

## South Sudan's civil service challenges: An outside perspective



As South Sudan emerges from the immediate aftermath of conflict, the task of strengthening government capability, particularly in the core civil service, will be essential to facilitating economic development and ensuring the basic social services the population needs to construct the new country's future. This note brings an outside perspective to those challenges. It identifies key short- and medium- term bottlenecks to building civil service capacity and, drawing on experience with similar problems elsewhere, raises policy options for the Government of South Sudan (GOSS) and other national stakeholders to consider.

### Background

South Sudan's newly established state emerges from the present conflict with only a short history of sovereignty and very limited prior levels of state-organised service delivery or policymaking. As a least-developed country emerging from conflict, it has typical but significant challenges, such as low food security and constrained infrastructure. The state-building task is made that much more difficult by low rates of adult literacy and high levels of ethno-linguistic diversity. Even prior to the outbreak of a major renewed conflict in late 2013, the country experienced continuous, localised violence, resulting in the internal displacement of close to 100,000 people.

The country's leadership must now transform itself from rebel and military leadership to governmental policymakers. Relative oil wealth enabled the incorporation of large numbers of militants into official military positions and/or into the 'organised forces' and associated positions. But this incorporation has been costly. In the medium-term, these forces will need to be professionalised and streamlined (World Bank, 2014).

These policies came under particular pressure in 2012 when Government stopped oil production due to a dispute over the cost of oil transit through Sudan. The resultant implosion of revenue

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created persistent fiscal strain. While oil production resumed in May 2013, cumulative short-term debt must now be repaid or rolled over. Moreover, recurrent spending on the expanding security sector has crowded out other spending. Reports of significant rent seeking have reputedly stoked citizen disaffection with Government's inability to deliver a "peace" or "independence" dividend (World Bank, 2014).

Awareness of the need for a qualified, well-performing government is embodied in the 2011 Transitional Constitution, which sets out the basic formal provisions for the establishment of the Civil Service. But South Sudan must implement this vision without benefit of previous institutional templates and with only rudimentary experience in governing. This inexperience, coupled with the pressures to reward long-serving combatants as well as recent militant groups with public service jobs create extremely difficult obstacles which need to be overcome in order to put in place a functioning government administration in the post-conflict era. This is the backdrop to the discussion that follows.

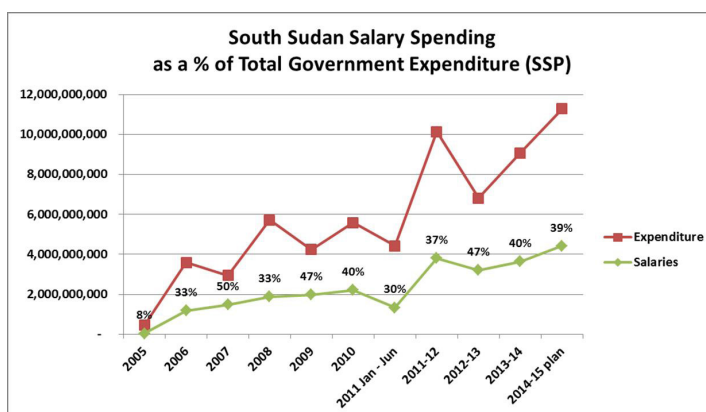
## **Current civil service problems: Three bottlenecks**

South Sudan faces three main civil service bottlenecks that must be dealt with over the immediate and longer term. First, government spending on public sector wages in the aggregate is comparatively high, while average wages to public employees are low. Second, wage expenditures are largely allocated to security-related employment, which appears to have crowded out spending on staff in other developmental sectors, particularly health and education. This employment composition needs to be re-balanced to deliver services appropriate to a peacetime society and economy. And, third, the quality and capacity of those civilian employees in the civil service is low, requiring both a short-term policy for raising the functional standard to meet immediate post-war needs as well as a long-term strategy for building skills for a professional civil service to address the country's ongoing developmental challenges. Below, each of these bottlenecks is discussed in turn.

### **Bottleneck: High wage bill but low wages**

The nearly steady increase in the GOSS wage bill spending over the last decade can be seen in Figure 1, which depicts a 307% percentage increase from 2006 to 2013-14.

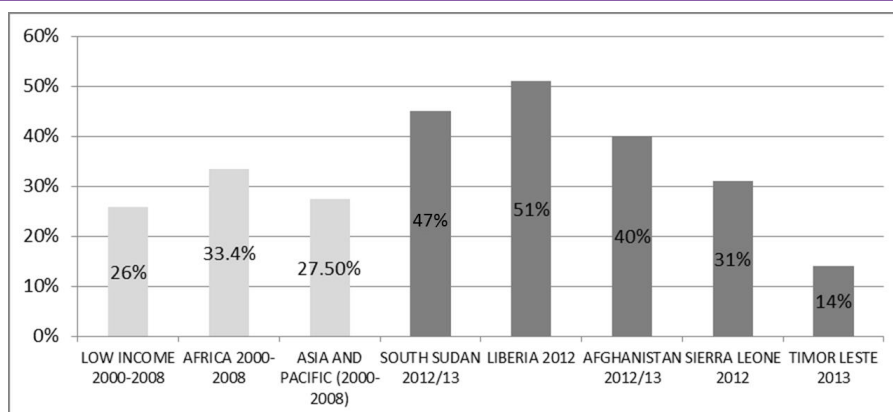
**Figure 1: South Sudan salary spending as a % of total government expenditure (SSP)**



Source: Republic of South Sudan approved budget tables FY2014/15

The result is a wage bill that is too high from two perspectives. First, it represents a relatively large proportion of total government spending (reaching 47% in 2012-13). As Figure 2 shows, this is nearly twice the average for low-income countries (26%) and even outstrips (inter-conflict) Afghanistan's wage bill spending.

