



Republic of South Sudan

## Revised National Development Strategy



# Consolidate Peace and Stabilize the Economy





*Revised National Development Strategy 2021–2024: Consolidate peace and stabilize the economy*

© Republic of South Sudan and United Nations Development Programme

Juba, 2021

# CONTENTS

Figures	4
Tables	5
Abbreviations and acronyms	6
Preface	7
Foreword	9
Acknowledgements	11
Executive summary	12

## **Part One** **18**

<b>Chapter One: Introduction</b>	<b>19</b>
1.1 Purpose of the Revised National Development Strategy	20
1.2 The NDS review process	20
1.3 Organization of the R-NDS	22
<b>Chapter Two: The development context</b>	<b>23</b>
2.1 Conflict and peacebuilding initiatives	23
2.2 Humanitarian situation	25
2.3 Impact of COVID-19 and response	25
2.4 Fragility	25
2.5 Regional dynamics	27
2.6 Poverty	27
2.7 Macroeconomy	28
<b>Chapter Three: Strategic framework</b>	<b>32</b>
3.1 Introduction	32
3.2 Vision	32
3.3 Goal	32
3.4 Core objectives	32
3.5 Guiding principles	32
3.6 Approach	33
3.7 Alignment and prioritization	35
3.8 R-NDS clusters	36

**Part Two****38**

<b>Chapter Four: Governance cluster</b>	<b>39</b>
4.1 Introduction	39
4.2 Key issues	40
4.3 Goal	40
4.4 Objectives	40
4.5 Description of priorities	41
4.6 Governance cluster results framework	45
<b>Chapter Five: Economic cluster</b>	<b>47</b>
5.1 Introduction	47
5.2 Key issues	47
5.3 Goal	47
5.4 Objectives	47
5.5 Description of priorities	48
5.6 Economic cluster results framework	49
<b>Chapter Six: Services cluster (social development)</b>	<b>51</b>
6.1 Introduction	51
6.2 Key issues	51
6.3 Goal	51
6.4 Objectives	52
6.5 Description of priorities	52
6.6 Social service cluster results framework	56
<b>Chapter Seven: Infrastructure cluster</b>	<b>58</b>
7.1 Introduction	58
7.2 Key issues	58
7.3 Goal	58
7.4 Objectives	59
7.5 Description of priorities	59
7.6 Infrastructure cluster results framework	61
<b>Chapter Eight: Gender, youth and other cross-cutting issues</b>	<b>63</b>
8.1 Introduction	63
8.2 Key issues	63
8.3 Goal	63
8.4 Objectives	63
8.5 Description of priorities	64
8.6 Gender mainstreaming and women's empowerment	64
8.7 Cross-cutting cluster results framework	69

---

## **Part Three** **70**

---

### **Chapter Nine: NDS financing** **71**

---

9.1 Introduction	71
9.2 2021–2024 financing requirements for R-NDS implementation	71
9.3 Financing options and strategies	73
9.4 Conclusion	78

### **Chapter Ten: Implementation arrangement** **79**

---

10.1 Delivery and coordination mechanisms	79
10.2 Partnership	82
10.3 Monitoring and evaluation	84
10.4 Risks and mitigation plan	85

### **Chapter Eleven: Concept note – looking ahead to the 2024–2028 NDP** **86**

---

11.1 Introduction	86
11.2 Anticipating the context of the medium-term National Development Plan	86
11.3 Key underpinning assumptions for the design process	87
11.4 Other considerations for launching a full-scale medium-term plan	87
11.5 Governance of the design and implementation process	87
11.6 Background studies of major themes anticipated for National Development Plan II	88
11.7 Deepening ongoing initiatives in the R-NDS	89
11.8 Conclusion	90

## **Annexes** **91**

---

### **Annex 1: Sector working groups** **91**

---

### **Annex 2: A brief review of the implementation of the NDS 2018–2021** **106**

---

### **Annex 3: Realignment organizational structure** **107**

---

### **Annex 4: Expenditure scenarios for 2021–2024** **109**

---

### **Annex 5: Methodology to estimate R-NDS financing requirements** **112**

---

### **Bibliography** **116**

---

# Figures

Figure 1: Humanitarian needs	24
Figure 2: Trends of humanitarian funding	25
Figure 3: Socioeconomic impact of COVID-19	26
Figure 4: Status of the PSGs in South Sudan, 2021	27
Figure 5: Comparison of fragility ratings	27
Figure 6: Poverty trends	28
Figure 7: Sectoral GDP share	29
Figure 8: Inflation trends (2012–2021)	29
Figure 9: GDP growth forecast	30
Figure 10: External sector	31
Figure 11: Prioritization of SDGs for the R-NDS	35
Figure 12: South Sudan governance indicators 2016–2019	39
Figure 13: Corruption Perception Index, 2019	43
Figure 14: Percentage of household heads and their level of education	53
Figure 15: Primary school dropouts by states and gender, 2018	53
Figure 16: Percentage of teachers per school type and training	54
Figure 17: Main corridors in South Sudan	60
Figure 18: Youth literacy in South Sudan, 2008–2018	65
Figure 19: Average monthly temperature and rainfall in South Sudan from 1901 to 2016	67
Figure 20: Overall financing needs estimates versus revenue flows (projected)	73
Figure 21: Oil and non-oil revenue, in SSP and percentage of GDP	74
Figure 22: Oil production, price development and revenue	75
Figure 23: Share of GRSS capital expenditure in central government	78
Figure 24: Path to a mutual accountability framework	82
Figure 25: Laying the groundwork for a holistic financing strategy	90

# Tables

Table 1: Governance structures of the R-NDS	21
Table 2: Priorities from national consultations	37
Table 3: Road types	59
Table 4: Adherence to the 35 percent quota	64
Table 5: South Sudan's emission reduction pathway	67
Table 6: Cost simulation per R-NDS cluster (\$ millions, unless otherwise indicated)	71
Table 7: Results of the 2018 Global Partnership for Effective Development Cooperation monitoring exercise	77
Table 8: Simulation of financing gaps according to different revenue and financing scenarios, \$	109
Table 9: GRSS – financing the R-NDS baseline scenario (billions SSP, unless otherwise indicated)	110
Table 10: GRSS – financing the R-NDS investment scenario (billions SSP, unless otherwise indicated)	111
Table 11: Assumptions and sources per cluster	112

## Abbreviations and acronyms

<b>ARCSS</b>	Agreement on the Resolution of the Conflict in South Sudan
<b>DFA</b>	Development Finance Assessment
<b>FY</b>	Fiscal Year
<b>GDP</b>	Gross Domestic Product
<b>GHG</b>	Greenhouse Gas
<b>GRSS</b>	Government of the Republic of South Sudan
<b>ICT</b>	Information and Communications Technology
<b>IMF</b>	International Monetary Fund
<b>INFF</b>	Integrated National Financing Framework
<b>km</b>	Kilometre
<b>NDC(s)</b>	Nationally Determined Contribution(s)
<b>NDS</b>	National Development Strategy
<b>ODA</b>	Official Development Assistance
<b>PFM</b>	Public Finance Management
<b>PSGs</b>	Peacebuilding and Statebuilding Goals
<b>R-ARCSS</b>	Revitalized Agreement on the Resolution of the Conflict in South Sudan
<b>R-NDS</b>	Revised National Development Strategy
<b>R-TGoNU</b>	Revitalized Transitional Government of National Unity
<b>SDGs</b>	Sustainable Development Goals
<b>SSP</b>	South Sudanese Pound
<b>tCO<sub>2</sub>e</b>	Tonnes of Carbon Dioxide Equivalent
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organization
<b>UNICEF</b>	United Nations Children's Fund
<b>°C</b>	Degree Celsius
<b>\$</b>	United States Dollar



# Preface



*On that glorious day, 9 July, 2011, we raised our own flag high in the sky, as all our people and freedom-loving peoples around the world joined in unison to celebrate the birth of a new nation. This was achieved out of decades of struggle, death and despair. As our people gazed into the sky, observing the black, red and green emblem interspersed with white stripes fluttering in a freedom dance with the wind, they were teeming with hope. But since then the freedom dance has been disrupted again and again by violence and instability, mainly orchestrated by us, members of the political elite.*

In September 2018, we agreed that pursuing violent confrontation will destroy our nation and deny our people the opportunity to fully express themselves in freedom and dignity. We resolved from then on to address all differences and pursue both individual and collective interests through negotiation and dialogue. I am confident that the relative stability we have enjoyed since the signing of the Revitalized Agreement on the Resolution of the Conflict in South Sudan (R-ARCSS) is testimony to our determination to fully implement the Agreement and usher our country into a new era of hope and progress.

The R-ARCSS mandates the Revitalized Transitional Government of National Unity (R-TGoNU) to review and revise the National Development Strategy (NDS) as an instrument for implementing the Agreement and for returning our nation to its development trajectory. Under the leadership of the Minister of Finance and Planning, the R-TGoNU consulted extensively with the people of South Sudan in all 10 states and the three administrative areas. Academia, the media, civil society organizations, our development partners and

the Transitional National Legislative Assembly were all engaged to ensure the priorities in the Revised NDS (R-NDS) represent their aspirations for sustainable development.

Since the R-NDS is a three-year transitional development framework, we cannot commit to all the recommendations made during the consultations. However, we promise to incorporate all of them in future development planning cycles. In this R-NDS we focus on those priorities that will accelerate the implementation of the R-ARCSS, lay foundations for sustained peace and stabilize our economy. Governance that advances an inclusive and peaceful society, establishes the rule of law and strengthens institutions to deliver services is foundational to all the activities in the R-NDS. These priorities are closely followed by a focus on health, education and food security – the drivers of human capital development. Our country's poor performance in these sectors, as reported in global indices, is unfavourable. Confronting the challenges in our health, education and food security sectors should be our new liberation struggle. It should mobilize our collective action, no matter one's political persuasions.

Our nation has adopted a federal system of governance. In this system, the delivery of development is in the hands of state and local governments. I call on governors to draw on the R-NDS to set their respective development priorities taking cognizance of the challenges in their states, and to monitor progress on the R-NDS. The sector working groups at national and state levels must work together to lead the R-NDS implementation.

I have instructed the Minister of Finance and Planning to base all future national budgets on the R-NDS. I am happy to note that deliberations on FY2022/23 budget planning have fully incorporated the priorities of the R-NDS. We must lead our own development, and this must be reflected in government expenditure. At the same time, we equally recognize the immense efforts and partnerships of our humanitarian and development partners. They have been with us throughout our journey. The R-TGoNU and the people

of South Sudan look forward to the continuation of these partnerships. We count on your support to get us there. Through this R-NDS, we want to strengthen our systems to graduate to full partnership as defined by the Busan Agreement on Aid Effectiveness.

By launching this R-NDS, I reset the development agenda and call on all South Sudanese at home and abroad to rekindle the hope of our nation. We have pledged to build a nation that is free, equal, just, peaceful and prosperous. The only path to achieving this dream lies in investing our resources, efforts and talent in sustainable development.

His Excellency General Salva Kiir Mayardit  
**President of the Republic of South Sudan**

# Foreword

*Development planning in South Sudan dates back about eight years to when the South Sudan National Development Plan (SSNDP) 2011–2013 was first published. The SSNDP was extended to 2016, and then eventually was succeeded by the South Sudan National Development Strategy (SSNDS) 2018–2021, which has now been revised into this document as required by the Revitalized Agreement on the Resolution of Conflict in South Sudan (R-ARCSS).*

Cognizant of the challenges in the implementation of the SSNDP and the SSNDS, the Revised NDS (R-NDS) has unique features and expounds on opportunities to ensure effective implementation of the plan. The R-NDS:

- *is a tool to continue the implementation of the R-ARCSS;*
- *embodies national aspirations to slowly move from dependence on humanitarian aid to a development trajectory;*
- *includes initial steps to shift away from dependence on oil to a diversification of our economy; and*
- *has adopted a comprehensive implementation framework in close collaboration with our development partners.*

The R-NDS is also unique in that it is fully costed, has a clear implementation plan and lays out a road map for the development of the future medium-term plan.

The R-NDS was prepared based on the premise that development can be pursued in complex emergency settings if it is risk-informed and focused on building the resilience of people, communities and institutions. We have therefore adopted the triple nexus approach to the implementation of the R-NDS, to ensure that it is not derailed or disrupted because of crisis – natural or man-made – and that it will gradually lift our people from the prevailing dire humanitarian conditions.

A peaceful and secure environment is a prerequisite for progress in economic development, and economic development can be a major contributor to sustainable

peace. The R-NDS is developed on and builds on this premise, noting that our economy can only thrive in a peaceful environment. Consequently, the governance cluster will implement key provisions in the governance chapter of the R-ARCSS, including the constitution-making exercise, reconciliation and reintegration of combatants, and these will have a positive impact on the economic cluster. Equally, the focus of the economic cluster in chapter 4 of the R-ARCSS on maintaining macroeconomic stability, ensuring inclusive growth, providing social safety nets and social protection and promoting economic diversification can contribute to a peaceful environment through a reduction in resource-related conflict. The positive correlation between peace and security and economic development underscores the importance of economic development as an enabler of peace.

The R-NDS was initially planned to cover two years since it is aligned to the implementation of the R-ARCSS. It is noted that this time would be too short for a development strategy – something that had been learned from the three-year extension of the SSNDP. The government therefore decided to extend the implementation of the R-NDS to three years. The third year is considered a settling-down period for the post-transition elected government, and can be used to finalize implementation, conduct evaluation and roll out a road map for the four- to five-year medium-term development plan.

A realistic financing strategy for the implementation of the R-NDS has been prepared and is driven by the national budget. In the strategy, the delivery of development in South Sudan is the responsibility of the state authorities. However, given that we are at a nascent stage of ensuring a fully functional federal system, we have proposed the delivery of the R-NDS be done

through the sectors. State and local government authorities will be gradually empowered and will play a coordination and monitoring role in the implementation of the R-NDS.

The Ministry of Finance and Planning will take the lead, in collaboration with all government agencies, and provide oversight for the implementation of the R-NDS. My ministry will set up and facilitate all structures of the implementation of the R-NDS, as outlined in chapter 10. We will ensure that the coordination mechanism, the High-Level Partnership Forum, the quarterly government donor forum, the Interministerial Appraisal Committee, sector working groups and the aid information management system will be operationalized. In conclusion, I thank the SSNDS Secretariat for facilitating the review process of the R-NDS. I thank our development partners for their technical and financial support in this

tremendous process. I commend the contribution of the Ebony Center for Strategic Studies for conducting the countrywide consultations. I extend my sincere appreciation to the United Nations Development Programme for its valued support to the government at this difficult time.

On behalf of the government and on my own behalf, I thank all those who contributed and provided inputs to the R-NDS. I call on you all to provide your continued support to ensure that we fully implement the R-NDS and meet the objectives outlined in the document.

Agak Achuil Lual

**Hon. Minister of Finance and Planning**  
**Ministry of Finance and Planning**

# Acknowledgements

The review and revision of the South Sudan National Development Strategy (SSNDS) has been possible due to efforts of many stakeholders. Inputs have been provided by many people and an extensive review process has been followed.

We extend our sincere thanks to the leadership of the Revitalized Transitional Government of National Unity, the President of the Republic of South Sudan, H. E. Gen. Salva Kiir Mayardit, and the vice-presidents for their guidance and motivation in driving the revision of the NDS as required by chapter 4 of the Revitalized Agreement on the Resolution of the Conflict in South Sudan.

The Ministry of Finance and Planning is grateful to the government spending entities, sector working groups and private sector for their contributions to the review process. We are indebted to various technical specialists for their time and contributions to mainstreaming gender issues and the Sustainable Development Goals, for the financing framework and for updating the cluster goals and results framework.

Many thanks also go to civil society organizations, faith-based organizations, youth organizations, women's organizations/groups, organizations for people with disabilities, academia, the media and all other national institutions for their unflinching support of this national effort.

We are grateful to the United Nations system, and all other international actors that provided support for the NDS review. Specifically, we want to acknowledge the significant contributions made by the United Nations Development Programme for providing technical, logistical and financial support for the process. The engagement of our development partners in the review was invaluable and we hope this collaboration continues during the implementation phase.

Finally, we extend gratitude to the SSNDS Secretariat, Hon. Ocum Genes Karlo and Hon. Angelo Deng Rehan, Undersecretary for Planning, who coordinated the entire process of SSNDS review.

# Executive summary

## Introduction

The National Development Strategy 2018–2021 (NDS) is South Sudan's second development blueprint. The Revitalized Agreement on the Resolution of the Conflict in South Sudan (R-ARCSS) mandates the Revitalized Transitional Government of National Unity (R-TGoNU) to review and revise the NDS to align it with the Peace Agreement. The revision extends the NDS to 2024.

The purpose of the review is to:

- *reprioritize activities in the original NDS to support implementation of the R-ARCSS;*
- *reset the country on a sustainable development path and initiate re-engagement with the country's development partners to achieve the 2030 Sustainable Development Goals (SDGs) and Africa Agenda 2063; and*
- *set out a road map for the development of a four-year comprehensive medium-term National Development Plan (NDP) to usher in a post-transition democratically elected government.*

## Goal and objectives of the R-NDS

The Revised NDS (R-NDS) reinforces South Sudan's Vision 2040: **towards freedom, equality, justice, peace and prosperity for all**, which remains the national vision towards which all national development strategies should contribute. In pursuit of that vision, the **goal** of the R-NDS is to consolidate peace, stabilize the economy and return to sustainable development, by achieving the following core objectives:

- *Establish and/or strengthen institutions for transparent, accountable and inclusive governance;*
- *Foster macroeconomic stability and lay foundations for the diversification of the economy;*

- *Build critical infrastructure for sustainable development, including roads, energy, public buildings and broadband capability;*
- *Increase support to the social sector for human capital development and protect the vulnerable population, to leave no one behind; and*
- *Mainstream gender in all development policies and programmes and empower women and youth as drivers of growth and nation-building.*

## Principles of the R-NDS

The pursuit of these objectives will be guided by the principles of democracy, rule of law, international relations and environmental sustainability through a strategic approach, the key features of which are:

- *government leadership;*
- *partnership and coordination;*
- *addressing the triple nexus – i.e., the interconnectedness of the peace, development and humanitarian challenges and the need for an equally integrated response;*
- *inclusion and spatial representation;*
- *youth-centeredness and the importance of empowerment;*
- *a focus on investment in value chain development; and*
- *results orientation.*

## The NDS review process

To make up for the lack of sufficient consultations during the 2018–2021 NDS formulation process, the review prioritized comprehensive consultations. The Ministry of Finance and Planning led the NDS review process and constituted an NDS steering committee and a secretariat and reinvigorated sector working groups to produce the R-NDS.

## Components of the NDS review and process



The NDS review process, in addition to extensive consultations, included undertaking a fragility assessment, integration of the SDGs, ensuring gender mainstreaming, policy document review and costing the NDS, as well as assessing financing needs, as represented in the infographic.

The main purpose of this review is to align the NDS with the R-ARCSS, in order for it to act as a key instrument of R-ARCSS implementation, albeit not the only one. This has been across all sectors and outcomes in the results frameworks. The regional and global context of South Sudan, and its commitment to international agreements and programmes, requires that the R-NDS is also aligned to the SDGs and Africa Agenda 2063.

### Development context

The review of the NDS took place against the backdrop of the changes that have occurred since the launch of the original NDS. These include:

- *Internal armed conflict that has characterized the country for many years;*
- *Peacebuilding initiatives that took place, culminating in the Agreement on the Resolution of Conflict in the South Sudan (ARCSS), which collapsed, and new initiatives that resulted in the R-ARCSS in 2018;*

- *National dialogue, which ushered in the first truly national conversations since independence and provided an opportunity for every South Sudanese to participate in the articulation of a vision for the country and contribute to establishing the actions required to put South Sudan on a sustainable path to peace and development;*
- *The humanitarian crisis that is still gripping the country, with 8.3 million people (4.4 million of them children) in need of humanitarian assistance, and 2.24 million South Sudanese being refugees in neighbouring countries;*
- *The negative socioeconomic impact of the COVID 19 pandemic, which adds strain and poses a threat to the peace process, as major reforms are still outstanding;*
- *Risks (conflict spillovers, population movement, etc.) of regional instability, impacting on peace, stability and prosperity in landlocked South Sudan; and*
- *Poverty: Some 82 percent of the population of South Sudan is poor, up from 51 percent in 2011. South Sudan ranks 185 out of 188 countries on the 2020 Human Development Index.*

The NDS review process and analysis of the context informed the content, strategy and implementation approach of this R-NDS.

## Clusters of the R-NDS

The priorities that will be addressed by the R-NDS are organized in clusters to reflect the clusters in the R-ARCSS. The five clusters are (i) governance, (ii) economic, (iii) services (social development), (iv) infrastructure, (v) gender and youth (cross-cutting). The goals and strategic objectives of the clusters are summarized below.

### Governance cluster

Several analyses of the crisis in South Sudan have referenced challenges with governance in the country. The limited political, institutional and cultural governance capacity, manifested since 2005, has been acknowledged by both government and partners, and is widely considered as a major contributing factor to the persistent conflict, political polarization and humanitarian crises the country has had to endure. We also recognize that democratic governance creates the essential enabling environment for peace (itself a prerequisite for all other reforms), political maturity and stability, economic and social development, capacity development and equitable service delivery. As a result, the government has agreed on the following goal and objectives for this cluster.

**Goal:** Establish and/or strengthen institutions for transparent, accountable and inclusive governance. To achieve the governance cluster goal, four strategic objectives will be pursued:

1. **Political and legitimate governance:** *Consolidation of peace, preparation of the permanent Constitution, rule of law and security (National Elections Commission), and decentralization and local governance/devolution.*
2. **Economic governance:** *Increase the pace of implementation of the public financial management (PFM) reform agenda, intensify anticorruption measures and improve natural resource management.*
3. **Public sector reforms:** *Radical reform of the civil service, develop systems and undertake manpower planning and implementation.*
4. **Information and communications technology (ICT) and e-governance:** *Procure broadband equipment and institute e-governance.*

### Economic cluster

Economic development is a key cluster that underpins all facets of national development. Despite South Sudan's enormous potential, the country has regressed since independence because of continued internal conflicts. With the implementation of the Peace Agreement and the relative peace the country enjoys, the government will focus on growing the economy and ensuring that the resources of the country benefit current and future generations. This is reflected in the R-NDS, which proposes addressing urgent economic development challenges as well as developing the policies and strategies that will drive the economy in the medium to long term. Therefore, for the economic cluster, the government will focus on the following goal and objectives.

**Goal:** Foster macroeconomic stability and lay foundations for the diversification of the economy. To achieve the goal, four strategic objectives, also contained in the original NDS, are carried forward in the R-NDS:

1. *Finalize legal and institutional frameworks for economic growth.*
2. *Meet the East African Community Basel Core Principles and international requirements.*
3. *Enhance revenue mobilization and strengthen PFM.*
4. *Develop basic economic infrastructure.*

### Services cluster

The provision of services is critical in building and strengthening the relationship between government and the people and the social contract, and equally important for building much-needed human capital for sustained economic development. In South Sudan, however, investment in social development remains low, due largely to the distraction of conflict and a declining economy. This poses a risk both for the hard-won relative peace and trust in the government's ability to meet the needs of her people. With a large population of refugees, internally displaced persons and returnees (together with host communities), as well as more than half of the country's population in need of humanitarian assistance, the provision of social safety nets is at the heart of the livelihoods of many South Sudanese. This is why the government has committed to focus on the following goal and objectives.



**Goal:** Increase support to the social sector for human capital development and protect the vulnerable population, to leave no one behind. To achieve this goal, the following objectives have been identified for the service cluster:

1. Develop a **comprehensive plan for human capital formation** which entails undertaking a national capacity assessment, provision of adequate equipment and infrastructure, and investment in teacher education and training curricula.
2. Provide **affordable health care** by establishing health provision hierarchy from primary health to critical care, investing in infrastructure and developing the health workforce.
3. Expand on the **provision of social safety nets** to cover non-contributing to contributing options, ensuring a shift from providing temporary relief to a more sustainable response to vulnerabilities.
4. Strengthen human and institutional capacity for efficient and effective social services.

### Infrastructure cluster

South Sudan currently has inadequate basic infrastructure services such as roads, sewer networks, electric power systems, Internet capacity and penetration, and a host of other infrastructural requirements. Infrastructure is seen as a catalyst for development and plays a pivotal role in the equitable development of the country. These needs have informed the selection of the goal and objectives for this cluster which government will prioritize in the implementation of the R-NDS.

**Goal:** Build critical infrastructure for sustainable development, including roads, energy supply, public buildings, and broadband capability. The infrastructure cluster will seek to achieve the following objectives:

1. Expedite action for the development of infrastructure such as roads and bridges.
2. Support the private sector to increase accessibility and affordability of Internet services through the provision of broadband capacity with reach to all states.
3. Create the legal and regulatory environment to incentivize private companies in infrastructure development.

4. Secure public-private partnerships to expand transport infrastructure to include railways, river transport and airports development, including transmission networks.
5. Train and retain qualified staff for efficient and effective delivery of the cluster goal.
6. Initiate processes to operationalize the development of the Ramciel City plan.
7. Expedite action for the development of oil refining capacities through public-private partnerships.

### Gender, youth and other cross-cutting issues cluster

Cross-cutting issues – gender, youth, the environment and capacity development – need special attention to ensure that they are mainstreamed across the entire strategy, from planning through to impact assessment. Any project, in whatever sector at whatever level, designed without taking gender and environmental implications into account is potentially a vehicle for gender marginalization and exacerbating risks to the environment. In the context of South Sudan, where youth are the majority and bear the brunt of the crisis as fighters, victims and the biggest losers from economic, educational and employment collapse, treating youth as a cross-cutting issue is vital and is a deliberate strategy to ensure that they are not marginalized. This approach is applied to the environment and capacity development for the same reasons. Cognizant of the negative impact of gender inequality, youth marginalization, limited attention to the environment and inadequate capacity on development, the government, for this cluster, will focus on the following goal and objectives.

**Goal:** Mainstream gender and all-important cross-cutting development objectives in development policies and programmes, and empower women and youth as drivers of growth and nation-building.

1. Ensure that the permanent Constitution adequately reflects the protection and empowerment of women and youth in all spheres of influence – economic, political and cultural.
2. Invest in vocational training facilities and resources for youth in all states to facilitate employment creation and opportunities.

3. *Roll out the results framework for the Nationally Determined Contributions to reverse environmental degradation and mitigate the impact of climate change with focus on reduction of the country's carbon footprint and waste, as well as address pollution management and climate resilience.*
4. *Undertake comprehensive national capacity assessment of all public institutions to develop a national capacity-building strategy.*

Against the background of South Sudan's current socioeconomic context (intermittent internal conflicts, extreme poverty, unstable macroeconomic situation, high dependence on humanitarian support, etc.), the government recognizes the need to position the country to focus simultaneously on addressing the underlying causes of conflicts, restoring peace and stability across the country in line with the provisions in the R-ARCSS and ensuring economic recovery and the reduction of poverty. This will require, among other actions, the implementation of comprehensive macroeconomic reforms, including measures to reduce inflation and address foreign exchange distortions, and longer-term action to diversify the economy. The NDS is regarded as the vehicle that will lay a solid foundation for the long-term goal to put the economy on a path of sustained growth and development.

### Financing the R-NDS

Data limitations prevented a programme-based costing of the R-NDS; instead, an order-of-magnitude estimate of the resources that it will take to implement the R-NDS during the 2021–2024 period has been established. The implementation of the three-year R-NDS is projected at US\$7.2 billion (\$2.2 billion in year 1, \$2.48 billion in year 2, and \$2.55 billion in year 3).

The R-TGoNU commits to funding the R-NDS with a financing strategy that assumes that all government policies, programmes and budgets will be based on the R-NDS. Therefore, all resources available to South Sudan will be applied in accordance with the R-NDS national priorities and implementation arrangements. In addition, government will put in place mechanisms that ensure that South Sudan will be able to mobilize domestic revenue more effectively; manage oil revenues more strategically; promote the mobilization of non-oil revenue; enhance and systematically promote and incentivise the contribution of

domestic private finance and remittances; and enhance fiscal space and public investments.

To increase fiscal space, the short-term strategy to finance the R-NDS 2021–2024 will focus on:

- *improving the effectiveness of tax collection through a fully functional revenue authority and diversifying the fiscal base;*
- *reorienting expenditure towards capital spending and reducing military and wasteful spending;*
- *increasing oil revenues through strategic management of existing resources; and*
- *accelerating economic and financial management reforms (Article 4.1.7 of the R-ARCSS) and attracting external financing to strategic R-NDS priorities.*

An important strategic focus of the R-NDS is to lay the foundation for a holistic medium- to long-term financing strategy. This is to ensure that our country's financing needs are matched with a resource mobilization policy, and also allows for better management and alignment of all available resources behind the agreed strategic priority actions.

### Implementation arrangement for the R-NDS

Drawing on the risk-informed development approach, R-NDS implementation will be flexible, adapting to the country's changing context with an inclusive coordination structure that encourages the participation of all stakeholders. This involves oversight coordination and communication; partnership; delivery accountability mechanisms (monitoring, evaluation and reporting); data management; and a risk mitigation plan.

The triple nexus approach, encouraging stronger collaboration and coordination among actors from the fields of development cooperation, humanitarian action and peacebuilding, will provide operational guidance for the implementation of the R-NDS and endorse the government's view that development work can be adapted to crisis situations, not halted. Oversight coordination will be overseen by the Ministry of Finance and Planning through sector working groups. Additional oversight coordination mechanisms will include a high-level partnership forum, an interministerial appraisal committee, a quarterly government development partners forum and sector working groups.

These will be buttressed by a partnership strategy that recognizes the important role development partners and other national and local partners potentially play in the implementation of the R-NDS. The government subscribes to the Busan Partnership for Effective Development Cooperation which commits to national ownership, results orientation, broader multi-stakeholder partnership platforms, and transparency and accountability in the delivery and use of development support. The government re-commits to achieving these benchmarks through the implementation cycle of the R-NDS and to gradually moving towards the use of a country system by development partners in accordance with the Busan Agreement. The government envisages the full support of development partners in its drive to achieving increased domestic financing of development, demonstrated leadership in development coordination, institutional readiness and effective implementation of the PFM reforms.

