation Movement (SPLM), after two and half years of negotiations, signed the Sudan Comprehensive Peace Agreement at a ceremony in Nairobi, Kenya. The signing of this agreement effectively ended the 21-year-old civil war and triggered a six-year Interim Period.

<sup>2</sup> The White House, Office of the Press Secretary, February 7, 2011.

rebellions, often backed by the government in Khartoum, against the Government of Southern Sudan (GOSS).<sup>3</sup> In 2010-2011, more than 1,000 people were killed and over 200,000 people displaced as a result of these conflicts in the South, according to United Nations and South Sudanese officials. As an independent country, South Sudan will also assume additional responsibilities currently managed by the Government of National Unity. South Sudan also lacks the infrastructure and institutions necessary for governance and delivery of basic services.

Over the past six years, the GOSS has taken a number of steps to address these challenges. The 120-mile Juba-Nimulie road, funded by the United States, is the first major highway and is likely to boost trade between South Sudan and Uganda. The project is expected to be finished by early 2012. In addition, South Sudan is seeing expanded trade and business activities locally and with the neighboring Central African Republic (CAR) and the Democratic Republic of Congo (DRC) due to the new 167-mile road in Western Equatoria. A number of towns, including Kapoeta and Maridi, now have electricity, thereby increasing business activities in these towns. The GOSS has also taken steps to expand primary school enrollment, especially for girls, over the past several years. The GOSS is also spending more funds in recent years in education and health care sectors, although expenditure on defense is much higher than the two sectors combined. In the 2010 budget, the GOSS provided \$120.6 million for education, \$70.6 million for health care, and \$373.6 million for defense.<sup>4</sup>

Abyei, a disputed area located between the North and the South, was also expected to hold a referendum on January 9, 2011, to decide whether to retain its current special administrative status or to be part of South Sudan. However, the referendum did not take place, in large part due to the government of Sudan's rejection of agreements on Abyei. In late December 2009, the Sudan National Assembly passed the South Sudan and Abyei Referendum Act. However, the Abyei Commission was never established, as called for in the act, and residents of Abyei were not registered to vote. In February and early March 2011, government forces and their allies attacked several villages in Abyei and many residents fled the town of Abyei in early March 2011. On March 3, 2011, the U.S. State Department, in a press release, condemned the violence in Abyei. In May 2011, Sudan Armed Forces (SAF) invaded Abyei, dissolved the Abyei Administration, and displaced more than 100,000 people. In June, the government of Sudan and the Sudan People's Liberation Movement (SPLM) reached a temporary agreement on security and governance, as described below.

## **Preparation for Independence**

The GOSS has been actively engaged in addressing a wide range of issues in preparation for independence. The Political Bureau of the SPLM decided in February 2011 that the new country will be named the Republic of South Sudan, created a Constitutional Review Commission, and announced that an inclusive new government will be established in July 2011. Post-independence elections are not expected to take place, as South Sudan held presidential, parliamentary, and regional elections in April 2010, during which Salva Kiir was re-elected as president.

As part of the government's reconciliation efforts, the SPLM invited opposition and armed groups to talks and reached agreements with most of those present. However, it is likely that political

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<sup>3</sup> Author interview of South Sudanese political and military leaders in Juba, South Sudan, May 2011.

<sup>4</sup> Ministry of Finance, the Government of South Sudan, 2011.

infighting within the ruling party may develop after independence. The GOSS is also assisting returning refugees and internally displaced persons, and in January 2011, President Salva Kiir assured Sudanese nationals from the North that they could stay in South Sudan as long as they wish.

## **North-South Relations**

### **Post-Independence Relations Between Sudan and South Sudan**

During the Interim Period (2005-2011), relations between the SPLM and the ruling National Congress Party (NCP) were poor at times, but the two sides have managed to implement key provisions of the CPA and avoid an all-out war. In October 2007, the GOSS suspended the participation of its ministers, state ministers, and presidential advisors in the Government of National Unity to protest measures taken by the NCP and to demand full implementation of the CPA. The SPLM urged the Sudanese government to implement key provisions of the CPA and to consult First Vice President Salva Kiir on key issues (during the Interim Period, President Salva Kiir served concurrently as president of GOSS and as first vice president in the National Unity Government). In response, President Bashir accepted a number of Government of South Sudan demands in late October, except those related to the Abyei issue. President Bashir accepted a new list of ministers submitted by the first vice president, and in December 2007, the new ministers were sworn into office. After that crisis, the SPLM and the NCP worked together, despite differences on a wide range of issues.

The ruling NCP in Khartoum has been pressing the SPLM to end its relations with and support to political groups in the North, including to Northern members of the SPLM. The SPLM has made it clear on a number of occasions during the CPA negotiations and the transition period that it would not enter into a political alliance with the ruling NCP. Northern members of the SPLM are likely to form a new party opposed to the NCP. The SPLM leadership in Juba has assured the NCP that its primary objective is to maintain good relations with Khartoum and that a peaceful and democratic Sudan is in the interest of Southern Sudan. The Bashir government has been providing assistance to armed elements opposed to the GOSS over the past several years, and the SPLM is accused of providing assistance to Darfur rebel groups, according to U.S. officials. If the Darfur, Southern Kordofan, and Abyei crises are resolved, prospects for better relations between the NCP and the SPLM are good.

### **The Crises in Abyei and Southern Kordofan**

#### **Abyei**

On May 20-21, 2011, the SAF invaded Abyei, displacing an estimated 100,000 people, according to the United Nations Office for the Coordination of Humanitarian Affairs (OCHA). Among the displaced are an estimated 3,800 children. President Omar El Bashir dissolved the Joint Abyei Administration, asserting that the decision was taken after consultation within the presidency, and appointed an administrator for Abyei. The first vice president of Sudan and president of Southern Sudan, Salva Kiir, was never consulted on this matter, according to senior South Sudanese officials.

A day before the invasion of Abyei, there was an incident outside the town between the Sudan People's Liberation Army (SPLA) and SAF forces. According to a United Nations field report, based on accounts given by SAF and one South Sudanese official, a Joint Integrated Unit (SAF) convoy, accompanied by U.N. peacekeeping forces, was allegedly attacked by the SPLA outside Abyei. South Sudanese and other sources in the region assert that there was no attack by SPLA forces. They claim that a shot was fired after an argument between two soldiers, one from the SPLA and the other from SAF. In response, an SAF unit fired rocket-propelled grenades (RPGs) on SPLA forces, and one of the RPGs landed on a truck carrying munitions, according to South Sudanese and United Nations officials.