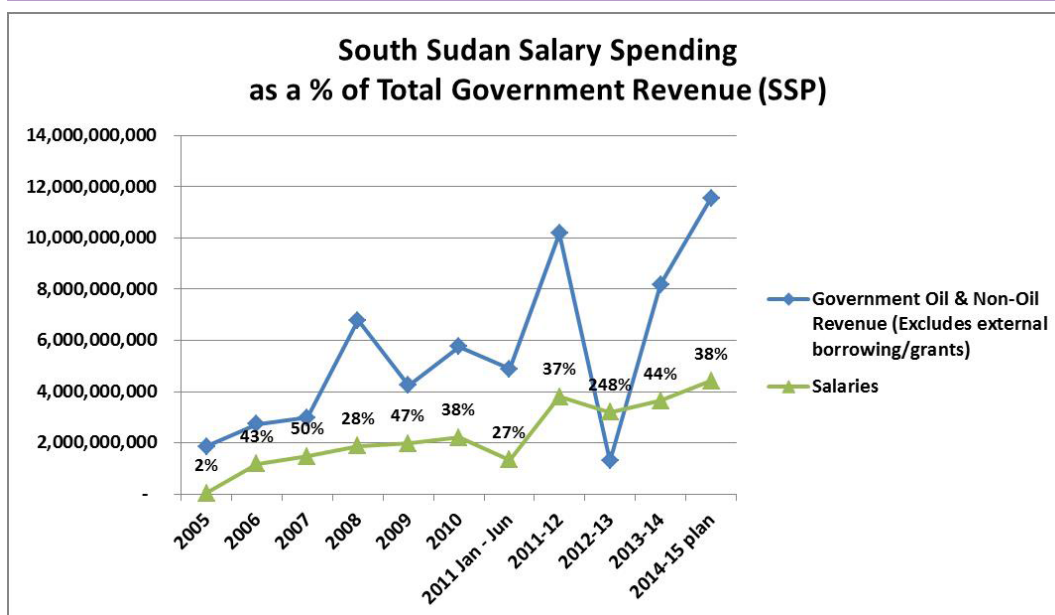
**Figure 2: Country comparison: wage bills as a % of expenditures**



Source: World Bank study: Rebuilding Public Services in Post-conflict Countries (Processed 2014)

Only Liberia emerged from conflict with a larger wage bill. An aspirational comparator is Timor Leste, which, in the decade since its independence war, appears to have managed its wage bill down to 14% of total expenditures.<sup>1</sup>

**Figure 3: South Sudan salary spending as a % of total government revenue (SSP)**



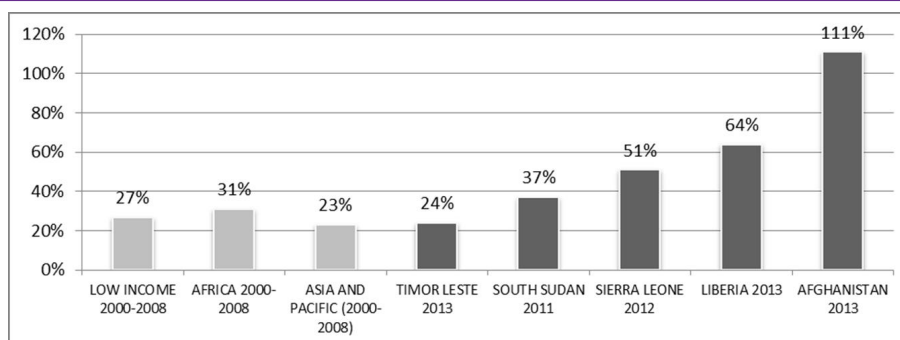
Source: Republic of South Sudan approved budget tables FY2014/15

As Figure 4 suggests, this compares unfavourably with low-income country- and African averages, although several other post-conflict countries, including Sierra Leone, Liberia and Afghanistan<sup>2</sup> faced more dire wage-revenue imbalances.

1. Timor's wage bill may appear artificially low, it should be noted, however, that temporary staff and other "hidden" employment may be concealed in other budget line items that do not appear as personnel expenditures, per se. See <http://www.imf.org/external/pubs/ft/scr/2013/cr13338.pdf> and Srivastava, 2014.

2. Afghanistan's public sector wage bill was largely financed by donors, so this outsized percentage carries somewhat idiosyncratic implications.

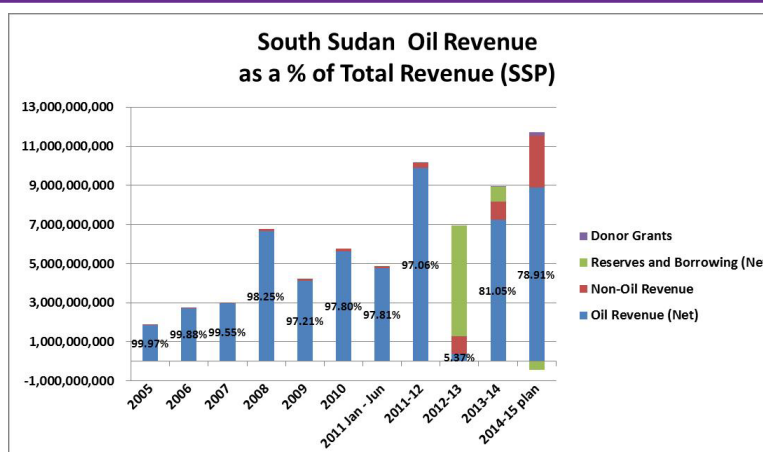
**Figure 4: Country comparison: Wage bills as a % of revenue**