The R-NDS will rely on one integrated monitoring and evaluation system coordinated at the Ministry of Finance and Planning with support from the National Bureau of Statistics and sector working groups. The monitoring and evaluation framework for the R-NDS will track and assess progress on activities, outputs and outcomes, as well as how these are contributing to achieving South Sudan's 2040 Vision. The framework will also assess government's budget allocation and expenditure on R-NDS activities.

Instability and natural hazards (drought, floods and locust invasion) disrupted full implementation of the previous development plan and strategy. In addition to events such as these, the R-NDS implementation could be derailed by political instability; local violence and conflicts; insufficient government ownership and leadership of the R-NDS; low absorptive and delivery capacity; or a sharp decline in revenue. Mitigation measures will be taken in the event of any or all of these risks happening.

## Looking ahead to 2024–2028

The process of revising the NDS 2018–2021 has highlighted important challenges that need to be addressed for the country to move forward, and which cannot be addressed in the context of the ongoing transition and within the short period covered by the extension of the NDS. On this basis, a concept note for the future NDP II has been prepared which anticipates the context in which the medium-term plan will be developed, identifies key assumptions and other considerations for the design of the NDP II, outlines the governance of the process and highlights critical areas requiring the commissioning of background studies prior to preparation of the NDP II. These will cover four strategic challenges:

1. *Economic diversification*
2. *Human capital development*
3. *Transitioning to a green economy*
4. *Population settlement*

In addition, the concluding chapter proposes the deepening of ongoing initiatives in the R-NDS, such as (i) deepening democratic governance, (ii) sustaining macroeconomic management, (iii) actualizing the implementation of the triple nexus and (iv) fully developing a medium- to long-term holistic financing strategy for development in South Sudan.

Studies, dialogue, consultation and consensus-seeking and -building will be sought during the three years of the R-NDS, in readiness for the medium-term successor NDP II.



**PART**

# 1

**Introduction**

**The development context**

**Strategic framework**

# CHAPTER ONE:

## Introduction

*In 2011, on the heels of independence, the Government of the Republic of South Sudan (GRSS) launched the three-year (2011–2013) South Sudan National Development Plan as “an overarching initial framework for the building of a new nation, to inspire all actors to work together to deliver a shared developmental agenda for the benefit of the South Sudanese people”.*

The government also saw the National Development Plan as a framework to “guide the international community in targeting its support to the GRSS and people of the new Republic...” Constructed around the theme, ‘Realizing freedom, equality, justice, peace and prosperity for all’, the plan had four interrelated focus areas – “state- and nation-building, deepening peacebuilding, preventing conflict, improving security and bringing about a process of rapid economic development to reduce poverty”. The overall objective at the time was to ensure that, by 2014, South Sudan would be a united, peaceful nation, “building strong foundations for good governance, economic prosperity and enhanced quality of life for all”. In recognition of the inherent stability of the country, the GRSS focused on laying foundations that would help the country to “move onto a fast-track development path”.

The hopes and aspirations that characterized the National Development Plan were dashed when a dispute with Sudan ensued in 2012 and led to the stoppage of oil production. The dispute with Sudan was followed in 2013 by a civil war which lasted until 2015, when the Agreement on the Resolution of the Conflict in South Sudan (ARCSS) was signed. This Agreement resulted in the creation of the Transitional Government of National Unity with all the key parties and contestants for power represented. The transitional government extended the National Development Plan by three years to 2016, but the challenging political environment made implementation difficult. By the end of 2016, the fragile peace again disintegrated, leading to a second civil war. The 2016/17 civil war spawned a massive humanitarian crisis,

internal displacement of the population and an exodus to neighbouring countries.

Amid the conflict, and determined to stay the course on the development agenda, the GRSS and its partners designed and launched the 2018–2021 National Development Strategy (NDS) in June 2018. Recognizing the devastating humanitarian impact of the 2016/17 civil war, the NDS aimed to “Consolidate peace and stabilize the economy”. It focused on four clusters: governance, economic, social service and cross-cutting. At the heart of the NDS was meeting the people of South Sudan’s aspirations to *feel safe, enjoy stable prices and have access to basic services*. Implementation of the NDS was overshadowed by peace negotiations, which led to the signing of the Revitalized Agreement on the Resolution of the Conflict in South Sudan (R-ARCSS) in September

**Amid the conflict**, and determined to stay the course on the development agenda, the GRSS and its partners designed and launched the 2018–2021 National Development Strategy in June 2018.

2018. The Revitalized Transitional Government of National Unity (R-TGoNU) defined in the R-ARCSS only came into force in February 2020. Several key elements, such as the appointment of state governors and the Transitional National Legislative Assembly, are being finalized in 2021. These factors have delayed and derailed implementation of the NDS.

### 1.1 Purpose of the Revised National Development Strategy

Several factors have necessitated the review and relaunch of the NDS. First, the R-ARCSS calls on the R-TGoNU to review and relaunch the NDS. Chapter IV of the R-ARCSS (4.3.1.1) directs the Ministry of Finance and Planning to “review and implement the strategic development road map (National Development Strategy) to accelerate progress in achieving a sustainable and resilient national economy”. Second, since the signing of the R-ARCSS, there has been relative peace despite slow progress on achieving the milestones of this Agreement. Third, there is an air of optimism about the economy as the oil price in the global market improves and economies open after restrictions due to the COVID-19 pandemic. Fourth, the GRSS and people of South Sudan agree that the country cannot remain in a state of humanitarian crisis. It must slowly return to a sustainable development trajectory to meet the aspirations of the South Sudanese people, which were enthusiastically demonstrated at the independence of the young state a decade ago. This Revised National Development Strategy (R-NDS) represents our determination to meet this aim. Strategically, it overlaps with the transitional period defined in the R-ARCSS, which allows for the implementation of outstanding activities in the NDS, focuses on support for the implementation of the R-ARCSS priorities and provides an opportunity for agreeing on a road map for post-transition medium- and long-term development planning. In summary, the following are the reasons for the review:

- *Reprioritize activities in the original NDS to support implementation of the R-ARCSS.*
- *Reset the country on a sustainable development path and initiate re-engagement with the country’s development partners to achieve the 2030 Sustainable Development Goals (SDGs) and Africa Agenda 2063.*

- *Set out a road map for the development of a four-year comprehensive medium-term National Development Plan to usher in a post-transition democratically elected government.*

### 1.2 The NDS review process

Developing a strategy is, of necessity, a participatory process. The NDS 2018–2021 was compromised by limited participation due to the conflict situation prevailing in the country at the time of its formulation. Unlike the NDS 2018–2021, this R-NDS benefited from several consultative processes. The Ministry of Finance and Planning constituted an NDS Steering Committee, a Secretariat and reinvigorated sector working groups to lead consultations and produce the R-NDS. The Steering Committee endorsed a set of consultation processes organized into five categories: (i) national consultations with citizens and development partners, (ii) fragility assessment, (iii) review of policies for the integration of the SDGs in the NDS, (iv) gender analysis and mainstreaming and (v) development finance assessment and road map for an integrated national financing framework. The results of these processes informed the content and implementation strategy of this R-NDS.

#### 1.2.1 National consultations

Under the leadership of the NDS Secretariat, extensive demographically diverse and professionally facilitated and analysed national consultations were held across the country at national and state levels. Stakeholders consulted included women, youth, farmers, traders, teachers, traditional and faith-based leaders and civil society organizations, among many others. The consultations ascertained the continued relevance of the objectives and priorities of the NDS and encouraged participants to re-prioritize the areas of support, considering the remaining transitional period of the R-ARCSS. Following the national consultations, the NDS Secretariat organized a series of workshops with the sector working groups. The workshops focused on validating the priorities from the national consultations, including the feasibility for achieving them through the delivery mechanisms of the sector institutions. The Secretariat also assessed preliminary budgetary requirements for implementation.

Table 1: Governance structures of the R-NDS

Structure	Composition	Function
<b>NDS Steering Committee</b>	<ul style="list-style-type: none"> <li>• NDS cluster chairs</li> <li>• Executive Director</li> <li>• Non-Governmental Organization Forum</li> <li>• Vice Chair, University of Juba</li> <li>• South Sudan Business Forum</li> <li>• Peace Commission</li> <li>• National Bureau of Statistics</li> <li>• Ministry of Cabinet Affairs</li> </ul>	<p>The NDS Steering Committee provides oversight for the NDS process. The Steering Committee reviews inputs provided by the NDS Secretariat and advises accordingly.</p> <p>The Steering Committee is chaired by the Under-Secretary for Planning, Ministry of Finance and Planning, who liaises with the NDS cluster chairs on the NDS, coordinates with development partners and updates the leadership of the Ministry of Finance and Planning on the progress of the NDS.</p>
<b>NDS Secretariat</b>	Made up of technicians from various units of the Ministry of Finance and Planning, including sectoral planning, macro unit, aid coordination and budget	The NDS Secretariat coordinates the formulation, implementation and review of the NDS. The Secretariat facilitates and leads consultations with a broad range of stakeholders involved with the NDS, including government spending entities, sector working groups, development partners and civil society. The Secretariat is also responsible for updating the Chair of the Steering Committee and the senior management of the Ministry of Finance and Planning on the progress of the NDS.
<b>Sector working groups</b>	<p>Chaired by the lead government agency, with co-chairs from the United Nations Country Team and Head of Cooperation</p> <p>Members include government spending entities and development partners involved in the sector</p>	<p>Sector working groups (SWGs) are technical working forums designed to facilitate coordination between government and development partners. SWGs discuss sector and cross-sector planning and prioritization according to strategic plans and development programmes. SGWs provide a platform to ensure that service delivery is driven by agreed strategic priorities.</p> <p>They promote sharing of information among sector stakeholders to facilitate the implementation of sector priorities. SWGs must develop and regularly update a common strategic plan to respond to identified needs and fill identified gaps.</p>

## 1.2.2 Fragility assessment

As a member of the g7+ group of fragile states, South Sudan adopted the fragility assessment framework developed by the International Dialogue on Peacebuilding and Statebuilding, to assess the state of fragility and opportunities for building resilience in the country. The International Dialogue for Peacebuilding and Statebuilding fragility assessment approach is a perception-based tool that aggregates the opinions of citizens from across a country regarding the state of fragility, focusing on five key determinants of fragility and resilience, known as the Peacebuilding and Statebuilding Goals (PSGs). These include (i) Legitimate politics: the extent to which inclusive political settlements and conflict resolution are promoted; (ii) Security: the extent to which security is established and strengthened; (iii) Justice: the extent to which people have access to justice; (iv) Economic foundations: the extent to which the society generates

employment and improves livelihoods; and (v) Revenue and services: capacity to mobilize and manage revenue, as well as deliver services.

Through dialogues held in workshops and building on South Sudan's 2012 and 2017 fragility assessments, the 2021 fragility assessment exercise developed an updated picture of South Sudanese perspectives of the country's state of fragility and resilience based on the PSGs. Workshops were planned in all 10 states of South Sudan to ensure representation and participation of key stakeholders from across the country. Unfortunately, the COVID-19 pandemic affected the process. Instead, consultations were held with a cross-section of citizens from the following nine states: Western Bahr el Ghazal, Western Equatoria, Eastern Equatoria, Central Equatoria, Lakes, Upper Nile, Jonglei, Unity and Warrap. Regional and international development partners were also

engaged. The results of each consultation were aggregated to create a national baseline for fragility using the New Deal Fragility Spectrum, categorizing each PSG into one of five stages: Crisis (Stage 1), Rebuild and reform (Stage 2), Transition (Stage 3), Transformation (Stage 4) and Resilience (Stage 5).

### 1.2.3 Policy review and SDG integration

The R-ARCSS and R-TGoNU policies and priorities that have emerged since the finalization of the NDS; new or emerging development partner and United Nations policies and strategies; and the evolving regional and global context were analysed, reviewed and factored into this revised version of the NDS. Specifically, the R-NDS Secretariat reviewed and aligned the following materials to the R-NDS:

- *The R-ARCSS in South Sudan*
- *The 2030 Agenda for Sustainable Development*
- *The Africa Agenda 2063*
- *South Sudan's Nationally Determined Contributions*
- *South Sudan's 2021 Humanitarian Response Plan*

### 1.2.4 Gender analysis and mainstreaming

Gender analysis and gender mainstreaming is an approach adopted throughout the review of the NDS. This is the case for both the process of the review and the contents of the R-NDS. The review process ensured the active participation of women and women's groups in the countrywide consultations. A deliberate approach of ensuring at least 30 percent representation of women in all consultative workshops was adopted. In addition, a two-pronged approach to integration of gender was ensured. This entails (i) a standalone cluster on gender, youth and other cross-cutting issues for specific interventions included in the R-NDS and (ii) mainstreaming gender in all the other four clusters of the R-NDS, ensuring the inclusion of sex-disaggregated data, where available.

### 1.2.5 Development financing assessment

As an expression of our commitment to the Addis Ababa Action Agenda to ensure that domestic financing drives our sustainable development agenda, the GRSS has embarked on an assessment of the opportunities and challenges for mobilizing domestic private and public finances to deliver the R-NDS and future development plans. The aim is to produce South Sudan's integrated national financing framework, which will build coherency across public and private financing policies and institutions. The development financing assessment process includes extensive review of all government public and private policies for mobilizing revenue, followed by a series of multi-stakeholder dialogues with relevant government agencies, the private sector and international financial institutions, among others.

## 1.3 Organization of the R-NDS

The R-NDS is organized in three parts. Part One contains three chapters: Chapter 1 is the introduction; Chapter 2 reviews the political, social, regional, humanitarian and macroeconomic contexts that are likely to impact on the delivery of the R-NDS; and Chapter 3 elaborates the overall framework of the R-NDS, including its broad aims and the principles underpinning its focus and implementation strategy, as well as alignment with the R-ARCSS, SDGs and Africa Agenda 2063. Part Two contains the five cluster chapters: Chapter 4 on governance; Chapter 5 on economic development; Chapter 6 on services (social development); Chapter 7 on infrastructure; and Chapter 8 on gender, youth and other cross-cutting issues. Part Three contains three chapters: Chapter 9 on budget summary and financing strategy; Chapter 10 on implementation arrangement; and Chapter 11 on looking forward.



# CHAPTER TWO:

## The development context

*Cognizant of the volatile development context and the history of violent conflicts with noteworthy disruptions to previous development plans, this section reviews the historical and current contexts which have significant bearing on progress and/or risks to implementation of sustainable development strategies.*

Paramount among the risks is the continued state of violent conflict with only short periods of peace, as well as persistent intercommunal violence across the country. These have “ravaged livelihoods, destroyed assets and the macroeconomy (exchange rate depreciated, foreign currency shortfalls and inflation increased to three digits, and oil production decreased)”.<sup>1</sup> The unresolved issues on the borders and disputes over oil pipeline rights threaten revenues accruing to the GRSS, revenue that is critical for employment generation and expansion of agriculture productivity to improve food security.<sup>2</sup> The COVID-19 pandemic has compounded the challenges and it has not gone away. As a landlocked country that needs open trading corridors with its neighbours as a lifeline to the economy, restrictions imposed to slow the spread of COVID-19 are impacting negatively on the economy, and deepening poverty among our people. These challenges are briefly discussed in this section.

### 2.1 Conflict and peacebuilding initiatives

For decades, Southern Sudan was at war with the Government of the Sudan over the right to become a sovereign and independent state. The struggle resulted in the first significant agreement with the north, the Comprehensive Peace Agreement signed in January 2005. The Agreement reaffirmed the autonomous status of South Sudan, and provided for a permanent ceasefire and referendum on

independence within six years. The Comprehensive Peace Agreement also provided an opportunity for the people of South Sudan to run our own affairs for the first time, affording the space to lay foundations for public sector institutions, and to maintain the fragile peace. Despite the turbulence that characterized the implementation of the Agreement, the people of South Sudan galvanized around the common vision for independence, and stayed the course. In January 2011, South Sudanese unanimously voted in favour of full independence from Sudan; and on 9 July 2011 the colossal dream was achieved.

Not much was done to attend to internal conflicts between the different ethnic populations and previously antagonistic groups. It was assumed that the unity of purpose directed at independence would sustain internal unity among the South Sudanese and smooth the path to nation-building. Regrettably, as was the case for most independent states in the African continent, once the struggle for independence was won, internal fractures and power struggles began to resurface, clouding the rays of hope that lit every corner of the country. The long period of post-independence conflict began with a dispute with Sudan over the border and ownership of the oil fields, leading to hundreds of deaths and hundreds of thousands being displaced. That conflict was resolved in September 2012 with Sudan and South Sudan agreeing on a deal to improve trade and security of the oil fields. In December 2013, barely

<sup>1</sup> World Food Programme, *South Sudan Integrated Context Analysis*, 21 December 2018.

<sup>2</sup> World Bank, *The World Bank in South Sudan*, 2 April 2021, <https://www.worldbank.org/en/country/southsudan/overview#:~:text=South%20Sudan%20is%20one%20of,less%20than%20%24200%20in%202017.>

a year after the conflict with Sudan, the young state imploded in a civil war.

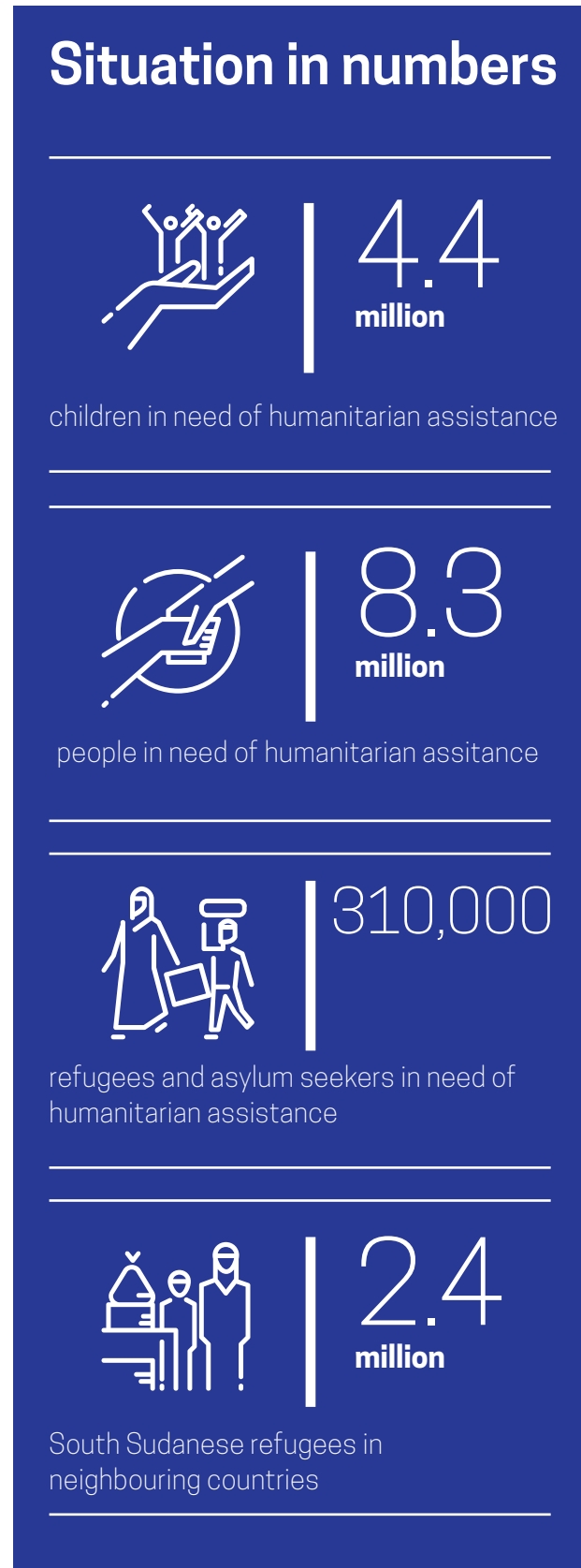
### 2.1.1 The ARCSS and R-ARCSS

Despite numerous efforts at brokering peace, the civil war that began in 2013 lasted until the parties signed the ARCSS in 2015. This Agreement provided for a permanent ceasefire, a transitional government of national unity, a national legislative assembly and a peace enforcement and monitoring institution guaranteed by the United Nations, the African Union and the Intergovernmental Authority on Development. Implementation of the Agreement was disrupted by renewed conflict in 2016. That war resulted in unspeakable misery for our people, with over 2 million of our citizens displaced in neighbouring countries and hundreds of thousands internally displaced, including in United Nations protection of civilians centres. This reality moved all parties to the conflict to renew their commitments to sustainable peace. In September 2018, the R-ARCSS was signed. The R-ARCSS reaffirms the parties' commitment to the 2015 Agreement, including a permanent ceasefire, reconstituted TGoNU, transitional national legislative assembly, reformed judiciary, effective delivery of humanitarian assistance and reconstruction, as well as improved economic, financial and natural resource management. As stipulated in Chapter IV of the R-ARCSS, the Ministry of Finance and Planning was instructed to review the NDS and use it as a vehicle to accelerate progress in achieving a sustainable and resilient national economy. The R-ARCSS is, so far, the longest-held agreement in the country's history.

### 2.1.2 National Dialogue for Peace and Reconciliation

The various agreements, from the Comprehensive Peace Agreement to the ARCSS, and its counterpart, the R-ARCSS, were driven by political leaders. To strengthen the people's voices for peace, the GRSS supported a three-year national dialogue process which began in December 2016 and concluded in November 2020. As the first truly national conversations since independence, the National Dialogue provided an opportunity for every South Sudanese to articulate a vision for the country and contribute to establishing the actions required to put South Sudan on a sustainable path to peace and development. Priorities from the National Dialogue process reaffirm the R-ARCSS and go

Figure 1: Humanitarian needs



Source: United Nations High Commissioner for Refugees

further to recommend a path to sustaining peace beyond the implementation of the R-ARCSS. Among others, the National Dialogue makes recommendations on the vision and structure of the state, including the system of government; the unification and professionalization of security forces and institutions to guarantee the people's safety and security; a strong, accountable and inclusive judiciary; constitutional democracy with predictable transfer of political powers through elections; the allocation and sharing of national resources; the resolution of border issues; and citizenship and political participation. It also recommends accelerating infrastructure development and the transformation of the economy. The National Dialogue report has informed the design of this R-NDS.

## 2.2 Humanitarian situation

There has been a steady worsening of the humanitarian situation across the country since the crisis in 2013. Between 2017 and 2020 the number of people who were estimated to need humanitarian assistance had remained at 7.5 million people – nearly 61 percent of the total population of 12.2 million. The 2021 South Sudan Humanitarian Response Plan describes the humanitarian situation as “dire”, noting that about 8.3 million South Sudanese need humanitarian assistance across the country. Of this number, “A total of 7.7 million people is expected to need food assistance, including 7.24 million acutely food insecure South Sudanese in rural areas, 130,000 people in urban areas and 314,000 refugees in South Sudan. An estimated 1.4 million children and 480,000 pregnant or lactating women will be acutely malnourished and in need of treatment. Some 2.2 million South Sudanese refugees have fled to, and remain in, neighbouring countries and 1.6 million others remain internally displaced”.

The drivers of this dire situation include the raging COVID-19 pandemic, which has severely undermined our economy; continuing intercommunal violence that prevents our people from farming and producing their own food; and floods, drought and locust invasion in parts of the country. The floods have rendered some parts of the country inaccessible to humanitarian support. Amid these challenges, the generosity of the international community has been tested by the protracted nature of our conflicts and the burdens of COVID-19; the latter has resulted in acute economic downturns for every nation on the globe. Figure 2 shows the downward trend, for the past five years, in humanitarian support. This should be a wake-up call to lift

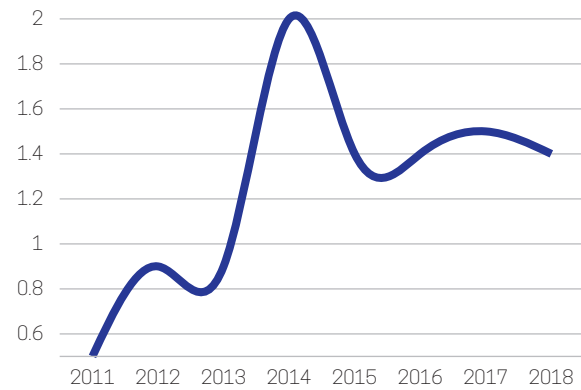


Figure 2: Trends of humanitarian funding

Source: United Nations Office for the Coordination of Humanitarian Affairs Financial Tracking Service

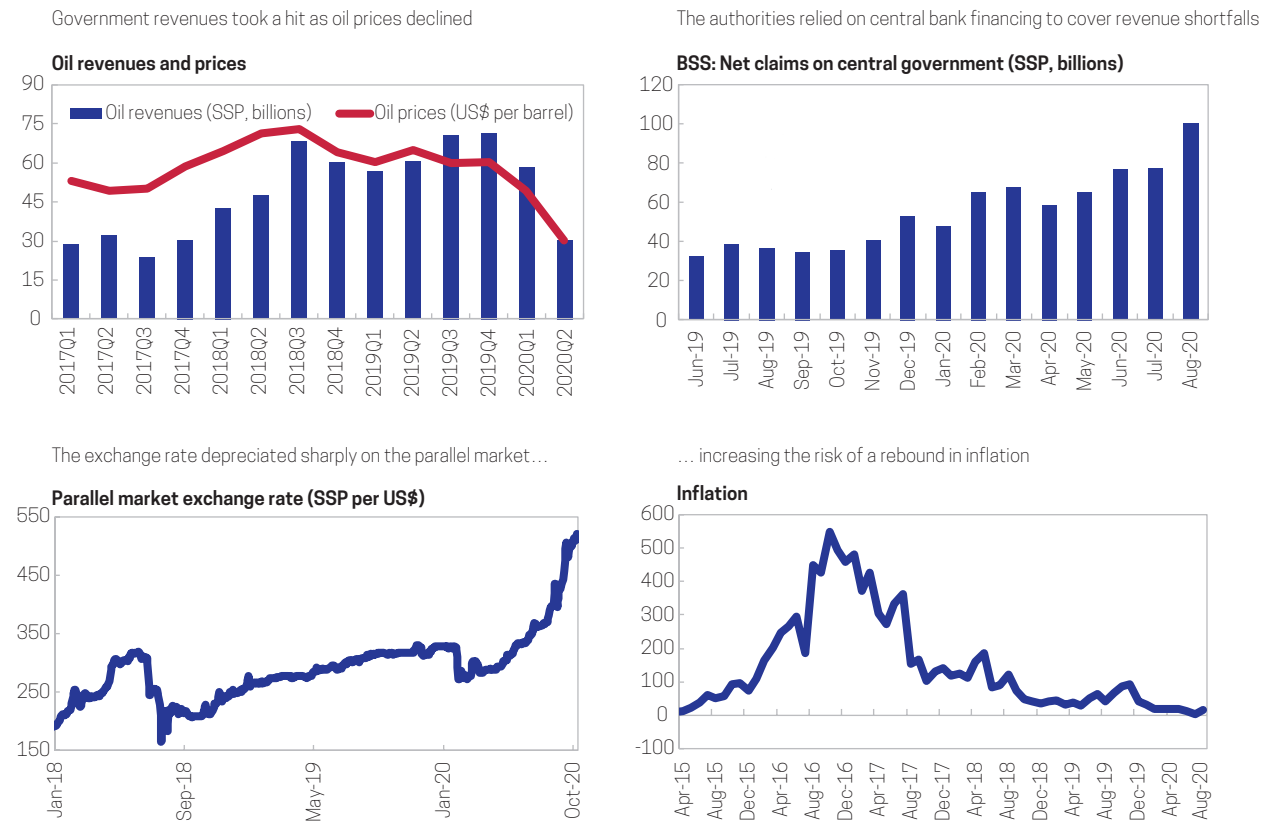
our country out of these humanitarian conditions and return to a steady trajectory towards sustainable development.

## 2.3 Impact of COVID-19 and response

South Sudan recorded its first case of COVID-19 on 5 April 2020. The GRSS responded swiftly by imposing measures such as curfew, limiting movement and safeguarding social distancing to contain the pandemic. These measures, coupled with regional and global responses, have had a significant negative socioeconomic impact. The timing of the pandemic could not be worse for peace. When it began, the R-TGoNU had only been in office for two months, facing daunting challenges in leading the post-conflict transition. COVID-19 adds strain and poses a threat to the peace process, as major reforms are still outstanding. As indicated in Figure 3, the pandemic's most direct impact was on the economy, with constrained fiscal space as government resources dwindled in the face of falling global oil prices, runaway inflation, depletion of government reserves and a huge gap between the official and parallel market exchange rates. Despite these constraints, signatories to the R-ARCSS have held on to their commitment to peace.

## 2.4 Fragility

South Sudan was one of seven countries to pilot the implementation of the New Deal for Engagement in Fragile States, which was signed on 30 November 2011 in Busan, South Korea. As part of its implementation, South Sudan conducted a fragility assessment in 2012, which was



**Figure 3: Socioeconomic impact of COVID-19**  
 Source: International Monetary Fund (IMF) staff report, 2021

updated in 2017. The 2021 South Sudan fragility assessment is the third nationally led and nationally owned review of the drivers of fragility across the country. The 2012 report took the pulse of the nation a year after independence – a period of hope and optimism about the future of South Sudan. The 2017 assessment was undertaken during a time of conflict and violence, when citizens’ perception of the nation was at a low. The 2021 assessment took place in the aftermath of the violence that occurred in 2016 and the implementation of the R-ARCSS. Armed factions have largely put down their arms and the country is on a path to recovery. These developments reflect how South Sudanese have assessed the state of fragility in the country.