The invasion of Abyei seems to have been premeditated, according to Sudanese and regional sources. The Sudanese Armed Forces have been building up their military presence in the Abyei region since January 2011. The government of Sudan claimed that they attacked Abyei in order to restore law and order, but a day after the invasion, pro-government militias and government forces were seen looting and burning, according to United Nations and South Sudanese officials. More than 100 people have been killed in the current crisis, and about 23 civilians are in the custody of the SAF as of June 2011. A United Nations confidential report obtained by CRS warned that the crisis in Abyei could lead to ethnic cleansing if displaced Ngok Dinka, the majority ethnic group in Abyei, are not allowed to return.

The 2011 SAF attack on Abyei is not the first since the signing of the CPA in 2005. In May 2008, government forces attacked Abyei and burned the town. In February-March 2011, a number of villages near Abyei were attacked by government forces and their allies. Over the past several years, a number of agreements were reached between the parties to defuse tensions and resolve the status of Abyei. However, most of these agreements have not been implemented.

## **The Southern Sudan Response and Peace Efforts**

Days after the Abyei invasion, South Sudanese President Salva Kiir stated that his government would not be dragged into another war and that he would seek peaceful means to resolve the Abyei crisis.<sup>5</sup> President Kiir sent Vice President Riek Machar and a team to Khartoum to begin negotiations with the NCP to resolve the Abyei crisis. However, the government refused to withdraw its forces from Abyei until a comprehensive agreement is reached. On May 30, 2011, the NCP and the SPLM reached an agreement on border security, facilitated by the African Union High-Level Implementation Panel. The agreement establishes a Joint Political and Security Mechanism to ensure border security. The two parties also agreed to a "Common Border zone, which is to be demilitarized, jointly monitored, and patrolled." This agreement seeks to defuse tensions along the North-South border. The two parties, however, have not yet reached an agreement on border demarcation.

### **Temporary Agreement**

In late June 2011, the government of Sudan and the SPLM reached a temporary agreement on Abyei. The parties agreed

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<sup>5</sup> The author spoke with President Salva Kiir in late May 2011.



- the Abyei Area Administration shall consist of a Chief Administrator from the SPLM, a Deputy from the government of Sudan, and five heads of department;
- an Abyei Joint Oversight Committee, composed of four members, two from each party, shall be established;
- both parties will withdraw their forces from Abyei, and Ethiopia will deploy a peacekeeping force under a United Nations mandate; and
- the temporary agreement shall remain in force until a final agreement is reached by the parties.

### **Southern Kordofan (Nuba Mountains)**

During the war, many people from Southern Kordofan fought alongside the South against the government of Sudan. The SPLM-North has a strong presence in Southern Kordofan. In late May 2011, a memo stamped Top Secret from the Office of the President (President Bashir) informed the chief of staff of the South Sudan armed forces, General James Hooth, that the Joint Integrated Units (JIUs)<sup>6</sup> in Southern Kordofan and Blue Nile states would be disarmed, despite opposition from SPLM members of the Joint Defense Board. The JIUs were deployed to a number of areas in North and South Sudan as called for in the CPA. In early June, an SAF unit outside Kadugli, the capital of Southern Kordofan, attempted to disarm SPLA forces. In Kadugli, elements of SAF and the police reportedly refused to disarm SPLA forces, triggering fighting within these forces. The SAF deployed reinforcements and began to target SPLA units and civilians, arguing that SPLA forces began the attack.

In early June 2011, the SPLM proposed to the ruling party in Khartoum that a joint delegation be deployed to Southern Kordofan to resolve the crisis. A joint delegation was sent in early June 2011 and an agreement was reportedly reached. Two hours after the delegation left, however, government forces began to attack SPLA areas and target SPLM supporters. The residence of the deputy chairman of SPLM, General Abdul Aziz Adam Al Hilu, was attacked by government forces. The intention was to kill the deputy chairman, according to sources in Southern Kordofan. General Abdul Aziz had left the residence for a secure location two days earlier, anticipating such moves, according to a Sudanese intelligence source and senior SPLM officials who spoke to CRS.

As of June 13, 2011, the conflict had spread to other parts of the state. U.N. OCHA said between 30,000 and 40,000 people, out of a population of 60,000 in Kadugli, have fled the town. A number of civilians have been taken from the camps by security forces, according to United Nations officials in Southern Kordofan. An estimated 10,000 internally displaced people are located outside the United Nations Mission in Sudan (UNMIS) camp. UNMIS civilian staff have been refused permission to leave the state, despite an order by the United Nations to evacuate. As of June 10, United Nations flights to and from Kadugli had been suspended by the government of Sudan. UNMIS officials have warned that they may not be able to protect civilians if conditions do not improve soon, according to United Nations officials.

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<sup>6</sup> The JIUs consisted of forces from SAF and the SPLA, and were deployed to a number of areas in Sudan during the Interim Period.

## **Framework Agreement**

In late June 2011, the SPLM-North and the NCP signed a Framework Agreement in Ethiopia. The Framework Agreement, obtained by CRS, calls for:

- The Parties to form a Joint Political Committee.
- SPLM-North will continue to function as a legal political party.
- A commitment to democratic governance based on accountability.
- Implementation of relevant/remaining CPA provisions.
- The parties to form a Joint Security Committee.
- Recognition of SPLA members in Southern Kordofan and Blue Nile as citizens of the Republic of the Sudan.
- The SPLA forces from Southern Kordofan and Blue Nile to be integrated into the SAF.

## **Unresolved CPA Issues**

Implementation of the CPA by the Government of National Unity was selective and at times deliberately slow, according to United Nations officials and Sudan observers. President Bashir, for example, rejected implementation of the Abyei Boundary Commission (ABC), and several agreements reached on this issue over the past two years. The parties are yet to resolve several key issues, including Abyei, border demarcation, and citizenship rights.

### **Status of Final Abyei Agreement**

Prior to the recent fighting, the African Union High-Level Implementation Panel, chaired by former South African President Thabo Mbeki, has been mediating on Abyei and other post-referendum issues. In early December 2010, the panel presented the parties six options to consider on Abyei. Several of the options were seen by the parties as unacceptable. The Bashir government favors an option that divides Abyei into two. The SPLM rejected that option, arguing that the South has made several territorial concessions during the Interim Period. Another proposed option was the return of Abyei to South Sudan and to provide a number of concessions to the North, including 30% representation in parliament and in the executive. The Temporary Agreement above would allow for the parties to jointly govern until a final agreement is reached.

Although some of the senior political leaders and military commanders in the South come from the Abyei region, it does not appear that war over Abyei is inevitable. It is possible, however, that the Southern army may be dragged into a limited conflict over Abyei after independence. As noted above, the ruling party in Khartoum has accepted the February 2011 referendum results but has hardened its position on Abyei. The South is inclined to find a solution short of war.<sup>7</sup> The recent fighting illustrates that another potential trigger for a conflict is if proxies of the

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<sup>7</sup> Author interview with President Salva Kiir and other senior officials and military officers, January 2011.

government begin to target Southerners in the North and Abyei. The GOSS and its army may not be able to control some units and the population in such a scenario.