Source: World Bank study Rebuilding Public Services in Post-conflict Countries (Processed 2014)

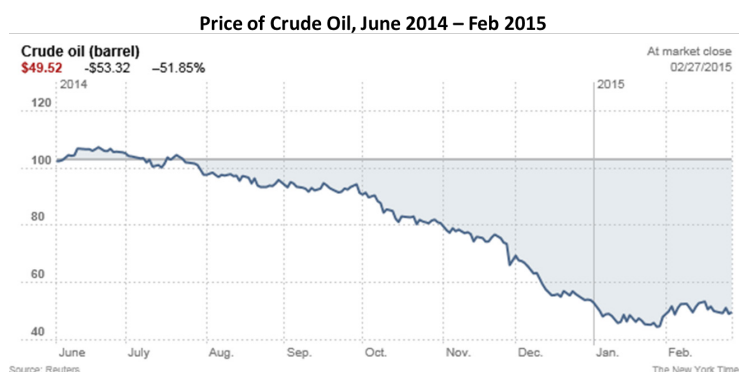
The worsening wage-bill-to-revenue situation in South Sudan is strongly tied to volatile revenues, as Figure 3 shows. And this is largely about oil. Figure 5 shows the weight of oil revenues in overall government revenues since 2005. Where oil accounted for 97 percent of revenues in 2011-12, the curtailment of oil production brought that share down to five percent by 2012-13. Even with production largely resuming in April 2013, the dramatic decline (by over 50%) in oil prices on the international market in the past year (Figure 6) has taken its toll on general revenues. Wage bill growth thus cannot reliably be sustained by government revenues, as it had been in earlier years.

**Figure 5: South Sudan oil revenue as a % of total revenue (SSP)**



Source: Republic of South Sudan approved budget tables FY2014/15

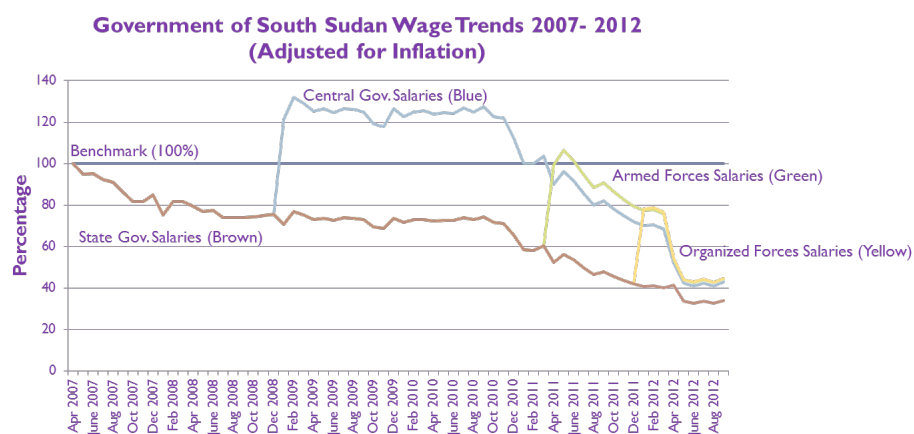
Figure 6: Price of crude oil, June 2014-Feb 2015



Source: Reuters. published by the New York Times, February 2015

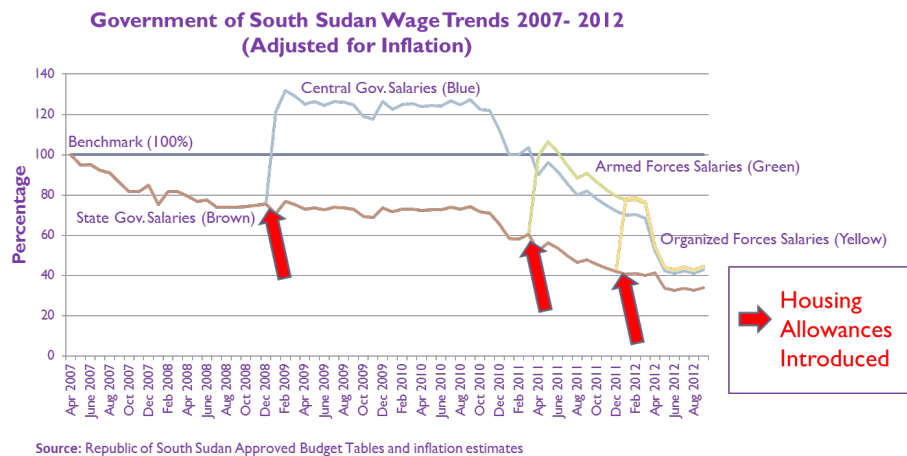
Despite the high aggregate wage bill, real average wages have been declining steadily since 2007. Indeed, wages were essentially halved between 2005 and 2012, as Figure 7 demonstrates. The only relief came with the introduction and then temporary rise in housing allowances. But these did not disrupt the overall downward trend in compensation (Figure 8) and were in any case reduced by 50% due to austerity measures in 2012.

Figure 7: Government of South Sudan wage trends 2007-2012 (adjusted for inflation)



Source: Republic of South Sudan Approved Budget Tables and inflation estimates

**Figure 8: Government of South Sudan wage trends 2007-2012 (adjusted for inflation)**



South Sudan's low average wage/GDP per capita ratio also compares unfavourably to countries in the region (Table 1).