As illustrated in Figure 4, the 2021 fragility assessment shows slight improvement in all five PSGs, compared to 2017. The general perception is close to what was obtained in the 2012 assessment when optimism for the future of the country was high. While the 2017 results indicated that the country was in complete ‘Crisis’ (Stage 1), the 2021 results indicate advances have been made towards ‘Rebuild and reform’ (Stage 2) on the New Deal Fragility Spectrum. The general view is that encouraging progress has been made in PSG 1 (Legitimate

politics). This reflects the hope of the people that there will be continued progress with R-ARCSS implementation. It signals the start of growing, yet tenuous, political rapprochement and the politics of tolerance and compromise that should be the bedrock of all peaceful democracies.

On PSG 2 (Security) and PSG 3 (Justice), there is slight improvement. Specifically, the ‘Justice’ rating rebounded to near 2012 levels. While faith in the economy and the GRSS’s use of revenue and delivery of services saw slight improvements over 2017, the overall rating of PSG 4 (Economic foundations) and PSG 5 (Revenue and services) remain close to the crisis stage. Issues of land reform, youth employment and poverty are persistent, and in some communities are deteriorating. Implementation of the R-ARCSS must be accelerated to provide peace dividends to people across the country. This R-NDS has prioritized these challenges and, unlike the National Development Plan and the NDS, which could not be fully implemented, the government and people of South Sudan are determined to fully implement this R-NDS, to improve the economy, boost revenue and improve basic services across the country. Figure 3 shows the comparative scoring of the five PSGs in 2012, 2017 and 2021.

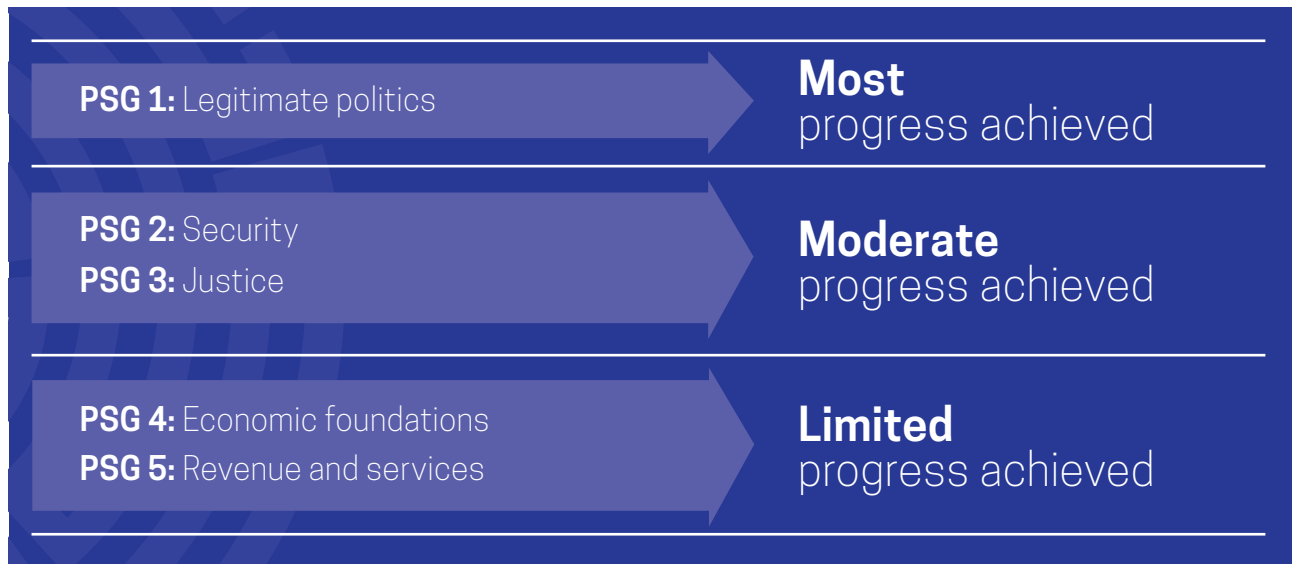


Figure 4: Status of the PSGs in South Sudan, 2021

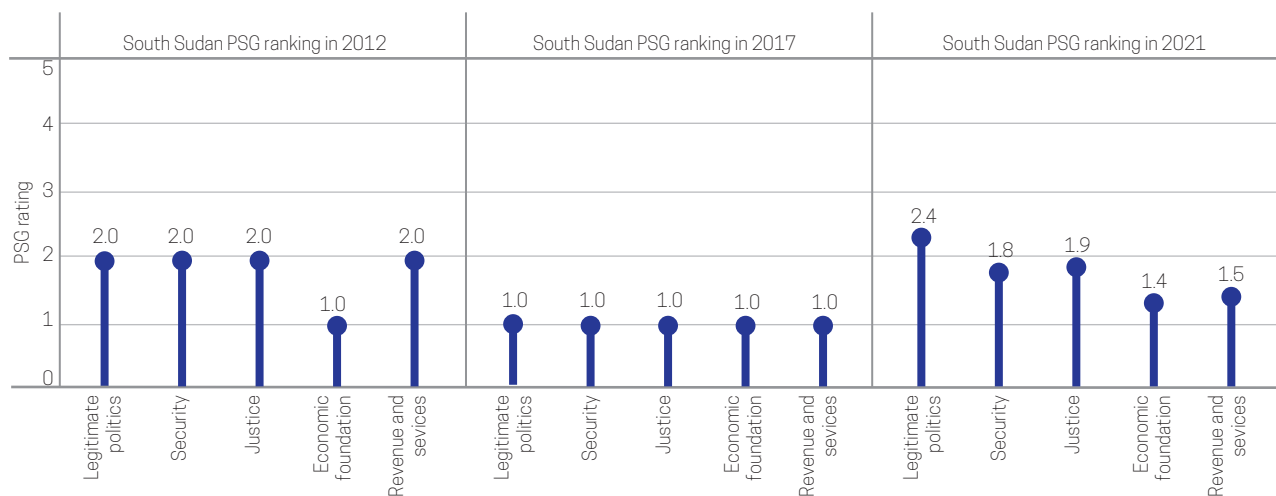


Figure 5: Comparison of fragility ratings

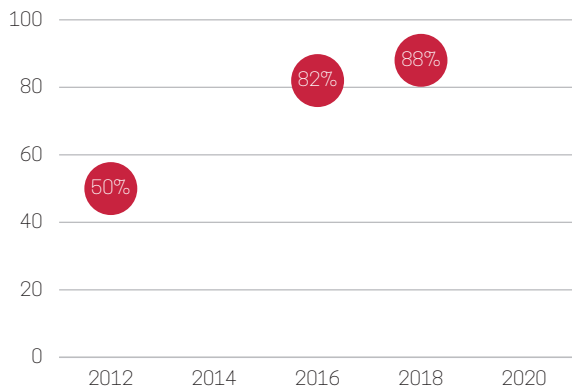
## 2.5 Regional dynamics

As South Sudan is a landlocked country, the risk of regional instability will always impact on our own stability, peace and prosperity. Most countries with which South Sudan shares borders have had recent histories of instability. These have heightened the risk of spill-over of conflict and population movements along all borders. Additionally, with the need to export oil via at least one neighbouring state, deeply embedded regional interests and legacies of the past, as well as national political implications, come to the fore. Ensuring strong relationships with our neighbours and cohesion of cross-border communities, sustained by trade and cultural exchanges, must be at the centre of all development strategies. This is

central in the R-NDS, which aims to leverage the advantages of having many neighbours and potential trading partners, as well as cultural and intellectual exchanges to enrich South Sudan and the region. The Africa Continental Free Trade Area, of which we are members, will help remove barriers to trade and thereby improve opportunities for businesswomen and men from South Sudan to access markets in neighbouring countries and beyond in Africa.

## 2.6 Poverty

Recurring conflicts since independence have undermined development gains and worsened the socioeconomic conditions of the people. About 82 percent of the population



**Figure 6: Poverty trends**

Source: United Nations Human Development Report

in South Sudan is poor, according to the most recent World Bank estimates, based on the \$1.90 2011 purchasing power parity (PPP) poverty line, up from 51 percent in 2011.<sup>3</sup> Data from the United Nations Human Development Report 2020 records a worsening poverty trend, as illustrated in Figure 6. South Sudan ranks 185 out of 188 countries on the 2020 Human Development Index. The country struggles with high maternal and under-five mortality rates. High income poverty is compounded by multidimensional poverty. The cost of essential food items has risen by 42 percent; only 28 percent, 34 percent and 35 percent of our people have access to electricity, phone and safe water supply, respectively. An unacceptable number of our children (about 2.4 million) are out of school. Limited road infrastructure constrains the movement of people and thereby slows down nation-building. Government institutions are still developing and have limited capacity to ensure the people of South Sudan, no matter where they reside in the country, experience the presence of their government through effective and inclusive service delivery.

Notwithstanding these challenges, translating independence into broad-based, sustained development and prosperity remains the central objective of the GRSS. The sizable youth population – about 72 percent of South Sudanese are 30 years of age and under – provides an energetic force for accelerated productivity, if their potential is harnessed. The GRSS recognizes the need to position the country to simultaneously focus on addressing the

underlying causes of conflicts; restoring peace and stability across the country in line with the provisions in the R-ARCSS; and ensuring economic recovery. This will require, among others, implementation of comprehensive macroeconomic reforms, including measures to reduce inflation and address foreign exchange distortions, as well as longer-term action to diversify the economy. The 2011–2013 South Sudan National Development Plan made similar assertions when it noted, “Strengthening Public Financial Management systems and pursuing a people-centred public investment programme will support resilience, reduce poverty, build a stock of human capital and secure the future.”<sup>4</sup> With support from partners, the GRSS is on course with these reforms, including stabilizing the exchange rate, regularizing salary payments and implementing public financial management reforms.

## 2.7 Macroeconomy

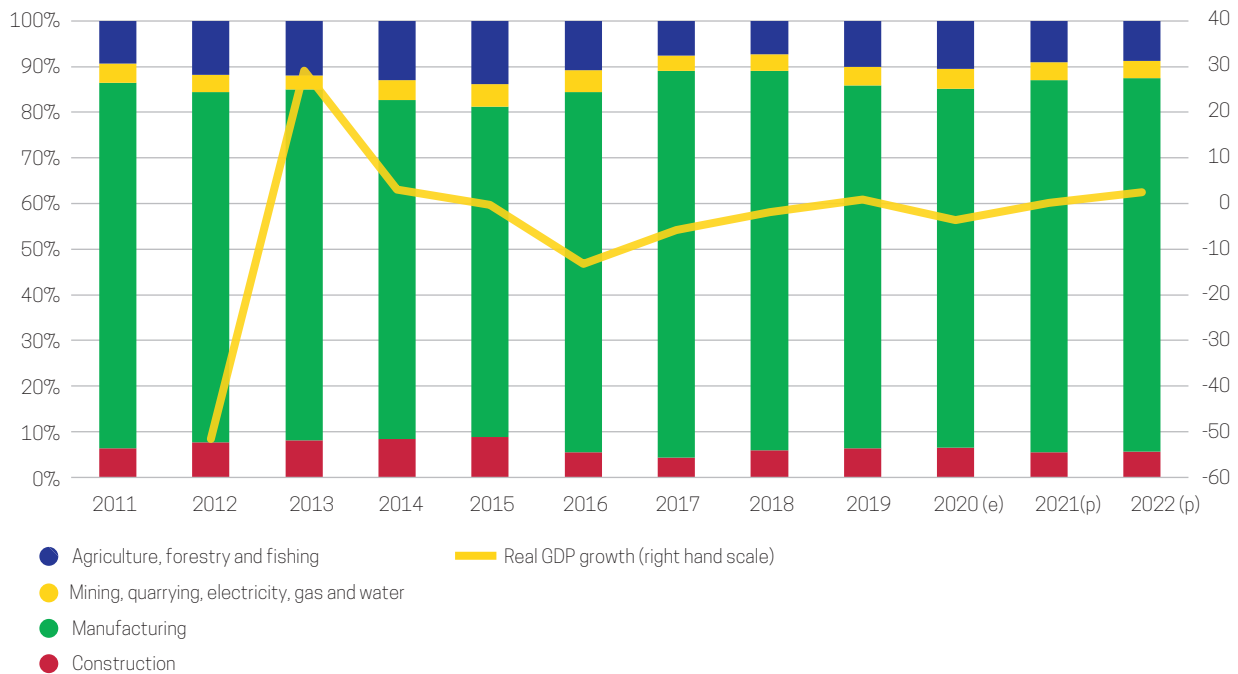
Steady implementation of the R-ARCSS, rising oil prices and a resumption in oil production had put South Sudan’s economy on a recovery path, registering a robust 13.2 percent in the 2019/20 fiscal year (FY), up from negative 2.4 percent in 2017/18<sup>5</sup> and widely forecast to continue that trend in 2020/21. In addition, inflation fell sharply from 125 percent in 2017/18 to 35 percent in 2019/20 and the exchange rate stabilized. However, the nascent economic recovery was suddenly and brutally derailed in 2020 by locust invasions, floods and the COVID-19 pandemic.<sup>6</sup> The pandemic impacted the economy from several sources. One was the sharp decline in international oil prices due to a pandemic-induced collapse in global oil demand. Given the fact that the oil sector accounts for 70 percent of gross domestic product (GDP) and more than 90 percent of public revenues, the impact on the economy and revenue was immense. Another impact was the disruption of economic activity by government measures imposed to contain the spread of COVID-19 – social distancing, restrictions on people’s movements and a sharp reduction in business operating hours disproportionately affected the service sector, which accounts for 6.1 percent of GDP. Meanwhile, floods and locusts had the severest impact on the agriculture sector, which accounts for 15 percent of

<sup>3</sup> GRSS, South Sudan National Development Plan 2011–2013, Juba, 2011.

<sup>4</sup> Ibid.

<sup>5</sup> IMF, Country Report No. 21/70, April 2021.

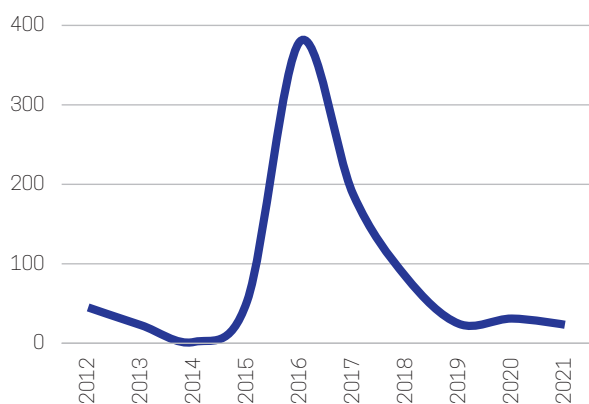
<sup>6</sup> World Bank Group, The World Bank in South Sudan, South Sudan at a Glance/Overview.



**Figure 7: Sectoral GDP share**  
Source: African Development Bank Statistics Department

GDP and employs 80 percent of the population.<sup>7</sup> Figure 7 illustrates sectoral GDP share.

The country remains highly dependent on oil, which accounts for about 90 percent of government revenue, 95 percent of total exports and more than half of the country’s GDP.<sup>8</sup> Outside the oil sector, livelihoods are concentrated in low productivity, unpaid agriculture and pastoralist work.



**Figure 8: Inflation trends (2012–2021)**  
Source: African Development Bank Statistics Department

There have not yet been significant efforts to work towards economic diversification from oil dependence. Foreign direct investment and local investment, including investment in economic and social infrastructure, remain low. However, South Sudan’s potential for political and economic development remains high, with opportunities in the non-oil sector and improvements in global oil prices. While diversification from oil dependence should be a goal, the growth surge in 2019 demonstrates the commodity’s capacity to fuel growth in the meantime, when strategically exploited.

### 2.7.1 Inflation

The World Bank notes that supply shocks induced by flooding, locust invasions and COVID-19 disruptions, coupled with monetization of the government budget deficit and currency depreciation, increased inflation to an estimated 31.1 percent in 2020 from 24.5 percent in 2019. The South Sudanese pound (SSP) depreciated by 10 percent in November 2020 relative to the same period in 2019, to SSP 176 per US\$. Falling global oil prices have reduced government revenues by 40 percent, increasing the fiscal deficit to 4.9 percent of GDP in 2020

<sup>7</sup> Ibid.  
<sup>8</sup> African Development Bank Group, *The Political Economy of South Sudan*, 2018.

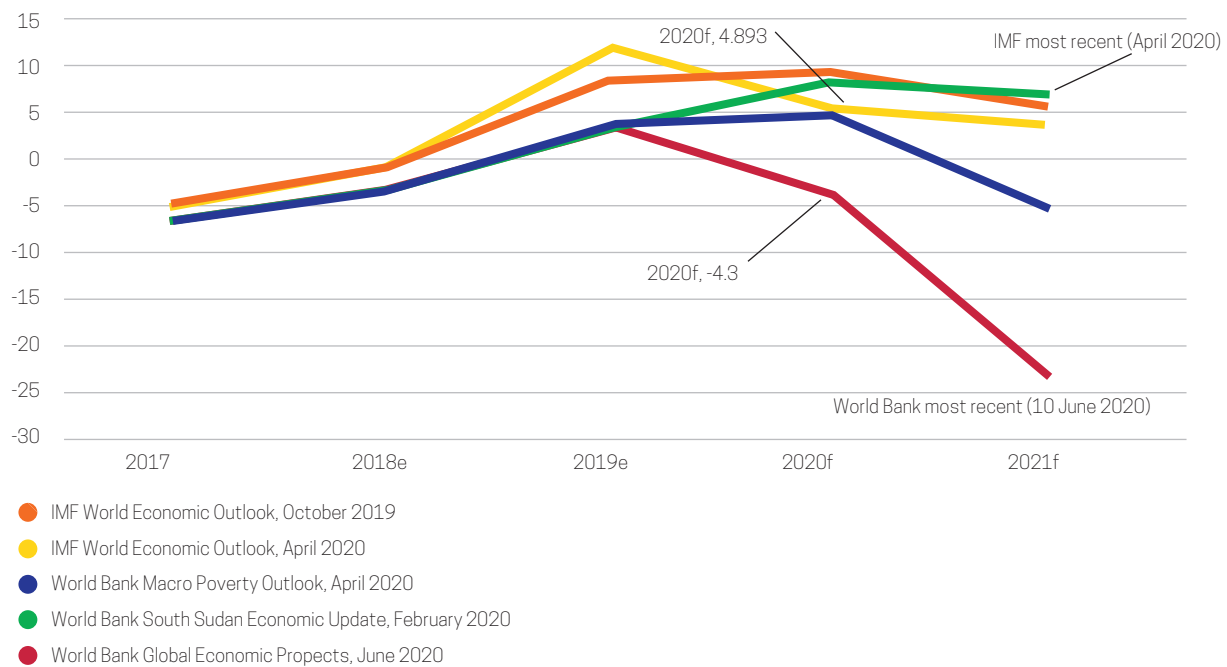


Figure 9: GDP growth forecast

Source: World Bank Group, IMF

from 2.5 percent in 2019. Reduced oil export receipts and a slowdown in financial inflows, mainly remittances and foreign direct investment, widened the current account deficit to 4.5 percent of GDP in 2020 from 2.7 percent in 2019. Banking, which dominates the financial sector, has been affected by the COVID-19 containment measures. Credit to the private sector, which fell by 20 percent in 2019, dropped another 40 percent in 2020, reflecting subdued economic activity and the high cost of finance. The economic slowdown is also expected to aggravate poverty and unemployment, with disproportionate effects on youth and women.

## 2.7.2 Positive macroeconomic outlook

A peace dividend and the projected rebound in oil production and exports will support partial economic recovery, with real GDP expected to grow by 0.1 percent in 2021 and 2.5 percent in 2022. Inflation is expected to drop to 23.3 percent in 2021 due to the easing of containment measures, especially the reopening of borders with Kenya and Uganda, which will facilitate the importation of food and other essentials. Public financial management reforms and the recovery of global oil prices will reduce the fiscal deficit to 1.2 percent of GDP in 2021, with

external borrowing expected to bridge the public financing gap. The current account deficit is expected to fall to 2.3 percent of GDP in 2021 because of improved global oil prices.

### 2.7.2.1 Fiscal and monetary sector

South Sudan's debt risk rating improved from debt distress to high risk in October 2020, due to the restructuring of the country's commercial debt with Qatar National Bank, which accounts for 46 percent of external debt. Debt restructuring and the clearance of arrears owed to Sudan also helped reduce external debt to an estimated 28.3 percent of GDP in 2020 from 38 percent in 2019.<sup>9</sup> Commercial loans accounted for 81 percent of the total external debt as of June 2020, followed by multilateral (8 percent) and bilateral (11 percent) loans. The GRSS is revamping non-oil revenue collection. The National Revenue Authority has improved systems and methods and this has resulted in a vastly increased rate of collection. These more effective methods are being extended to the states to improve collection nationwide.

However, while this is an important development, the GRSS will expand the fiscal space by enhancing fiscal transparency, accountability and reporting. Improving the transparency of resource-backed loans and building the capacity to design and

9 Ibid.



implement prudent macroeconomic policies will support debt sustainability in the medium to long term. The GRSS intends to accelerate economic diversification and reduce reliance on oil. Freeing up fiscal space while expanding social services requires close examination of the structure of the budget and reviewing some of the standing but expensive votes. Given the recent history of the country, it is no surprise that defence is one such item, at 12 percent of the total budget in 2015. The defence budget and other items will be reviewed, along with other conflict-related expenditure, against the backdrop of an evolving peace, with a view to this evolving into one of the most important dividends of peace: the liberation of significant resources for expansion of priority social services and for investments.

### 2.7.2.2 External sector

Development assistance in South Sudan is concentrated on financing humanitarian interventions and social services. The GRSS will continue to engage with development partners to

facilitate resource mobilization, as well as to agree on the approach to increase development investments, without compromising humanitarian support. Additionally, the GRSS will explore the potential for resource mobilization through remittances from the diaspora and household endowments. The long-term goal of the GRSS is to put the economy on a path of sustained growth and development. The aim of the R-NDS is to lay a solid foundation for the government's long-term goal to put the economy on a path of sustained growth and development. That will require an increase in investments up to prevailing levels in neighbouring countries. Increased investments will require additional financing, for example through allocating part of the oil revenues to development purposes. The economy of South Sudan is described as one of the most oil-dependent economies. The external sector is therefore dominated by oil accounts. This is easily observed in the amount of exports accounted for by oil exports. The external sector continues to show deficits in most years, as seen in Figure 10.

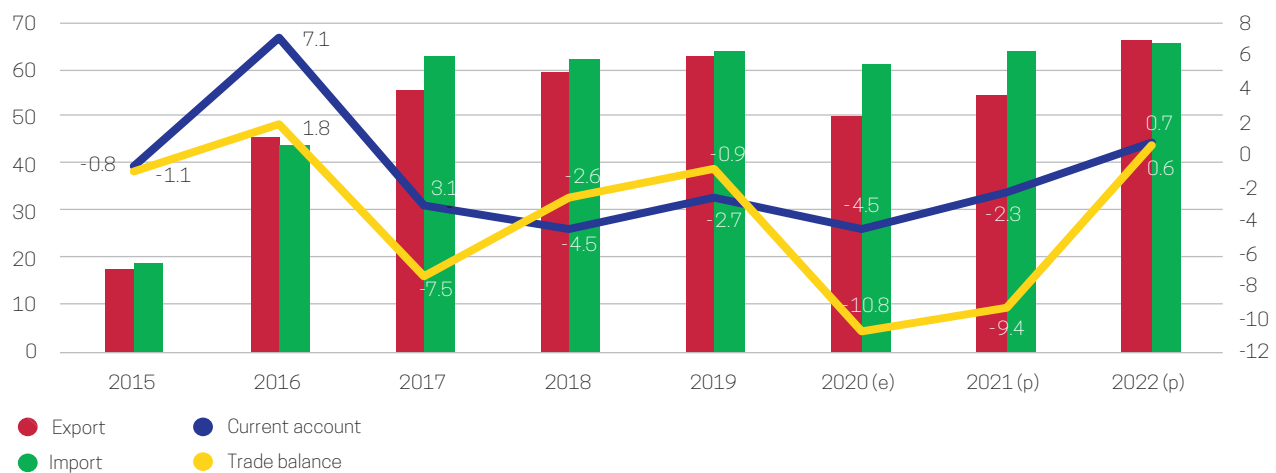


Figure 10: External sector

Source: African Development Bank Statistics Department

# CHAPTER THREE:

## Strategic framework

### 3.1 Introduction

The strategic framework in the 2018–2021 NDS remains relevant to this R-NDS. We have, however, made some adjustments to inform our current realities, as well as ensure the R-NDS primarily supports the implementation of the R-ARCSS. This chapter highlights the goal, objectives, priorities and approaches that will have a multiplier effect to stabilize the economy and sustain our peace. A major change is that, informed by our challenging history of development plans and strategies being hampered by conflict and instability, this R-NDS was designed by drawing on the risk-informed development approach. This approach “takes account of multiple threats and complex risks” in the planning and implementation of development strategies and plans. Unlike previous practices, where development efforts were abandoned due to shocks and crises requiring humanitarian response, we are determined to adapt implementation of the R-NDS to shocks and crises should they arise, focusing on building the resilience of our people and communities. This chapter also reflects priorities as defined by our people through broad consultations and elaborates on our commitment to fully implement the R-ARCSS, while guaranteeing R-NDS alignment to the SDGs and Africa Agenda 2063.

### 3.2 Vision

In 2011, through extensive consultations, the government and the people of South Sudan agreed on a national vision, “Vision 2040: towards freedom, equality, justice, peace and prosperity for all”. To achieve this vision we will build a nation that is educated and informed; prosperous, productive, and innovative; free, just and peaceful; democratic and accountable; safe and secure; united and proud; and compassionate and tolerant.

### 3.3 Goal

The goal of the R-NDS is to consolidate peace, stabilize the economy and return to sustainable development.

### 3.4 Core objectives

- *Establish and/or strengthen institutions for transparent, accountable and inclusive governance.*
- *Foster macroeconomic stability and lay foundations for the diversification of the economy.*
- *Build critical infrastructure for sustainable development, including roads, energy, public buildings and broadband capability.*
- *Increase support to the social sector for human capital development and protect the vulnerable population, to leave no one behind.*
- *Mainstream gender in all development policies and programmes and empower women and youth as drivers of growth and nation-building.*

### 3.5 Guiding principles

In the design of our vision, we agreed on three principles as the foundation for achieving sustainable development and prosperity. These include *democracy, rule of law and building relations with our neighbours and the rest of the world*. As we are increasingly confronted by the existential threats posed by climate change, we have added *environmental sustainability* as a fourth guiding principle for the implementation of this R-NDS and future development plans.

### 3.5.1 Democracy

- Democracy and political pluralism;
- Inclusiveness to celebrate ethnic diversity;
- Respect for democratic institutions and collective responsibility;
- Devolution of power, decentralization and self-governance; and
- Unity of the people of South Sudan based on their free will, expressed through the democratic process.

### 3.5.2 Rule of law

- Supremacy of the rule of law and separation of powers;
- Human rights and fundamental freedoms as stipulated in the Constitution of the Republic of South Sudan, as well as international and regional covenants;
- Justice and equality for all, irrespective of ethnicity, religion, gender, state of origin or social status;
- Accountability, transparency and good governance; and
- Safeguarding the rights of children, youths, widows, orphans, wounded heroes/heroines and war veterans.

### 3.5.3 International relations

- Balanced foreign policy and international relations based on national and mutual interests, respect among nations and preservation of global peace and stability;
- Regional integration and cordial relations with neighbours;
- Public-private partnership and foreign direct investment for sustainable development; and
- Promotion of diplomatic relations to further the interests of the people of South Sudan.

### 3.5.4 Environmental sustainability

- Raising of awareness on the diverse and rich vegetation zones of South Sudan and sustainably harness the resources;
- Reforestation and afforestation, regenerate pastures for pastoralists, and invest in alternative energy sources for cooking; and
- Consistent environmental impact assessments and regular environmental audits as prerequisites for all oil, gas and mining activities.

## 3.6 Approach

**To achieve these objectives, the GRSS has adopted the following strategic approaches in the design, as well as implementation of the R-NDS:**



**Government leadership:** South Sudan is a nascent state that has been engulfed in crises, and public institutions are developing gradually. The evident capacity

gap has necessitated the use of third-party modalities for several of our development projects. The R-NDS will begin the process of reinvigorating development led by the public sector. The GRSS will lead the financing of the R-NDS through budgetary allocations, and all national budgets in the period of the R-NDS will be aligned to it. We will also invest in strengthening public sector institutions, particularly those in the social sector, so they gradually assume the implementation role. Public sector institutions, through the sector working groups, will lead in reporting on the implementation of the R-NDS. All local government institutions will have coordination and monitoring capacity to ensure the results of the R-NDS are achieved.



**Partnership and coordination:**

South Sudan is a fragile and conflict-affected nation, and recognizes the critical role being played by development partners.

Strong partnerships and effective development cooperation are essential to mobilize the resources required to achieve expected development outcomes elaborated on in the R-NDS. The GRSS will strengthen its partnership and engagement strategy to ensure that various stakeholders, including government, the private sector, civil society and development partners, combine their resources and competencies to deliver the R-NDS. All government coordination structures at local, state and national levels will be activated and strengthened to coordinate efforts and forge partnerships at their respective levels.



**Triple nexus:** South Sudan is grappling with a multitude of different crises and shocks. Protracted conflict has reversed developmental gains and regular weather disasters like droughts

and floods have been compounded in recent times by invasion of desert locusts and the COVID-19 pandemic. These crises have resulted in a significant humanitarian footprint. We acknowledge the great support and relief these humanitarian investments continue to bring to our people. At the same time, the GRSS, with support from the United Nations, African Union and Intergovernmental Authority on Development, is investing in peacemaking and stabilizing security. This situation demonstrates the interconnectedness of the peace, development and humanitarian challenges and the need for an equally integrated response. We therefore adopt the ‘triple nexus’ approach to the implementation of the R-NDS. The triple nexus approach, endorsed at the World Humanitarian Summit, facilitates stronger collaboration and coordination among actors from the development cooperation, humanitarian action and peacebuilding fields.<sup>10</sup> It also focuses on a path for risk-informed development.