### **Border Demarcation, Citizenship Rights, and Other Issues**

While important progress has been made, the North-South border demarcation is not fully resolved. The parties have also made some progress on citizenship rights, although there was no formal agreement on this issue as of June 2011. The GOSS has called for debt forgiveness for Sudan, but the parties have not reached agreement on what percentage, if any, of the debt the GOSS will be responsible for. Other unresolved issues include currency, security arrangements, and use of Sudanese ports and the Sudan pipeline for the export of oil. In early June 2011, President Salva Kiir issued a presidential decree to set up a marketing team to market Southern Sudan oil and also to explore alternative routes for the exportation of its oil.

## **South Sudan: International Relations**

During the war, the SPLM maintained strong ties with many African countries and received political, financial, and military assistance from some governments. In East Africa, the SPLM enjoys strong ties with the governments of Eritrea, Ethiopia, Kenya, Tanzania, and Uganda. Under successive governments, Ethiopia provided significant political and military support to the SPLM/A. Eritrea provided major military assistance in the 1990s, especially to SPLM/A and its allies in eastern Sudan. The SPLM, during the war, and the GOSS, over the past five years, have maintained warm relations with the United States, Norway, South Africa, and a number of other countries in Europe, Africa, and Asia. Relations between China and Southern Sudan have also improved in recent years. The SPLM leadership has maintained ties with Egypt over the past two decades, although the government of Egypt under Hosni Mubarak was not supportive of the South's right to self-determination. Towards the end of the war, Egyptian authorities accepted the fact that independence was inevitable.

## **The United Nations and South Sudan**

In late May 2011, a United Nations Security Council delegation visited Sudan at the height of the Abyei crisis. The delegation went to Khartoum but senior government officials, including Vice President Ali Osman Taha and Foreign Minister Ali Karti, declined to show up for the scheduled meetings. The delegation visited Juba and met with senior government officials, including President Salva Kiir. The delegation had planned to visit Abyei but their visit was cancelled because of the crisis. In late May 2011, the U.N. Security Council condemned the attack by Southern forces against the United Nations convoy on May 19 and the invasion of Abyei by Sudan Armed Forces. The Security Council demanded the withdrawal of government forces from Abyei.

In late April 2011, the U.N. Security Council extended the mandate of the United Nations Mission to Sudan (UNMIS) until July 9, 2011. In May 2011, in a report to the Security Council, Secretary General Ban Ki-moon proposed a new peacekeeping mission to replace UNMIS.<sup>8</sup> The

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<sup>8</sup> Special Report by the U.N. Secretary General, May 17, 2011. [http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N11/\(continued...\)](http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N11/(continued...))

proposed United Nations Mission in South Sudan (UMISS) calls for the deployment of 7,000 troops, with a Chapter VI and Chapter VII mandate. The government of Sudan has rejected an extension of the mandate and has demanded that the United Nations end its peacekeeping operation. In 2010, the United States provided \$361.1 million in contribution for UNMIS operations, and an estimated \$289.1 million in 2011. The request for 2012 is \$298.6 million. On June 27, 2011, the United Nations Security Council passed Resolution 1990, endorsing the deployment of Ethiopian peacekeeping forces to the Abyei region.

## **U.S.-South Sudan Relations**

### **Overview**

For over two decades, the United States has been an important player in efforts to find a peaceful resolution to the crisis in Sudan and a major donor of humanitarian assistance to South Sudan. During the early years of the South Sudanese liberation struggle, the United States maintained good relations with the government of Sudan until the military coup in 1989 brought President Bashir to power. Relations between the SPLM and the United States began to expand in the early 1990s, although access to senior officials did not take place until the late 1990s. The Clinton Administration considered the Bashir regime a threat to secular regimes in Africa and the Middle East and a hub for international terrorism. In May 1996, U.S. Ambassador to the United Nations and subsequently Secretary of State Madeleine Albright called Sudan “a viper’s nest of terrorism.” The United States closed its embassy in Khartoum in February 1996 and moved the remaining embassy personnel to Nairobi, Kenya, because of security concerns.

The Clinton Administration imposed a series of sanctions on the Bashir government. Washington suspended its assistance program after the 1989 coup, placed Sudan on the list of states that sponsor terrorism in August 1993, and imposed comprehensive trade and economic sanctions on Sudan. The Clinton Administration also began to support allies in the region in an effort to isolate the Bashir regime and strengthen the SPLA. The United States provided an estimated \$20 million in surplus U.S. military equipment to Uganda, Eritrea, and Ethiopia. The U.S. support to these “frontline states” helped reverse military gains made by the Bashir government in the 1990s. Some observers interpreted Washington’s support to these countries as a measure to contain, punish, and facilitate the downfall of the Bashir government in Khartoum. The Clinton Administration also actively sought a peaceful resolution of the Sudanese conflict.

President George W. Bush in large part followed the Clinton Administration’s two-prong approach of engagement and containment. The Administration imposed additional sanctions on Sudan and remained actively engaged in mediation efforts. On September 6, 2001, President Bush appointed former Senator John Danforth as Special Envoy for peace in the Sudan. During a White House ceremony, President Bush stated that “for nearly two decades, the government of Sudan has waged a brutal and shameful war against its own people. And this is not right, and this must stop.”<sup>9</sup> President Bush affirmed his Administration’s commitment to “bringing stability to the Sudan.” President Bush also appointed several other envoys during his time in office. In

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<sup>9</sup> <http://news.bbc.co.uk/2/hi/africa/1529182.stm>

addition, President Bush was directly involved and spoke out on Sudan frequently. During the negotiations, President Bush engaged the parties at the highest levels, reportedly including calls to President Bashir and SPLM leader John Garang. U.S. financial support for the peace process and technical assistance during the talks were considered by the parties and the mediators as critical, according to U.S. officials. American interventions at critical times during the negotiations helped break a number of stalemates, including during talks over security arrangements and the three disputed areas of Southern Kordofan, Blue Nile, and Abyei. Sustained U.S. pressure on the government of Sudan was a key factor in securing the 2005 Comprehensive Peace Agreement (CPA).