**Table 1: Public service salary to GDP per country comparison (various years)**

Country	Average salary per Public Service employee per annum in US\$	GDP per capita current US\$	Ratio Wage/GDP per cap.
South Sudan (GDP, 2011)	3082*	1858	1.66
South Sudan (GNI, 2011)		984	3.13
Kenya	4,065	770	5.28
Malawi	997	290	3.44
Mozambique	2,303	370	6.22
Rwanda	2,805	410	6.84
Tanzania	1,999	440	4.54
Uganda	1,820	420	4.33
Zambia	3,855	920	4.19

Source: Estimates by Theodore Valentine, World Bank consultant, 2013; GOSS: Budget document 2011; WB database 2010. \*Grade 11 base salary (SSP533/month) at the 2008 exchange rate. At an exchange rate of 3SSP:1 USD

the value drops to 2132USD.

The phenomenon of high aggregate wage bills with low average wages and surplus staffing is a familiar one in the region and in the low-income world more generally (Box 1.) But as we see below, the problem in South Sudan is also about the composition of the staffing as the country emerges from conflict.

**Box 1: Low-income country public pay and employment syndrome.**

1. Low human resource endowment
2. State first-resort employer
3. Employment surplus to functional requirements
4. Establishment control functions in disarray (poor information on staff numbers/profiles, ghosts)
5. High aggregate wage bill; low average wage
6. Personnel spending crowds out complementary inputs
7. Compressed and low pay
8. Poor performance (absenteeism, rent-seeking)
9. Opaque pay/allowance systems
10. Competing markets drain talent

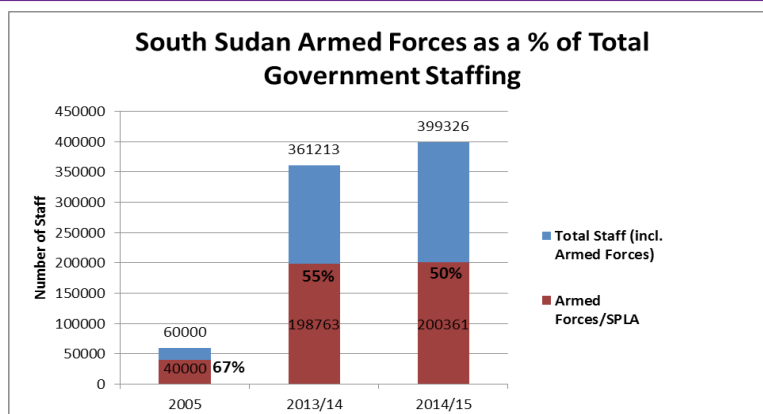
Source: Author

**Bottleneck: Staffing tilt towards security employment**

The ballooning wage bill thus comes not from average remuneration increases but from employment growth. Figure 9 shows a 666% rise in government staffing between 2005 and 2014/15. It appears that this staffing increase is largely due to security-related employment, through recruitment of armed groups into the armed forces (SPLA) and organised forces, which have remained at 50% or more of public sector employment over the last decade.



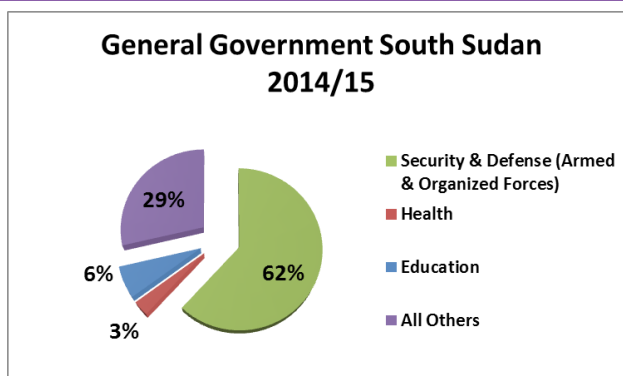
**Figure 9: South Sudan armed forces as a % of total government staffing**



Source: Republic of South Sudan approved budget tables FY2014/15

As Figure 10 suggests, civilian salary spending represents a relatively small portion (at around 38%) of total personnel spending, with spending on military and organised forces accounting for the rest. Indeed, the general government staffing allocations across military and civilian sectors tilts overwhelmingly towards security-related positions. As Figure 10 shows, 62% of salary spending is allocated to the Armed and Organised Forces,<sup>3</sup> with only 6% of staff allocated to the education sector and 3% to health.

**Figure 10: Government of South Sudan salary spending 2014/15**



Source: Republic of South Sudan approved budget tables FY2014/15

3. Includes armed forces, police, prisons, and wildlife

This underscores the striking finding that while there are 450 police per 100,000 population, there are only 1.5 doctors and 2 nurses,<sup>4</sup> which compares unfavourably with other post-conflict and low-income contexts (Table 2).