**Inclusion and spatial representation:** In the Declaration of the 2030 Agenda for Sustainable Development, we joined other

world leaders in committing to leaving not a single member of our society behind in the eradication of poverty and achieving prosperity. We acknowledge that exclusion and discrimination in development investment violate the basic rights of the affected individuals and communities. They are also drivers of conflict and polarization. In the implementation of the R-NDS we will focus, in the first instance, on investing in remote and long-neglected communities. The Aid Coordination Unit in the Ministry of Finance and Planning will be resourced to develop a geo-map of all our counties and payams to keep track of development investments. Through this platform we will prioritize neglected communities and promote proportionality of development investment across all states, counties and payams.



**Youth-centred and empowered:**

At the heart of the R-NDS implementation will be our top development resource – the more than 70 percent youth population of our young state. The youth, with their energy and adventurous attitudes, if empowered, will accelerate the development of South Sudan. The GRSS, in collaboration with our development partners, will establish vocational training centres in every state to make them accessible to our young women and men. We will also partner with the private sector and other partners to expand employment opportunities for youth and invest in home-grown entrepreneurial initiatives through a dedicated Youth Enterprise Development Fund.



**Invest in value chain development:**

Although historically Africa has predominantly been an exporter of raw materials, we will promote value chain development and small-scale manufacturing. The phenomenal advancement of efficient technology and the blossoming innovation among our young population is an impetus for advancing this approach. Similarly, the endorsement of the Local Content Policy will propel endogenous small-scale manufacturing. Through the R-NDS, the GRSS will lay the foundation for value-chain development through support for small-scale processing and manufacturing in the agricultural, oil and gas, and mining sectors.



**Results orientation:** All GRSS and partners’ development activities will be aligned to and monitored against the R-NDS to ensure results.

The GRSS will work to remove all institutional barriers and constraints that could hamper implementation. State and local government institutions will be empowered and capacitated to monitor all development activities in their areas and report on them to a central body that will be established in the Ministry of Finance and Planning.

10 Organisation for Economic Co-operation and Development, 2019.

### 3.7 Alignment and prioritization

The success of the R-NDS will in part depend on the extent to which it is aligned to the R-ARCSS, Africa Agenda 2063 and the 2030 Agenda for Sustainable Development. This section elaborates the alignment to these national, regional and global development instruments.

#### 3.7.1 Alignment with priorities in the R-ARCSS

The first mandate of the R-TGoNU is to “Implement this Agreement and restore permanent and sustainable peace, security and stability in the country.” One of the instruments for that is the NDS. The R-ARCSS requires the Ministry of Finance and Planning to “review and implement” the “National Development Plan”, with a view, clearly, to aligning it to the requirements of the implementation of the R-ARCSS. However, the 2018–2021 NDS was finalized before the R-ARCSS was signed.

This review is intended to realize the alignment of the R-ARCSS to the NDS. While the R-NDS is critical to the implementation of the Peace Agreement, it is not the only instrument for implementing the strategic goals outlined in the Agreement. As a sustainable development framework, the R-NDS will contribute to some of the economic governance and social development provisions in the R-ARCSS.

#### 3.7.2 Africa Agenda 2063 and the Sustainable Development Goals

The NDS draws inspiration from the Africa Agenda 2063. The Agenda envisions an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the international arena. A key aspiration of the Africa Agenda 2063 that provides inspiration for the R-NDS is a peaceful and secure Africa. Notably, it has been established that the congruity between the 2030 Agenda for Sustainable Development and Africa Agenda 2063 is about 90 percent<sup>11</sup> and thus analysis of the alignment of Agenda 2030 with the R-NDS is largely applicable for Agenda 2063.

South Sudan is a signatory to the 2030 Agenda for Sustainable Development, which was unanimously adopted at the 2015 United Nations General Assembly by Member States. The 17 Goals and 169 Targets of the Agenda aim at advancing development that safeguards planetary boundaries

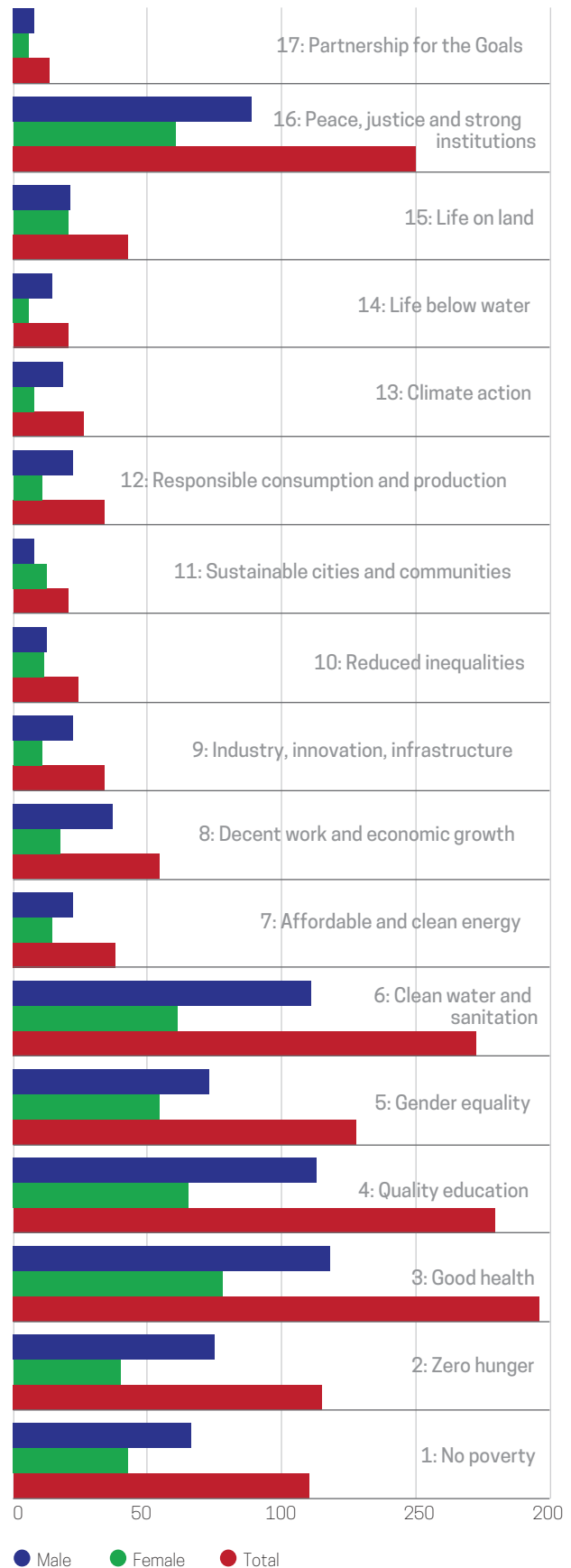


Figure 11: Prioritization of SDGs for the R-NDS

11 United Nations Development Programme, *Africa Policy Brief*, vol. 1, no. 1, January 2017.

while leaving no one behind in meeting the needs of all peoples and sustaining local and global peace. The NDS 2018–2021 was informed by the report on the SDG consultations held in 2017. This R-NDS has benefited from the MyWorld 2030 survey<sup>12</sup> carried out during the national consultations and fragility assessment workshops that took place to design the strategy. We are heartened by the level of awareness of the Goals among our population. Despite years of instability and preoccupation with dire humanitarian crises, 55 percent of respondents, many of whom were from the states and counties, demonstrated full knowledge of the 2030 Agenda.

Although all the Goals resonate with South Sudan's national Vision, in 2017 and 2021 a consensus emerged that SDG 16: Peace, Justice and Strong Institutions should be the priority SDG for the country. SDG 16 was again selected as the enabling goal among participants during the 2021 consultations. Considering our turbulent history, the population have rightly recognized the building of an inclusive and peaceful society, administered by strong institutions, as the foundational development task for our young republic. In the area of social development, participants wanted the R-NDS to focus on SDG 3: Good Health, SDG 4: Quality Education, SDG 6: Clean Water and Sanitation, SDG 5: Gender Equality, SDG 1: No Poverty and SDG 2: No Hunger.

**Although all the Goals** resonate with South Sudan's national Vision, in 2017 and 2021 a consensus emerged that SDG 16: Peace, Justice and Strong Institutions should be the priority SDG for the country.

### 3.8 R-NDS clusters

The national consultations, fragility assessment and consultations with development partners and other institutions brought out many issues that stakeholders considered as development priorities. Table 2 outlines priorities as identified during the national consultations. Many of the priorities resonate with those identified in 2017 during the development of the 2018–2021 NDS and formed its four clusters. The repeat of these challenges is evident of the slow pace, and in most instances, the derailment of our development drive due to persistent instability and cyclical disasters since the development of the 2011 South Sudan National Development Plan and the NDS that succeeded it.

The R-NDS adds a fifth cluster to those defined in the NDS. The fifth cluster includes gender and youth, which would normally fall under 'cross-cutting' issues. The operationalization will reflect their cross-cutting essence. Environment has been added to the cross-cutting chapter. At the activities level, the R-NDS meets current exigencies while noting the time constraints of the 2021–2024 R-NDS. The remaining priorities will be carried over in our next medium-term National Development Plan, which will be developed at the end of the transition, anticipated in 2023.

The priorities are organized in clusters and the clusters are organized to reflect the clusters in the R-ARCSS. Some of the clusters do not quite fit in the development planning nomenclature. These are either explained in parentheses or made clearer by the breakdown into their lower order components. The five clusters that will be delivered through this R-NDS include (i) governance, (ii) economic development, (iii) services (social development), (iv) infrastructure and (v) gender and youth (cross-cutting). These also reflect the core objectives of the R-NDS described in section 3.3 of this chapter. The cross-cutting cluster also accounts for environmental sustainability and climate change, focusing on the implementation of our Nationally Determined Contributions (NDCs) framework.

<sup>12</sup> The MyWorld 2030 survey brings people's voices into the process of shaping and advancing the 2030 Agenda for Sustainable Development in their home countries and across the world. It is one of the mechanisms through which disaggregated data is collected to monitor progress towards the SDGs. The 2021 survey had 240 respondents (143 men and 94 women – three respondents did not indicate gender) and covered all 10 states of the country. Groups nominated participants from the GRSS, women, youth, persons with disabilities, political parties, armed forces, faith-based organizations, civil society organizations and private sector representatives.

Table 2: Priorities from national consultations

Priorities	
<p><b>Constitution, rule of law, security and peace</b></p> <ul style="list-style-type: none"> <li>• Develop a permanent Constitution.</li> <li>• Strengthen security institutions and personnel.</li> <li>• Build more courts to improve access to justice.</li> <li>• Focus on implementing the Peace Agreement.</li> </ul>	<p><b>Macroeconomic stability</b></p> <ul style="list-style-type: none"> <li>• Strengthen public financial management.</li> <li>• Manage natural resources.</li> <li>• Manage consumption, savings and investment.</li> <li>• Promote inclusive growth.</li> <li>• Diversify the economy.</li> </ul>
<p><b>Economic and social development</b></p> <ul style="list-style-type: none"> <li>• Develop a hierarchy of social safety nets.</li> <li>• Support education and vocational training.</li> <li>• Train and support teachers.</li> <li>• Establish clinics and health centres across the country.</li> <li>• Ensure quality and safety of the basic package of health and nutrition services.</li> <li>• Build national, state and local health systems.</li> <li>• Poverty index and targeted support to reduce poverty.</li> <li>• Focus on gender and women's issues.</li> <li>• Create jobs.</li> </ul>	<p><b>Governance</b></p> <ul style="list-style-type: none"> <li>• Strengthen local governments and devolve powers.</li> <li>• Support anticorruption institutions.</li> <li>• Reform the public sector.</li> <li>• Set up and support national elections bodies.</li> <li>• Develop information and communications technology (ICT) and e-governance.</li> <li>• Promote women's participation in governance.</li> </ul>
<p><b>Infrastructure</b></p> <ul style="list-style-type: none"> <li>• Upgrade and build new public buildings.</li> <li>• Build and rehabilitate roads.</li> <li>• Invest in broadband.</li> <li>• Develop grid and off-grid energy.</li> </ul>	<p><b>Environment and climate</b></p> <ul style="list-style-type: none"> <li>• Develop policy, institutions and resources for disaster prevention and response in vulnerable communities.</li> <li>• Manage the environment.</li> <li>• Reduce the carbon footprint.</li> <li>• Address climate vulnerability.</li> </ul>

# 2

**PART**

CLUSTER CHAPTERS

---

**Governance cluster**

**Economic cluster**

**Services cluster (social development)**

**Infrastructure cluster**

**Gender, youth and other cross-cutting issues**



# CHAPTER FOUR:

## Governance cluster

### 4.1 Introduction

Democratic governance was at the centre of the quest for independence for South Sudan. It was a major priority in the 2011–2013 National Development Plan and it is the first cluster in the R-ARCSS. Democratic governance is widely regarded as an important prerequisite for peace. The limited political, institutional and cultural governance capacity manifested since 2005 has been acknowledged by both the GRSS and partners as a major contributing factor to the persistent conflict, political polarization and humanitarian crises the country has had to endure. Therefore, just as our

people have recognized SDG 16 as central to our future, the GRSS is of the view that inclusive democratic governance will create the essential enabling environment for peace, political maturity and stability; economic and social development; and equitable service delivery. Accountable and transparent governance, the hallmark of democratic governance, mitigates the risks of corruption and wastage of public resources – resources required to address security, food security, health and the education needs of our people. The Mo Ibrahim Governance Index in Figure 12 illustrates the health of governance in our country and the challenges we face in establishing effective, inclusive and accountable governance.

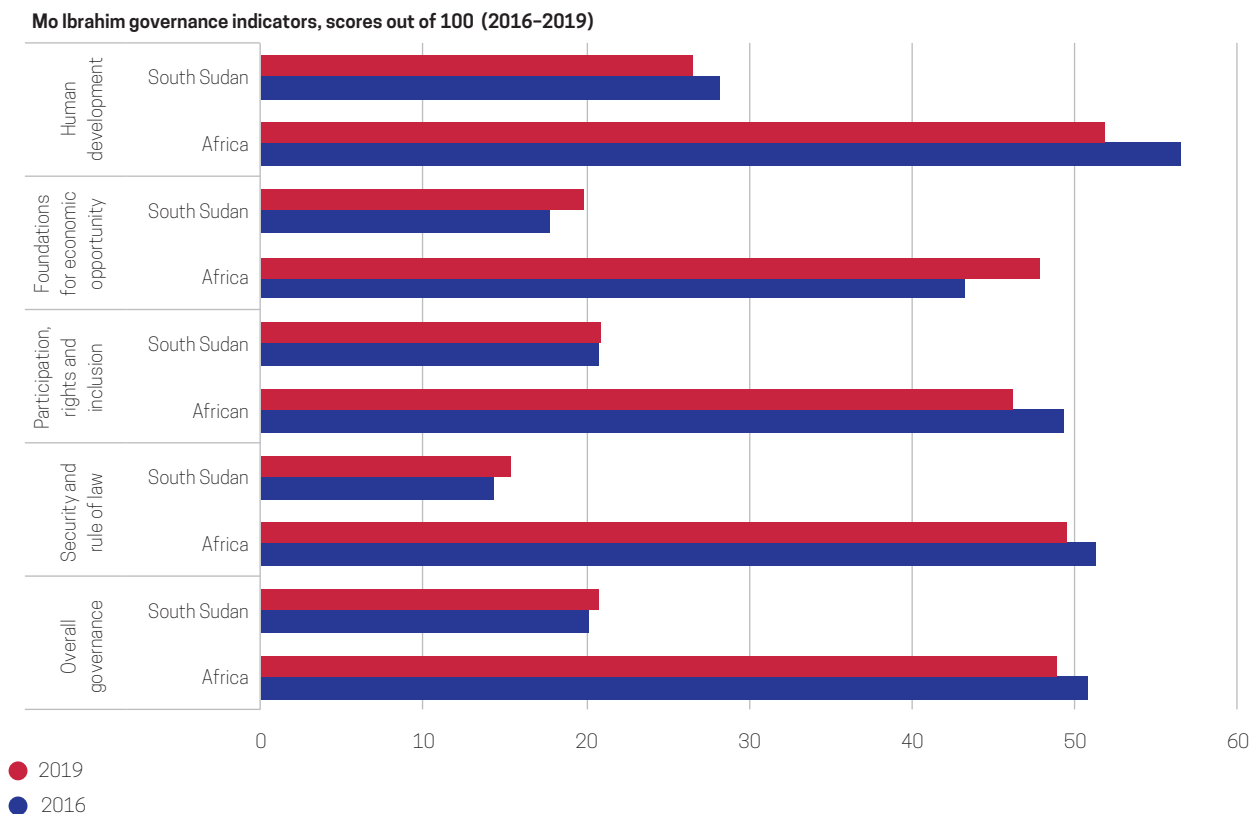


Figure 12: South Sudan governance indicators 2016–2019

While acknowledging that more needs to be done to consolidate inclusive democratic governance, we also celebrate the steps our young state has already taken. We have localized the United Nations Security Council Resolution 1325 on women, peace and security and the Convention on the Elimination of all Forms of Discrimination Against Women. Some progress has been made towards the provision for 35 percent representation by women in the R-TGoNU. We now have our first female speaker in the Transitional National Legislative Assembly. The international community has recognized our efforts towards public finance management (PFM) reforms. Through this R-NDS we will build on these gains and begin to address areas where there are still considerable challenges, including expanding access to justice, strengthening the presence of rule of law in all our communities, and mitigating the risks of corruption by strengthening institutions and digitalizing most of our governance transactions.

## 4.2 Key issues

Cluster deliberations identified numerous issues that must be addressed to establish an environment for sustainable peace and development in the country. However, the Cluster reached a consensus on the following five key issues to be addressed during the NDS period.

1. Insufficient legislative framework and lack of implementation of existing laws.
2. High levels of corruption and lack of transparency in South Sudan.
3. Insufficient physical infrastructure and inadequate staff capacity.
4. (i) High proliferation of illegal arms and delay in the implementation of security sector reform and the disarmament, demobilization and reintegration programme.  
(ii) Contamination of areas with unexploded explosive ordnance and explosive remnants of war, which affects farming, grazing and human settlement.
5. National election and political system reform.

## 4.3 Goal

Establish and/or strengthen institutions for transparent, accountable and inclusive governance.

## 4.4 Objectives

To achieve the goal, four strategic objectives, also in the original NDS, are carried forward in the R-NDS:

1. **Political and legitimate governance:** Consolidation of peace, preparation of the permanent Constitution, rule of law and security, and decentralization and local governance/devolution.
2. **Economic governance:** Increase the pace of implementation of the PFM reform agenda, intensify anticorruption measures and improve natural resource management.
3. **Public sector reforms:** Radical reform of the civil service, develop systems, institute an independent national electoral commission and undertake manpower planning and implementation.
4. **ICT and e-governance:** Procure broadband equipment, appreciation and institute e-governance.



Governance cluster alignment with SDGs

## 4.5 Description of priorities

As indicated in Table 2 in Chapter 3 (page 37), participants identified several priorities for achieving inclusive democratic governance. We recognize all the priorities are critical for South Sudan, but considering resource and time constraints, sector working groups have identified the key priorities that should be addressed through the R-NDS. The decision was informed by commitments to implementing the R-ARCSS and the basic prerequisites for establishing an enabling environment for long-term investment in sustainable development. The priorities that are briefly described in this section include:

- *permanent constitution-making;*
- *transition to elected government;*
- *rule of law, security and access to justice;*
- *public finance management reforms;*
- *strengthening anticorruption activities;*
- *functional reviews and strengthening of institutions; and*
- *digitization and e-governance.*

The priorities are organized and discussed in three categories outlined in the R-ARCSS: political and legitimate governance, economic governance and public sector reforms.

### 4.5.1 Political and legitimate governance

The implementation of the Peace Agreement, drafting of a permanent Constitution, instituting the rule of law and guaranteeing security, as well as democratic elections (free and fair), implementation of devolution and political inclusion are critical aspects to be addressed in ensuring political governance.

#### 4.5.1.1 Consolidate the peace (R-ARCSS 1.2.2)

Consolidation of peace in South Sudan is a prerequisite for long-term sustainable development. It will significantly reduce the humanitarian footprint and allow our young state to flourish. The core mandate of the R-TGoNU is to implement the R-ARCSS. The R-NDS is one of the important instruments for achieving this aim. Critical to realizing the aims of the Peace Agreement and sustaining peace is constituting a unified force (a defence force integrated from the various armed groups who signed the Peace Agreement) and demobilizing and reintegrating the many men and women who devoted their lives to our liberation but may not become part of the unified force. We will also invest in the healing

and reconciliation of our society and increase the peace dividend through economic and livelihood opportunities for young men and women across the country.

#### 4.5.1.2 The Constitution (R-ARCSS 1.2.5)

The Peace Agreement requires that a new permanent Constitution be developed during the transition. South Sudan aspires to be a democratic constitutional republic, where everyone is equal under the law and the Constitution is the supreme law of the land to which all other laws must conform. Such a constitution needs to be widely acceptable to the population. The permanent Constitution will therefore be drafted through a participatory process, which will support its foundation in the rule of law. The GRSS has already proposed a process that will be debated and endorsed by the Transitional National Legislative Assembly. As part of the R-NDS, the GRSS commits to investing in an extensively consulted constitution-making process.

#### 4.5.1.3 Rule of law and security

The R-ARCSS mandates the R-TGoNU to produce a permanent Constitution and undertake transitional justice measures, as well as judicial and security sector reforms. Through the R-NDS, measures will be taken to establish victim-centred, gender-sensitive and just, transitional justice mechanisms and processes that provide redress for past abuses, encourage societal healing and help guarantee non-reoccurrence of violations. Key policy, legal and regulatory frameworks for effective governance, based on the rule of law, will be developed and aligned with international human rights instruments, and offer legal protection to all South Sudanese, without discrimination. Judicial and security sector reforms are also at the forefront of the government's work to ensure an independent and effective judiciary that is capable of promoting accountability, and a unified, inclusive and accountable security force.

South Sudan will continue its cooperation with the international community, as well as non-governmental and civil society organizations, to address the evolving needs of its justice and security sectors. Priority will be given to promoting a people-centred approach in delivering fair and accessible justice, introducing reviewed security measures and empowering citizens to exercise their human rights. This will be achieved through the capacity-building of justice and law enforcement institutions at both national and state levels to increase their ability to provide effective and equitable services to the population and improve coordination and reciprocity. National and state-level strategies that

support the presence, reach and responsiveness of these institutions to people's needs will be implemented alongside measures that ensure that women; children; survivors of conflict-related sexual violence and sexual and gender-based violence; internally displaced people and returnees; people living with HIV and AIDS; persons with disabilities; and other vulnerable populations are able to access justice and secure their rights. Law enforcement agencies will be strengthened to regain the trust of the population through improved police–community relationships. The reduction and prevention of violence, crime and disputes, and promotion of safety in hotspot areas and borders will be further supported by stronger community security mechanisms.

#### 4.5.1.4 Capacity development for effective devolution

The South Sudan governance system comprises national (federal), state and local governments. Local government comprises counties, urban municipalities, payams and bomas, creating a hybrid of formal state structures and traditional authorities. Two main constraints have been affecting the smooth functioning of all spheres of government, in addition to the conflict – lack of clarity of the extent of devolution and limited resources. The R-ARCSS (4.1.5 and 4.1.6) makes clear the principles governing devolution – commitment to the devolution of power and to equitable sharing of wealth. In section 4.11, the R-ARCSS outlines the revenue-sharing commitment and approach, gives timelines for agreeing on the revenue-sharing ratios and instructs the constitutionalizing of the agreements, once reached. These provisions will include fiscal, political and administrative devolution and entrench gender equity in the devolved system. As the country moves towards full devolution, which will be entrenched in the permanent Constitution, the multi-layered system will need to be infused with fiscal and administrative capacities to effectively deliver on the mandate. The R-NDS will focus on building state and local government capacities. Areas of focus will include skills development and the provision of resources for planning, monitoring, coordination, partnership and consensus-building.

#### 4.5.1.5 The National Electoral Commission (R-ARCSS 1.2.13)

The R-TGoNU is mandated, before the end of the transition, to conduct general elections (presidential and legislative)

to be followed by state and local government elections. The legitimacy of any election depends on the credibility of the electoral management bodies. This is especially true for South Sudan after such a protracted conflict. The Electoral Commission will be key: how it is instituted; how it works; how it relates to the political system; how it manages to instil confidence in the population, political contenders, international community and other stakeholders; and its ability to carry out a free, fair and credible election. The electoral acts that will protect the electoral management bodies and define their mandates need to be reviewed and strengthened. The role of civil society organizations to promote citizens' participation and monitor the integrity of the elections needs to be developed. We also need to prepare the security forces, especially the police, to safeguard the elections. The readiness of all relevant institutions for inclusive, peaceful, free and fair elections will be achieved through the R-NDS.

### 4.5.2 Economic governance

The benefits of effective economic governance – a stronger economy, increased investment, more job opportunities for youth and women and poverty reduction, among others – will be a preoccupation of the governance cluster. We will focus on (i) the PFM reform agenda, (ii) anticorruption, (iii) natural resource management and (iv) institutional reforms.

#### 4.5.2.1 Public finance management (R-ARCSS 4.14)

Since the onset of the COVID-19 pandemic, the GRSS has started implementing much-needed PFM reforms. This is important, given the weakness of PFM systems and their consequent impact on perception of the utilization of public resources and the donor credibility gap. The government's commitment, through the careful identification of 11 priorities<sup>13</sup> for PFM and the formation and functioning of PFM structures, is a notable step. Through the R-NDS, the GRSS will implement the priorities of PFM reforms, including strengthening gender-responsive budgeting.

#### 4.5.2.2 Anticorruption (R-ARCSS 4.4.1)

South Sudan has faced significant challenges with corruption and leakages in public institutions. The country has consistently ranked poorly on major international corruption indices, as illustrated in Figure 13. The mismanagement of

13 Some of these include strengthening the macrofiscal framework and budget process, starting the implementation of the treasury single account, improving cash management practices, establishing a public procurement and asset disposal authority, and strengthening the Anticorruption Commission and Audit Chamber.



public resources is evident in poor service delivery in the country, with serious implications for eradicating poverty and improving the human development conditions of our citizens. During consultations for the R-NDS design, many of our citizens singled out corruption as the most important challenge to be resolved to actualize effective economic governance. The GRSS agrees with this view. We recognize that achieving the nation’s Vision 2040 impels us to take bold and courageous steps to address corruption. The Anticorruption Commission will be strengthened through review of its Act and provided with operational resources to elevate its role in the fight against corruption; government services will gradually be digitalized through our commitment to e-governance; and the National Audit Chamber will be empowered by strengthening its laws and providing adequate resources to enable it to conduct regular audits. The GRSS will take the implementation of all audit recommendations seriously. In addition, the GRSS will support periodic public expenditure reviews of key ministries, departments and agencies, especially those that will lead the implementation of the R-NDS.

**4.5.2.3 Natural resource management (R-ARCSS 4.8.1-3)**

The key natural resource mandates in the R-ARCSS are focused on oil extraction, but other resources like minerals, fisheries and timber are included. Through the R-NDS, the GRSS will update the acts governing the oil sector with a view to enhancing transparency, equity and sustainability. In addition, and as part of efforts to diversify our economy, the GRSS will support the development of an economic diversification strategy; strengthen laws regarding access to and use of land for agriculture; and prudently invest in the exploration of other minerals. The Nile River is a highly governed and internationally contested resource, but it has great potential for our economy. We will join other riparian states in developing our strategy for optimum use of the Nile’s resources.

**4.5.3 Public sector reform (R-ARCSS 1.2.10)**

The R-ARCSS directs the R-TGoNU to “restructure, rehabilitate and ensure radical reform of the civil service”. Such radical reform cannot happen in isolation. It requires that the entire public sector at national, state and local levels; state

Figure 13: Corruption Perception Index, 2019

enterprises; and other public entities be reformed, to achieve a holistic government approach to public sector reforms. Through the R-NDS, we will undertake functional reviews of public entities critical to R-NDS implementation and to the strengthening of our government. The reviews will be followed by gradual development of the systems and institutions as elaborated in the capacity-building strategy in this R-NDS.

#### **4.5.3.1 Functional reviews**

An important goal we seek to achieve through the R-NDS is a more effective public service. The GRSS will carry out a functional review of ministries, departments and agencies to help them achieve a level of institutional clarity. The review will determine the number of ministries, departments and agencies with strategic plans that articulate their visions, missions and core activities; organizational structures that streamline functions that overlap and minimize the underutilization of human resources; and engagement strategies for relating to the public and other institutions in government.

#### **4.5.3.2 Systems development**

We recognize that there is much to be done to optimize the performance of public service institutions. Some institutions and systems work well, while others are hindering their own missions and roles. Building a strong public service includes the development of systems, improving human resource capacities, improving conditions of workplaces and benefits, and promoting a culture of service. The GRSS has taken bold steps to improve salaries. Equipping offices with tools and equipment will be a continual effort during the R-NDS cycle. In addition, through the leadership of the Ministry of Public Service and Human Resource Development, the GRSS will review and improve the acts of ministries, departments and agencies (where required); ensure all ministries, departments and agencies have strategic plans that are aligned with the R-NDS and the broader development agenda of the GRSS; and build strong human resource capacity through continued learning.

### **4.5.4 Information and communications technology**

South Sudan has an opportunity to 'leapfrog' technological development by accessing the latest technology. While this is true of every field and every sector, it is even more

so with ICT. At this time, ICT usage in the country is patchy, characterized by limited broadband capacity, inadequate or aging equipment and limited appreciation of the benefits and easy accessibility of ICT. We are determined to transition to e-governance. To achieve this, we must put in place the appropriate infrastructure, systems and culture. Through this R-NDS, the GRSS seeks to achieve the following foundational steps.