## **The Obama Administration and U.S.-Sudan Relations**

In late October 2009, the Obama Administration announced a new policy toward Sudan. The policy focused on three priorities: an end to the conflict in Darfur; implementation of the Comprehensive Peace Agreement (CPA); and ensuring Sudan does not become a safe haven for international terrorist groups. Strategic Objective I of the policy called for the protection of civilians; a negotiated settlement to the conflict in Darfur; improving humanitarian conditions, accountability, and justice; and an end to violent conflicts inside Sudan and with its neighbors. Strategic Objective II focused on implementation of the CPA; U.S. assistance to promote governance and transparency in South Sudan; strengthening international engagement; defusing tension and providing assistance to Southern Kordofan, Blue Nile, and Abyei; and assisting the parties in developing plans to deal with the post-2011 political, economic, and other emerging issues. Strategic Objective III sought to prevent terrorists from establishing safe havens in Sudan and to ensure cooperation on counterterrorism. On March 31, 2011, President Obama appointed Ambassador Princeton Lyman as Special Envoy for Sudan. He replaced General Scott Gration, who was appointed as the U.S. Ambassador to Kenya.

The Obama Administration, according to the policy document, would enhance U.S. assistance to South Sudan and help prepare the country for a two-state outcome.<sup>10</sup> In order to strengthen governance capacity and transparency, the Obama Administration pledged support to South Sudan:

The United States will work to improve security for the southern Sudanese people by supporting Disarmament, Demobilization, and Reintegration (DDR) and conflict prevention initiatives and strengthening the capacity of the security sector and criminal justice system. The United States will also work to improve economic conditions and outcomes. The United States will provide technical advisors to vital ministries and will work to strengthen entities such as the U.N. Development Program's Local Government Reform Program (LGRP). The United States will work with international partners to implement the World Bank Multi-Donor Trust Fund South Strategy in a timely manner and to improve access to capital, particularly micro financing, for agricultural enterprises and local private sector ventures. The United States will support efforts and initiatives that assist in increasing trade between Sudan and its neighbors. Transparency in fiscal expenditures will be critical to attracting investment, and the United States will support World Bank anticorruption efforts in Southern Sudan.

The Obama Administration has significantly increased the number of U.S. officials in South Sudan. In Juba, South Sudan, the Administration appointed a retired ambassador at the U.S.

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<sup>10</sup> *Sudan: A Critical Moment, A Comprehensive Approach*, 19 October 2009.

Consulate and doubled the U.S. official presence. Senior Administration officials have also intensified their engagement in the Sudan policy. In June 2010, Vice President Joseph Biden visited Kenya and met with officials of the Government of Southern Sudan. In September, Secretary of State Hillary Clinton and National Security Advisor General James Jones spoke to President Salva Kiir by phone. On September 24, President Barack Obama participated in a conference on Sudan organized by U.N. Secretary General Ban Ki-moon in New York City. In June 2011, the United States Agency for International Development (USAID) announced that it will open a new mission in South Sudan. The Obama Administration is expected to name a new ambassador to South Sudan.

## **U.S. Bilateral Sanctions and Impact on South Sudan**

The United States maintains a number of sanctions on the government of Sudan.<sup>11</sup> Most of the sanctions and restrictions on Southern Sudan, however, have been lifted. Other sanctions imposed on Sudan still affect Southern Sudan and would require waivers by the executive branch. In October 2010, President Obama waived the application of sanctions on Sudan that would have been triggered as a result of the Child Soldiers Preventable Act on the ground of national security. As a U.S.-designated state sponsor of international terrorism, Sudan is generally denied foreign assistance and faces other restrictions. However, the United States has been providing assistance to South Sudan, where U.S. business and trade are also allowed. After July 2011, the new country of South Sudan will not face any existing sanctions or restrictions, although transactions between the North and the South in the oil sector could have an impact on South Sudan if current sanctions in the oil and financial sectors remain. According to the Office of Foreign Assets Control (OFAC):

The Sudanese Sanctions Regulations (SSR) will continue to prohibit U.S. persons from dealing in property and interests in property of the government of Sudan, from performing services that benefit Sudan or the government of Sudan, from engaging in transactions relating to the petroleum or petrochemical industry in Sudan, and from participating in exports to or imports from the new state that transit through Sudan. For example, the SSR will prohibit a U.S. company, unless authorized by OFAC, from providing services to the petroleum industry in the new state if those services would benefit the government of Sudan or relate to the petroleum industry in Sudan, or from transporting exports of petroleum or petrochemical products through Sudan.<sup>12</sup>

## **U.S. Assistance to Sudan**

U.S. assistance to South Sudan supports a wide range of programs. The Obama Administration has requested \$518 million for FY2012. According to the FY2012 Congressional Budget Justification report, the United States “will support key stability and security issues through conflict mitigation, preventive diplomacy, and peace and reconciliation work.”<sup>13</sup> The United States will continue to provide assistance in security sector reform, says the budget, in an effort to transform the SPLA from a liberation movement to a professional armed force. The United States

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<sup>11</sup> For a list of sanctions, please see the following website: <http://www.ustreas.gov/offices/enforcement/ofac/programs/sudan/sudan.shtml>.

<sup>12</sup> For more on U.S. bilateral sanctions, see the following website: <http://www.treasury.gov/resource-center/sanctions/Programs/pages/sudan.aspx>.

<sup>13</sup> FY2012 Congressional Budget Justification: <http://www.state.gov/documents/organization/156214.pdf>.

will also provide assistance in support of training of Southern Sudan Police Service (SSPS), according to the budget. Under the Governing Justly and Democratically program, U.S. assistance “will build on efforts made since the signing of the CPA to strengthen core government institutional capacity at the central, state, and local levels; facilitate consensus building; strengthen legislative process and the Southern Sudan Legislative Assembly and southern state legislative assemblies; and strengthen civic participation.” U.S. assistance is to also focus on the education and health care sectors.

**Table I. U.S. Bilateral Assistance to Sudan<sup>14</sup>**  
(\$ in thousands)

	<b>FY2008 Actual</b>	<b>FY2009 Actual</b>	<b>FY2010 Actual</b>	<b>FY2011 Request<sup>a</sup></b>	<b>FY2012 Request</b>
Total	906,396	924,140	705,021	439,979	518,257
Development Assistance	127,721	25,550	1,300		
Economic Support Fund	145,876	263,550	296,034	270,210	335,650
Global Health and Child Survival (State)	3,245	6,327	7,036	7,036	12,397
Global Health & Child Survival (USAID)	17,488	23,185	30,010	32,083	38,510
International Military Education and Training	349	681	793	800	800
Int. Narcotics Control and Law Enforcement	23,578	15,400	16,000	53,950	37,000
Non-proliferation, Anti-terrorism, Demining and Related Programs	4,400	4,000	3,900	3,900	3,900
Peacekeeping Operations	70,822	38,000	44,000	42,000	60,000
Food for Peace	512,917	547,447	305,948	30,000	30,000

**Source:** State Department FY2012 International Affairs Budget Request.

a. FY2011 estimates are not yet available.

<sup>14</sup> Most of the funding goes toward South Sudan, although some of the funding listed in the table supports programs in Darfur, Abyei, South Blue Nile, Southern Kordofan, and Khartoum.

