

South Sudan: Recent Development & Implications for Growth

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Overview

- I will focus on: growing out of conflict – prioritisation and implementation.
- Basic facts:
 - Landmass as large as France;
 - 51% of population live below the national poverty line;
 - No more than 200 km of paved roads;
 - No exports, except oil!



Source:

[http://www.tearfund.org/en/what we do and where/countries/east and central africa/south sudan/](http://www.tearfund.org/en/what_we_do_and_where/countries/east_and_central_africa/south_sudan/)

Background

- Before the CPA there was conflict, no investment, no planning, no government oversight in South Sudan;
- The CPA created an environment economic growth. And South Sudan became independent!
- We're starting from a very low base – little production rapid urbanisation, huge numbers of returnees.

Key Facts

- \$1,546 GDP per capita;
- \$984 GNI per capita ;
- 32% population under 5 and 68% under 30;
- Only 40% literate between 15-24;
- Infant Mortality Rate 75 per 1,000 live births;
- Under-5 Mortality Rate 105 per 1,000 live births;
- 84% business employ less than 3 people;

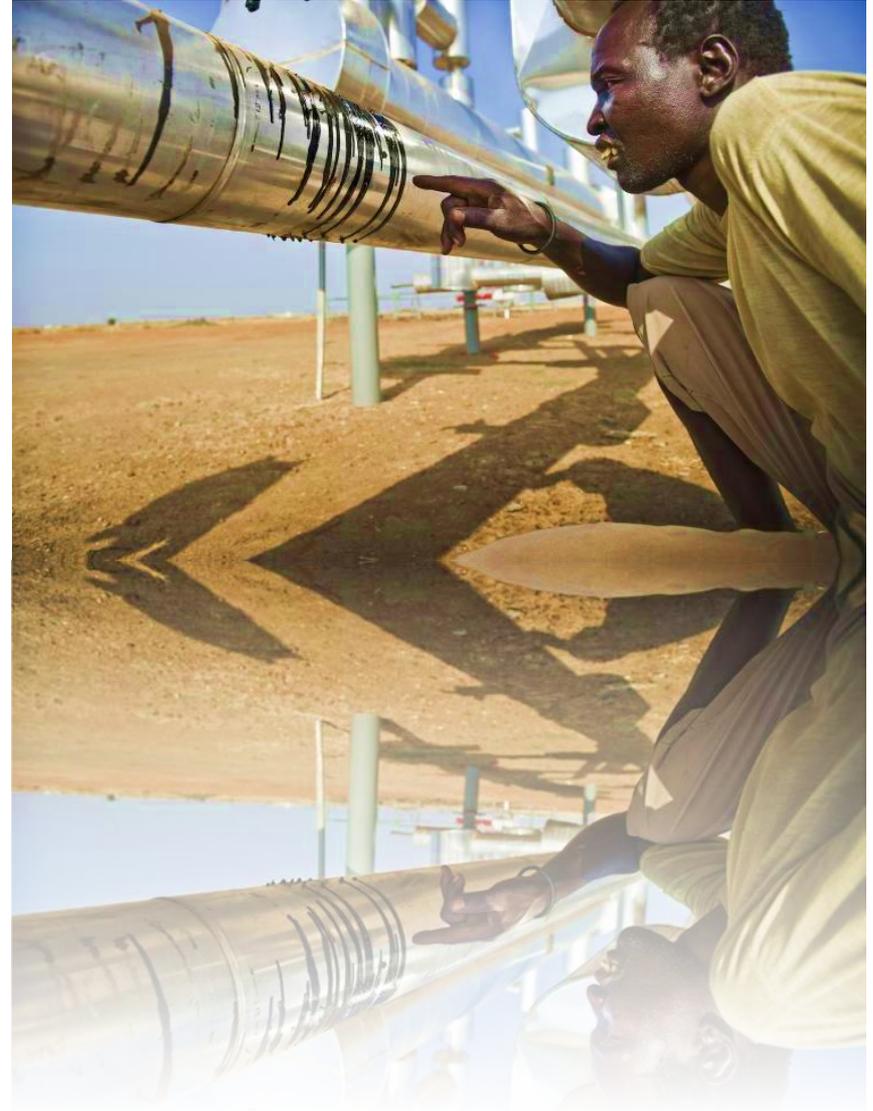
Finding a focus for growth?



- Growing out of conflict is hard. You have to start from scratch – from nothing.
- After the CPA there was the JAM – the road map for South Sudan. It was a large, complex document, targeting stability first and then development.
- It was too much, too fast. Not enough prioritisation and thinking on the how to.

Focusing on growth

- Shocks to Government revenue, lead to a change in thinking.
 - The 2009 oil price shock;
 - Negotiations with the North, and;
 - Increasing global price volatility.
- Need to think differently
 - begin to develop narrative of economic independence.
- Culminated in the SSDP



Prioritising our policies

Policies - yes

- These policies (SSDP, SPLM Economic Strategy, etc.) identify key constraints to growth.
- The SSDP focuses on key sectors – minerals, agriculture & livestock, and private sector investment.

But which one?

- Prioritising policies is a challenge.
 - How do you deal with insecurity?
 - AfDB estimates that connecting each State will cost \$10 bn.
 - Improving access finance has been limited.

Our Challenge: policy to action

The Challenge

- Our challenge: taking policy, prioritising it and turning it into action.
- Have to overcome three constraints to action:
 - Prioritisation
 - Capacity
 - Complexity



From policy to action

Our successes

Harmonising
Taxes

Improving the
business
environment

Infrastructure
development

Expanding
access to
education

Lessons

1. Prioritise.
2. Be sensitive to political realities.
3. Take your time: need to build consensus amongst the key actors involved.
4. Have a road map.

Conclusions

- Started from small base, but with significant potential.
- Turning policy to action is challenging, you need a strategy – a road map.
- Questions for you?
 - What policies do you think should be priorities to achieve the key outputs. We cannot do it all, so what should we do?
 - How should these policies be determined and how have they been implemented elsewhere?
 - What sort of evidence should we be looking for?



Thank you