#### **4.5.4.1 Broadband and equipment**

Broadband is the capacity available to providers to supply Internet connectivity to their users. It affects both coverage of users and speed of use. When there is limited or unreliable connectivity, it is difficult to computerize important functions because they could be inaccessible when they are needed. The key to 'come from behind' in ICT is to invest in sufficient broadband with spare capacity to accommodate future growth while considering future technological innovations. We will invest in a stronger and bigger broadband capacity for public institutions. Over time, and during the R-NDS implementation period, the GRSS will invest in equipping government institutions to gradually transition to e-governance. This will include Internet capability; communication equipment, including computers; and technical expertise to service ICT systems.

#### **4.5.4.2 E-governance**

In this rapidly advancing digital age, it is imperative that some aspects of our public services transition to using e-government tools to reach more of our people with speed and accelerate sustainable development. Under the leadership of the Ministry of Information, Communication, Technology and Postal Services, the GRSS will support the development of a national strategy on e-government; create an enabling legal environment that includes data protection law; and build the necessary infrastructure, including broadband, Internet capability in key ministries, departments and agencies, and a data centre to store and protect government data. We are confident that digital transformation of the GRSS will contribute to transparency and accountability; make GRSS services more efficient; and enhance the reach and engagement of the GRSS with our citizens. The transformation will also create employment opportunities for our young people, who are breaking new ground in innovation and technology.

#### 4.6 Governance cluster results framework

Outcomes	Measures (indicator)	Baseline	Three-year targets	Means of verification
<b>Comprehensive disarmament of ex-combatants, demobilizing and reintegrating them into civilian life, and disarmament of civilians with illegal arms</b>	Percentage of civilian population with firearms and/or light weapons	40%	30%	Small arms survey
<b>Ensure that legal frameworks are reviewed, reformed, passed, enacted, assented to and implemented accordingly</b>	Percentage of government institutions with updated number of legal frameworks	50%	70%	Matrix of policy instruments
<b>Enhance communication and strengthen coordination and institutional relations</b>	Percentage of public service employees that perceived communication, coordination and relations as being good or very good	30%	45%	Labour force survey
<b>Ensure the resettlement and reintegration of returnees and refugees and provision of reconstruction and recovery services</b>	Percentage of the displaced repatriated and resettled	10%	55%	Reconstruction and Development Commission reports
<b>Ensure and enhance institutional and human resource development</b>	Percentage of civil servants with capacities required to function optimally	35%	55%	Labour force survey
<b>Formulation of the permanent Constitution of South Sudan</b>	The permanent Constitution is finalized and approved	Not started	100%	Approved and adopted Constitution

#### Governance cluster results framework 2021–2024

<b>Rule of law</b>	Citizens feel they have access to justice before the law	Strong belief that access to justice and redress by the law depends on one's status	60% of people feel they have equal access to justice	Polls and surveys
	Citizens feel they are treated equally before the law	Strong belief that access to redress by the law depends on one's status	60% of people feel they have equal access to justice	Polls and surveys

Outcomes	Measures (indicator)	Baseline	Three-year targets	Means of verification
<b>PFM</b>	Number of public sector institutions adopting PFM systems	Awareness has been raised and ministries, departments and agencies are supported to adopt PFM	50% of ministries, departments and agencies fully PFM-compliant	PFM Secretariat reports
<b>Anti-corruption</b>	Institutional set-up	The Commission has not been set up	Commission and staff appointed and systems are being developed	Institutional assessment
<b>Functional reviews</b>	Percentage of ministries, departments and agencies reviewed	Many have strategic plans but they have not been reviewed	60% of ministries, departments and agencies reviewed	Reports of the responsible authority (Public Service Commission, President's Office.)
<b>E-governance</b>	Percentage of government functions computerized	Very little in some departments	10% of ministries, departments and agencies have computerized about 10% of their core service functions	Institutional assessments
<b>Elections</b>	A functioning national electoral commission	No formally reconstituted electoral commission by R-TGoNU	Fully functioning elections commission	Report on preparedness for elections Report on free, fair and credible elections
<b>Constitution</b>	Finalization of a new permanent Constitution developed through a participatory process	Transitional Constitution 2011; amended 2015	Permanent Constitution of South Sudan	Report on the extent of consultation for constitution-making process
<b>Natural resource management</b>	Number of legal frameworks governing natural resource management updated	Petroleum Act 2012; Petroleum Revenue Management Act 2013; Mining Act 2012	Update all three related acts for natural resource management	Completed acts



# CHAPTER FIVE: Economic cluster

## 5.1 Introduction

Despite the enormous economic potential of our country, we have suffered ebbs and flows in economic growth. With peace now at hand, the GRSS will focus on growing the economy and ensuring that the resources of the country benefit not only current generations but future ones as well. This will require a well thought-out strategy for ushering in an era of economic, social and political development. The R-ARCSS tasks the R-TGoNU to do all it can to rebuild the economy, not only to revive and sustain livelihoods but to achieve long-term and steady growth. Signatories of the Peace Agreement and the government are unequivocal in their belief that the success of the Peace Agreement hinges on the success of the economy. The R-NDS will address urgent economic development challenges, as well as lay solid foundations for medium- to long-term economic development. Some of these foundations include policies and strategies (the small-scale industrialization strategy, mining policy and strategy, private sector development strategy) and the strengthening of the informal sector, where many of our women operate.

## 5.2 Key issues

Cluster deliberations identified numerous issues that must be addressed to establish an environment for economic growth. Primary among the issues were the following, which must be addressed in the period of the R-NDS:

1. Inadequate macroeconomic data.
2. Over-dependence on oil with no clear strategy for diversification.
3. Very narrow private sector base and negligible presence and influence of South Sudanese in the private sector.
4. Instability and uncertainties in the macroeconomic landscape.

## 5.3 Goal

Foster macroeconomic stability and lay foundations for the diversification of the economy.

## 5.4 Objectives

To achieve the goal, four strategic objectives will be achieved:

1. Finalize legal and institutional frameworks for economic growth.
2. Meet the East African Community Basel Core Principles and international requirements.
3. Enhance revenue mobilization and strengthen PFM.
5. Develop basic economic infrastructure.



Economic cluster alignment with the SDGs

## 5.5 Description of priorities

Numerous priorities were identified for the economic cluster during the consultations for the R-NDS. These were reprioritized by the sector working groups and cluster working groups to ensure they are feasible and achievable in the three-year timeline of the R-NDS. The priorities addressed include:

- macroeconomic stability;
- strengthening the Stabilization Fund;
- developing an investment strategy;
- inclusive growth;

- *social safety net and social protection; and*
- *economic diversification.*

## 5.5.1 Macroeconomic stability

### 5.5.1.1 Stabilization Fund

The oil sector accounts for 90 percent of South Sudan's exports. A change in the oil price on world markets exposes South Sudan to severe shocks. Recently, COVID-19 reduced global consumption and the price of oil, adversely impacting South Sudan's foreign earnings and government revenue. The GRSS will ensure that when the income from oil is high, surplus revenue will be put in the Stabilization Fund established in the Petroleum Act of 2012 to protect our economy from global oil price volatility. In order to meet the mandate for the Stabilization Fund over time, the R-TGoNU will review the Act in a bid to strengthen it, create mechanisms for monitoring the transfer of funds to the account and regularly report on the fund through the PFM mechanism.

### 5.5.1.2 Consumption, savings and investment strategy

Citizens' savings and investments are critical to the health of the economy, but saving and investment by our citizens has been a negligible factor in the economy. Several factors account for this. The public sector is the largest employer in South Sudan but salaries have been low, not enough to eke out a living and save at the same time. The private sector's growth is inhibited by a poor business environment, macroeconomic instability, conflict, lack of financial access and lack of entrepreneurial capacities. Non-governmental organizations, though they pay well, do not employ large numbers of people. Structuring public sector employees' pay and benefits improves national consumer capability and improves access to social services that enhance human capital productivity. A well-remunerated public sector, private sector-oriented development policies and local content-oriented employment and business policies will boost overall savings and investment gains in South Sudan. Through the R-NDS, the R-TGoNU will plan for and make public sector investments that contribute to the creation of the national capital stock. Investments, such as in infrastructure, human capacity, health, water, energy and other developmental initiatives that realise value over the long term will be prioritized. With improved services and improved remuneration, our citizens will have sufficient income to save and invest in their futures.

## 5.5.2 Inclusive growth

### 5.5.2.1 Income policy

Most developing countries do not pay attention to the structure of incomes and what it means for ensuring inclusive growth. Paying employees adequately and maintaining high levels of employment is the quickest way to reduce poverty. When both the public and private sector are doing well and expanding their businesses and services, the people they employ must also derive benefit through their incomes. One of the most effective ways of achieving this is through the institution of minimum wages. If the minimum wage is above the poverty level in the country, none of those who are working can be poor. An equitable income policy, whether the income is derived from employment, assets or social protection programmes, is one of the best ways of ensuring that, as the economy grows, no one is left behind. Besides income, however, the most important instrument for a government to ensure inclusive growth is taxation. A progressive tax system that enables people and business entities to pay in line with their financial situation and heavy public investment in social services like education, health and social protection will ensure equitable economic growth in the long run.

An adequate compensation package for public service employees not only improves morale, which has an impact on the quality of delivery of services and the facilitation of private sector productivity, but also has an impact on consumer demand and thus helps to grow the economy. When complemented with progressive business development support policies and a robust national income policy, supportive of inclusive development, a sound foundation will be provided for national savings and investment culture and practice. The R-TGoNU will focus on improving the policy environment to grow incomes for the benefit of our working citizens.

### 5.5.2.2 Social safety nets

This topic is cross-referenced here for emphasis. It is discussed fully under the services cluster.

## 5.5.3 Economic diversification

### 5.5.3.1 Short term – diversification from petroleum to agriculture

Diversifying the economy is vital for sustainable economic growth. As long-term discussion on diversification unfolds over the next few years, diversification to agriculture is a low-hanging fruit that can be achieved quickly. It can create employment for many of our young people, who are

now vulnerable to the fuelling of conflicts because of their lack of income and sources of livelihood. Through the 'oil for roads' project, the R-TGoNU will target road networks that connect agricultural production areas to ease market access, and grow and mobilize the financial sector to invest in agriculture and agribusinesses. We will promote and protect innovation and support research to drive agro-economic bankable projects at micro and macro levels.

### 5.3.3.2 Medium term – diversify within petroleum, agriculture and mining sectors

South Sudan currently produces substantial volumes of oil and unprocessed minerals for export. Increased beneficiation would help the country to diversify from the export of primary products to value-added exports, thereby cushioning the country from instability of commodity prices and demand, while at the same time realizing more value and boosting revenue. We will invest in agro-processing production, refining oil and gas, and producing downstream manufacturers to set our country on an agriculture-oriented manufacturing path, and lay the foundation for industrialization in the long term.

### 5.5.3.3 Medium term – service sector, in particular tourism

To jumpstart the tourism sector requires a stable security environment. The full implementation of the Peace Agreement, to which the R-NDS contributes, will help create a peaceful environment for tourism to thrive. We are rich in biodiversity and culture, both of which are potential tourist attractions. Drawing lessons from our neighbours, the GRSS

is fully aware of the vast potential of tourism to grow the economy, exposing our people to a range of possibilities. We recognize the importance of controlling recurrent flooding by directing the river channels in the country and constructing water reservoirs. This, in turn, makes possible the systematic removal of aquatic weeds to enhance tourism, and protect wildlife and livelihoods.

### 5.5.3.4 Long term – balanced economy: primary, manufacturing and service sector (internal and external)

As stated above, South Sudan produces raw materials in the agriculture and oil industries, and while the mining sector is beset by illegal mining activities, this industry, too, has huge potential. The creation of legal frameworks and enforcement in the oil and mining sectors is critical to laying a foundation for economic diversification. Adding value to these products, supplying both external and internal markets, would form the basis for long-term economic stability and sustainable development. Developing policies and strategies for long-term diversification will be one of the key priorities of the R-NDS in the next three years.

Investing in water as the blue gold economy is paramount for economic recovery and economic diversification. Domestic and foreign direct investment in the water sector will foster diversified revenue for our municipalities and rural communities and enhance dignified standards of living and livelihoods. Unleashing the hydropower potential of all rivers and tributaries in the country will stimulate economic growth. Moreover, the United Nations Human Development Index (HDI) identifies water storage per capita as a key measure of economic growth of a nation.

## 5.6 Economic cluster results framework

Outcomes	Measures (indicator)	Baseline	Three-year targets	Means of verification
<b>Economic cluster</b>				
<b>Build a diversified economy</b>	Ratio of non-oil GDP	3%	7.5%	Consumer Price Index, annual GDP report
<b>Reorient expenditure to expand the productive base</b>	Share of capital expenditure as a percentage of total government expenditure	5%	10%	National annual budget out-turn
	Net cereal production	40%	60%	Crop and food security assessment mission

Outcomes	Measures (indicator)	Baseline	Three-year targets	Means of verification
<b>Expedite economic infrastructure development</b>	Feeder roads rehabilitated or constructed	750 km	1,000 km	Ministry of Transport
	Construction of a major highway	250 km	500 km	Survey and assessment of roads
	Food reserve depots built	0	3 (40,000 metric tons each)	Ministry of Agriculture and Food Security
	Mobile phone penetration	6%	17.5%	Ministry of Information, Communication, Technology and Postal Services
	Number of developed or rehabilitated irrigation schemes	0	6	Water information management system
	Water and sanitation facilities	30%	40%	Water information management system
	Maintenance of airports and control of airspace	3 airports	7 airports	Ministry of Transport
<b>Fast-track development of legal, regulatory and institutional frameworks</b>	Number of legal frameworks revised and submitted	1	25	Policy instrument tracking matrix
<b>Intensify revenue mobilization</b>	Oil revenue as percentage of GDP Non-oil revenue as percentage of GDP	TBC	TBC	Ministry of Finance and Planning

#### Economic cluster results framework 2021-2024

<b>Macroeconomic stability</b>	Stabilization Fund	The Act exists	The Fund is systematically implemented	Ministry of Finance and Planning
	Inclusive growth	No income policy	Income policy is made, finalized and adopted	Ministry of Finance and Planning
<b>Economic diversification</b>	Diversify to agriculture	There is an agricultural base	A deliberate strategy to grow agriculture as employment creation is in place and being implemented	Ministry of Agriculture and Food Security

# CHAPTER SIX:

## Services cluster (social development)

### 6.1 Introduction

After over two decades of the independence war and over six years of civil and internal conflict, social services in South Sudan have been battered, with severe consequences for the population. Education and health facilities lie derelict at a time when there is the greatest need for them. Social protection that guarantees the welfare and dignity of the most vulnerable among us barely exists. A country's greatest resource is its people, but the impact on human capital of these decades of conflict is incalculable. Investing in the education, training and health of the people is the way to ensure optimum value of human capital. Equally important is protecting the people from falling into poverty due to shocks that impact their livelihoods. National budget allocation to the health and education sectors has been very low over the years and often amounts to less than 2 percent and 5 percent, respectively, of the budget. Consequently, an estimated 90 percent of health and education services in the country is provided by non-governmental organizations. With a large population of refugees, internally displaced people, returnees and host communities, and more than half of the country's population in need of humanitarian assistance, the provision of social safety nets is at the heart of the livelihoods of many South Sudanese.

The government is fully aware of the imperative of human capital and social development to improve the well-being of our citizens. Efficient public spending is critical for health, education and other social sectors. The government has begun to increase investments in these sectors, as evidenced by the allocations in the FY2021/22 budget – the budget is fully aligned to the R-NDS. The government will strengthen the relevant institutions at national, state and local levels to improve the sectors and provide social safety net support to our vulnerable population. Investment in these sectors will continue to grow if we sustain the peace.

### 6.2 Key issues

1. **Limited coverage and access to quality social services.**
2. **Inadequate financial and human resource capacity.**
3. **Poor infrastructure for social services.**
4. **Inadequate commodities, equipment and supplies for social services.**
5. **Inadequate enabling frameworks for management, coordination, monitoring and evaluation of social services.**

### 6.3 Goal

Increase support to the social sector for human capital development and protect the vulnerable population, to leave no one behind.

**The government will** strengthen the relevant institutions at national, state and local levels to improve the sectors and provide social safety net support to our vulnerable population.

## 6.4 Objectives

To achieve this goal, four objectives have been identified for the services cluster. These include the following:

1. Develop a comprehensive plan for human capital formation which entails undertaking a national capacity assessment, provision of adequate equipment and infrastructure, and investment in teacher education and training curricula.
2. Provide affordable health care by establishing health provision hierarchy from primary health to critical care, investing in infrastructure and developing the health workforce.
3. Expand on the provision of social safety nets to cover non-contributing to contributing options, ensuring a shift from providing temporary relief to a more sustainable response to vulnerabilities.
4. Strengthen human and institutional capacity for efficient and effective social services.



Services cluster alignment with the SDGs

## 6.5 Description of priorities

Priorities in the services cluster are numerous. After extensive consultations, it was agreed that during the period of the R-NDS the government and its partners will focus on key priorities that will accelerate recovery in the sectors while addressing the dire needs of many of our citizens. We will focus on the following:

### For education

- National capacity assessment and surveys
- Infrastructure and equipment
- Teachers' education and training curricula

### For health

- Strengthening of health systems and access to quality care
- Repairing and upgrading health infrastructure (hospitals and primary health care units)
- Increased access to health resources

### For social protection (social safety nets)

- Establishment of hierarchy of social safety nets
- Disaster response for the vulnerable
- Multidimensional poverty index
- Social security funds
- Pension fund
- Future generation fund

### 6.5.1 Education

Comprehensive, high quality, equitable access to education and other training opportunities is the foundation of adequate human capital. As the United Nations Children's Fund (UNICEF) eloquently puts it, "A child born to an educated mother has a 50 per cent higher chance of survival. The risk of child marriage and early pregnancy is lower if girls stay in school. Educated parents are more likely to send their children to school".<sup>14</sup> Figure 14 shows the percentage distribution of household heads' educational level.

Parents with low levels of education combined with instability, displacement due to war and violence and natural hazards are keeping our children out of school. An estimated 2.8 million of our children who should be in school are not,

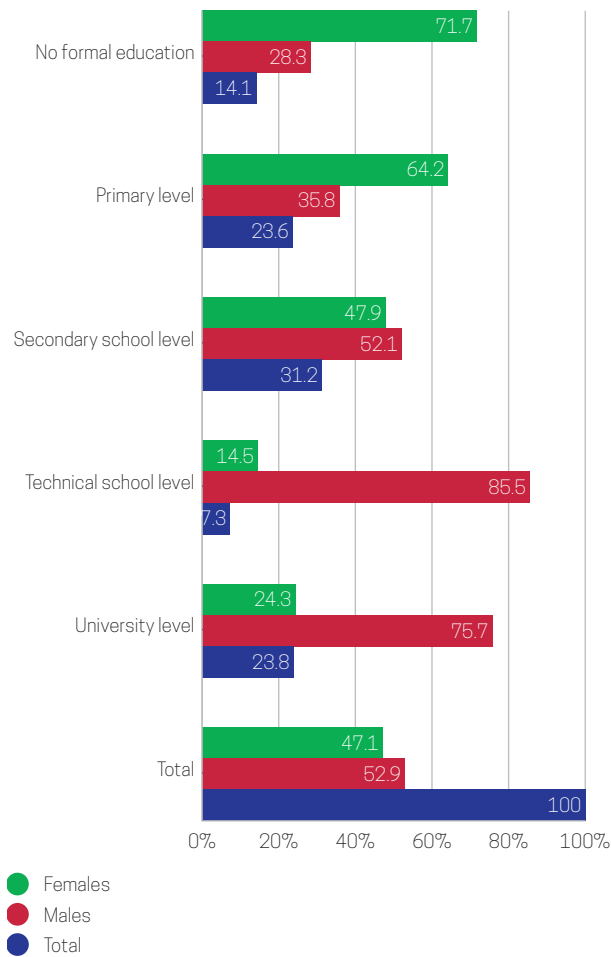


Figure 14: Percentage of household heads and their level of education

Source: Juba University

putting their futures and the future of the country at risk.<sup>15</sup> Most of them want to be in school, and their parents also wish that they were, but for various reasons they cannot attend. South Sudan has the world's highest proportion of out-of-school children. Due to the 2016/17 war, at least one in three schools has been damaged, destroyed, occupied or closed, according to UNICEF.<sup>16</sup> Figure 15 illustrates primary school dropouts in 2018.

To benefit from our demographic dividend as a country with a youthful population (about 54 percent under 18 years and 73.6 percent under 30 years) we must invest in education at all levels. Many aspects of the 2018–2021 education sector plan are incorporated in the R-NDS for continued implementation. We have also significantly increased the allocation to education to implement the priorities in the R-NDS. The focus will be to undertake a comprehensive capacity assessment of the education sector, upgrade and increase infrastructure, equipment and supplies and train more teachers.

#### 6.5.1.1 National capacity assessment

Both education and training are designed to meet national human capital priorities. One of the most common explanations for non-implementation of programmes in South Sudan is insufficient capacity. However, there has never been a systematic assessment of capacity needs and availability in South Sudan for the education sector, nor of capacity needs for the broader economy. A comprehensive capacity

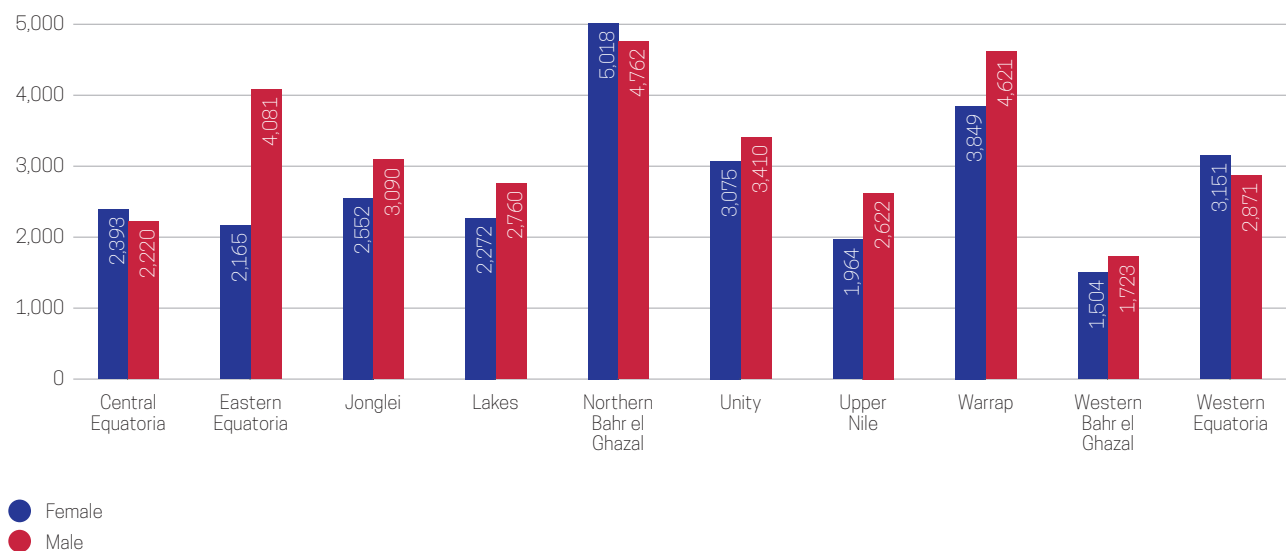


Figure 15: Primary school dropouts by states and gender, 2018

<sup>15</sup> Out-of-School Children, 2020.

<sup>16</sup> UNICEF report, January 2018.

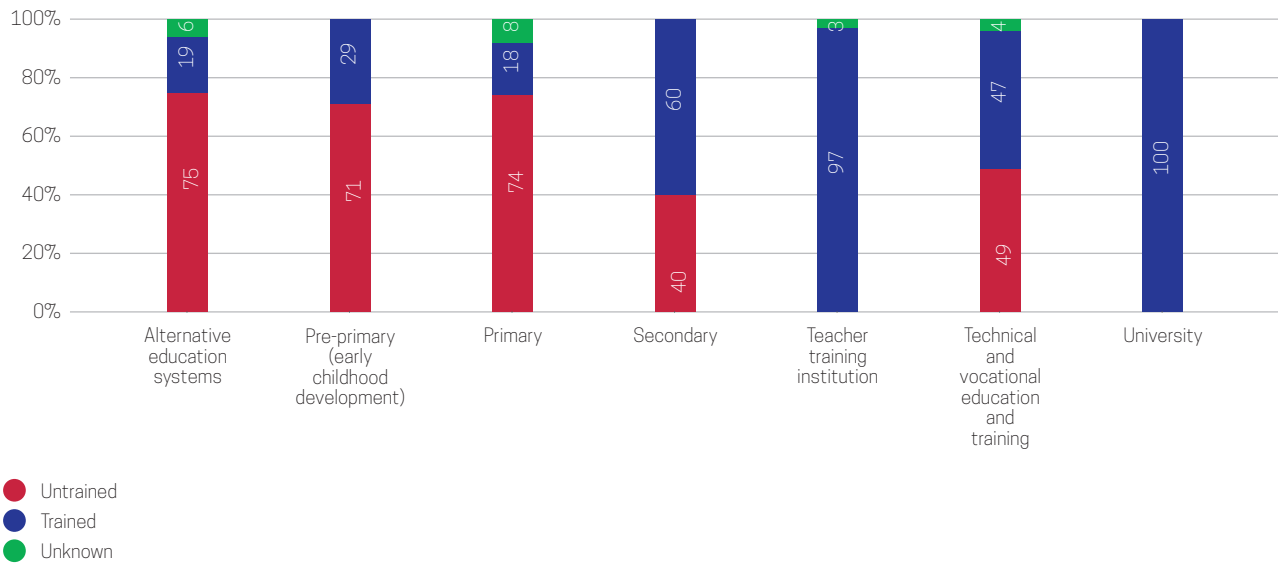


Figure 16: Percentage of teachers per school type and training

assessment will give the country a baseline to guide the building of both a responsive education system and manpower development objectives. During the R-NDS period, the Ministry of Public Service and Human Resource Development and the two ministries of education will collaborate to conduct a comprehensive capacity assessment for the education sector. Similar assessments will be conducted for the other social sectors, including health.

#### 6.5.1.2 Infrastructure and equipment

Most educational infrastructure, particularly in the rural areas, was destroyed during the various conflicts and the war. It is a priority to rehabilitate educational infrastructure and build anew. Emphasis in our investments in the educational sector will be on schools in the rural areas, particularly in communities that have been left behind.

#### 6.5.1.3 Teacher education and training curricula

The quality and capacity of teachers need improvement. Currently, only 37 per cent of our teachers are fully trained and qualified to teach. South Sudan's education policy emphasizes training, deployment and retention of teachers. Figure 16 shows the state of the capacity of our teachers. To become competitive in the region and to meet our vision of 'an educated and innovative society' we must invest in the training of our teachers. The two ministries of education will lead the overhaul of our school curricula to ensure that

learning responds directly to the human resource needs of the country. The revised curricula will be used to embark on extensive teacher training, including a programme for continual learning.

### 6.5.2 Health sector

The health sector in South Sudan continues to face enormous challenges with alarming consequences. With maternal mortality of 789 per 100,000 live births, neonatal mortality of 39 per 1,000 live births and an under-five mortality rate of 91 per 1,000 live births, the task to reverse these conditions is urgent. In 2016, close to 71 percent of the population lived more than 5 kilometres (km) from the nearest public health facility.<sup>17</sup> Access is further compromised because 13 percent of existing primary care facilities are not functional. The general health service readiness to deliver basic health care services is estimated at 37 percent of international minimum standards.<sup>18</sup> Determined efforts are needed to improve health service delivery and for improved management of health system resources and partnerships.

In 2016, the GRSS prepared and published the National Health Policy 2016–2026. The policy has three objectives: (i) strengthen health service organization and infrastructure development for effective and equitable delivery of the basic package of health and nutrition services and universal health coverage, (ii) strengthen leadership and management

17 Macharia, Peter, et al., 'Spatial Accessibility to Basic Public Health Services in South Sudan', *Geospatial Health*, vol. 12, no. 510, May 2017, pp 106–113.

18 United Nations Mission in the Republic of South Sudan and Office of the High Commissioner for Human Rights, *Access to Health for Survivors of Conflict-Related Sexual Violence in South Sudan*, May 2020, [https://unmiss.unmissions.org/sites/default/files/access\\_to\\_health\\_for\\_survivors\\_of\\_conflict-related\\_sexual\\_violence\\_in\\_south\\_sudan.pdf](https://unmiss.unmissions.org/sites/default/files/access_to_health_for_survivors_of_conflict-related_sexual_violence_in_south_sudan.pdf).



of the health system and increase health system resources for improved health sector performance and (iii) strengthen partnerships for health care delivery and health systems development. Due to instability, not much of the policy has been implemented yet. In the R-NDS period, the R-TGoNU will prioritize implementation of the policy, with focus on the resuscitation and strengthening of the health system; investment in the repair and upgrade of health infrastructure; and development and improvement of access to health system resources.

**6.5.2.1 Establish or update health provision system and clarify access to care continuum from primary to critical care to ensure quality and safety of a basic package of health and nutrition services**

The GRSS will support the development of a comprehensive health system with a hierarchy that starts with community-based care, all the way to acute care, and a system of referrals. Investment will be made in prevention.

**6.5.2.2 Invest in the repair, upgrade and building of new infrastructure to ensure quality and safety of care**

It is estimated that across the country only about 40 percent of health facilities are still functional, the rest having been destroyed. In the R-NDS period, we will prioritize the rehabilitation of destroyed health facilities and the construction of new ones, especially in communities that hitherto have been left behind.

**6.5.2.3 Develop and strengthen health systems resources**

The main priority in terms of health system resources will be to equip health system personnel with the skills and tools they need to provide quality care, safely and competently.

