

1<sup>st</sup>- 28<sup>th</sup> July 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 affect human development and vice-versa.

Media Outlets:

1. Sudan Tribune
2. NTV
3. Reuters
4. Eye Radio South Sudan
5. All Africa
6. New Vision
7. Gurtong
8. The Exchange
9. Daily Nation
10. Radio Tamazuj
11. Global Risk Insight
12. The Nation Mirror
13. The Star
14. Capital Fm
15. eTurbo
16. The New Arab
17. Oxfam
18. Xinhua
19. ENCA
20. Oil Price
21. Onmanorama

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## WEEKLY MEDIA ECONOMIC DIGEST SOUTH SUDAN



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### PRICES AND MARKET

#### **Juba's Gumbo market faces uncertain future as Ugandan traders flee South Sudan**

[NTV- 18 Jul. 2016](#)

Juba's Gumbo market is an economic hub that was built by Ugandan traders at a cost of around Shs1 billion and it hosts around 600 traders whose future is now uncertain. As Ugandans return home from the restive South Sudan capital of Juba, they are worried about their businesses, which were thriving before violence broke out recently. Juba's Gumbo market, from where the UPDF has evacuated many Ugandans, is an economic hub that was built by Ugandan traders at a cost of around Shs1 billion and it hosts over 600 traders. However, since the outbreak of new conflict in the fragile country, business in Gumbo market has slowed down and the place had turned into temporary refugee camp for over 5000 Ugandans fleeing violence. The war has made business much tougher because there are no supplies coming into the country. Some businessmen who attempted to transport goods were waylaid, shot and their commodities were stolen. Izaat Kufuko, a vendor in the market, is lucky to have received goods before the highway from Nimule to Juba turned into a trouble spot and she is one of the few who still has something to sell. However, Kafuuko says the demand for foodstuffs is low since many residents have fled their homes in the city and are wary of moving about.

#### **Ugandan shilling steady; South Sudan unrest hurts dollar demand**

[Reuters- 22 Jul. 2016](#)

The Ugandan shilling was steady on Friday, helped by sluggish demand for dollars from businesses which have cut down raw material imports amid slow sales to neighboring South Sudan. At 1006 GMT commercial banks quoted the shilling at 3,365/3,375,

unchanged from Thursday's close. South Sudan is grappling with renewed violence which has

disrupted commerce on a major highway linking it to Uganda.

### **Local airlines start selling tickets in USD**

[Magdoline Joseph: Eye Radio South Sudan-22 Jul. 2016](#)

Some local aviation companies have started selling flight tickets in US dollars instead of South Sudanese pounds, the Director of Juba International Airport has said. Mr Kur Kuol says international companies such as the Ethiopian Airlines, Rwanda Airlines and others have been taking only the US dollars since 2015. He says these companies also doubled the prices of the tickets to about 600 US dollars during the crisis. But national companies like Golden Wings have started charging travelers in dollars because they

are paying landing fees and other fees in Khartoum, in dollars. "So...it remains in the hands of the government to decide what to do, but otherwise, that's what they have started," he told Eye Radio. Mr Kuol said charging people in dollars will affect travelers because the exchange rate is so high. However, he urged the people not to panic and travel outside the country because the situation has normalized. However, security fears have been reported in other areas such as Yei and Mundri.

### **Cattle Traders Stranded As Juba Buyers Stay Away**

[Simon Peter Emwamu: All Africa- 23 Jul. 2016](#)

Cattle traders and farmers in northern Uganda are stranded without market for their animals due to absence of buyers from South Sudan following the fighting there. Most farmers and dealers who had taken their animals for sale at Arapai cattle market in Soroti District on Thursday went back with their livestock as agents of South Sudan traders failed to show up. Mr John Abwongot, a local cattle trader from Gweri Sub-county in Soroti District, told Saturday Monitor at Arapai market that besides the absence of Sudanese livestock buyers, many farmers have flooded the market with cattle to get school fees for their children following crop

failure due to prolonged drought. "I have been in this business for 15 years. Normally, sales go down when there is pro-longed drought because most farmers flood the markets with cows," he said. Mr Aogon Majidu, a cattle trader from Kumi District, said no businessman was buying animals to take to South Sudan because of the war there. He said farmers and traders who were stranded with their cattle at Elegu border sold their animals cheaply or at a loss in order to dispose of the stock. "We are still counting losses, it is difficult now to load lorries of animals when the situation in Juba remains unclear," he added.