**Table 2: Staffing for different key service delivery areas per 100,000 population**

	Doctors	Nurses	Police
South Sudan	1.5	2	>450
Liberia	7.5	30	108
Ghana	7.1	90	94
Kenya	9.5	80	81

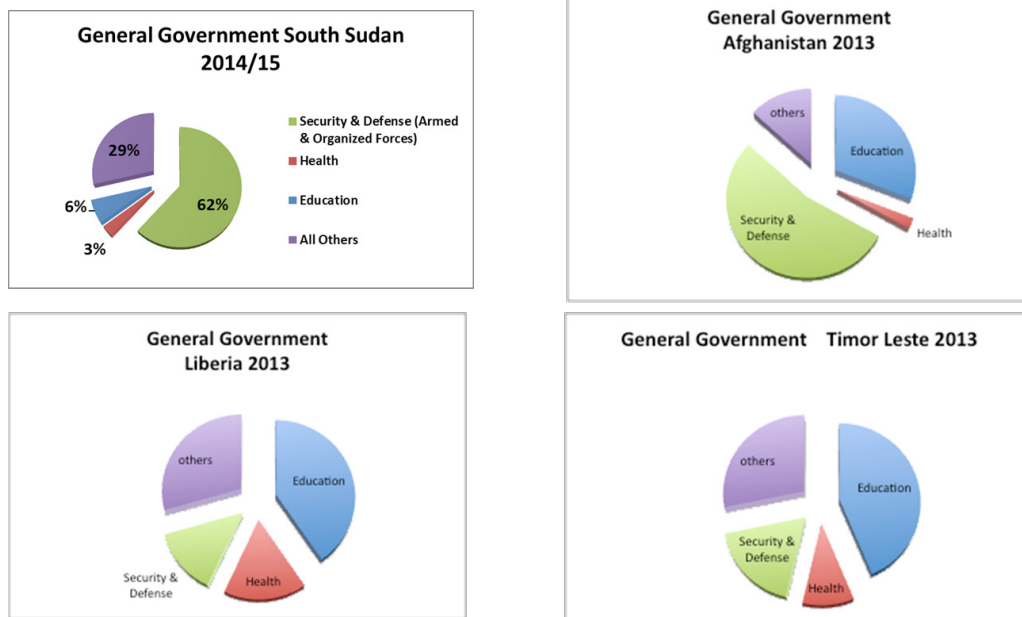
Sources for comparator countries: Sources: UNODC (police); WHO (doctors); and WDI/WB for Nurses (includes midwives)

Figure 11 provides another perspective on these comparators, suggesting that even Afghanistan is doing better, although some countries may finance social service staff through external support.<sup>5</sup> In any case, the South Sudanese picture is clearly one in which security-related personnel spending is crowding out staffing expenditures in other sectors, particularly in the delivery of health and education services. Needless to say, understaffing service delivery could exact a huge price from the post-conflict recovery with potentially profound developmental and political implications for years to come.

4. Ministry of Health, Health Sector Development Plan 2012-2016, p. 11.

5. The degree to which health services are supplemented by externally financed non-governmental partners in these countries is to be determined. Health workers in Liberia and Sierra Leone are financed in part by external NGOs and donors.

Figure 11: Cross-country comparison of government salary spending



Source: RSS approved budget tables FY2014/15, World Bank study: rebuilding public services in post-conflict countries (Processed 2014)

### Bottleneck: Low-capability civil service

While the civilian portion of South Sudan's civil service may not be large on a comparative basis, previous analysis suggests that overall capacity is quite low (World Bank, 2010, 2014). With a national literacy rate of 27%, this is obviously a long-term problem that will need to be addressed with a range of measures, including fundamental human resource development at the societal level. Building civil service capacity over the longer term involves the introduction of sound but culturally and developmentally feasible practices for merit-based staff recruitment, pay and promotion, discipline and performance assessment. It is not for the faint of heart and requires serious, sustained, high-level political commitment and resources. It depends on raising overall qualifications of civil service staff through medium- and long-term education policies and through shorter-term training that works, (not always the case.) For very low capacity countries such as South Sudan, consideration of employing non-sovereigns, such as the private sector, non-governmental organisations, and long-term international aid, to provide a range of services for indefinite periods may be a plausible option.

But there are also near-term capacity constraints that will make it difficult to ease the two bottlenecks discussed earlier: reining in the wage bill and re-balancing government towards service

delivery in the social sectors, primarily in health and education.

The first short-term capacity issues concerns weak human resource management. GOSS is lacking the basic human resource management (HRM) skills and systems to be able to effect the wage bill containment policies needed in the current environment. Absent these systems, basic information – at central and state levels – on the number and identity of who's getting paid is missing. Weak linkages between the Human Resources Management Information System (HRMIS) and the South Sudan Electronic Payroll System (SSEPS) enable the persistence of “ghost” workers in the system, for example. And the lack of integration of military and organised forces into the e-payroll system also prevents achieving reasonable control of these key establishment groups. Since the wage bill is largely a problem of surplus employment of particular types of staff (rather than high salaries), getting a clear picture of who these staff are and how they might be removed from the payroll or redeployed to other functions is key to reducing wage expenditures.

Weak capacity also manifests itself, of course, in low staff qualifications. This, in turn, undermines service delivery effectiveness. Again, long-term education policies that improve the pool of national candidates are needed. But there are also some short-term practices that could improve the profile of sitting civil servants and new recruits. In particular, specifying and tightening job-specific qualifications and setting up checks to ensure the induction of staff on merit-based criteria (even if these are applied selectively within existing patronage networks) could help boost the commitment and performance of front-line civil service staff.

### **What is to be done? Some standard approaches to easing the wage bill bottleneck**

There are some common techniques used around the world to reduce staff numbers and contain the wage bill. One basic step is to collect clean information on the numbers and location of actual civil service employees through a Civil Service Census and then to feed those data into a robust HRMIS, linked to an electronic payroll system. Some elements of this system seem to already be in place in South Sudan, but they appear to be embryonic and incomplete. For example, they do not cover large parts of the public sector rolls (including security-related personnel) and contain many unverified files, which would need to be validated before input into the system. A number of (even low-income) countries, once having undertaken this “hygiene” exercise, then introduce smart technology, such as electronic ID cards or biometric identification for validated civil servants to maintain ongoing control over the establishment.