**6.5.3 Social protection (social safety nets)**

In 2015, the GRSS approved the National Social Protection Policy Framework, which envisages a national social protection system with strong coordination and a range of social protection programmes for the most vulnerable. The GRSS also committed to allocating 1 percent of the annual budget to finance the National Social Protection Policy Framework through the Ministry of Gender, Child and Social Welfare. The 2016 conflict affected delivery of the policy and the planned allocation. Despite this, in partnership with our development partners, some social protection and social safety net programmes are being carried out. Through this

**Through this R-NDS, the GRSS will increase its support and leadership in meeting the needs of our most vulnerable people by reviving the implementation of the social protection policy.**

R-NDS, the GRSS will increase its support and leadership in meeting the needs of our most vulnerable people by reviving the implementation of the social protection policy. Given the lag in implementation of the policy and the fact that there is very little coordination among those providing social protection and social safety net programmes, the GRSS will review and improve policy implementation. The approach will focus on the establishment of a hierarchy of social safety nets to support people made vulnerable by disasters such as floods, drought, locust invasion, and shift to poverty indexed or poverty reduction safety nets.

**6.5.3.1 Establish a hierarchy of social safety nets from non-contributing to contributing**

Although we have a policy and have made some efforts in implementing social protection programmes, these programmes are still in their infancy. Through the R-NDS, a comprehensive study will be conducted to explore whether South Sudan can establish a mixed model of social protection that will include non-contributory and contributory programmes. We will also extend non-contributory support to the most vulnerable in neglected communities and those hard hit by disasters. The Ministry of Labour will lead the exploration into the feasibility of introducing contributory social protection and social security programmes.

**6.5.3.2 From temporary responses to disasters to permanent strategies for structural vulnerabilities**

Most of our social protection and social safety net programmes have focused on responding to those affected by disasters. Since the hazards that cause disasters are seasonal, these programmes also tend to operate seasonally. While the support brings short-term relief, it is important to address the structural factors that make disaster-prone communities

*We are aware that many partners are implementing social protection and social safety net programmes across the country.*

vulnerable. This will help enable resilience and not perpetuate vulnerability. The Ministry of Humanitarian Affairs and Disaster Management will lead in assessing the drivers of vulnerability in disaster-prone communities and work with state and local governments to strengthen early warning systems and develop community preparedness programmes. Other areas of structural vulnerability, including minimal sources of livelihood, exposure to floods, and lack of community cohesion and organization will also be addressed. The GRSS will strengthen coordination and provide the resources for the relevant institutions to support overall resilience-building in disaster-prone communities.

#### 6.5.3.3 From income maintenance to data-informed poverty-reduction safety nets

We are aware that many partners are implementing social protection and social safety net programmes across the country. These are laudable efforts. However, the GRSS will work to create an inclusive, transparent and accountable system to better coordinate these activities and ensure that those who are qualified are benefiting. The GRSS will work with all partners to review and agree on common national standards for eligibility to these programmes and indicators

for tracking how the programmes are helping to lift people out of poverty. The eligibility criteria will be set through the life cycle – for children, the elderly or life circumstances like health-related incapacitation. The social protection working group will be strengthened and quarterly reports on social protection and social safety net programmes will be produced.

#### 6.5.3.4 Enterprise development funds (R-ARCSS 4.15.1-10)

The micro, small and medium enterprise (MSME) mandates in the R-ARCSS are focused on the Womens' Enterprise Development Fund and Youth Enterprise Development Fund to be established based on recommendations of the Private Sector Development Strategy and disbursed through microfinance institutions. The purpose is to avail subsidized credit and build the entrepreneurship capacity of South Sudanese women and youth through skills and technology transfer, especially for the disadvantaged.

#### 6.5.3.5 Future Generations Fund (R-ARCSS 4.8.1.11)

As a key component of the oil revenue funds stipulated in the R-ARCSS, the Future Generations' Fund (FGF) will enable the government to invest in a diversified portfolio of growth assets consistent with the country's economic diversification agenda.

This will provide future generations of South Sudanese with a solid savings base for a time when the hydrocarbon reserves in South Sudan are exhausted. Prudent management of the FGF in accordance with applicable legislation, in particular the revised Petroleum Act and the revised Public Finance Management and Accountability Act, will contribute to a better future for the nation's young people.

## 6.6 Social service cluster results framework

Outcomes	Measures (indicator)	Baseline	Three-year targets	Means of verification
<b>Provide adequate coverage and inclusive access to quality social services</b>	Percentage of population accessing inclusive and quality social services	44%	60%	Education Management Information System, District Health Information System, South Sudan Household Health Survey
	Percentage of human resources capacitated	13.5%	27%	Education Management Information System, District Health Information System, South Sudan Household Health Survey

Outcomes	Measures (indicator)	Baseline	Two-year target	Means of verification
<b>Strengthen social services leadership and policy environment</b>	Percentage of national budget allocated to social services	5%	15%	Analysis of the national and state budget out-turns
	Number of policies promulgated, implemented, monitored and evaluated	75%	100%	Tracking matrix of key policies
<b>Social development cluster results framework 2021-2024</b>				
<b>National capacity assessment</b>	Design/procure capacity assessment tool(s)	0%	Tool(s) procured and used	Report on progress
	Carry out assessment	0%	Assessment completed	Report on progress
	Analyse and report results	0%	Report completed	Report circulated
<b>Social protection policy</b>	A study of typologies of social protection models	A paper mapping existing strategies exists	A complete typological analysis	Report
	A policy paper with recommendations of preferred model	A policy on social protection exists	An expanded policy options paper	Report
	Policy decision and implementation strategy agreed	No policy/choice based on comparative analysis	A comprehensive policy position and strategy Establish a social security fund Revise the National Pension Fund Act	Policy and strategy
<b>Invest in the repair, upgrade and building of new infrastructure to ensure quality and safety of care</b>	Set standards for health service infrastructure to support delivery of quality health services	TBD	100%	Assessment
	Ensure commitment of funds to develop health infrastructure that supports delivery of quality and safe health services	2% of national budget	Global standard (15%)	National budget
	Rehabilitate and upgrade damaged facilities	+ 40% operational	100%	Assessment
<b>Micro, small and medium enterprises</b>	Empower women and youth with skills and technology transfer	No fund available specifically for women and youth	Establish Women's Enterprise Development Fund and Youth Enterprise Development Fund	Bank of South Sudan and microfinance institutions

# CHAPTER SEVEN:

## Infrastructure cluster

### 7.1 Introduction

The infrastructure network of South Sudan makes it difficult for our economy to compete with those of our neighbours and for our people to have expanded opportunities. Roads, sewerage systems, electric power systems and Internet capacity and penetration are very limited. Infrastructure is a catalyst for accelerated growth, and it is pivotal in nation-building. R-ARCSS section 1.2.12 mandates the R-TGoNU to “Rebuild and recover destroyed physical infrastructure and give special attention to prioritizing the rebuilding of livelihoods of those affected by the conflict.” Infrastructure development is therefore a central pillar to implementing the R-ARCSS and achieving sustainable peace. Through the R-NDS, the GRSS will continue to invest in infrastructure development with an emphasis on roads and energy. In addition, as indicated in the governance chapter, we will build broadband capability during this period as a foundation for the transition to e-government.

Some have argued that our investment in infrastructure development undermines efforts to increase support for social development. In our young country, infrastructure development is an integral part of social development. Roads will facilitate access to health facilities and schools. Bridges will connect riverine communities to the rest of their state and counties and foster social cohesion and mobility. Roads will also open up our country and encourage tourism and

nation-building. Without roads, Internet capability and water and sewerage systems, eradicating preventable diseases will continue to pose challenges. Roads also facilitate security and safety, especially of our women and girls, allowing rule-of-law institutions to respond quickly to safety and security calls. The enabling and catalytic power of infrastructure justifies the government’s decision to concentrate investment in this area, as evidenced by the leap from a 3 percent budget allocation in FY2018/19 to 55 percent in 2019/20. The R-NDS will continue to focus on infrastructure development in phases. The relocation of the nation’s capital city from Juba to a proposed site in Ramciel remains on the government’s radar. Discussions will continue to operationalize the memorandum of understanding for this process.

### 7.2 Key issues

1. **Limited, unreliable, unsafe infrastructure.**
2. **Inadequate staff capacity to ensure regular maintenance of infrastructure.**
3. **Low Internet penetration, bandwidth and digital usage in the country.**
4. **Poor road network that cannot be driven on throughout the year. Large tracks of road are not tarred and bridges have been damaged, impeding socioeconomic activity.**
5. **Inadequate power supply to communities across the country.**

*Without roads, Internet capability, water and sewerage systems, eradicating preventable diseases will continue to pose challenges.*

### 7.3 Goal

Build critical infrastructure for sustainable development, including roads, energy, public buildings and broadband capability.

## 7.4 Objectives

The R-NDS will continue our efforts to modernize the infrastructure network, with a focus on roads and energy. It will seek to achieve the following five objectives:

1. Expedite action for the development of infrastructure such as roads and bridges.
2. Support the private sector to increase accessibility and affordability of Internet services through the provision of broadband capacity with reach to all states.
3. Create the legal and regulatory environment to incentivize private companies in infrastructure development.
4. Secure public-private partnerships to expand transport infrastructure to include railways, river transport and airports development, including transmission networks.
5. Train and retain qualified staff for efficient and effective delivery of the cluster goal.
6. Initiate processes to operationalize the development of the Ramciel City plan.
7. Expedite action for the development of oil refining capacities through public-private partnerships.



Infrastructure cluster alignment with the SDGs

## 7.5 Description of priorities

Investment in the infrastructure sector plays a central role in supporting coordinated action to deliver on many other goals in the R-NDS, including those regarding education, health, security, job creation and the environment. Therefore, the R-NDS will continue the focus on infrastructure development. It will restore and maintain basic roads and bridges that connect communities to services; expand and enhance telecommunication services internally and between South Sudan and other countries; work towards the provision of affordable and sustainable power supply in all 10 states; create the legal, regulatory and enabling environment for private sector investment in infrastructure development;

and strengthen the institutions responsible for maintaining public infrastructure at national, state and local levels. The R-NDS infrastructure development priorities are:

- roads, railways, river transport and airports
- energy
- broadband
- Ramciel City

### 7.5.1 Build and rehabilitate roads

South Sudan has three modes of transport that are functional to a certain extent: river, road and air. The railway line from Aweil to Wau was repaired through the United Nations Multi-Donor Trust Fund in 2005 but recurring conflicts have left it unusable. As a result, road is the primary means for transportation of goods across the country. Road rehabilitation programmes in South Sudan started in 2005 with the initial aim of opening road corridors for distribution of food supplies and later to import materials for development projects. The existing road network can be classified according to road type: interstate (including international roads), primary, secondary and feeder road networks. Table 3 shows the length of these road types in the country.

Table 3: Road types

Road type	Length (km)
Interstate network	6,400
Primary network	1,451
Secondary network	3,822
Feeder network	7,400
<b>Total</b>	<b>19,073</b>

To help put the challenge of our road network into perspective, the map in Figure 17 depicts the main road corridors that are in need of reconstruction. The R-NDS will focus on roads that connect communities to services. This focus will be complemented by ongoing major investment in interstate roads and bridges that are supported by the 'oil for road' fund. In addition to roads, the R-NDS will also explore opportunities and initiate action to develop various transport infrastructure, including river transport, railways and airports.

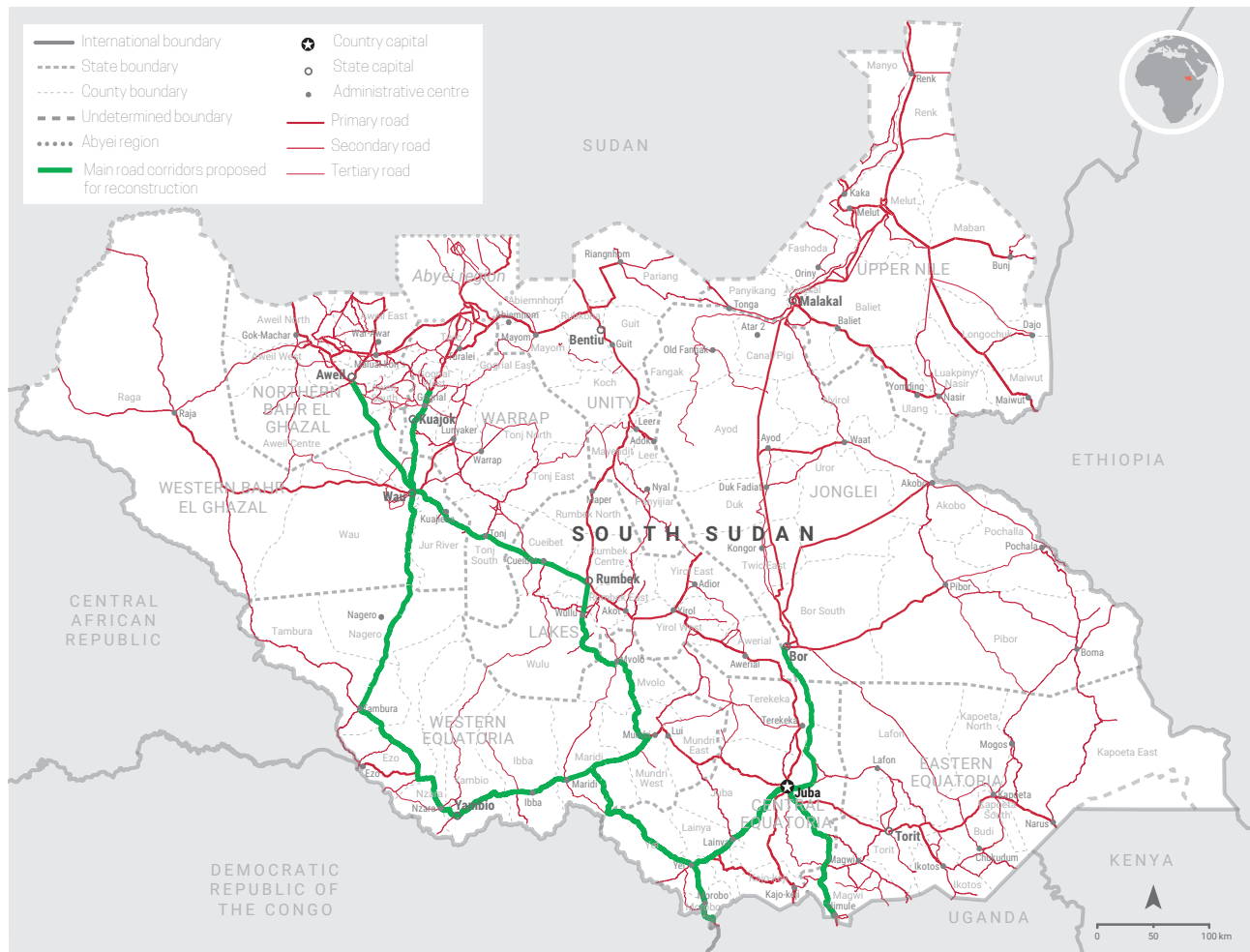


Figure 17: Main corridors in South Sudan

### 7.5.2 Investment in broadband

The development of broadband in a country plays a pivotal role in the enhancement of communication, trade and commerce. South Sudan has therefore joined other countries in rolling out various forms of Internet services to ensure human development in the country. Currently, the country is building capacity and is providing the following services: (i) wireless broadband, (ii) satellite, (iii) GPS tracking and (iv) network and information technology services. We established the first phase of fibre backbone connection in January 2020. The 200-km fibre backbone connects the border of Uganda through Nimule to Juba. In the same year, we completed the connection of multiple metropolitan clusters in Juba.

We have made some progress in connectivity. As of January 2021, there were 900,700 Internet users in South Sudan, of which 13,000 (more than 1.5 percent) had been added between 2020 and 2021. Internet penetration in South Sudan stood at 8 percent in January 2021. The country is in a position to roll out 4G/LTE services in Juba.

There are 2.61 million mobile connections in South Sudan, equivalent to 23.1 percent of the total population, as per January 2021 data. This means there was a 17 percent increase in users between January 2020 and January 2021. Progress on connectivity has linked South Sudan to the broader East Africa Community and has expanded opportunities for trade, investment and exchange among our people and the rest of the Community. In the R-NDS period, we will build on these gains by improving the investment environment for Internet and mobile companies, support the extension of 4G to other states and communities, and ensure government connectivity.

### 7.5.3 Energy development

Our country does not yet have universal electricity coverage. Most homes, offices and businesses rely on individual power generation using generators. Only a few cities, notably Juba, enjoy power supply through the national grid. Without energy we will not attract private sector investment in local manufacturing and thereby provide

jobs for our people. Without energy we will not cultivate the innovation of our young people. Energy shortages also exacerbate multidimensional poverty. We now have some support through the upgraded project to improve our energy facilities. In addition, we will invest in renewable and hydro energy sources. In the R-NDS period, we will invest in the Fula hydropower project, which will generate 1,080

megawatts of power on completion. This will go a long way to addressing the electricity needs of most of our states. We will also invest in transmission infrastructure to expand the distribution of electricity across the country, and in order to add value to crude oil production, we will expedite action for the development of oil refining capacities through public-private partnerships.

## 7.6 Infrastructure cluster results framework

Priority action	Measure	Baseline	Target and time frame	Means of verification
<b>Infrastructure</b>				
<b>Expedite economic infrastructure development</b>	Feeder roads rehabilitated or constructed	750 km	1,000 km	Ministry of Transport
	Construction of a major highway	250 km	500 km	Survey and assessment of roads
	Food reserve depots built	0	3 (40,000 each)	Ministry of Agriculture and Food Security
	Mobile phone penetration	5	16	Ministry of Water Resources and Irrigation
	Number of developed or rehabilitated irrigation schemes	0	3,000	Water information management system
	Construction and rehabilitation of buildings	80	150	Ministry of Housing and Urban Development
	Construction and rehabilitation of urban water and sanitation facilities	30	70	Ministry of Water Resource and Irrigation, South Sudan Urban Water Corporation
	Maintenance of airports and control of airspace	30	50	South Sudan Civil Aviation Authority, Ministry of Transport, South Sudan Roads Authority
<b>Infrastructure cluster results framework 2021-2024</b>				
<b>Build and rehabilitate roads</b>	Feeder roads rehabilitated or constructed	0 km	200 km; 2 years	Ministry of Transport
	Construction of a major highway	Juba-Terekeka-Yirol-Rumbek, 392 km Juba-Bor, 212 km Juba-Nimule, 193 km	Juba-Torit-Kapeota-Nadapal, 346 km Juba-Yei-Kaya, 245 km 2 years	Survey and assessment of roads

Priority action	Measure	Baseline	Target and time frame	Means of verification
<b>Build and rehabilitate roads (cont.)</b>	Invest in policy, planning and funding for a modern road network in South Sudan	0 km	Two bills passed (Road Safety and Traffic Bill and Road Fund Bill); 2 years	Parliamentary Gazette, Ministry of Justice and Constitutional Affairs
	Maintenance of airports and control of airspace		2 years	South Sudan Civil Aviation Authority, Ministry of Transport
<b>Expand transmission infrastructure</b>	Complete the Fula hydropower project	Planning and resource mobilization stage	1,080 megawatts	Ministry of Energy and Dams, Ministry of Energy and Dams reports
	Plan power generation for Juba city and raise funds	Dependent on generators	Fully approved and funded plan	Ministry of Energy and Dams reports
<b>Digital transformation (broadband)</b>	Legal framework to regulate and promote broadband services	0	1	Ministry of Justice and Constitutional Affairs
<b>Capacity-building for infrastructure development</b>	Build institutional capacity	30%	70%	Ministry of Public Service and Human Resource Development, institutional annual reports
	Train and retain staff	30%	70% disaggregated by gender	Ministry of Public Service and Human Resource Development, training reports



# CHAPTER EIGHT:

## Gender, youth and other cross-cutting issues

### 8.1 Introduction

The four cross-cutting issues – gender, youth, the environment and capacity development – are critical for sustainable development, human rights and development effectiveness. The broad nature of these issues means that they cannot be categorized into any of the other clusters. The R-NDS recognizes the importance placed on gender and youth by the R-ARCSS, simultaneously with their importance as cross-cutting issues in this strategy, along with environment and capacity development. Every cluster and sector in this NDS will mainstream these cross-cutting issues and will ensure that their monitoring and evaluation will reflect their importance.

### 8.2 Key issues

1. Lack of gender-sensitive policies and programmes in public institutions.
2. Inadequate staff capacity to ensure regular maintenance of infrastructure.
3. Limited or no integration of protection of women, children, youth and other vulnerable groups in public and private institutions and services.
4. Limited enabling environment for women's empowerment in social, economic, political and cultural activities and in decision-making.
5. Environmental pollution.
6. Limited capacities and limited diversified employment opportunities for women and youth.
7. Limited capacities at the subnational level (financial and human resource) for local service delivery, particularly for women and youth to address issues of reproductive health, among others.

### 8.3 Goal

Mainstream gender and all-important cross-cutting development objectives in development policies and programmes, and empower women and youth as drivers of growth and nation-building.

### 8.4 Objectives

To achieve this goal, the NDS has identified objectives for each of the four cross-cutting issues that must be factored into the results chains of all the NDS strategic objectives.

These are:

1. Ensure that the permanent Constitution adequately reflects the protection and empowerment of women and youth in all spheres of influence – economic, political and cultural.
2. Invest in vocational training facilities and resources for youth in all states to facilitate employment creation and opportunities.
3. Roll out the results framework for the NDCs to reverse environmental degradation and mitigate the impact of climate change with focus on reduction of the country's carbon footprint and waste, as well as address pollution management and climate resilience.
4. Undertake comprehensive national capacity assessment of all public institutions to develop a national capacity-building strategy.



**Gender, youth and other cross-cutting issues cluster** alignment with the SDGs

Note: Gender has an entire SDG dedicated to it in addition to being a target in many other SDGs; there are 20 youth-specific targets in six SDGs (2, 4, 5, 8, 10 and 13); and environment is relevant to four of the 17 SDGs.

Table 4: Adherence to the 35 percent quota

Parties	No. seats	35%	Gap
TGoNU	20	7 ministers	2
In opposition	9	3 ministers	0
South Sudan Opposition Alliance	3	1 minister	0
Former detainees	2	1 minister	1
Other political parties	1	0	0
<b>Total</b>	<b>35</b>	<b>12</b>	<b>3</b>

Source: Embassy of Norway, June 2020

## 8.5 Description of priorities

This chapter addresses four of the fundamental issues – women, youth, environment and capacity – that are critical to the existence of South Sudan and the health of its inhabitants. Combining them in a single chapter should in no way diminish their significance. Youth constitutes about 73.6 percent of our population and more than half of the population are women. We are witnessing the rapid erosion of the ozone layer and the warming of the earth. In addition to having limited response capacity to deal with climate-induced disasters, our country is among those most vulnerable to the adverse effects of the earth's changing climate. We must reverse the fast erosion of our forests and replenish the lost trees. With regard to capacity, as a young country we are still developing our institutions. Building on previous and ongoing institution-strengthening initiatives, including those by our development partners, we must be deliberate about capacity development through a clear strategy informed by a thorough assessment of the drivers of effective institutions. For the period of the R-NDS we will prioritize the following under these four cross-cutting areas:

### For gender

- Incorporate gender, and especially women's issues, in the constitution-making process and the Constitution.
- Empower women economically and politically so they can participate in electoral processes, beginning with the forthcoming elections.

### For youth

- Improve and expand vocational training opportunities.
- Promote employment creation.

### For capacity development

- Conduct national capacity assessment across all public sectors.

### For environment

- Implement policies and plans for sustainable development and management of natural resources.
- Implement some of the adaptation to climate change measures in the recently developed Nationally Determined Contribution report.

## 8.6 Gender mainstreaming and women's empowerment

South Sudan's total population was 11.2 million in 2020, some 50 percent of which are women.<sup>19</sup> Most people (8,860,863) live in rural areas, and there is a small urban population of 2,201,250.<sup>20</sup> It is estimated that only around 8 percent of women are literate, possibly one of the lowest female literacy rates in the world.<sup>21</sup> The society is described as highly patriarchal with women and girls playing little role in decision-making and formal processes. To address this challenge, the R-ARCSS includes a provision of a 35 percent quota for women's participation in state institutions, but no institution is known to have met this requirement, as illustrated in Table 4.

As a country with one of the highest maternal mortality rates in the world, high prevalence of child marriage and unacceptable levels of sexual and gender-based violence, the empowerment of women to ensure their voices are fully represented in policymaking and governance should

19 World Data Atlas, <https://knoema.com/atlas/South-Sudan/Population>, accessed 10 June 2021.

20 World Bank, South Sudan data, <https://data.worldbank.org/indicator/SP.RUR.TOTL.ZS?locations=SS>, accessed 12 December 2020.

21 United States Agency for International Development, Education in South Sudan, 2012, accessed 10 December 2020.

be considered existential. Women are not passive players in this dynamic. They are active in the economy, especially in the informal sector; they drive agriculture; and give life to our society. The R-NDS will be used to elevate the concerns of women and empower them to engage and participate in governance at local, state and national levels. In addition to ongoing economic empowerment and protection programmes, the R-NDS will support women's engagement with the constitution-making process as well as with the general elections.

#### 8.6.1.1 Ensure gender concerns and strategies are catered for in the new constitution-making process

The most important strategic focus will be to ensure that the fundamental provisions that can guarantee gender equality in South Sudan are provided for in the permanent Constitution. This is possible only through an inclusive process ensuring participation of all women, youth and vulnerable groups at all levels, including those that are at the grassroots, in the constitution-making process. South Sudan already has a gender policy that was the result of wide consultation and therefore represents the wishes and concerns of women in South Sudan. It is fortuitous that the new Constitution is being drafted during the term of this R-NDS, and with key documents such as the women's policy and agenda in place. The GRSS will support women's organizations in mobilizing the participation of women throughout the constitution-making process, including strong women's representation in the constitution-making council that will be established.

#### 8.6.1.2 Ensure women have an opportunity and are enabled to participate in the electoral process at the end of the transition period

The R-ARCSS provides for an election at the end of the transition, following the finalization and adoption of a new Constitution. This will be the most crucial event in the history of this young country, and the participation of women, both as part of the electorate and as candidates, is going to be crucial for the deepening of democracy in our country. Measures that we will prioritize through the R-NDS include ensuring that women and youth have access to information through sensitization, including a country-wide information campaign about the electoral process; producing a conducive environment that will encourage women to participate, for instance by enhancing the safety and security of the political environment; and affirmative action.

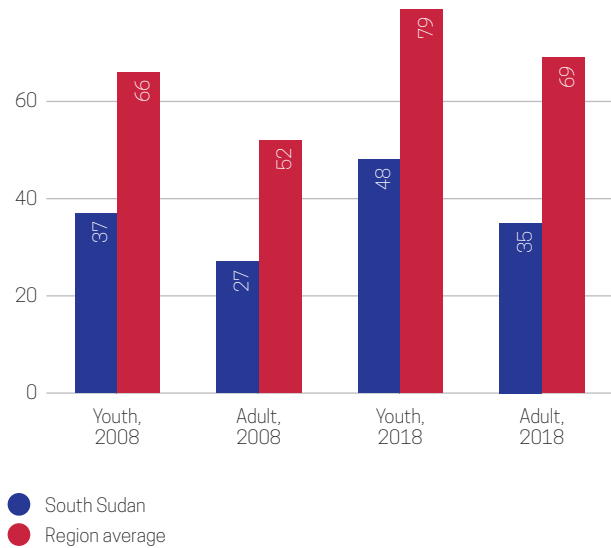


Figure 18: Youth literacy in South Sudan, 2008-2018

## 8.6.2 Youth empowerment

Young people in South Sudan face enormous and unique challenges, including violent conflict and its consequences such as migration, displacement and associated physical and mental health, as well as lost educational opportunities.<sup>22</sup> They are also a target for recruitment to train and fight in the armed groups and gangs that have dominated national life for decades. Twice as many girls as boys did not have the opportunity to obtain a secondary education, and the proportion of girls who were not in secondary school in rural areas was twice as high as their peers in urban areas.<sup>23</sup> While the population of females aged 15–24 is roughly 50 percent, their participation rate in the labour force was about 6 percent in 2014, against that of males in the same age group of 15 percent. More than 50 percent of this population group is unemployed. Youth unemployment is exacerbated by low levels of education, limited skills and an unstable and stagnant economy. In the R-NDS period, we will invest in skills development and the expansion of employment opportunities.

#### 8.6.2.1 Vocational training

Few of our young men and women complete secondary school. They need skills to participate in the labour market and thereby help support their families. Building their capacity will also contribute to economic growth for the country. Our local content policy has provided the legal enabling environment for our youth, but companies need skilled workers. We must ensure we equip our youth with the

<sup>22</sup> World Bank Group, *Youth Education in South Sudan: Current opportunities and challenges*, draft, 23 June 2019.

<sup>23</sup> Ibid.

requisite skills that companies will need to do business. We will support the establishment of state-of-the-art vocational training centres in all 10 states, assess the labour market to identify skills that are most needed and, based on the data, revise vocational training curricula.

#### 8.6.2.2 Employment creation

The Ministry of Labour and Ministry of Youth and Sport will lead in the development of a national youth employment strategy in the first six months of R-NDS implementation. The strategy will draw on a capacity assessment of the labour market and experience accumulated over the years.

### 8.6.3 Environment

Climate change is another challenge facing South Sudan. In 2020, the country experienced multiple crises, including COVID-19, invasion of desert locusts and severe flooding in parts of the country. According to the 2021 NDC report,<sup>24</sup> the country is facing an increasingly warmer and drier climate with an erratic rainfall pattern, which is resulting in the degradation of ecosystems and decreased agricultural productivity. South Sudan is home to a wide variety of animal and plant species and important ecosystems, but several wildlife species have reduced significantly, and many wetlands have started degrading. Climate variability with increased deforestation is likely to increase the negative impacts on biodiversity, wildlife and wetlands. A lack of alternative livelihoods can drive unsustainable use of resources, for instance, illegal logging and poor management of hazardous petroleum waste. Against this depressing environmental picture is juxtaposed a country with vast natural resources. An abundance of water, including a long stretch of the Nile River, forest and vast mineral resources are the dominant features of our natural resource endowment.

Over 70 percent of the population is said to be dependent on environment-sensitive sectors, such as agriculture, fishing, pastoralism and forest products, for their livelihoods and energy requirements. There is a correlation between population growth and pressure on the environment. According to the 2021 NDC report, the rising population in South Sudan is increasing the use of materials, carbon emissions, diesel power generation, cattle emissions and land-use intensity. Also, economic growth depends significantly on primary materials such as biomass, fossil fuel, metal ores and non-metallic minerals.