### **South Sudan: Ugandans advised to explore other markets**

[Benon Ojiambo and Moses Walubiri: New Vision- 12 Jul. 2016](#)

While addressing journalists at the Uganda Media Center yesterday, Amelia Kyambadde said that the South Sudan market has a highly lucrative business destination; traders need to think twice for their sake of their lives when

going there because of the risks. Minister of Trade, Industry and Cooperatives has urged the Ugandan business community that has been conducting business in South Sudan to explore other market in region. While addressing

journalists at the Uganda Media Center yesterday, Amelia Kyambadde said that the South Sudan market has a highly lucrative business destination; traders need to think twice for their sake of their lives when going there because of the risks. Fresh fighting erupted four days ago in the capital Juba between loyalists of President Salva Kiir and Riek Machar, the vice president. The two were to lead under a deal to end a two-year civil war that had started towards the end of 2013. Kyambadde said South Sudan

became Uganda's leading export destination in 2008 following the signing of the comprehensive Peace Agreement in 2005 with the total exports both formal and informal peaking at US\$1.18b (sh3.9 trillion) in 2008. However, due to the fighting that broke out in December 2013, sparking off a civil war in the world's youngest nation, there was a steady decline in Uganda's exports from US\$414m (sh1.3 trillion) in 2013 to US\$385m (sh1.2 trillion) in 2014 and US\$353m (sh1.1 trillion) in 2015.

### **Bor Mayor Issues Order Reducing Prices of Fish in Bor**

**Jacob Achiek:** [Gurtong- 25 Jul. 2016](#)

This order shall be applied to all public and private businesses in Bor town and shall be used as a price guide by both traders and consumers. The Mayor said that whoever disobeys the order will be liable for fine not exceeding 1,000 South Sudanese pounds or imprisonment for a term not

exceeding one month or both. He also said when a person violates the order for a second time they will be fined 2,000 pounds and if accused for a third time the operating license will be revoked permanently.

## **BUSINESS**

### **South Sudan pleads with Ugandan traders to resume business operations**

**Caroline Njoroge:** [The Exchange- 27 Jul. 2016](#)

South Sudan has asked Ugandan traders to go back and resume their business operations, claiming that the situation in Juba is now under control. "The incident in Juba (South Sudan capital) was unfortunate and of concern to us. But I want to assure the people that the situation is normalizing very fast. The level of security is well. We welcome all people who have been doing business to come back and resume work," said Mr. John Luk Jok, the minister of Transport. Speaking at the inauguration of Golden Wings Aviation flights between Juba and Entebbe in Uganda at Entebbe International Airport on Sunday, Mr Jok also apologized for the incident, saying the newly established air link would ease

movement of traders and cost of doing business for development of the two countries. He said inauguration of the Juba – Entebbe flight services is fulfillment of the 2014 bilateral agreement between South Sudan and Uganda to cooperate in airline services and common airspace for the northern corridor. "The advantages of Golden Wings Aviation flights into Uganda are enormous for it is going to increase competition in the business thereby reducing the exorbitant prices for air tickets paid in dollars. But also our social integration and the cost of doing business will be made easier," he said. [Also reported by Ephraim Kasozi in All Africa- 27 Jul. 2016: South Sudan Woos Ugandan Traders Back to Juba](#)

## **Kenya loses business as fresh violence hits South Sudan**

Aggrey Mutambo: [Daily Nation- 11 Jul. 2016](#)

Uhuru asks Kiir and Machar to get their act together and save the region from witnessing bloodshed. Kenya is at risk of losing millions of shillings economically, following renewed fighting in South Sudan. As the world's youngest nation tottered on the brink of another implosion, President Uhuru Kenyatta asked South Sudan leaders to get their act together and save the region from witnessing bloodshed and economic losses. "President Kenyatta has already reached out to President Salva Kiir. It is with profound regret that we have observed the renewed fighting unravel in South Sudan. This is truly a very sad and difficult time for our

neighbor," State House spokesman Manohar Esipisu told reporters in Nairobi. Violence resumed in South Sudan last week. It included deadly clashes between soldiers guarding President Kiir and First Vice-President Riek Machar. It came just two months after the two leaders agreed to form a transitional government, created under a peace agreement signed last year. On Sunday, President Kenyatta said Kenya will join other leaders in supporting the implementation of the peace agreement, but called on the South Sudan Government to lead by example.

## **Evacuation of foreign traders exacerbates food shortage in South Sudan**

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

Ateny Wek Ateny, South Sudan's presidential spokesman has admitted that evacuation of foreign nationals from the region including traders has caused food crisis in South Sudan. Speaking to Radio Tamazuj, Ateny said neighboring Kenya and Uganda decided to evacuate their citizens after clashes erupted in Juba, while advising their traders not to return back to South Sudan. "Three quarters of goods and most of the traders come from Uganda and Kenya, so after the evacuation of the foreign nationals from South Sudan, those governments have directed their citizens not to travel to South Sudan" said Ateny. However, the presidential spokesman pointed out that that they have

contacts with the Ugandan government to solve the matter. "There are contacts between the two governments of South Sudan and Uganda" he said. Ateny claimed that his government managed to provide security along the Juba-Nimule road for transportation of food from Uganda in an attempt to supply the market with food. For their part, several traders in Juba reported rising prices and scarcity of consumer goods at the markets. They attributed the problem to looting of some shops by soldiers during the recent fighting between the government forces and armed opposition fighters in the capital Juba.