Other approaches to tightening wage bill management include monetisation of salaries by eliminating non-wage benefits and allowances, which can be exceedingly difficult to calculate and to administer. Beyond this, wage bill containment is frequently achieved through programmes to selectively separate staff. One such program might involve a straightforward policy to enable retirement of overage staff (estimated to be about 10% of the civil service in South Sudan.) This

would require developing a credible, affordable pension plan to incentivise departures. In addition, voluntary departure schemes, perhaps designating particular groups such as senior age cohorts, have been designed elsewhere with well-targeted severance conditions that seek to avert the adverse selection problems that have been known to accompany voluntary separation arrangements. Finally, involuntary retrenchment schemes – also designed with appropriate severance compensation – can be introduced, particularly in conjunction with “functional reviews” of government organisations to determine which and what types of employees should be made redundant. It has sometimes proved useful to pair such programmes with post-employment training as well as credit assistance, followed up by tracer studies to ensure optimal absorption into alternative labour markets.

### **Standard disarmament and re-integration programs to reduce security sector employment**

Given the need to reduce the weight of security sector employment in South Sudan’s public sector, the general civil service approaches just discussed would need to be undertaken in conjunction with broader military demobilisation and re-integration initiatives. A substantial literature on Demobilisation, Disarmament and Re-integration (DDR) suggests that the tendency to re-integrate warring factions into security sector positions within government may have the (admittedly important) short-term effect of buying peace but, in the longer term, risks bloating the public service with inappropriately skilled personnel, at considerable cost. The remedies for transitioning soldiers into civilian roles depend on the absorptive capacity of private formal and/or informal labour markets.<sup>6</sup> There are many difficult challenges. Vocational (re-) training programs may or may not be able to match the supply of (generally low) skills with market demand. Without jobs, the potential conversion of armed troops into criminal gangs is a danger. The design of departure incentive packages is complex politically and technically. Selection for demobilisation (who, how many) has important implications for future political stability. And assigning a value to a separation package involves a difficult calculus about the reservation price for peaceful exit from the government payroll but also the perception of an appropriate pay-off by the larger citizen public.

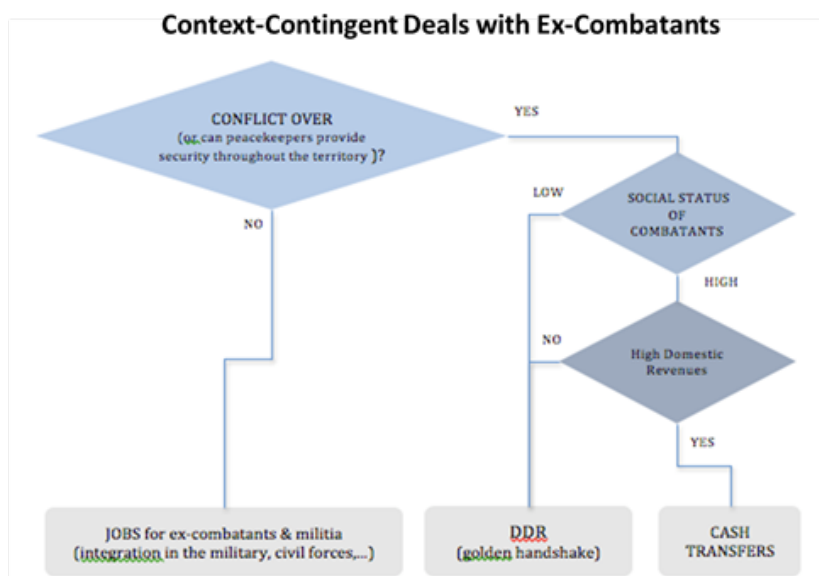
The manner in which these decisions are made largely depends on the nature and stage of the conflict from which the country is emerging, the status of combatants within society, and the resources available for demobilisation compensation. Figure 12 depicts a framework developed by the World Bank for analysing the policy options for demobilisation. In countries where conflict has definitively terminated, combatants are held in high esteem (such as after a heroic struggle for independence) and there is an abundance of domestic revenues, cash transfers often accompany

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6. Studies of civil service retrenchment show better absorption into informal, small-scale activities. See, Alderman, H., S. Canagarajah, and S. Younger. “Consequences of Permanent Lay-off From the Civil Service: Results From a Survey of Retrenched Workers in Ghana” in D. Lindauer and B. Nunberg (eds.) *Rehabilitating Government: Pay and Employment Reform in Africa*. Washington: World Bank. 1994.

demobilisation, according to this conceptualisation. Where combatants are less well regarded and resources are constrained, a more modest, one-off, “golden handshake” is afforded soldiers to remove them from public service (Srivastava 2014.)

**Figure 12: Context-contingent deals with ex-combatants**



Source: World Bank study: Rebuilding Public Services in Post-conflict Countries (Processed 2014)

Several country experiences with DDR may be instructive for South Sudanese policy makers as they contemplate their own demobilisation strategic options. In particular, Sierra Leone, Liberia, and Timor Leste have confronted DDR challenges, which parallel those of South Sudan, as Boxes 2, 3, and 4 recount.