In response to the negative impacts of climate change, the government has developed its NAP, first NAP and second NDC report, aimed at addressing climate actions, including both mitigation and adaptation, strategies and plans. These will contribute to ambitious international long-term goals of limiting global warming and building resilience to climate impacts in the context of sustainable development. In addition, South Sudan has developed strategies to mobilize resources to help achieve the climate-change actions and strategies identified under the NAP, first NAP and NDCs.

The NDCs are being mainstreamed in the development planning process across different government sectors to ensure climate-centric development for long-term resilience and to interrupt the poverty cycle.

Balancing the need to grow the economy to combat the high poverty rate with the need for minimizing the negative impact on the environment is one of the biggest challenges facing South Sudan, as indeed for other countries in the region. The R-NDS will be a vehicle for the implementation of the NDCs. It will focus on establishing strong environmental governance, reduction of our carbon footprint, addressing climate-induced vulnerabilities and creating a comprehensive waste management system.

Additionally, effort will be made to expand access to basic water supply services (WASH in general) and avail water for improved livelihoods through identification of durable solutions. It is important also to institute integrated water resources management (IWRM) for climate adaptation. Such measures should include structural and non-structural measures such as construction and rehabilitation of flood management infrastructure and flood forecasting, early warning and disaster preparedness respectively, and strengthen institutional sector policy, mainstream conflict-sensitive approaches and enhance human development capacities.

#### 8.6.3.1 Environmental governance and management

South Sudan has established various policies and plans to ensure sustainable development and management of its natural resources. These policies include the National Environment Policy, Environmental Protection Bill, National Action Plan for Adaptation, the Gender Policy, South Sudan National Electricity Policy and Forest Policy, among others. The Ministry of Environment and Forestry, Ministry of Energy and Dams, Ministry of Water Resources and Irrigation, Ministry of Transport, Ministry of Finance and Planning, Ministry of Gender, Child and Social Welfare, Ministry of

<sup>24</sup> GRSS, South Sudan's Updated Nationally Determined Contribution, Juba, 2021.

Table 5: South Sudan's emission reduction pathway

Sector	Emission reduction pathway (till 2030)	Potential emission reduction (million tCO <sub>2</sub> e)	Potential emission sequestration (million tCO <sub>2</sub> e)
<b>Agriculture, livestock and fisheries</b>	18% reduction in GHG emissions as compared to 2017 level	75.08	-
<b>Infrastructure (construction and buildings)</b>	Procurement of green cement	9.50	-
<b>Forests</b>	70% reduction in deforested area	-	45.06
<b>Electricity</b>	Installation of 2,729.5 megawatts of renewable energy-based power plants (including hydropower)	11.90	-
<b>Waste</b>	30% reduction in GHG emissions as compared to baseline	10.94	-
<b>Tourism and recreation</b>	66% reduction in hotel- and restaurant-related GHG emissions as compared to baseline	0.02	-
<b>Mining and quarrying</b>	-	-	-
<b>Transport</b>	44% reduction in GHG emissions as compared to baseline	2.43	-
<b>Industries</b>	-	-	-
<b>Petroleum, chemical and non-metallic mineral products</b>	-	-	-

Source: South Sudan's Updated NDC Report, 2021

Youth and Sport, and Ministry of Humanitarian Affairs and Disaster Management are key government bodies that play a lead role in implementing climate change and environmental policies in South Sudan. They are critical to environmental governance. A strong coordination mechanism that includes development partners and civil society organizations, as well as the state governments, will be established to oversee environmental management. The capacity of relevant ministries, departments and agencies for management of the environment will be assessed and developed to improve governance and management across the country.

### 8.6.3.2 Reduction of South Sudan's carbon footprint

Greenhouse gas (GHG) emissions in South Sudan have gradually increased over the years from both a domestic production and resource consumption perspective at a rate of 1.22 percent and 1.14 percent per annum, respectively. The slow rise in GHG emissions over the years mirrors South Sudan's slow economic growth. GHG emissions from domestic production are mostly from the agriculture and livestock sector, followed by the petroleum and service sectors. Industry, hotels and restaurants and other service sectors account for the highest amount of GHG emissions in terms of resource consumption. Having different players

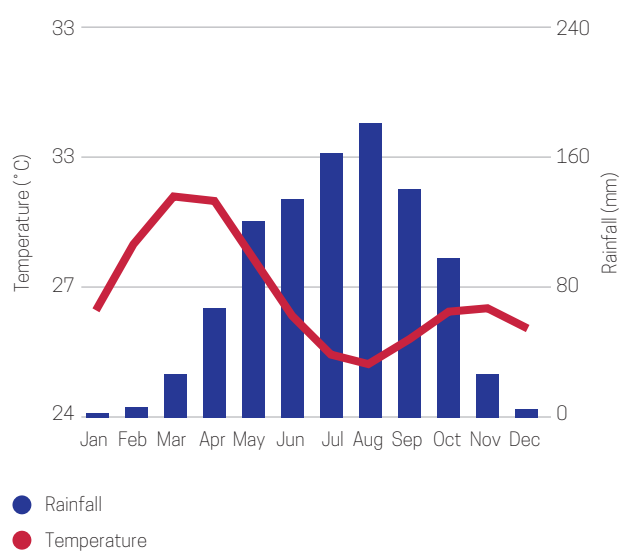


Figure 19: Average monthly temperature and rainfall in South Sudan from 1901 to 2016

Source: World Bank 2020

contributing to resource consumption means we need to ensure that all interventions are inclusive, and all people in society, including women and youth, participate in these efforts.

South Sudan's pathway to decarbonization, as outlined in the 2021 NDC report, is compatible with the Paris Agreement's goal of keeping the global temperature rise to well below 2 degrees Celsius (°C), with efforts to limit the temperature rise to 1.5°C above pre-industrial levels. Table 5 summarizes South Sudan's emission reduction pathway and estimated potential of emission reduction for each of the 10 mitigation sectors. In total, by implementing these strategies, South Sudan can reduce an estimated 109.87 million tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) and sequester 45.06 million tCO<sub>2</sub>e by 2030. The monitoring system will be strengthened to keep track of progress.

#### **8.6.3.3 Address climate vulnerability**

In the last 30 years, South Sudan has been among the most rapidly warming countries globally, with an increase in temperature of as much as 0.4°C per decade. The country has a high rainfall season, followed by a drier season. The single, long, rainy season extends from March to November, with peak rainfall from May to September leading to seasonal flooding. South Sudan is vulnerable to many natural disasters, the most common being weather-related disasters such as floods, droughts, heatwaves, outbreaks of disease and earthquakes. In recent years, all these threats have been exacerbated by climate change, increasing in terms of severity, frequency and complexity, leaving behind trails of infrastructure destruction, human suffering and loss of livelihoods.<sup>25</sup> These climate-related vulnerabilities affect women disproportionately, e.g., the effects from floods and droughts increase their suffering, particularly during displacements.

#### **8.6.3.4 Creation of comprehensive waste and pollution management systems**

South Sudan does not have efficient water supply systems and wastewater management infrastructure, or proper sanitation facilities. This increases vulnerability to water-borne diseases and negative health impacts and also increases the risk of violence for women and girls who must travel long and dangerous routes to fetch water. Climate change will only make things worse, impacting

water availability and reliability. South Sudan also has an underdeveloped waste management system. Most of the waste that is generated is either illegally dumped or burned in the open. There is a growing informal waste recycling market in the country with informal waste pickers collecting recyclable materials that they sell to private companies. Due to a growing population, lack of infrastructure and inefficient policies, waste management in South Sudan is becoming a serious environmental concern. The waste sector is also one of the highest contributors to GHG emissions.

### **8.6.4 Capacity development**

The erosion of human and institutional capacities is a post-conflict feature and is prevalent in our country. This has created long-standing challenges for public service delivery and efficiencies of government functionaries. It is apparent that the challenges of human and institutional capacities cut across all government institutions and all clusters in the R-NDS. Laws, policies, resources and strategies that facilitate functionality and efficiency need to be strengthened and/or developed. We also need to equip public institutions and improve incentives in the civil service. The GRSS is committed to developing a well-trained, motivated and well-resourced civil service. We will undertake a comprehensive capacity assessment of all public institutions, beginning with the social development sectors. Dedicated support will be allocated to capacity development in all government and development partner projects.

#### **8.6.4.1 National capacity assessment across public and private sectors**

One of the most common explanations for non-implementation of programmes in South Sudan is lack of capacity. However, there has not been a systematic assessment of capacity needs and capacity availability in South Sudan. A comprehensive gender-responsive capacity assessment will give the country a baseline from which to build both a responsive education system and manpower development objectives. Notwithstanding the right to education, a thorough knowledge of the manpower needs of the country helps in the orientation of educational systems and allows female and male students, including those with physical and intellectual disabilities, to make informed choices.

<sup>25</sup> Reliefweb, Building Capacity in Disaster Risks in South Sudan, 2017, accessed 12 December 2020.

## 8.7 Cross-cutting cluster results framework

Outcomes	Measures (indicator)	Baseline	Two-year targets	Means of verification
<b>Ensure gender concerns and strategies are catered for in the new constitutional process</b>	Update National Gender Policy	An old version exists	Updated National Gender Policy	Existence of policy
	Engagement with constitution-making process	Process not started	Full recognition of policy advocates in the constitution-making process	Assessment
	Gender provisions incorporated in the Constitution	None now	New Constitution with fundamental gender provisions	Assess the constitutional provisions
<b>National capacity assessment across public and private sectors</b>	Design and procure capacity assessment tool(s)	0%	Tool(s) procured and used	Report on progress
	Carry out assessment	0%	Assessment completed	Report on progress
	Analyse and report results	0%	Report completed	Report circulated
<b>Vocational training</b>	Number of institutions offering vocational training	TBD	TBD	Assessment
	Percentage of potential students actually enrolled	TBD	TBD	Assessment
	Percentage of students actually graduating from vocational training	TBD	50% of students of school leaving age	Assessment
<b>Employment creation</b>	Policy on urgent employment creation	None	Urgent youth employment policy	Assessment
	Number of positions created in various institutions	TBD	100% of those graduating from vocational training	Assessment
	Percentage of new jobs created for youth	TBD	50% of students of school leaving age	Assessment
<b>Women's empowerment</b>	Established number of financial institutions that give loans to women	TBD	At least two financial institutions	Assessment
<b>Improved service delivery</b>	Service mapping that will particularly look at accessibility, quality and affordability (health, inclusive of child and maternal health, and education)	Low service delivery	At least 50% population coverage for service delivery	Assessment

# 3

**PART**

CLUSTER CHAPTERS

---

**NDS financing**

**Implementation arrangement**

**Concept note – looking ahead to the  
2024–2028 NDP**



# CHAPTER NINE:

## NDS financing

### 9.1 Introduction

In the absence of data to establish programme-based costing in line with the sector-based results frameworks, this chapter provides an order-of-magnitude estimate of the resources it will take to achieve basic coverage of priority services and investments during the 2021–2024 implementation period of the R-NDS. After the launch of the R-NDS, each sector will develop detailed sector budgets within the parameters set in the budget estimates. We recognize that implementation of the R-NDS will take place in a highly fiscally constrained environment. Despite considerable efforts and improvements in the collection of non-oil revenues since 2018, domestic revenue has remained too low to allow for significant investments. We have therefore provided a range of financing options with the estimates. The options are derived from an ongoing effort to develop South Sudan’s Integrated Financing Framework, as part of our commitment to delivering development through a national SDG financing strategy. The Integrated Financing Framework will inform our second medium-term National Development Plan (NDP II), which will succeed the R-NDS.

### 9.2 2021–2024 financing requirements for R-NDS implementation

As illustrated in Table 6, we have prepared both high- and low-cost estimates for implementing the R-NDS, following the SDG financing guide. Table 6 includes high- and low-cost estimates for the five NDS clusters as per the methodology described in Box 1 and Annex 5. Large differences between the high and low estimates show that there is some space to prioritize programmes and targets within each sector as the economy improves. Given the less optimistic financing environment, we have applied the low-cost estimates to the implementation of the R-NDS. The implementation of the three-year R-NDS is projected at \$7.2 billion (\$2.2 billion in year 1, \$2.48 in year 2 and \$2.55 in year 3). Each of the yearly projections exceeds the FY2020/21 and 2021/22 budgets by significant margins. However, with a thorough analysis of financing options, the variance should be manageable. Subsequent sections discuss the various options and strategies for financing the R-NDS.

Table 6: Cost simulation per R-NDS cluster (\$ millions, unless otherwise indicated)

Cluster	Total		2021/22		2022/23		2023/24		Percentage of total	
	High	Low	High	Low	High	Low	High	Low	High	Low
<b>Governance</b>	1,897	1,453	618	474	626	478	653	501	13	20
<b>Economic development</b>	1,545	1,284	501	319	515	328	529	337	10	14
<b>Social development (education,* health, social protection)</b>	6,770	3,453	2,204	1,225	2,257	1,251	2,309	1,277	45	52
<b>Infrastructure*</b>	2,754	828	642	109	1,053	357	1,059	362	18	11

Cluster	Total		2021/22		2022/23		2023/24		Percentage of total	
	High	Low	High	Low	High	Low	High	Low	High	Low
<b>Cross-cutting/ environment, youth*</b>	2,025	204	675	68	675	68	675	68	14	3
<b>Total (all clusters)</b>	14,991	7,222	4,640	2,195	5,126	2,482	5,225	2,545		
<b>Further optional reductions and assumptions</b>	If required by budget constraints, the following priorities will be launched in year 2: <ul style="list-style-type: none"> <li>• Irrigation schemes (accounted for under economic development)</li> <li>• Major highways and feeder roads (accounted for under infrastructure)**</li> <li>• Fula hydropower project (accounted for under infrastructure)***</li> </ul>									
<b>Total with postponements</b>	14,528	7,125	4,177	2,098	5,126	2,482	5,225	2,545		

\* Highlighted estimates stem from national strategies; all other estimates stem from international proxies.

\*\* In the ordinary low range, investments increase gradually, but start in year 1 with 20 percent of total requirements.

\*\*\* Only applicable to high-range estimates. Costs for this item were not included in year 1 low-range estimates.

## Box 1: Methodology and assumptions to estimate NDS financing requirements

Information on programmes foreseen to achieve cluster-specific targets is still scarce. Therefore, the priorities of each cluster were associated with national sector-specific estimates or international average annual per capita costs for low-income developing countries. Estimates build on the following assumptions:

*High range:* Basic minimum/low quality, but universal coverage for international proxies and high national estimates (education, road construction and the environment). To avoid double-counting, big hydropower projects, accounted for in the infrastructure sector, were deduced from existing national estimates for the environment sector. In view of the significant needs and cross-cutting importance of agriculture, international proxies and coverage have been kept identical for both ranges of cost estimates in this area.

*Low range:* In line with the NDS three-year targets, international proxies for governance, social sectors, water, sanitation and hygiene, and infrastructure were adjusted to 50 percent coverage. Big infrastructure needs were slowly scaled up or – as illustrated under ‘Total with postponements’ – fully deferred to year 2 of the R-NDS. Modest estimates, assuming lower replacement of unqualified teachers and less classroom construction, were applied to the education sector, while financing requirements for the environmental sector are limited to adaptation and key mitigation projects.

Estimates for humanitarian relief were not included in the R-NDS cost simulation as they should gradually be channelled to support the institutional development of social sectors.

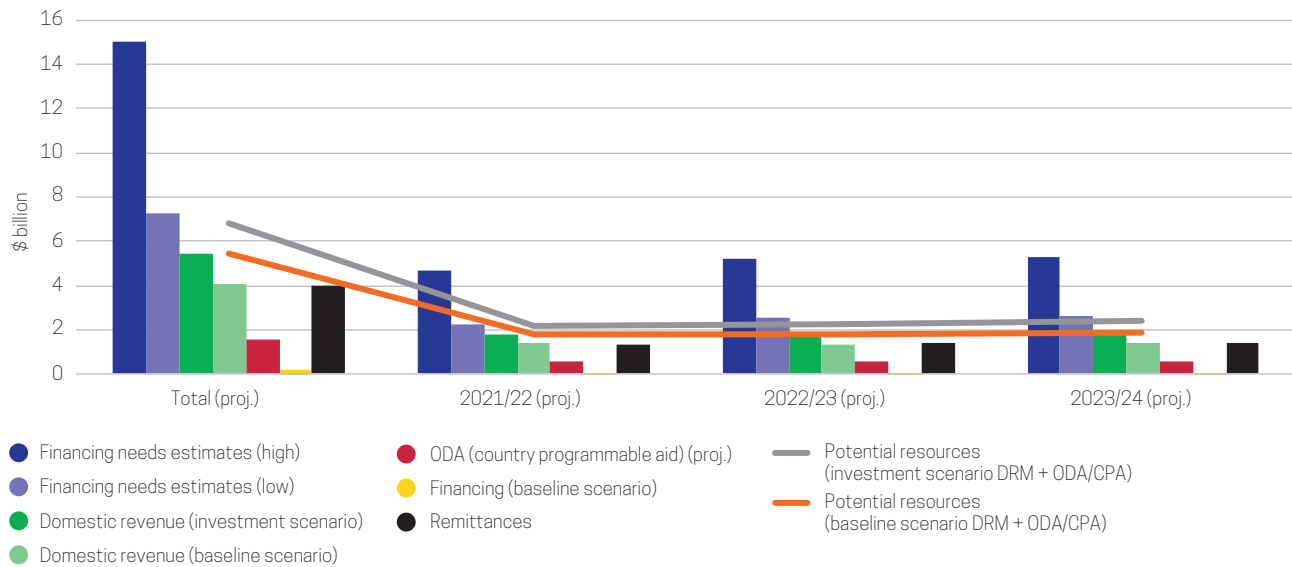


Figure 20: Overall financing needs estimates versus revenue flows (projected)\*

\* See Annex 4 for information on the baseline and investment scenario for domestic revenue.  
Source: Author's calculation and data from IMF staff reports (South Sudanese authorities and IMF)

Figure 20 illustrates how high and low financing needs estimates relate to different types of available resources. An optimistic projection for FY2021/22 to 2023/24<sup>26</sup> places domestic revenue at 74 percent of the required resources for the low-financing requirement estimates. In line with the projections detailed in Annex 4 (page 109), this would require efficient management of resources combined with more than double the FY2020/21 revenue in SSP terms in 2023/24 (a 50–60 percent increase in dollar terms).

The exclusive channelling of country programmable aid<sup>27</sup> and domestic revenue to NDS priorities and programmes would already make up a significant share of the low-range financing needs estimate. Furthermore, the GRSS would endeavour to mobilize additional sources of finance for the remaining total (three-year) gap of \$390 million (domestic revenue as per the investment scenario plus official development assistance (ODA) and country programmable aid, or \$1.7 billion (domestic revenue as per the baseline scenario plus ODA and country programmable aid).<sup>28</sup> Trends and opportunities related to different revenue streams are discussed in section 9.3.

It should also be noted that at the outset of this NDS about 65 percent of government revenue is still directed towards the payment of arrears and other obligations.<sup>29</sup>

### 9.3 Financing options and strategies

A glance at the order-of-magnitude estimates of resources required to finance the R-NDS could lead one to easily slip into pessimism, considering the constrained financing environment and prospects for our economy. But a deeper look at the choices available to us makes us optimistic that the R-NDS will be adequately financed if we stay the course on peace and garner the political will to enforce fiscal prudence. International bodies engaged in SDG financing call for more globally coordinated taxation, including wealth taxes, a fight against illicit financial flows, effective targeting of ODA<sup>30</sup> and broader financing options for sustainable development. In addition, modalities to align private investments behind the SDGs are growing. But just as with an increase of domestic revenue, they can only benefit a country if there is fiscal discipline and innovation to harness these resources.

<sup>26</sup> IMF, Country Report No. 21/70, April 2021. Estimates are detailed under the investment scenario in chapter 18.5.

<sup>27</sup> Discussed below under section 9.3.2.3, country programmable aid to South Sudan stood at \$461 million in 2019.

<sup>28</sup> As illustrated in Annex 4, the three-year financing gap between domestic revenue (investment scenario) and low-range financing needs estimates without ODA contribution is \$1.9 billion. For domestic revenue (baseline scenario) and low-range financing needs estimates without ODA contribution it could be as high as \$3.2 billion.

<sup>29</sup> For details, see United Nations Development Programme, *Socio-Economic Assessment of the Impacts and Implications of COVID-19 in South Sudan, 2020*, and Mawejje, Joseph and Finn, Arden, *South Sudan Economic Update: Poverty and Vulnerability in a Fragile Environment*, World Bank Group, 2020.

<sup>30</sup> SDSN, *SDG Costing and Financing for Low-Income Developing Countries*, 2019.

### 9.3.1 Key assumptions

We base our sense of optimism that the financing requirements for this R-NDS will be met on the following assumptions:

- Creation of fiscal space:** *Creating fiscal space for the expansion of social services, infrastructure and other growth-enhancing expenditures remains the highest priority in the implementation of the R-NDS. The financing strategy assumes that all GRSS policies, programmes and budgets will be based on the R-NDS and applied to its implementation. We will pursue efficiency gains through the effective implementation of PFM reforms. This should help reduce leakages that could be repurposed to R-NDS implementation. We will explore options to establish the funds mentioned in the R-ARCSS, (Enterprise Development Fund, Special Reconstruction Fund, Youth Enterprise Development Fund).*
- Mobilizing domestic revenue:** *Domestic revenue will remain the primary source of finance for the R-NDS. While ongoing efforts to involve development partners and align their contributions<sup>31</sup> should yield initial results towards the end of the R-NDS implementation period, the immediate focus for FY2021/22 and 2022/23 will be on enhancing the mobilization and efficient management of oil and non-oil revenues.*

- Sustainable peace attracts foreign direct investment:** *Positive results were observed on the consolidation of peace efforts to stimulate the national economy since the signing of the R-ARCSS, especially in non-oil revenue collection. This gives hope that the private sector will continue to grow during the R-NDS cycle if we stay the course on peace.*

### 9.3.2 Options and strategies

As we emphasize and commit to increasing domestic resources for implementation of the R-NDS, we will embark on measures such as mobilizing domestic revenue more effectively (strategic management of oil revenue and mobilizing non-oil revenue); promoting domestic private finance and remittances; reorienting external financing to the R-NDS and enhancing fiscal space and public investment. These measures are explained below.

#### 9.3.2.1 Mobilize domestic revenue more effectively

Domestic resources remain the primary source for financing the R-NDS. We depend highly on oil revenue and are gradually growing non-oil revenue, but the latter is still very low. As Figure 21 shows, South Sudan has an above-average share of total revenue as percentage of GDP compared to other oil-exporting countries, but one of the lowest shares of non-oil

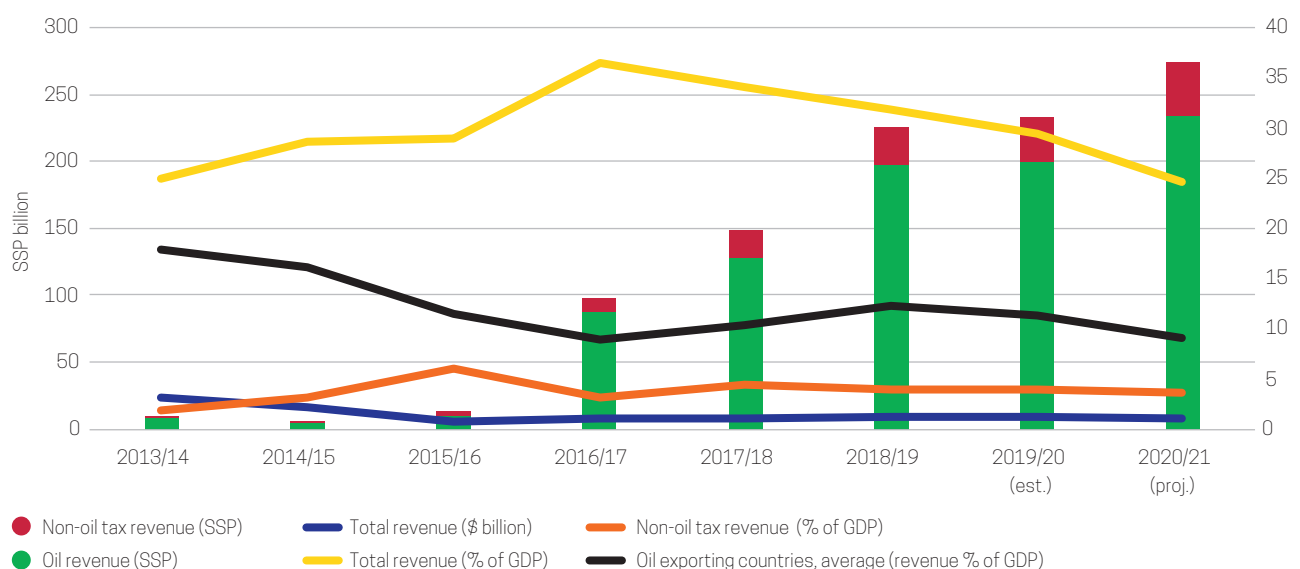
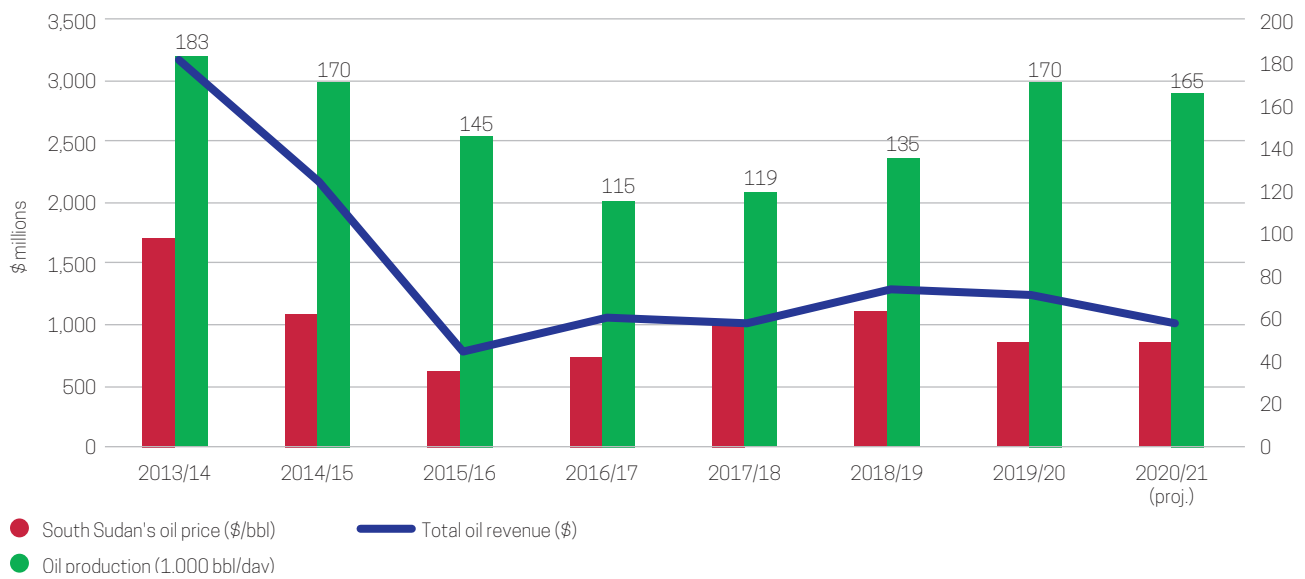


Figure 21: Oil and non-oil revenue, in SSP and percentage of GDP

31 Between \$1.6 and 2.2 billion per year, close to or above domestic revenue, have been mobilized by Organisation for Economic Co-operation and development donors over the 2014–2019 period. ODA funds remain off-budget and do not use any country systems (see section 9.3.2.3).



**Figure 22: Oil production, price development and revenue**

Source: Data from IMF Staff Reports (South Sudanese authorities and IMF)

tax revenue in the sub-Saharan Africa region.<sup>32</sup> Calculated in current US\$ terms, both oil and non-oil revenues have strongly declined between 2014/15 and 2015/16 and only fluctuated since then. The efforts of the National Revenue Authority to increase the non-oil revenue tax base were beginning to pay off from 2018. Despite the negative impact of COVID-19-related restrictions on the national economy in 2020, non-oil revenue collection has only suffered moderate setbacks, suggesting there is promise in investing in non-oil domestic revenue mobilization. Oil and non-oil sources are further discussed below.

*Managing oil revenues more strategically:* With oil revenues accounting for 85–90 percent of total revenue over the past decade, expenditure has been closely aligned to actual income, creating a high risk of instability and undermining long-term development. Figure 22 illustrates the high volatility of oil revenue, often disconnected from the actual production rate. This has not only created inflationary pressures when the oil price was high, but the GRSS had to resort to budget tightening when the oil price and/or global demand was low.

Even with the enhanced support of advanced technologies or the discovery of new oil fields, oil production is projected to level off over the next two decades. The Ministry of Petroleum expects that existing production blocks will decline to less

than 50,000 barrels per day in the 2030s and gradually disappear if there are no new discoveries or enhanced oil recovery techniques.<sup>33</sup> This is backed up by recent IMF estimates<sup>34</sup> which project that even a very optimistic scenario will allow oil production to peak at close to pre-independence levels of only 350,000 barrels per day towards the end of the 2020s. Independent of the pace of consumption of oil reserves, global demand – despite a post-pandemic rise – is likely to shift in line with changing energy consumption.

In the meantime, we commit to leverage the oil sector's full potential to consolidate peace and support strategic investments that diversify the economy. During the R-NDS implementation period, we will set up the policies and regulations needed to ensure revenue collection across all service companies. In addition, we will reintroduce and

**Calculated in current US\$ terms,**  
both oil and non-oil revenues  
have strongly declined between  
2014/15 and 2015/16 and  
only fluctuated since then.