## **Twic East commissioner reports Zain network cuts**

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

The commissioner of Twic East County in South Sudan's Jonglei State has reported disconnection of the Zain network since last three weeks in the area, affecting businesses, the

local authorities and citizens. Commissioner Dau Akoi Jurkuch told Radio Tamazuj that the local operator cited malfunctioned generators. The commissioner pointed that the service outages

in the county pose a security threat, saying local officials are unable to follow-up on security issues in the area. Dau appealed to the management of the Zain Company to repair the network as soon as possible so the local

authorities and the citizens can resume their activities normally. Zain network towers are located in two places in the county, including the county headquarters Panyagoor and Wangulei Payam.

### **Arabic daily closes after publishing inaccurate story**

[Obaj Shago: Eye Radio South Sudan- 25 Jul. 2016](#)

Al-Watan Arabic daily has suspended its publication after publishing an inaccurate story about the coming of foreign forces. The editor in chief, Michael Christopher, was arrested over the weekend after publishing an article, which said the regional troops were to be received on 25 July by the Minister of Cabinet Affairs, Martin Elia Lomoro. The deputy editor in chief, Feisal Al-Kuri, says authorities asked them to suspend their publication indefinitely until the matter is resolved. "The board of directors has taken its

decision and we as the editorial board are yet to meet to assess the situation," Mr Al-Kuri said. The chairman of the board of directors for newspaper says Mr Christopher, who is still in detention, has been sacked and replaced with Bol Deng Mayen. The paper also held a press conference yesterday and apologized to the minister of information and the general public over what they called incorrect information. Mr. Kuri has call on the authorities to release Michael Christopher, who is still in detention.

### **RwandAir resumes flights to Juba**

[Peterson Tumwebaze: The Nation Mirror- 21 Jul. 2016](#)

RwandAir yesterday resumed flights to South Sudan capital Juba. The development comes almost a week after the national carrier suspended flights to Juba, following outbreak of fighting between rival forces in the world's youngest nation. John Mirenge, the RwandAir chief executive officer, said the airline resumed its daily flights to Juba after thorough assessment of the security situation. "We have decided to resume our routine flights to Juba after a complete analysis of the situation," he told The New Times. A tense ceasefire is holding in South Sudan after President Salva Kiir and his deputy, Riek Machar, called on their respective

forces to end the renewed clashes that have alarmed the international community. The two rival leaders reached an agreement to form a transitional unity government in August last year, which paved the way for the return of Machar and his political and military allies to Juba, but recent fighting has raised concerns about the commitment of both sides to lasting peace. Currently, RwandAir flies to over 17 destinations, including Nairobi, Entebbe, Mombasa, Bujumbura, Lusaka, Juba, Douala, Dar-es-salaam, Kilimanjaro, Johannesburg, Dubai, Lagos, Libreville and Brazzaville.

### **South Sudan War Killing Uganda Traders Softly**

[All Africa- 22 Jul. 2016](#)

As the war grinds on in South Sudan, more and more Ugandan businesspeople who fled the

fighting and are back here in the country are feeling the pinch of inactivity. Many traders are

stranded in Kampala since the clashes in the South Sudan capital, Juba, broke out a fortnight ago between forces loyal to President Salva Kiir and his First Vice President Riek Machar. The clashes have cut off many Ugandan traders who operate in Juba and other parts of South Sudan. Tomson Asiku, a dealer in eggs and vegetables, said in a Monday interview, that for close to two weeks now he has not taken any of his merchandise to South Sudan. Asiku said before the recent clashes, he used to ferry eggs and vegetables at least twice a week to Juba. He said he is already feeling the financial pinch. Asiku

said some of his goods were looted during the clashes. Equally hit are shop owners in downtown Kampala who sell a lot of merchandise to South Sudan-bound traders. One such businessperson is Abdu Muhira. He said the resumption of the conflict in South Sudan has simply worsened an already-bad situation because South Sudan-bound purchases had already declined. The most affected categories of businesspeople are transporters who have literally nothing to ferry to South Sudan since for over a week now Juba-bound trucks and buses have not been operating.