## Political Developments

In the April 2010 presidential elections, President Salva Kiir was challenged by former Sudanese Foreign Minister Lam Akol. In the governor races, several candidates from different political parties competed in each state. Members of the ruling SPLM, who disagreed with the candidate selection process, ran as independents. South Sudanese also voted for the state and regional assemblies. The elections in South Sudan were largely peaceful and transparent, although there were a number of problems, including delays, missing names, and the delivery of ballots to the wrong polling stations. The elections, however, were competitive. In a number of governor races, several parties challenged SPLM candidates. An estimated 2.8 million valid votes were cast in the South Sudan presidential election. President Salva Kiir won 92.9% of the votes cast, while Akol won 7%. South Sudan is not expected to hold new elections in the near term, although a new government is likely to be formed in July 2011. Most of the ministers are likely to be retained, although assigned to different positions.

The SPLM is likely to continue to dominate the political scene in South Sudan for years to come, although some members of the party may form their own political parties. Some of the top SPLM leaders include:

**Salva Kiir Mayardit** is the first vice president of Sudan and president of the Government of South Sudan (GOSS). He is one of the original founders of the SPLM and a longtime deputy of the late John Garang. President Salva Kiir is an ethnic Dinka from Bahr Al-Ghazal. Before joining the SPLM, Kiir served as an intelligence officer in the Sudanese army. Kiir became the head of the SPLM/SPLA in 2005 after John Garang died in a helicopter crash. He is seen by many observers as soft-spoken and cautious. He is married and reportedly has six children. In April 2010, President Salva Kiir was reelected with 92.9% of the votes cast.

**Riek Machar** is the vice president of the Government of South Sudan. Machar, an ethnic Nuer from Upper Nile, was an alternate member of the SPLM High Command. He joined the SPLM in 1984 shortly after he completed his studies in England. In 1991, Machar split from the SPLM and formed his own faction with other senior SPLM commanders. He became the leader of a group then known as the Nassir Faction and later as SPLM-United. Machar and his group joined the Bashir government in the mid-1990s. In 1993, the U.S. House Subcommittee on Africa chairman, Representative Harry Johnston, helped secure an agreement between Garang and Machar. The agreement collapsed a few weeks later. Riek and his faction returned to the SPLM in 2002.

**Nhial Deng Nhial** is a senior member of the SPLM. He is the minister of the SPLA and veterans affairs in the Government of South Sudan. Nhial joined the SPLM in 1983 and is considered one of the founding members of the movement. He was the leader of the SPLM team during the North-South peace talks. He was one of the closest advisers of the late John Garang. Nhial is an ethnic Dinka from Bahr Al-Ghazal and comes from a prominent political family. He is the son of South Sudan's prominent political leader William Deng Nhial, who was assassinated just before the 1972 Addis Ababa Agreement was signed. Nhial left South Sudan after the death of John Garang, but he returned a few years later and became a minister in the GOSS.

**Deng Alor** is a senior member of the SPLM and the current minister of regional cooperation. Deng Alor is an ethnic Dinka from Abyei and was a very close ally of the late John Garang. He works closely with President Salva Kiir. Deng Alor served as the foreign minister of Sudan from



2007 to 2010. He is married to an Ethiopian and has several children. He comes from a prominent family and a number of his relatives occupy key positions in the SPLM and the GOSS.

**Pagan Amum** is the secretary general of the SPLM and minister for the implementation of the CPA. Amum served in different capacities within the SPLM over the past two decades. Amum, an ethnic Shilluk, is a key player within the SPLM.

## **Internal Conflict and Reconciliation Efforts in South Sudan**

The SPLM leadership has sought to maintain unity over time with mixed results. As the Republic of South Sudan emerges as an independent country, political rivalries may resurface and new groups may challenge the SPLM's leadership.

In 1992, the SPLM faced its most serious internal crisis since its founding in 1983 when a number of key commanders left the movement to form their own group. Following the split, several factions fought against the mainstream SPLM, often with the support of the Bashir government. After years of reconciliation efforts, most of the key players in the different factions rejoined the SPLM.

During the Interim Period, especially since the April 2010 elections, a number of rebellions were launched by members or senior SPLA commanders. One is George Athor, a dissident senior military officer in the SPLA who launched a rebellion against the GOSS in 2010. In April 2010, he ran for governor of Jonglei state and lost. He accused the SPLM of rigging the election. Athor reportedly received military assistance from the Bashir government, although he has denied getting such support. In July 2010, SPLA forces captured a helicopter, with Russian crew members and a senior commander of Athor forces. More than 1,000 people were killed and an estimated 200,000 people displaced as a result of these conflicts, according to Sudanese and United Nations officials. In October, Athor expressed his readiness to return to the SPLM after a declaration of amnesty by President Kiir. However, Athor never returned but continued his military campaign against the GOSS. Major General Peter Gadet is another former SPLA commander who launched a rebellion against the GOSS in March 2011. Gadet fought against the SPLA for most of the 1990s until he rejoined the SPLM in 2006. In 2010, President Salva Kiir announced amnesty to those willing to return and participate in the political process through peaceful means. In May 2011, President Kiir renewed his reconciliation efforts to unite the South before independence. A number of political and military leaders who left the SPLM have rejoined the movement.

## **The Transitional Constitution of South Sudan**

A draft constitution, which was adopted by the National Assembly in July 2011, has a number of provisions designed to lay the foundation for an inclusive, democratic, and transparent government. Some of the provisions include

- an extensive bill of rights, which includes equality before the law, rights of women and child, freedom from torture, religious rights, and freedom of assembly and association;
- a decentralized system of governance;

- the establishment of several commissions, including Human Rights, Anti Corruption, HIV/AIDS, Relief and Rehabilitation, and Demobilization, Disarmament and Re-Integration commissions; and
- a transparent system for economic management and equitable sharing of national wealth.

## Development Challenges

Southern Sudan faces serious development challenges, and many observers assert that it will take years to see sustained economic growth. The main challenges include the absence of good infrastructure and skilled labor, heavy dependency on oil revenues, and corruption. In the education sector, important progress has been made over the past several years, while other sectors of the economy remain far behind. Enrollment rates in primary schools have more than doubled over the past five years, according to Southern Sudanese officials. By all accounts, literacy rates remain low and are top priority for GOSS. Transportation is a major problem due to lack of roads, and the only major airport, with limited capacity, is in the regional capital, Juba. Southern Sudan is land-locked, making a negotiated agreement important for the exportation of its oil through Sudan's pipelines or, in the future, through other means. Telephone service is limited to major towns and dependent on cell phone services from Uganda and Khartoum. Many Southern Sudanese do not have access to electric power.