### **Box 2: Sierra Leone**

Like South Sudan, Sierra Leone's public sector had taken on military personnel in large numbers to ensure peace, as it emerged from conflict in the early 2000s. It thus was dealing with bloated employment and a high wage bill as well as a low-paid, corrupt civil service that was failing to deliver needed social sector services. With support from donors (especially the UK and the US), a major organisational reform of the military was undertaken in 2004, offering a severance package of pension benefits to those who had served more than ten years and a one-off financial payment for those whose service had been shorter. The security sector turned its focus to internal policing rather than external threats, and the overall military establishment was reduced modestly (from 15.5 thousand to 10.5 thousand staff.) Human resource management controls for the public service were tightened to link personnel information systems to the payroll to further reduce the wage bill, and spending shifted dramatically towards health, education and police staffing. The programme succeeded in laying the foundation for merit-based practice in the civil service and the military but the lack of post-service training, the limited capacity of the private sector to absorb demobilised military actors, and public controversy over rewarding perpetrators of violence through DDR benefits constrained the scale of the reduction in force.

**Sources:**

Albrecht, Peter, and Paul Jackson. 2010. Security Sector Reform In Sierra Leone, 1997-2007.

Gibril Sesay, Mohamed, and Mohamed Suma. 2009. Transitional Justice And DDR: The Case Of Sierra Leone.

### **Box 3: Liberia**

Liberia also emerged from its civil war with a bloated public service that included ex combatants. Spending on health and education was low. The private sector's capacity to absorb redundant military labour was limited, with unemployment rates hovering around 85% during much of the 2000s. With significant US assistance, a DDR program disarmed around 90,000 combatants and reduced the official military sector from 15,000 to 2,000, providing compensation in the range of US \$4000 to demobilised soldiers through a carefully designed separation program. A significant number of military remained on the payroll, causing years of unaffordable wage bills that prompted the initiation of a more comprehensive civil service reform effort to constrain personnel expenditures and downsize staff. The initiatives were only moderately successful, due to the political resistance mounted to stall reforms. But government did succeed in shifting expenditures away from defence towards health and education, whose share of spending reached close to 30 percent by the end of the 2000s.

**Sources:**

Malan, Mark. 2008. Security Sector Reform In Liberia: Mixed Results From Humble Beginnings. Strategic Studies Institute, U.S. Army War College. <http://www.StrategicStudiesInstitute.army.mil/>

SSRresourcecentre.org. 2015. 'SSR Country Snapshot: Liberia | Security Sector Reform Resource Centre'. <http://www.ssrresourcecentre.org/countries/ssr-country-snapshot-liberia/>

#### Box 4: Timor Leste

Timor Leste's post-conflict experience bears a marked similarity to that of South Sudan. In its post-independence period, the country faced the challenge of demobilising security personnel, managing newly discovered oil resources, and setting up national public service institutions in a context of linguistic and ethnic diversity and low human resource capacity. Government introduced a veterans' policy to demobilise independence fighters. They provided combatants five months of transition pay and financed small livelihood generation projects, along with access to government pensions. Nonetheless, the failure of the economy to absorb many ex-combatants and the exclusion of some factions in the newly structured military establishment resulted in violent protests that nearly brought down the government in 2006. Cash transfers to former soldiers and groups of internally displaced persons on the streets of the capital - along with the reintegration of some disgruntled military officers into official positions in government - helped diffuse tensions. The government sought to protect oil revenues in a Norwegian assisted Petroleum fund, but it also maintained the need to rebalance expenditures towards social service delivery as a consistent priority. As time passed, the wage bill came under pressure from patronage hiring into the civil service, but government managed to contain personnel spending, which constituted just 14% of total expenditures by 2013.

#### Sources:

International Crisis Group. 2013. Timor-Leste: Stability At What Cost?. Asia Report No. 246 | 8 May 2013. International Crisis Group.

Timor-Leste, Papua New Guinea and Pacific Islands Country Management Unit East Asia and Pacific Region,. 2008. Defining Heroes: Key Lessons From The Creation Of Veterans Policy In Timor-Leste. Report No. 45458-TP. Washington, D.C.: World Bank.

World Bank Social Protection Unit. 2014. Creation Of A Reformed Pension System For Civil Servants In Timor-Leste. World Bank Group.

In addition to these cases, it's worth noting a few DDR approaches taken in other regions. In Bosnia and Herzegovina, an International Organisation for Migration (IOM)-managed project provided grants and individual counselling on entrepreneurship. Similarly, Serbia provided assistance to around 5000 discharged defence personnel who were also given access to interest-free micro-loans for small business creation.<sup>7</sup> Finally, Afghanistan pursued policy options that included public works. It employed former soldiers for 12 months to remove land mines and provide services to their own communities.<sup>8</sup>

The basic elements of these experiences are presented in Table 3. A few broad principles can be distilled here. First, the most costly options, including jobs on the payroll or generous cash transfers, are likely viable only in the presence of high levels of domestic revenues or significant

7. See [https://www.iom.int/jahia/webdav/site/myjahiasite/shared/shared/mainsite/events/docs/Compendium\\_DDR\\_SSR\\_March2012.pdf](https://www.iom.int/jahia/webdav/site/myjahiasite/shared/shared/mainsite/events/docs/Compendium_DDR_SSR_March2012.pdf)

8. See <http://www.irinnews.org/report/24444/afghanistan-mine-action-for-peace-helps-reintegrate-ex-combatants>



international partner largesse. Second, the more effective employment transitions, have so far focused mainly on informal economy opportunities and small enterprise generation, sometimes through access to micro-credit facilities. None of the examples undertook full-scale DDR until conflicts were terminated. Attention to reform and restructuring of the military sector went hand-in-hand with reform of the broader public service. In most cases, however, pressure to incorporate former military personnel into the public sector led to wage bill problems that continue to be a concern to governments, long after conflict has abated.