### **President Speaks Out On Distressed Companies**

[Yasiin Mugerwa: All Africa- 27 Jul. 2016](#)

President Museveni yesterday spoke fervently about the plight of "distressed companies" that need government bailout to stay in business, singling out those which were exporting to the troubled South Sudan but were not paid by the government as a result of the war there. Illuminating on the controversial bailout to distressed companies, the President, during a brief question-and-answer session on the sidelines of a joint Cabinet retreat at the National Leadership Institute in Kyankwanzi, said there are two types of distressed companies and that the first category comprises those that sold goods to South Sudan government but were not paid.

#### **Types of companies**

"There are mainly two types of businesses, those that put blood into us and those taking blood from us," Mr Museveni said. "The companies that were exporting to South Sudan were bringing blood to us, they were bringing money to us and those should be looked at differently because the government of South Sudan was not able to pay," the President said. He added: "...and when importing, he is taking money from us. In fact, other countries have what we call Export Credit Guarantee Fund, where the government puts money for helping people who are exporting to risky areas. We need this type of fund for our people otherwise they will fear to export."

### **Business declines in S. Sudan's Mapel town as 257 shops closed**

[Sudan Tribune- 22 Jul. 2016](#)

Business in Mapel town in South Sudan's Western Bahr el Ghazal region has declined due to closure of up to 257 shops after the local traders in the area have become victims of lack of hard currencies after the government devaluation of its South Sudanese pounds.

Mapel town deputy chairperson of trade union, Thomas Bol, told Sudan Tribune on Wednesday that traders have decided to close down their shops due to losses they incurred as no US dollars to import goods for the neighboring countries. "The issue of Mapel market, the market is closed,

now the operating shops cannot reach 50, if they are many, it is only 25 to 30 and the closed shops are 257,” said Bol. “Our traders have declined because of dollar, everything is dollar that is why our traders are staying without doing their works, some of them have left for agricultural activities to cultivate groundnut or Dura. [It] is

very bad but the issue is not about the road it is because of dollar, if you go to Juba, you cannot get anything, Wau you cannot get any benefit at your goods that is why the traders decided to close their shops,” he said. [Also reported by Deng Dimo in Eye Radio South Sudan- 21 Jul. 2016: Mapel traders close shops...](#)

### **Equity Bank lays off 38 employees**

[Junior Ali: Eye Radio South Sudan- 4 Jul. 2016](#)

The management of the Equity bank has terminated services of about 38 staff from its branches across the country. 25 of them are national staff, and 13 are foreign. The Kenya-based commercial bank says the move is aimed at reducing the cost of operation amidst the economic crisis. “This is staff rationalization exercise that has been done in response to the current economic situation and business performance,” Paul Gitahi, Managing Director,

told Eye Radio. However, he said the relieved employees would be reinstated should the economy stabilize. “The same staff will be given an opportunity to take up those jobs when the economic situation improves and business thrives.” Mr. Gitahi went on to say that the bank did seek approval from all the relevant authorities before implementing the changes, including the Ministry of Labor.

### **Instability in South Sudan threatens East African businesses**

[Elliot Kratt: Global Risk Insights- 20 Jul. 2016](#)

Fatal clashes in South Sudan raise the possibility of civil war and the certainty of on-going instability, which may have measurable implications for businesses and economies in East Africa. During the course of a meeting between President Salva Kiir and Vice President/former rebel leader Riek Machar, fighting ensued between their respective military forces, the SPLM and SPLM-IO. From July 8th until 11th, barring a lull on the 9th (the country’s Independence Day), violent reprisals resulted in hundreds of soldier and civilian fatalities in the capital city of Juba. 40,000 people

ended up fleeing their homes. The trigger of the clashes, although unclear, is believed to be an altercation between opposing military factions at a checkpoint, in which five soldiers were killed on 7th July. The rapid escalation of violence is testament to the country’s continued volatility, the most immediate source of which is a non-integrated military. The lack of military integration was one of the presiding dynamics which led to the December 2013 – August 2015 civil war, in which over 50,000 people were killed and 2.3 million displaced.

### **Dangers aside, the money in South Sudan attracts many Kenyans**

[Walter Menya and Elvis Ondieki: Daily Nation- 16 Jul. 2016](#)

Banks, contractors, vendors and drivers say they love home, but their bread is more assured in the

neighbor’s house. The signing of the Comprehensive Peace Agreement (CPA) in

January 2005 opened a new page in South Sudan's political and economic history. Despite the bumpy road that lay ahead, the peace accord gave South Sudanese cause for celebration. But they were not the only ones celebrating. Thousands of enterprising Kenyans and staff of international humanitarian organizations seized the opportunity to cross the border north of the country to South Sudan. Even in the face of a major civil war that has ravaged the young economy, claims of constant harassment of foreign nationals and poor living standards, Kenyans who flocked to South Sudan remain unfazed. Dr Shem Ochuodho of the Kenya

Diaspora Alliance (KDA) says Kenyans living there experience hardships even in times of relative calm. "There is a breakdown of law and order in Juba," said Dr Ochuodho who returned to Nairobi on Thursday. Kenya Long Distance Truck Drivers and Allied Workers Union have similar complaints. "The attacks on our members do not just happen during times of upheaval. We have lodged protests with both the ministry of Foreign Affairs in Kenya as well as the Embassy of South Sudan and both have on various occasions promised that they would look into the matter.