The South Sudan economy is very much dependent on oil revenues.<sup>15</sup> An estimated 98% of government revenues come from the oil sector. South Sudan is rich with natural resources, but many of its resources are untapped. Below are select data<sup>16</sup> on South Sudan:

- Total population of South Sudan: 8.2 million.
- An estimated 72% of the population is below age 30.
- An estimated 83% of the population live in rural areas.
- An estimated 27% of the adult population is literate.
- More than 51% of the population live below the poverty line.
- An estimated 78% of households depend on crop farming or animal husbandry.
- Infant mortality is 102 per 1000 live births. Under five mortality rate is 135/1000.
- An estimated 38% of the population has to walk for more than 30 minutes to collect drinking water.
- An estimated 96% of the population uses firewood or charcoal as the primary fuel for cooking and 50% of the population uses firewood or grass as a primary source for light.
- An estimated 1% of households have a bank account.

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<sup>15</sup> For more details on GOSS budget expenditures, see Appendix A of this report.

<sup>16</sup> Southern Sudan Center for Census, Statistics and Evaluation (SSCCSE).

## **The Struggle for Independence and Peace Agreement: History**

In 1956, Sudan became the first country to achieve independence (from Britain and Egypt) in sub-Saharan Africa. For almost four decades, the East African country, with a population of 35 million people, was the scene of intermittent conflict. The Sudanese conflict was Africa's longest-running civil war. More than 2 million people died from war-related causes and famine in Southern Sudan, and an estimated 4 million people were displaced. The sources of the conflict were more complicated than indicated by the claims of political leaders and some observers. Religion was a major factor because of the Islamic fundamentalist agenda of the current government, dominated by the mostly Muslim/Arab north. Southerners, who are Christian and traditional believers, rejected the Islamization of the country and favored a secular arrangement. Social and economic disparities were also major contributing factors to the Sudanese conflict.

The abrogation in 1983 of the 1972 Addis Ababa agreement, which had ended the first phase of the civil war in the South, by then-President Jaffer Nimeri is considered a major triggering factor of the second phase of the war. Although the Bashir government pursued the war in Southern Sudan with vigor, previous governments, both civilian and military, also rejected Southern demands for autonomy and equality. Analysts assert that Northern political leaders, for decades, treated Southerners as second-class citizens and did not see the South as an integral part of the country. Southern political leaders argued that under successive civilian and military governments, political elites in the North made only superficial attempts to address the grievances of the South without compromising the North's dominant economic, political, and social status. Most political leaders in the North, now in opposition to the current government, say that mistakes were made in the treatment of the South.

### **Origin of the Peace Process**

Alarmed by the deepening crisis and multiple failed attempts by outside mediators, members of the Inter-Governmental Authority for Development (IGAD), a regional organization that promotes cooperation and development, formed a mediation committee consisting of two organs: a summit committee of heads of state from Ethiopia, Eritrea, Kenya, and Uganda, and a standing committee composed of their mediators. Preliminary talks were held in November 1993 and January 1994, and formal negotiations began in March and May of the same year. Presented at the May meeting, the Declaration of Principles (DOP) included the following provisions: the right of self-determination with national unity as a high priority, separation of religion and state (secularism), a system of governance based on multiparty democracy, decentralization through a loose federation or a confederacy, respect for human rights, and a referendum to be held in the South with secession as an option. The National Islamic Front (NIF) government initially resisted the DOP, particularly its endorsement of self-determination and secularism. The SPLM accepted the DOP.

The IGAD mediators initiated and based their conflict resolution efforts on two premises: first, that the Sudanese conflict was affecting not only Sudan, but also destabilizing the broader surrounding region; and second, that the conflict would only end if its root causes were addressed. Conditions were ripe for talks since both sides were exhausted from years of fighting. In addition, Khartoum was seen as being amenable to mediation by IGAD because some of its mediators were viewed as friendly toward the NIF government. In 1994, however, relations

between IGAD member Eritrea and Sudan began to deteriorate, largely due to Sudan's support for an Eritrean opposition group, the Eritrea Islamic Jihad. Meanwhile, serious opposition to the DOP began to emerge from the Bashir government. The most contentious issues were secularism and self-determination, which the Khartoum government refused to concede.

In July 1994, the polarization of the two sides intensified after the Khartoum government appointed a hard-line NIF member to its delegation. The Khartoum delegation professed the government's commitment to Islamic law as part of a religious and moral obligation to promote Islam in Sudan and throughout the continent, and rejected self-determination as a ploy to split the country. In September 1994, then President Moi of Kenya convened a meeting of the committee's heads of state, Sudan's President Bashir, and the leader of SPLM/A. The Khartoum government walked out of these peace talks, rejecting the DOP. However, military setbacks and intense international pressure forced the government back to the negotiating table in Nairobi in 1997, and it formally accepted the DOP. The return to the IGAD process was, in part, in recognition of the government's failed effort to attract other mediators, who might have been more supportive of NIF positions.

Further meetings in 1997-1998 sought to narrow divisions between the two sides, with the government of Sudan formally agreeing to self-determination for the South. The government of Sudan also appeared willing to compromise on some other issues. In May 1998, the parties, despite some progress earlier, disagreed on which territories were considered part of the South. The Khartoum delegation defined the south as the three provinces of Bahr Al-Ghazal, Equatoria, and Upper Nile, established at independence in January 1956. The SPLM/A argued that Southern Kordofan Province and Southern Blue Nile Province and other areas on the margins of the three core provinces were also part of the South. There were also serious disagreements on the duration of the interim period before a referendum on self-determination, and issues relating to interim arrangements were shelved by the mediators in part to avoid a breakdown in the talks. The question of religion and state remained unresolved.

The United States and the European Union praised Khartoum's acceptance of self-determination as a major step forward. However, some observers characterized the agreement on self-determination as a small step in the right direction after years of stalled efforts. The most contentious and difficult issues were yet to be tackled by IGAD mediators, including the separation of religion from politics and interim arrangements prior to the referendum. Some observers argued that it was too soon to judge whether the concession on self-determination represented a change in Khartoum's position or a tactical move to buy more time. A follow-up meeting between the parties took place in Addis Ababa, Ethiopia, in early August 1998. The talks collapsed due to differences on the role of religion in politics. The parties also disagreed again on the territorial definition of Southern Sudan for the purpose of a referendum. In February 2000, the parties met in Nairobi but failed to make progress. In early June 2001, President Moi reconvened the stalled IGAD peace talks in Nairobi. No progress was made, according to a press release issued at the conclusion of the talks. In January 2002, IGAD mandated President Moi to merge the IGAD peace process with the Egypt-Libya Initiative (ELI), a peace initiative launched by the governments of Egypt and Libya in 2000.