**Table 3: Summary of security sector reform elements in several post-conflict countries**

	Liberia	Sierra Leone	Timor Leste
Reform Approach	Rebuilt military from ground up and reduced force size	Rebuilt military from ground up and reduced force size	Veterans policy and large cash transfers from Petroleum Fund
Funding	External support from US	External support from UK	Petroleum Fund
Incentives	Compensation according to seniority	Pensions and compensation according to seniority	Large cash transfers, transition pay, veterans retirement
Private sector absorptive capacity	Low	Low; limited ability to downsize and successfully reintegrate	Medium; small livelihood/income generation projects used

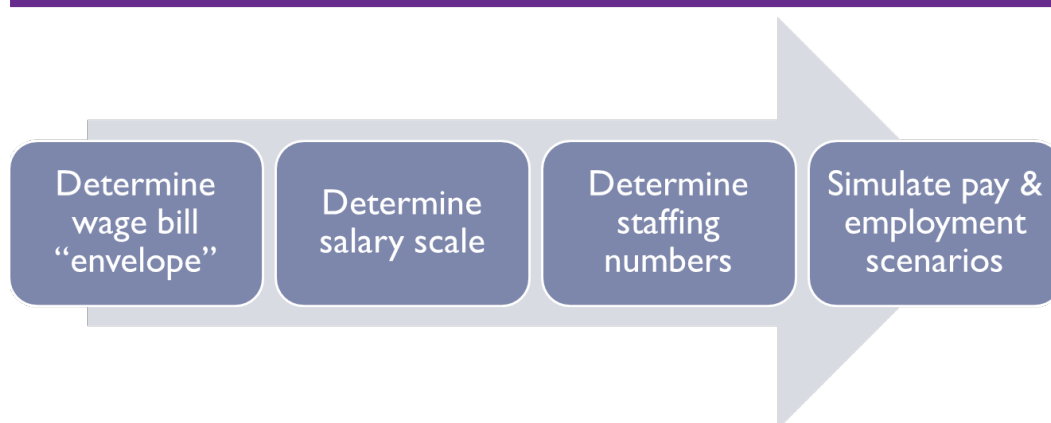
### From the outside: Some ideas and priorities for South Sudan

In the transition to peace and in building a public sector that can deliver on the developmental objectives South Sudan hopes to achieve in future, restructuring and reform – including rightsizing – will need to take place both in the civilian elements of the civil service as well as in the security-related sectors. These will need to be closely coordinated, but carried out separately. The following are an “outsider’s” ideas on considerations policy makers may wish to take on board as they move forward with this restructuring effort.

- First, some combination of voluntary and involuntary separation programs (both for civilian and military personnel) will likely be required. The design of programmes may differ for different types and levels of military personnel. So, for example, positions in the military establishment may be appropriate to afford to some individuals in the higher ranks of combatant leadership, while only “golden handshakes” may be suited to foot soldiers.
- It may be appropriate to integrate some ex-combatants into the public sector workforce, but they should not be incorporated into the civil service proper without submission to entrance criteria that are function-related and broadly merit-based.

- Large-scale reductions in force (voluntary and/or involuntary) and redeployment for the military will likely need to be supported with external financing, in light of current fiscal constraints. (Financeable elements might include: lump sum separation payments, short-term vocational training and/or counselling, and micro-credit facilities.)
- Consider redeploying security personnel to dedicated public works projects that would address short-term recovery needs such as infrastructure rehabilitation or community-based services. Such programmes could not only address immediate employment generation concerns but could advance vital short-term reconstruction and rehabilitation needs. Sunset clauses would need to be introduced with clear transition to private employment to prevent welfare dependency. To the extent that partnerships could be forged with private and non-profit entities to collaborate with the public sector in these initiatives, such projects might provide useful laboratories for future economic cooperation.
- Steps to reduce the wage bill in general will be needed in the short-term. A range of actions could be put in train:
  - Utilise an analytic tool, a variant of the Civil Service Financial Model, widely employed by the World Bank to develop a strategic plan for re-dimensioning the public sector (see Figure 13).
  - The above might be coupled with a “strategic” Functional Review to determine the proper functions and associated staffing for the civil service going forward.
  - It will also be a near-term priority to strengthening the human resource management and e-payroll systems (HRMIS and SSEPS) to track and control public sector employment. Most likely, a Civil Service Census will be needed to feed accurate information into these systems.

**Figure 13: World Bank civil service financial model basic steps<sup>9</sup>**



9. For further detail please see World Bank PREMNote 105 (February 2006), Modeling Pay and Employment.

- In addition to reducing and redeploying security sector employment, Government will need to consider how to shift staffing resources towards service delivery, particularly in health and education.
  - Alternatives to direct state provision are certainly options that should be reviewed, if non-governmental or external partners are available in the immediate term, with strategies for transitioning to national provision, where appropriate.
  - To the degree that civil service staffing is to be reallocated toward front-line delivery, conditions of service that provide special premia for these jobs - particularly in remote areas - might be put in place.
- Designing short-term programmes, likely with external partner support, to provide targeted incentives to attract non-resident South Sudanese, to these critical service areas, through ‘Transfer of Knowledge Through Expatriate Nationals’ (TOKTEN) and other mechanisms to repatriate the diaspora, may be of interest.
- Finally, an organised programme to draw on the expertise and experience of other countries that have successfully engaged in post-conflict institutional reforms, such as Rwanda or some of the cases referenced in this note, could provide practical guidance to South Sudan as it navigates the difficult challenges that lie ahead.

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