### **Business first, life later? Some Indians 'refused' to leave South Sudan...**

[Onmanorama- 16 Jul. 2016](#)

Thiruvananthapuram: Minister of state for external affairs, V.K. Singh, who led the Sankot Mochan operation to evacuate Indians from South Sudan, said that some Indians refused to leave the strife-torn country. "When we landed, 156 came out with us. There were 30-40 people who had already booked their tickets when the commercial flights started and 300 people did not want to be evacuated due to their business concerns and other activities," he said. On those who turned down the government's plea to be evacuated, Singh said, "we tried to convince them. I suppose business comes first, life comes

later (for them). "After fighting broke out in Juba and its outskirts, our aim was to evacuate our people who were in danger. As per our information, there were 550 plus people in Juba itself with another 150 Indians in areas where the oil wells are there.," he added. The evacuation exercise faced a hurdle when several Indians, after registering with the External Affairs Ministry for leaving South Sudan, refused to return, despite an appeal by external affairs minister Sushma Swaraj on Twitter asking them to move out.

### **Uganda Loses Shs3 Billion Daily in South Sudan Conflict**

[Ismail Musa Ladu: All Africa- 14 Jul. 2016](#)

Uganda is losing about \$1 million (Shs3.3 billion) every day since war resumed in Juba, the South Sudan capital last weekend. Uganda is losing about \$1 million (Shs3.3 billion) every day since war resumed in Juba, the South Sudan capital last weekend. According to the traders' leadership in Kampala, this figure is a very conservative estimate, considering that it does

not factor in losses inflicted on life and properties. Since Friday last week, the situation in the world's newest country has been dangerous following renewed fighting in Juba, where the majority of Ugandan-owned businesses are concentrated. Speaking in an interview on Tuesday, the chairman Kampala City Traders Association (Kacita), Mr Everest

Kayondo, said South Sudan, a key export market for Uganda, has for the last five days alone been depriving its members and affiliate organizations an opportunity to transact business worth at least Sh53.3 billion a day. "Our calculation indicates that each time there is such a massive

interruption on our businesses in South Sudan, we lose about a million US dollars a day. So each single day our businesses are interrupted, as a country we lose an opportunity to make at least a million US dollars," Mr Kayondo said.

### **South Sudan ceasefire holding: Kenya Airways to resume flights to Juba**

[Prof. Dr. Wolfgang H. Thome: eTurboNews- 14 Jul. 2016](#)

Kenya Airways will, on Thursday, July 14, resume its scheduled flights to Juba, South Sudan. This follows the ceasefire between the hostile parties apparently holding and the security situation returning to more or less normal after 5 days of unrest. The airline will resume its 2 daily flights to Juba departing Nairobi for Juba at 0715 hours and at 1320 hours every day. To accommodate the backlog of passengers, Kenya Airways will for the first couple of days operate a larger capacity aircraft, deploying a B737-800 on the route compared to the smaller Embraer E190 normally used for flights between Nairobi and Juba. To

clear the backlog as soon as possible, Kenya Airways is aiming at accomplishing this task by end of day Friday, July 15, and the airline will give priority to guests based on their original return dates. Meanwhile, several foreign countries have evacuated their nationals from South Sudan and began to reduce the personnel at their missions in Juba to essential staff, with the American government sending in an additional 47 marines to ensure the safety and security of their embassy compound. [Also reported by Kennedy Kangethe in Capital Fm- 13 Jul. 2016: KO resumes Juba flights Thursday, July 14](#)

### **KCB scales down operations in war-torn South Sudan**

[Joan Njoki: The Star- 13 Jul. 2016](#)

Kenya Commercial Bank has scaled down operations at its 19 branches in the war-torn South Sudan where deadly violence erupted last Friday. "KCB Bank South Sudan has taken steps to reduce its bank operations accordingly," KCB Group chief operating officer Samuel Makome said in a statement. The bank recorded a Sh6.1 billion foreign exchange loss for the year ended March 2016 from its South Sudan operations due to currency devaluation. He said the Kenya's

largest lender by assets is keenly monitoring ongoing intervention by the International Community and the Ministerial Intergovernmental Authority on Development to find a political solution to the crisis. Fighting broke out between forces allied to President Salva Kiir and first Vice President Riek Machar on Friday, and the unrest has since claimed more than 300 lives.