Of all the past peace efforts, the IGAD peace process did the most to help narrow the differences between the government of Sudan and the SPLM. But IGAD was never close to resolving the Sudanese conflict because of multiple factors. Perhaps one of the most serious obstacles to peace in Sudan was the government's apparent belief that the war could be won and the SPLM/A defeated. Indeed, with the split of the SPLM/A in 1991 and its loss of allies in the region, the NIF

government had retaken most of the territory that had been under SPLM/A control for years. By the mid-1990s, however, the SPLA had retaken territories captured by the government, once again changing the dynamics on the ground. Regional dynamics in the conflict-prone Horn of Africa contributed to the persistence of the conflict. Both the government of Sudan and the SPLM/A relied on the support of regional actors, enabling both sides to survive setbacks and creating a sort of balance of power between them. Shifting alliances, however, ensured continued instability in the Sudan. The NIF's flirtation with international terrorism and radical Islam contributed to NIF isolation and limited its capabilities for defeating the SPLA.

## **The North-South Peace Agreement: Background**

On January 9, 2005, the government of Sudan and the SPLM, after two and a half years of negotiations, signed the Sudan Comprehensive Peace Agreement at a ceremony in Nairobi, Kenya. More than a dozen heads of state from Africa attended the signing ceremony. Then-Secretary of State Colin Powell, who led the U.S. delegation, reportedly urged the government of Sudan and the SPLM to end the conflict in Darfur. The signing of this agreement effectively ended the 21-year-old civil war and triggered a 6-year Interim Period. At the end of the Interim Period, Southerners would hold a referendum to decide their political future. National, regional, and local elections would take place during the second half of the Interim Period.

On July 30, 2005, First Vice President and Chairman of the SPLM Dr. John Garang was killed in a helicopter crash in Southern Sudan. His death triggered violence between government security forces and Southerners in Khartoum and Juba. More than 100 people were reported killed. The crash was investigated by a team from Sudan, Uganda, Russia, the United Nations, and the United States. The final report was issued in April 2006 and concluded the crash was an accident. In early August 2005, the SPLM Leadership Council appointed Salva Kiir as chairman of the SPLM and first vice president of Sudan. Salva Kiir had served as Garang's deputy after the SPLM split in 1991. He was officially sworn in as first vice president in the Government of National Unity (GNU) on August 11, 2005. On August 31, 2005, the National Assembly was inaugurated. According to the CPA, the National Congress Party was allocated 52% of the seats (234), the SPLM 28% (126), and the remaining 20% for the Northern and Southern opposition groups.

## **Outlook**

In the coming years, the Government of South Sudan will likely experience difficulties in governance, managing the economy, and armed rebellions. Meeting the demands of the people is likely to be a major challenge in the short to mid term. The leadership in Juba has faced similar difficulties during the Interim Period but managed to resolve some. The international community seems committed to provide the necessary support to South Sudan, including placing experts in different ministries. The most immediate and serious challenge for South Sudan is reaching an agreement with the North on the use of the oil pipeline and Sudanese ports to export its oil. In the absence of an agreement and if the government in Khartoum decides to shut down the pipelines, the Government of South Sudan has to come up with funds to run the government. The parties are currently engaged in negotiations to resolve this issue and may reach a temporary agreement before July 9, 2011.

After South Sudan's independence, the United States is likely to focus more on internal developments in South Sudan. Transparency and good governance are likely to become top priorities for Congress and the Administration. U.S. assistance to South Sudan will be an important issue for Congress in light of the fact that South Sudan is one of the major recipients of U.S. assistance.

## Appendix A. GOSS Budget Overview

**Table A-1. GOSS Revenues and Expenditures: 2005 – 2010**

(Sudanese Currency: \$1=2.67 Sudanese Pound)

	2005 outturn SDG equiv	2006 outturn SDG equiv	2007 outturn SDG equiv	2008 outturn	2009 outturn (provisional)	2010 Budget
<b>Revenue</b>	<b>1,869,722,079</b>	<b>2,736,099,414</b>	<b>2,977,805,178</b>	<b>6,789,576,441</b>	<b>4,239,803,630</b>	<b>4,502,809,610</b>
Oil Revenue	1,869,075,124	2,732,921,413	2,964,530,210	6,670,924,370	4,121,464,187	4,401,809,610
Non Oil Revenue	646,954	3,178,001	13,274,969	118,652,071	118,339,443	101,000,000
<b>Expenditure</b>	<b>452,286,139</b>	<b>3,581,548,512</b>	<b>2,936,495,552</b>	<b>5,712,662,066</b>	<b>4,234,653,769</b>	<b>4,492,809,610</b>
Salaries	35,456,486	1,185,733,716	1,479,751,066	1,873,440,153	1,977,349,566	2,179,282,277
Operating	402,176,606	1,438,197,773	1,058,416,888	2,227,295,738	1,255,266,702	1,313,316,327
Capital	14,653,047	957,617,023	398,327,598	1,611,926,175	1,002,037,501	990,211,007
<b>Balance</b>	<b>1,417,435,939</b>	<b>-845,449,095</b>	<b>41,309,626</b>	<b>1,076,914,375</b>	<b>5,149,861</b>	<b>20,000,000</b>
GoNU Direct Expenditures	191,062,926	81,110,731	88,623,360	23,711,424	-	-
Residual/Exchange Loss	15,541,487	5,410,298	-	65,321,052	3,087	0
<b>Reserves/Deficit</b>	<b>1,210,831,526</b>	<b>-931,970,128</b>	<b>-47,313,734</b>	<b>987,881,899</b>	<b>5,146,774</b>	<b>20,000,000</b>
<b>Memo Items</b>						
Transfers to States	231,121,152	525,546,238	631,610,393	637,602,757	1,089,895,729	1,227,944,447
Transfers to MDTF	-	139,188,037	93,432,562	136,249,863	-	5,000,000

Source: Government of South Sudan, Ministry of Finance.