### **Businesses Count Losses amid Renewed South Sudan Conflict**

[Rodrigue Rwirahira: All Africa- 12 Jul. 2016](#)

Businesses have started counting their losses in the wake of renewed fighting in South Sudan. RwandAir, Kenya Airways and Ethiopian Airlines

suspended regular flights to Juba following fresh fighting between forces loyal to President Salva Kiir and his deputy Riek Machar. RwandAir's

flight suspension on Sunday would make the company lose roughly \$50,000 a week, according to Patrick Manzi, the airline's senior manager of promotion and the head of marketing. At least close to 15 to 20 people travel every four days a week to South Sudan mostly for business purposes. An economy ticket price is about \$500. Commenting on the development, Geoffrey Kamanzi, the director of trade and investment at the Private Sector Federation, said that the war

in Juba will have spiral effects to Rwandan business community whose businesses range from transport, ICT, service to agricultural products. "Although we cannot immediately put figures on the loss, traders will be among the first people to be affected," he said. Following its secession from Sudan in July 2011, South Sudan maintained closer ties with its neighboring countries mainly, Kenya, Uganda, Ethiopia and DR Congo.

## ECONOMY AND PUBLIC FINANCE

### **News Analysis: Crisis hit S. Sudan needs trade diversification to boost investments**

[Xinhua- 19 Jul. 2016](#)

Despite once experiencing an oil boom, South Sudan needs to invest more in trade facilitation, production and building access to external markets to create jobs and reduce on imports, experts have observed. Oil exports dominate the economy and government revenue. They generated large revenues of about 20 billion U.S. dollars from 2005 to 2014, equivalent to 98 percent of the annual government budget, but weak governance has meant that these have not been used to invest in building productive capacity. The country's trade surplus is largely a result of its oil exports, and increased from 3.99 million dollars in 2009 to 6.93 million dollars in 2012, reflecting the increase in oil exports.

However, since outbreak of the December 2013 conflict and the recent renewed clashes, South Sudan imports have been greater than exports resulting in trade deficit. Oil production plummeted from 350,000 barrels a day to less than 160,000 bpd due to conflict and drop in global oil prices. The undersecretary Ministry of Trade, Industry and Commerce Biel Jock Thich told Xinhua in Juba on Tuesday that the country has for the past three years been having a trade deficit and that it is incumbent upon them to diversify the economy. "For all this time we have a trade deficit because we import everything from outside," he explained.

### **East Africa: EAC Targets \$8m from South Sudan**

[All Africa- 6 Jul. 2016](#)

South Sudan is expected to pay nearly \$8 million to the East African Community (EAC) for the annual budget, official said. A presidential adviser on economic affairs, Mr Aggrey Tisa Sabuni, said the six member-states had received their budget allocations totaling to \$48 million and the remaining over \$53 million would be

generated from the development partners. The EAC's over \$100 million 2016-2017 annual budget already approved by the regional assembly body, is to facilitate the activities and projects of the secretariat. "So, the budget that will be contributed by the six partner states is \$47 million. That amount must be equally

contributed by the member states, and since the partner states are now six, including South Sudan, its means this amount will be divided by six. It comes to \$7.8m," Mr Sabuni was quoted by the Eye Radio in Juba saying. The advisers disclosed that the young nation had not yet

passed its national annual budget, but added that the delay would not change the payment of the cash to the regional bloc by November. [Also reported by Rosemary Peter in Eye Radio South Sudan- 4 Jul. 2016: S Sudan to pay close to \\$8 million to EAC by November](#)

### **South Sudan unrest to impact Kenyan economy**

[Kennedy Kangethe: Capital Fm- 13 Jul. 2016](#)

The civil unrest in South Sudan could negatively affect the Kenyan economy if it's not contained, according to economic experts. Those who spoke to Capital FM Business said heavy fighting that erupted in South Sudan's capital on Sunday and has so far claimed 272 lives will have a spillover effect to the economy both from currency exchange and business losses. Spire Bank Chief Executive Tim Gitonga observed that the unrest will see Kenya lose revenue in terms of taxes and exports to South Sudan. "Kenyan

businesses were beginning to sprout will be shut, there a lot of Kenyans who are working there and supporting our local economy... think about the Kenyan exports to South Sudan which will be curtailed," Gitonga observed. In 2015, South Sudan was the sixth largest export destination for Kenyan goods in Africa behind Uganda, Tanzania, Rwanda, Egypt and Democratic Republic of Congo. Value of exports to South Sudan in 2015 hit Sh17 billion down from 2014's Sh19.8 billion.