**Table A-2. GOSS Budget Outturns & Estimates: 2006 – 2010**

Sector	Ministry	2006 Outturn	2007 Outturn	2008 Outturn	2009 Outturn	2010 Budget
Accountability	Anti-Corruption Commission	1,410,955	2,892,186	4,866,097	3,408,467	8,530,000
	Audit Chamber	1,012,575	2,898,121	2,608,725	1,810,649	4,800,000
	SSCCSE	12,169,087	13,122,660	12,158,400	4,449,034	12,280,000
	Finance & Economic Planning	242,917,006	48,159,020	631,444,863	315,380,310	123,760,000
	SSFFAMC	927,310	1,458,437	1,823,884	1,599,398	2,200,000
	SSRDF	399,440	2,836,193	3,096,284	3,048,140	5,890,000
Economic Functions	Commerce & Industry	6,029,664	4,572,685	11,074,544	12,078,540	13,940,000
	Energy & Mining	4,144,908	3,657,645	10,083,654	4,454,024	26,900,009
	Electricity Corporation	0	13,863,748	90,694,682	42,321,130	67,690,000

<b>Sector</b>	<b>Ministry</b>	<b>2006 Outturn</b>	<b>2007 Outturn</b>	<b>2008 Outturn</b>	<b>2009 Outturn</b>	<b>2010 Budget</b>
	Information & Broadcasting	18,840,025	25,533,073	35,188,458	28,576,033	40,660,000
	Investment Authority	0	1,123,023	1,155,508	1,479,289	1,970,000
	Telecommunication & Postal Services	16,524,063	3,961,285	47,084,231	5,939,023	13,380,000
Education	Education, Science & Technology	225,150,335	223,071,609	290,219,940	234,088,973	323,530,000
Health	Health	135,793,846	65,629,529	109,896,475	93,457,737	182,260,000
	HIV/Aids Commission	259,474	1,582,899	4,194,408	3,601,673	7,180,000
Infrastructure	Housing Physical Planning & Environment	217,144,590	89,163,467	153,541,962	61,121,075	70,410,000
	Transport & Roads	126,454,476	71,079,118	638,371,721	451,172,591	463,180,000
	Urban Water Corporation	0	4,233,751	8,343,501	7,864,118	15,500,000
	Water Resources and Irrigation	17,231,832	5,857,149	13,650,229	16,139,413	52,792,255
Natural Resources & Rural Devt	Agriculture & Forestry	33,363,038	18,506,545	32,356,173	44,442,539	40,510,000
	Animal Resources & Fisheries	13,484,451	12,129,445	26,353,571	14,079,984	1,374,000
	Cooperatives & Rural Development	7,154,496	9,041,127	27,486,185	8,369,873	10,890,000
	Wildlife Conservation & Tourism	65,056,099	68,900,259	108,774,614	110,769,921	132,060,000
Public Administration	Land Commission	725,569	789,714	1,484,181	1,106,093	2,180,000
	President's office	44,691,137	31,031,381	157,982,111	92,590,311	135,490,000
	Vice-President's office	4,914,808	33,634,783	44,112,822	30,007,690	19,440,000
	Presidential Affairs	0	52,180,301	11,875,250	29,686,095	16,820,000
	Cabinet Affairs	47,475,941	37,829,208	52,135,039	82,279,720	126,427,600
	Labour Public Service & HRD	5,195,716	7,267,319	8,115,528	10,068,751	20,890,000
	Parliamentary Affairs	4,462,101	3,443,677	11,221,413	9,731,409	10,940,000
	Regional Cooperation	10,132,113	15,107,658	32,478,697	30,167,159	25,980,000
	Civil Service Commission	904,752	1,465,336	2,174,397	1,836,055	2,160,000



<b>Sector</b>	<b>Ministry</b>	<b>2006 Outturn</b>	<b>2007 Outturn</b>	<b>2008 Outturn</b>	<b>2009 Outturn</b>	<b>2010 Budget</b>
	Local Government Board	17,652,388	5,547,750	2,620,554	2,459,253	3 250,000
	Employees Justice Chamber	905,607	1,611,867	2,246,846	2,644,224	3,430,000
	Public Grievances Chamber	1,147,124	1,396,697	2,346,794	2,193,694	2,1 20,000
	Legislative Assembly	48,108,121	44,111,338	1 85,322,806	51,387,165	204,631,288
Rule of Law	Judiciary of Southern Sudan	27,689,394	21,341,438	24,989,494	25,273,562	68,000,000
	Legal Affairs & Constitutional Development	10,619,755	14,717,554	22,276,455	28,767,645	31,090,000
	Internal Affairs	311,220,857	218,521,435	462 816,694	469,296,818	381,858,800
	Human Rights Commission	1,901,338	2,586,613	5,095,555	6,016,427	6,970,000
Security	De-Mining Authority	3,474,842	3,090,028	3,233,890	2,744,156	3,530,000
	DDR Commission	3,861,364	3,472,879	5,228,834	5,027,849	21,680,000
	SPLA Affairs	1,197,493,770	1,185,434,246	1,873,621,146	1,403,662,521	1,120,610,000
Social & Humanitarian Affairs	Gender, Social Welfare & Religious Affairs	3,819,664	4,840,974	7,206,660	7 680,354	10,580,000
	Culture, Youth and Sport	8,912,441	3,982,531	6,581,887	6,909,524	20,220,000
	Peace Commission	5,450,676	2,859,962	3,991,139	2,775,759	5,429,000
	War Disabled, Widows & Orphans	455,393	3,836,160	2,899,779	4,643,119	31,660,000
	War Veterans Commission	0	2,859,347	2,854,305	3,315,034	3,330,000
	SSRRC	66,640,069	19,531,238	60,561,628	14,038,394	27,740,000
Block Transfers To States	State Legislative Assembly	5,910,385	416,023,119	452,720,054	438,689,053	50,666,667
	State Executive Counties	318,145,587				434,000,000
						40,000,000
Suspense Items (Unattributed)		284,169,923	94,708,025		3,087	
<b>Overall Total</b>		<b>3,581,548,512</b>	<b>2,936,495,552</b>	<b>S,712,662,066</b>	<b>4,234,656,856</b>	<b>4,482,809,610</b>

**Source:** Government of South Sudan, Ministry of Finance

**Table A-3. GOSS Donor Funding by Sector: 2009 – 2012 (US Dollars)**

Sector	2009		Medium Term Projections		
	Budget	Expenditure (January – June)	2010	2011	2012
Accountability	17,997,028	7,138,126	21,744,500	13,900,000	3,400,000
Economic Functions	45,496,734	10,250,073	25,161,650	7,407,600	0
Education	70,009,118	29,541,743	52,637,223	23,013,726	17,004,787
Health	214,813,000	72,044,561	169,273,151	72,606,937	59,905,414
Infrastructure	110,790,007	42,510,630	155,864,774	43,171,000	21,615,000
Natural Resources	98,953,676	40,551,419	83,705,628	43,342,441	17,350,778
Public Administration	62,995,319	25,519,959	46,775,400	6,422,126	9,018,016
Rule of Law	51,865,483	16,661,788	31,884,850	0	0
Security	62,938,072	15,351,498	127,060,643	40,681,816	2,000,000
Social & Humanitarian	148,771,814	72,669,185	24,411,872	7,562,977	2,336,911
<b>Total</b>	<b>884,630,247</b>	<b>332,238,982</b>	<b>738,519,692</b>	<b>258,108,624</b>	<b>132,630,907</b>

**Source:** Government of South Sudan, Ministry of Finance



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