### **Unemployment drives South Sudan political violence, analysts say**

[Xinhua- 21 Jul. 2016](#)

South Sudan's Abraham Malut graduated in 2012 after having acquired a degree in finance and accounting at the University of Juba. However, the 32-year-old still lacks a job despite adding a diploma in information technology to his budding resume. "I have tried to look for a job but failed. Most people here employ only their close relatives and friends," Malut told Xinhua in an interview on Thursday. Malut, with frustration by the unsuccessful chase for a job has retreated to his home in Jonglei state. South Sudan became independent in 2011, marking the end of one of the longest conflicts in recent sub-Saharan African history and ushering in hopes of a more peaceful and prosperous future for its citizens.

However, this optimism was punctured by the onset of internal conflict in December 2013 and the resumption of conflict in July despite the warring parties have signed the August peace agreement to end more than two years of civil conflict. The country is faced with a worsening humanitarian crisis, political and economic fragility after conflict displaced more than 2.3 million people, and in addition about 36,000 have been displaced in Juba alone after recent fighting. And despite oil resource contributing 98 percent of revenue to the fiscal budget, subsistence agriculture remains the dominant sector for household livelihoods.

### **Kiir relieves Finance Minister Deng Athorbei**

[Ayuen Panchol: Eye Radio South Sudan- 26 Jul. 2016](#)

President Salva Kiir has removed the Minister of Finance, David Deng Athorbei, in a mini-cabinet reshuffle. Mr Athorbei took over the ministry in early 2015, replacing Aggrey Tisa Sabuni, who is now the presidential advisor on economic affairs. Mr Athorbei was also the finance minister ahead of the 2010 general elections, until he was taken to another ministry after independence in 2011.

He was removed from the finance ministry in a decree broadcast on the SSBC last evening. The president also issued another decree, appointing Stephen Dhieu Dau as the new Finance Minister. Mr Dhieu was the Minister of Trade and Industry until his new assignment. He also worked as the Minister of Petroleum before the formation of the transitional government of national unity.

### **Aweil official reports poor rice production this year**

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

Deng Deng, director of the Aweil rice scheme in South Sudan's Northern Bahr el Ghazal says this year's rice cultivation has reduced compared to last year due to fuel shortages in the area. Speaking to Radio Tamazuj, Deng pointed stated

heavy rains have also obstructed movements of agricultural machines. He pointed out that fuel shortages affected farming plan, saying they cultivated 484 acre only compared to 1004 acre last year.

### **Ugandans flee South Sudan amid insecurity, economic hardship**

[Xinhua- 17 Jul. 2016](#)

Ugandans are fleeing the South Sudan's Juba in droves because of economic hardship amid fears of renewed fighting as Kampala started evacuating them given recent fighting. More than 5,000 Ugandans have been relocated toward the Uganda-South Sudan border town of Elegu by the Ugandan army trucks. Those waiting at Gumbo market in Juba to be transported to Uganda on Tuesday told Xinhua on Sunday that they feared for their security and economic hardship caused by the more than two years of civil conflict in the youngest nation. Afan Nagodi, a business trader based at Malakia, told Xinhua that a number of Ugandans have been killed in the recent conflict in July that ended after President Salva Kiir and former rebel leader

and First Vice President Riek Machar declared ceasefire. "Some of us have been targeted by some South Sudanese armed groups who have robbed us of our merchandise. It's the reason our government ordered us to come here. So that we return home safely," Nagodi said. Some of the Ugandans said they have given up on ever returning for business in South Sudan given the unending political turmoil in the oil-rich impoverished country. South Sudan imports nearly everything from food, construction materials and fuel from East Africa and its economy is foreign owned with barely few South Sudanese engaged in business ownership and trade.

## Uganda reverses visa fee to \$50

[Sudan Tribune- 23 Jul. 2016](#)

Ugandan government has announced reversal of entry visa fees to U.S. dollars 50 from 100, after a year of high fees charges for South Sudanese travelling to Uganda. The change, announced on Thursday by the country's ministry of internal affairs, aims at promoting tourism with the East African landlocked country, South Sudan. "The move is aimed at promoting the Tourism sector as we implement the newly introduced e-visa where we require the applicants to apply, have their visas approved with notification sent to them and visas issued at their borders and embassies," partly reads the statement issued by Uganda's ministry of internal affairs. Uganda increased entry visa fees to \$100 from \$50 in July

2015 and affected thousands of South Sudanese who travel frequently to the country for medication and education as well as renting homes for families. South Sudan, which has just joined the East African Community (EAC) this year, has not yet benefited from the free movement of people between the then five-member bloc. South Sudanese government has said waiving of the visa is one of the advantages the war-ravaged nation's citizens will enjoy from becoming a member of the EAC alongside Uganda, Kenya, Burundi, Tanzania and Rwanda. [Also reported by Daniel Danis by Eye Radio South Sudan- 22 Jul. 2016: Uganda reduces single entry visa fee](#)

## Sudan fears fighting in South could hit oil flow

[Sudan Tribune- 12 Jul. 2016](#)

Chair of the energy committee at the Sudanese parliament Hayat al-Mahi has expressed concern over the impact of the armed conflict in South Sudan on Sudan especially with regard to oil pumping. At least 200 people have been killed in the ongoing fighting that broke out in Juba on Thursday between armed forces loyal to President Salva Kiir and the country's First Vice-President, Riek Machar. In press statements on Monday, al-Mahi said the fighting in South Sudan didn't yet reach the oil production areas but warned that oil pumping would stop if the armed clashes expanded to oil fields. "Stopping oil pumping would damage the pipeline and [we] would need to make technical remedies to restart the pipeline," she said. Presently, South

Sudan is producing oil at 160,000 barrels per day, despite a decline in its oil production due to the violent conflict that engulfed the young nation, killing thousand and displacing nearly two million people. The flow of South Sudan's oil through Sudanese territory is crucial for both countries. In 2013, the then deputy Governor Central Bank of Sudan, Badr al-Din Mahmoud said the country had lost about \$ 5 billion dollar when South Sudan moved to suspend oil production following a dispute over transit fees with Sudan. South Sudan's economy is also reliant on oil production and exportation. But the landlocked country relies on Sudan for exportation of its crude.

## African bank approves \$6.5m to help South Sudan

[ENCA- 16 Jul. 2016](#)

The African Development Bank Group (AfDB) has approved \$6.5-million to improve water supply that would benefit 230,000 people in

South Sudan's capital Juba following days of clashes between rival army factions. A statement from AfDB received in Juba on Saturday said the

funds from the Transition Support Facility-Trust Fund will strengthen efficient utility operations, private sector participation and women empowerment. "The project aims to improve the livelihoods of people in Juba city through the provision of improved water supply infrastructure," AfDB said. The approval comes on the heels of recent violent conflicts between rival factions in Juba which has left more than 300 people dead and thousands others displaced. Aid agencies on Friday launched a revised appeal,

### **CNPC Evacuates Oil Personnel from South Sudan**

[Erwin Cifuentes: Oil Price- 19 Jul. 2016](#)

The China National Petroleum Corporation (CNPC) evacuated 191 of its employees in South Sudan amid worries over an escalation in the armed conflict between the government and opposition troops. A CNPC statement issued on 19 June mentioned that only 77 of their workers remain in the African country manning the company's oilfields. The communiqué further detailed that CNPC will try maintain normal operations in South Sudan. Nevertheless, the firm warns that it may remove all its personnel

seeking \$701-million to help South Sudanese refugees which could pass 1 million marks this year if cross-border displacement trends continue. The UN refugee agency has also expressed concerns about the possibility of fresh outflows of refugees in the wake of the recent military crisis in Juba and the dearth of funding for South Sudanese refugees. Currently, the UN Mission in South Sudan (UNMISS) is protecting some 33,000 internally displaced persons in Juba.

should the situation worsen. China spent US\$20 billion in Sudan before it split into two separate countries in 2011, and initially the investment paid off as nearly 14 million barrels of oil were produced in the first ten months of 2013. Yet the advent of civil war starting in December 2013 between forces loyal to President Salva Kiir and former Vice President Riek Machar led to tens of thousands of people dead and output plummeting to 120,000 barrel per day.

### **South Sudan Oil Hopes Thwarted Once Again by Civil War**

[Julianne Geiger: Oil Price- 14 Jul. 2016](#)

A month after announcing oil production would resume, Sudan's peace agreement is cracking. Five days of heavy fighting have forced tens of thousands of people, mainly from South Sudan's capital, Juba, to flee the bloody violence and attempt to cross borders. The fighting comes after South Sudan announced in late May that it would resume oil production this month, after two years of civil war—over oil—had finally come to a close. Those plans are now once again placed on the back burner. Yesterday, the BBC reported that Germany, the UK, Italy, Japan, India, and Uganda are working to remove their citizens from

South Sudan in the wake of the fighting to ensure the safety of their citizens. Although a "ceasefire" has been reached between President Salva Kiir's forces and Vice President Riek Machar's forces, the likelihood that South Sudan will stick to its plans to resume oil production in July is slim. South Sudan gained its independence from Sudan in 2011, also gaining control of about 75 percent of Sudan's oil production. Unfortunately for South Sudan, it is landlocked, and must depend on Sudan's pipeline through Sudan to get the oil to the Bashayer port along the Red Sea.