<sup>32</sup> According to the IMF, *World Economic Outlook*, 2020, with less than 4 percent of GDP, South Sudan ranked last after Nigeria and the Union of Comoros (IMF, Country Report No. 21/70, 2021, p. 11).

<sup>33</sup> Ministry of Petroleum, *Petroleum Report*, vol. 7, 2020.

<sup>34</sup> IMF, Country Report No. 19/153, 2019, p. 8.

systematically implement the Stabilization Fund, which shelters fiscal policies from swings in the oil price and production, and channel parts of revenue into a sovereign investment fund that can generate permanent income independently of actual oil production. These funds have been introduced as part of the Petroleum Revenue Management Act (2013) but have so far not been operationalized.

*Promoting the mobilization of non-oil revenue:* Domestic revenue mobilization holds great promise. Developing this source of revenue was highly recommended throughout the extensive consultations to design the R-NDS. The National Revenue Authority (created by the National Revenue Authority Act of 2016), which is in charge of the administration of all collected revenues in a single treasury account, has achieved important results in some recent fiscal years. Since 2018/19, non-oil revenue budget projections have been achieved by the third quarter and have even exceeded revenue forecasts by close to 12 percent, mainly due to good performance in the collection of sales, excise and business profit taxes.<sup>35</sup> Total non-oil revenue increased from 2–3 percent in 2008 to 14 percent in 2019/20 and the medium-term objective is to increase it to more than 20 percent of total resources.<sup>36</sup> Following the COVID-19 economic crisis, the 2020/21 budget reduced oil revenue projections by 40 percent but maintained non-oil revenue on a growing path. This has proven adequate: budgetary reviews show that both revenue streams had reached out-turns of close to 80 percent by the second quarter of the 2020/21 budget.<sup>37</sup> As such, non-oil revenue made up one third of available resources by December 2020.

To grow non-oil revenue in the R-NDS period we will focus on two items. First, the effectiveness of tax collection and administration through a fully functional revenue authority. This work stream will focus on further strengthening the National Revenue Authority and implementing the PFM reforms in line with the PFM reform concept note approved by the Council of Ministers. It also involves implementing revenue-enhancing measures and improving coordination of national- and state-level tax authorities, e.g., by reaching an agreement on the contested collection of personal income tax.<sup>38</sup> Second, we will identify and leverage other untapped

opportunities in the non-oil sector, e.g., by increasing investment in priority infrastructure, non-oil natural resources and the agricultural sector.

### 9.3.2.2 Domestic private finance and remittances

The role of South Sudan's private sector should not be dismissed but it needs to be strengthened considerably. Close to 90 percent of all 13,184 businesses mapped in a 2019 integrated business and enterprise survey<sup>39</sup> are micro or small businesses which, respectively, employ up to 3 or 4–5 workers. They are characterized by low levels of organization and mainly operate in the informal economy. Factors like price instability, credit accessibility, security conditions and displacement due to conflict and flooding continue to drive citizens away from the creation of formal businesses. Going forward, the GRSS will endeavour to further resolve these bottlenecks to create meaningful ways to include South Sudan's private sector in a holistic financing strategy for the medium and long term.

A variety of other innovative options to mobilize contributions from citizens and the diaspora to national development priorities exist and will be explored. As a first step to explore the potential of remittances, the Ministry of Foreign Affairs and International Cooperation will systematize its dialogue with representatives from the diaspora. Several possibilities exist to engage diaspora entrepreneurs and investors in large-scale or community projects. With the implementation of the R-ARCSS we hope to re-establish trust and jointly assess which opportunities have the highest prospects to attract remittances and household endowments to strategic priority projects. The financing dialogues that will be held in the framework of the ongoing development finance assessment will be an important opportunity to explore further the role of the diaspora in development financing.

### 9.3.2.3 Reorient external financing to the R-NDS

Based on the orientations laid out in the macroeconomic outlook above (Chapter 2 – Development context) the GRSS will endeavour to reduce expensive foreign borrowing, limit concessional loans to priority strategic investments

<sup>35</sup> GRSS, Approved Budget Book, FY2019/20, 2021.

<sup>36</sup> GRSS, Budget Speech, FY2019/20, 2021.

<sup>37</sup> Ministry of Finance and Planning, final draft Quarterly Economic Budgetary Review First and Second Quarter, FY2020/2021, 2021.

<sup>38</sup> Lack of clarity on tax jurisdiction and responsibilities between the national and state revenue authorities has led to confusion on the responsible authority for collection of some of the non-oil revenue sources. This is the case for personal income taxes for private companies operating at the state level. This situation has created diverging interpretations of the responsible managing authority for collecting such taxes, and in the recent past has negatively affected the level of non-oil revenue tax collection.

<sup>39</sup> Carried out by the National Bureau of Statistics.

**Table 7: Results of the 2018 Global Partnership for Effective Development Cooperation monitoring exercise**

Indicator	South Sudan	African average
1a	10%	79.7%
9b	0%	28.1%

Source: Global Partnership for Effective Development Cooperation Monitoring Dashboard

and develop a strategy to attract additional grant-based contributions to bridge the public financing gap. Possibilities for external financing in South Sudan primarily exist in official development assistance (ODA) and foreign direct investment. Both are discussed here.

*Official development assistance:* South Sudan attracts significant ODA, some \$170 per capita in 2019.<sup>40</sup> This is above the sub-Saharan Africa region average, which was \$50 per capita in the same year. It must, however, be noted that most of the ODA has gone to humanitarian assistance. While humanitarian assistance remains high, there is a decreasing trend. According to the Organisation for Economic Co-operation and Development, the share of ODA that went to humanitarian aid in South Sudan decreased from 69 percent in 2016/17 to 55 percent in 2018/19. There has been no observable increase in assistance for development as humanitarian assistance declined. The part of ODA that is programmable at country level (country programmable aid)<sup>41</sup> has fluctuated at around \$500 million since 2016<sup>42</sup> and could make a significant contribution to fill the financing gap of the R-NDS. Most social protection and education activities are already paid for with donor contributions,<sup>43</sup> but are yet to constitute a coherent social safety net in line with national policies. Through the R-NDS, such coordination and accounting will be pursued.

Overall, there is no consolidated information about the amounts that are received in the country, nor regarding the programmes and projects through which they are spent.

The Aid Coordination Unit at the Ministry of Finance and Planning has limited information on development partners' programmes and the last country-based survey of the Global Partnership for Effective Development Cooperation confirms that ODA remains off-budget and hardly aligned to national institutions and priorities. According to the 2018 survey, only 10 percent of new interventions from development partners use the NDS and sector strategies to identify their objectives (Indicator 1a) and none of them uses South Sudan's public financial management systems (Indicator 9b) (Table 7).

The consolidation of peace, implementation of the PFM reform agenda and this R-NDS present a new window of opportunity to step out of the emergency mode that has driven interventions over the past years. While humanitarian needs remain considerable, there is renewed space for dialogue and coordination throughout the national planning and budgeting process. In line with the key variables of the R-NDS partnership strategy, the GRSS will ask spending agencies and development partners to fully engage in the coordination mechanisms that will guide the implementation of projects, especially through regular and continual engagement with the sector working groups. The Ministry of Finance and Planning will reactivate the aid information management system and encourage development partners to share information on development programme support.

*Foreign direct investment:* Foreign direct investment continues to stagnate at less than 1 percent of GDP<sup>44</sup> and is primarily channelled to the oil sector. Despite the focus of the 2011 National Development Plan on diversified private sector-led economic growth and the 2013 South Sudan Investment Conference, years of conflict and instability have deterred substantive investments to other sectors. Foreign investors in South Sudan's five oil production consortia are mainly from a few countries,<sup>45</sup> and therefore there is great potential to attract a more diverse range of foreign investors in the petroleum sector, including in refinery activities.<sup>46</sup> The GRSS has recently launched its first oil licensing auction, offering five blocks to attract interest

40 World Bank, World Development Indicator Database, based on Organisation for Economic Co-operation and Development official statistics, 2020.

41 According to the Organisation for Economic Co-operation and Development, "Country programmable aid (CPA) is the portion of aid that providers can programme for individual countries or regions, and over which partner countries could have a significant say. Developed in 2007, CPA is a closer proxy of aid that goes to partner countries than the concept of official development assistance (ODA)".

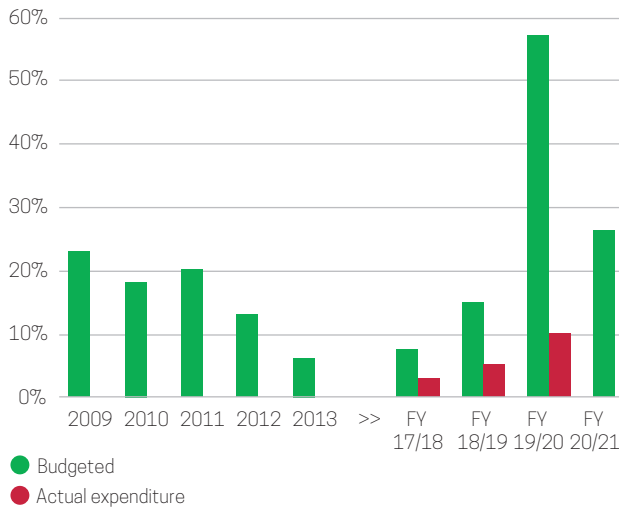
42 Roughly one third of ODA to South Sudan reported at global level (2018: \$1.6 billion; 2019: \$1.9 billion).

43 UNICEF, Social Protection Briefing Note, 2021.

44 Compared to an average 1.8 percent (2019) for sub-Saharan Africa. The 2018/19 all-time high of \$60 million net inflows to South Sudan was followed by negative transactions (-\$231,000) (World Bank, World Development Indicator Database, 2020).

45 International – US Energy Information Administration (EIA), <https://www.eia.gov/international/analysis/country/SDN>.

46 Ministry of Petroleum, Petroleum Report, vol. 7, 2020.



**Figure 23: Share of GRSS capital expenditure\* in central government**

\*Share of capital expenditure in total expenditure on salaries, operations, capital and transfers to states (2018–2013: estimates by JMEC Secretariat; 17/18–20/21: budgeted amounts and Ministry of Finance and Planning fiscal data).

from a diverse group of foreign investors. Nevertheless, global foreign direct investment flows are likely to remain negatively impacted by the COVID-19 pandemic during the implementation period of this R-NDS and are not expected to contribute to optimistic forecasts for major investments in the oil and non-oil sectors.<sup>47</sup>

While it is unlikely that R-NDS priority projects can attract substantive new investments in the short term, we will increase our focus on improving the enabling environment to prepare the ground for new investments and partnerships with the private sector. The development of appropriate legal and regulatory frameworks and strengthening of relevant units in the ministries and the South Sudan Investment Authority will be fast-tracked. These components are a crucial prerequisite to negotiating favourable terms and ensuring the development contribution of foreign investments. In addition, the international investment conference that will be staged under this R-NDS will be an important milestone to showcase promising opportunities for investments in the mineral, gold and agricultural sectors and initiate new partnerships.

### 9.3.2.4 Enhance fiscal space and public investment

Budget expenditures over the past years have been closely aligned to fluctuating oil revenues and immediate needs related to the protracted conflict, leaving hardly any space for substantive investments in priority services, infrastructure and economic diversification. Increased investments are oriented through the fiscal budget and can be financed through domestic savings or external financing. In the immediate future, the reduction of military spending and the end of the Transitional Financing Arrangement with Sudan – foreseen for the end of 2021 – provide significant opportunities to orient higher shares of the budget to investments in the extension of priority services and critical infrastructure.

The share of capital expenditure in the overall budget has been reduced continually since 2008. Notably, following the introduction of austerity measures in 2012 and 2013, capital expenditures were among the first to be cut. While this could make sense if the need for austerity was temporary, this strategy over the medium term has undermined development. Figure 23 illustrates that there have been promising moves to scale up capital expenditure allocations with an almost fourfold increase to 57 percent (55 percent to infrastructure) in 2019/20. This indicates a significant shift of priorities following the conclusion of the R-ARCSS. However, these targets should be used with caution. Actual capital expenditures have remained far below the planned allocations and were mainly sourced from allocation cuts in public administration and social sectors like health and education.

## 9.4 Conclusion

This chapter has elaborated a range of financing options and strategies available to us to finance the R-NDS. It will require the political will of the GRSS to put in place the enabling environment and enforce the necessary fiscal discipline. There is also a need to continue to inspire confidence in our peace to attract our citizens in the diaspora and foreign investors to invest in our economy and thereby contribute to the R-NDS and future development plans.

<sup>47</sup> World Bank, *Socio-Economic Impacts of COVID-19, 2020*; United Nations Development Programme, *Socio-Economic Assessment of the Impacts and Implications of COVID-19 in South Sudan, 2020*.



# CHAPTER TEN:

## Implementation arrangement

*Drawing on the risk-informed development approach, the R-NDS implementation will be flexible, adapting to the changing context with an inclusive coordination structure that encourages the participation of all stakeholders.*

This chapter elaborates on the delivery and coordination mechanisms (the approach, oversight coordination and communication); partnership (delivery accountability mechanisms); monitoring and evaluation (reporting, communication and data management); and risks and mitigation plan.

### 10.1 Delivery and coordination mechanisms

#### 10.1.1 Triple nexus

A multitude of protracted crises and recurrent shocks in our country since independence have resulted in a significant humanitarian footprint. We are aware that dire humanitarian crises have forced some of our development partners to repurpose resources meant for development to address humanitarian concerns. We also acknowledge that in many parts of our country where there are dire needs, government institutions are either not sufficiently resourced to respond or are yet to be fully established. In situations where government presence is limited, we recognize that many of our partners are drawing on the services of non-governmental organizations to deliver much-needed support. This fluid situation indicates that any notion of a linear transition that calls for humanitarian interventions and the full establishment of peace as preconditions to development is not only unrealistic, but could also result in perpetuating humanitarian conditions. To the contrary, it has become increasingly obvious that humanitarian, development and peace actors must collaborate to achieve sustainable results. While the GRSS is committed to honouring the

covenants and protocols of humanitarian operations where humanitarian work extends to reducing vulnerability and building resilience, this will need to take place alongside development actors. Similarly, the work of peace and security paves the way for development as it reduces vulnerability to conflicts and violence. Taking arms away from civilians must include providing alternatives to the use of arms through livelihood support or other forms of economic empowerment.

At the 2016 World Humanitarian Summit, South Sudan joined world leaders in endorsing the 'new ways of working' approach that should be adopted in complex emergencies such as ours, where protracted humanitarian challenges coexist with peace, security and development challenges. Since then, the new ways of working approach has been dubbed the triple nexus approach. The triple nexus approach refers to the interaction between peace,

***In situations where** government presence is limited, we recognize that many of our partners are drawing on the services of non-governmental organizations to deliver much-needed support.*

**The Partnership for Recovery and Resilience confirms the government's view that development work can be adapted to crisis situations, not halted.**

development and the humanitarian response. It calls for defining and committing to 'collective outcomes' where and when humanitarian–peace–development operations intersect. The United Nations defines collective outcomes as “commonly agreed quantifiable and measurable results or impact in reducing people’s needs, risks and vulnerabilities and increasing their resilience [achieved through combined efforts from humanitarian, development, and peace actors]”. Reducing vulnerability and building resilience is essentially about bolstering capacity, especially at the local level where collective outcomes are being pursued. This was echoed by the United Nations Secretary-General at the 2016 World Humanitarian Summit when he said, “We must bring the humanitarian and development spheres closer together from the very beginning of a crisis to support affected communities, address structural and economic impacts and help prevent a new spiral of fragility and instability”. Garry Conille, Under-Secretary-General of the International Federation of Red Cross and Red Crescent Societies, put it even more starkly at the Summit when he said “... it is not about how many parcels of food [humanitarian actors] delivered, but rather how many less people need [humanitarian help in protracted or recurrent situations over time]”.<sup>48</sup> The 2021 Humanitarian Response Plan is a telling example of how more people, not fewer, still need humanitarian support, despite years of interventions and investments in the country.

The GRSS intends to roll out the R-NDS using a risk-informed approach. This means we will do everything to adapt, rather than disrupt, the implementation of the R-NDS to changing conditions, including in situations of crisis. The triple nexus provides operational guidance to this approach. The Partnership for Recovery and Resilience platform is a

good example, where the triple nexus partners engaged and exchanged notes on collective outcomes. The Partnership for Recovery and Resilience confirms the government’s view that development work can be adapted to crisis situations, not halted. The GRSS has drawn lessons from that model and builds on the United Nations triple nexus framework in proposing the following as the modality for operationalizing the triple nexus in the implementation of the R-NDS and achieving risk-informed development:

- **Joint triple nexus assessment:** *The United Nations Humanitarian Response Plan and a series of assessments conducted by the United Nations Mission in South Sudan recognize that the current context is not homogeneous. Some parts of the country are in the peace and development domain, others are purely humanitarian and insecurity zones. However, there are other parts of the country where elements of humanitarian imperatives are slowly moving towards early recovery and some semblance of security. The Humanitarian Response Plan also reflects considerable support aimed at reducing vulnerability and building resilience, including injecting resources for local capacity-building. Without infringing on humanitarian principles of independence and neutrality, the Ministry of Finance and Planning and the Ministry of Humanitarian Affairs will lead joint assessments in collaboration with development partners to map the country in terms of development and humanitarian, peace and nexus zones. The assessments would inform all stakeholders where nexus programming is feasible.*
- **Triple nexus programming:** *In contexts where the three actors would be required to operate, the assessments would be followed by joint planning to define the indicators for collective outcomes, harness comparative advantages and gradually build local coordination and leadership capacities. We recognize that humanitarians may be reluctant to co-mingle their resources and projects with development actors since the issues of independence, neutrality and accountability could arise. However, exchange of information, demarcation of responsibility and tracking*

48 Outcome of the World Humanitarian Summit, Report of the Secretary-General (A/71/353).

*progress will be encouraged. The GRSS believes that, as per the principles agreed at the World Humanitarian Summit on the operationalization of the nexus, it is possible to achieve at least shared or linked programming if joint programming would undermine humanitarian principles.*

- **Financing:** *While the principle of collective outcomes is well received and appreciated, we are aware that financing architecture is not yet in synch. For the implementation of the R-NDS, the GRSS is not seeking humanitarian and peace actors to work through MDAs or co-mingle their resources with development finance. The GRSS is only keen to have a sense of the resources being invested in quasi-humanitarian activities so they can be captured as contributions to R-NDS financing. Details of how this will be done will be agreed in the first triple nexus coordination meeting after the R-NDS is launched.*
- **Triple nexus coordination:** *The Ministry of Finance and Planning and the Ministry of Humanitarian Affairs will chair the triple nexus coordination mechanism. Development partners, through the United Nations system, will have a co-chairing role. The coordination mechanism will keep track of progress made on nexus programmes, review updated assessments on new areas with nexus programming opportunities, and accountability for results. In collaboration with development partners, the GRSS will produce terms of reference for the triple nexus coordination mechanism after the launch of the R-NDS.*

### 10.1.2 Oversight coordination

The Ministry of Finance and Planning will oversee the R-NDS implementation through sector working groups and corresponding MDAs. The Aid Coordination Unit in the Ministry of Finance and Planning will operate the aid information management system. This system will collect and analyse development data from all partners and ensure they are linked to the R-NDS. Direct on-the-ground implementation of the R-NDS will take place at state, county and payam levels. The GRSS will support state and local government authorities to set up coordination and monitoring structures that will provide real-time data on the quality and progress of R-NDS projects, including those of development partners.

The GRSS will activate the following oversight coordination mechanisms for the implementation of the R-NDS:

- **The High-Level Partnership Forum** will be an annual meeting between the GRSS and the development partners and be chaired by His Excellency the President. The meeting will discuss strategic development policy issues. The first meeting will launch the R-NDS and commit to its implementation with the full support of development partners.
- **The Interministerial Appraisal Committee** is the government mechanism mandated to manage all government budgetary and financial issues. During the period of the R-NDS, the appraisal committee will review the flow of government resources to MDAs for the implementation of the R-NDS and sector implementation plans. It will also receive and discuss sector progress reports from MDAs. The appraisal committee will prepare the GRSS for the quarterly Government–Development Partners Forum.
- **The quarterly Government–Development Partners Forum** will serve as the central mechanism for coordination and information exchange on the implementation of the R-NDS. It will review financing, delivery efforts and bottlenecks, and endorse the delivery plan for the subsequent quarter. This meeting will review the extent of alignment of development partners’ development priorities and programmes to the R-NDS.
- **Sector working groups** are the main forum for sector-level planning, budgeting, delivery, monitoring and reporting on the R-NDS. The sector working groups will include MDAs, United Nations agencies, bilateral organizations, international financial institutions, non-governmental organizations and civil society organizations. Each sector working group will be co-chaired by a lead MDA and a lead development partner.

### 10.1.3 Communication

The success of the R-NDS will depend on broad stakeholder participation. The citizens of South Sudan and partners need to be well-informed about the R-NDS, its implementation and progress on anticipated results. They also need to

have a platform for communication with the respective implementing agencies to provide feedback on the quality and timeliness of implementation. After the launch of the R-NDS, the Ministry of Finance and Planning will collaborate with the Ministry of Information to develop a communication strategy for the R-NDS to provide continual awareness of the R-NDS and strengthen the development communication capacities of the MDAs and authorities at state and local levels. At the same time, the Ministry of Finance will collaborate with the Ministry of Information, sector working groups and state governments to carry out the following:

- *Establish a development communication group in each sector working group. The development communication group will develop sector-specific communication plans.*
- *Sector working groups and MDAs will develop fact sheets on areas of focus, planned implementation areas and anticipated results. These will be disseminated widely across the country in the official languages.*
- *Conduct awareness in all states on the R-NDS to promote national ownership of the strategy and call on citizens to monitor its implementation.*
- *Organize quarterly public feedback dialogue forums in each state with representation from the sector working groups to engage citizens and factor their concerns into the implementation process.*

## 10.2 Partnership

Partners are key stakeholders in the development of South Sudan and are expected to play a vital role in the implementation of the R-NDS. It is critical that partnerships in South Sudan are driven by the priorities of the people of South Sudan as expressed in this strategy, and as will be further elaborated in the results frameworks at sectoral,

state and local government levels. The R-ARCSS, in section 4.3.1.1, specifically exhorts the R-TGoNU to coordinate “where appropriate, with development partners” in the review and implementation of the R-NDS. The GRSS is committed to the promotion of inclusive partnerships for the elaboration and implementation of the R-NDS. Given the fluid situation and the state of government institutions, the GRSS acknowledges that partnership for development is not at an optimal level. As discussed in subsequent sections, the R-NDS will be used as a vehicle to strengthen partnerships as defined in the Busan Agreement for Aid Effectiveness.

### 10.2.1 Towards a mutual accountability framework

The 2011 Busan Partnership for Effective Development Cooperation commits to national ownership, results orientation, broader multi-stakeholder partnership platforms and transparency and accountability in the delivery and use of development support. South Sudan subscribes to these core principles. We are, however, aware that to benefit from the quality partnership defined in the Busan Agreement, South Sudan must create a ‘good enough’ institutional environment, political will and leadership. South Sudan’s 2011–2013 National Development Plan lays out a road map with benchmarks that the GRSS must achieve to create a conducive environment for a return to a mutual accountability framework as defined in the Busan Agreement. The GRSS foresees this phase of a mutual accountability framework arrangement as being part of the medium-term National Development Plan that will succeed the R-NDS.

Foremost, the GRSS commits to working on the implementation of the R-ARCSS to create a predictable, stable environment for development. Specifically, and as illustrated in Figure 24 and elaborated below, the GRSS recommits to achieving the benchmarks through the implementation cycle of the R-NDS to move towards the use of country system by development partners in accordance with the Busan Agreement. The GRSS envisages the full support of development partners in its drive to achieving

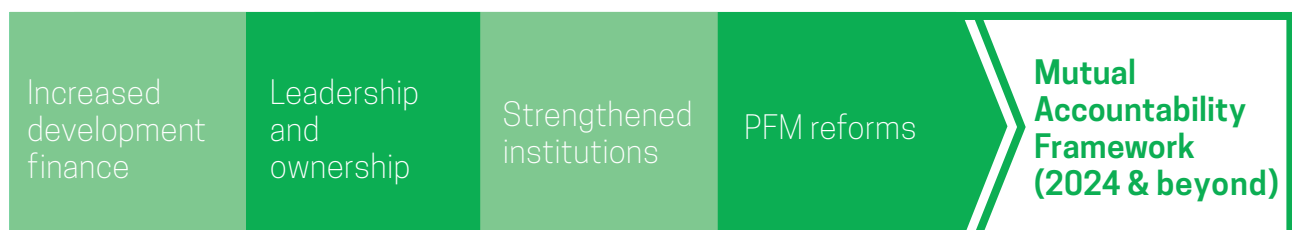


Figure 24: Path to a mutual accountability framework

the following benchmarks:

- **Increased domestic financing of development:** *The GRSS is fully committed to the Addis Ababa Action Agenda, which calls for domestic finances to be the basis for achieving the SDGs. In the determination of their respective expenditure ceilings for the FY2021/22 budget planning process, MDAs took on board the priorities in the R-NDS. In the same vein, the GRSS will engage development partners to align their respective support to the R-NDS, so that these can be accounted for in GRSS national budget reports. The GRSS commits to the progressive increase in development financing through its national budget. The budget will therefore be the source for monitoring progress on this benchmark.*
- **Demonstrated leadership in development coordination:** *The GRSS will work with all development partners to reinvigorate the aid coordination architecture, including the Aid Coordination Unit in the Ministry of Finance and Planning and the aid information monitoring system. The sector working groups will be strengthened to deliver and report on the implementation of the R-NDS. A state-level coordination mechanism will also be set up to monitor implementation progress. Their reports will feed into national-level coordination. At the highest level, the GRSS will reactivate and regularize development dialogue at the High-level Partnership Forum and the Inter-Ministerial Appraisal Committee to provide oversight and political leadership.*
- **Institutional readiness:** *In the interim, during the implementation of the R-NDS, the GRSS and its partners will continue to use a range of delivery modalities, which include development support being managed directly by the partners and/or transferred to third parties, including United Nations agencies and non-governmental organizations. The GRSS and development partners agree these are temporary measures and that the goal is to use country systems. Therefore, all such projects will have capacity development components for the relevant government MDA that will inherit that responsibility. Additionally, the GRSS, in collaboration with development partners,*

*will set-up a Special Capacity Development Fund that will focus on transforming the GRSS's institutions to effectively deliver development results. Indicators for assessing capacity readiness in the relevant MDA will be part of the monitoring and evaluation plan of all R-NDS delivery projects and in the roll-out of the Special Capacity Development Fund. Once considerable progress has been made on capacity readiness, gradual transfer of delivery responsibility will be started.*

- **Effective implementation of PFM reforms:** *The GRSS will strengthen its commitment to the implementation of PFM reforms for effective expenditure management and internal financial control in all MDAs, and empower the Audit Chamber to institute periodic sector audits.*

### 10.2.2 Support requested from development partners

The GRSS cannot achieve these benchmarks without the support of development partners. We request commitments from development partners in support of achievement of the benchmarks, as follows:

- *The GRSS is aware that most of the development assistance to South Sudan currently addresses humanitarian needs. To the extent possible, we will work with humanitarian partners to capture data in the aid information management system. A separate humanitarian aid tracking platform will be set up in the system for this purpose. In addition, we encourage development partners to develop a strategy for transitioning to recovery and development. Incremental support to nexus programming is a concrete way to commit to a transition strategy.*
- *Through the sector working groups, the GRSS encourages development partners to ensure coordination of development assistance to avoid fragmentation and duplication of development support. This is to further our shared commitment to 'leave no one behind'. The GRSS will ensure the aid information management system has an active map of the geography of development assistance which will be reviewed at all sector working group meetings to make sure development assistance*

*is not disproportionately skewed to a few parts of the country.*

- *We note with appreciation the decision of the World Bank Group to begin to use the country system in the roll-out of its next Country Engagement Note. Our performance in terms of the bank's engagement will demonstrate our readiness, and thereby encourage other development partners to begin to invest in the use of country systems.*

### 10.3 Monitoring and evaluation

The R-NDS will rely on one integrated monitoring and evaluation system coordinated by the Ministry of Finance and Planning with support from the National Bureau of Statistics and sector working groups. The monitoring and evaluation framework for the R-NDS will track and assess progress on activities, outputs and outcomes and how these are contributing to achieving South Sudan's Vision 2040. The framework will also assess the GRSS's budget allocation and expenditure on R-NDS activities.

#### 10.3.1 Monitoring mechanisms

The NDS results framework is articulated at the national level by cluster strategic objectives, outcomes and outputs. The next stage of the operationalization of the results framework will be at sectoral, state and local levels and will be designed as part of the R-NDS implementation. The capacity of state and local authorities will be strengthened to conduct routine monitoring and coordinate delivery of projects and activities.

The sector working groups will develop monitoring and evaluation plans that set out the objectives and targets for each agency along with well-defined and quantifiable indicators. Sector working groups will meet on a quarterly basis and will be tasked with providing a short progress report that uses as its basis the indicators and targets specified in the sector matrices. The sector working groups will need to carry out regular, in-depth and independent assessments of member agencies to evaluate progress against stated indicators and to ensure that activities are being undertaken as planned.

After the first 18 months of the R-NDS implementation, the Ministry of Finance and Planning will organize a mid-term review to assess progress, note implementation bottlenecks and recommend to the GRSS and its development partners ways to address the bottlenecks. At the end of the three-

year lifespan of the R-NDS, a summative evaluation will be conducted. The summative evaluation will recommend a road map for the next medium-term National Development Plan, drawing lessons from the R-NDS implementation.

#### 10.3.2 Data generation and use

Tracking performance of the R-NDS will require continual generation of data. The GRSS has also committed to reporting on its progress on the implementation of Agenda 2030 for Sustainable Development and Africa Agenda 2063. The additional responsibility makes the task of data production in the country more complex and requires expanded infrastructure that can access all parts of the country. However, the infrastructure to produce statistics in South Sudan is currently poorly resourced, resulting in weak capacity, outdated and/or non-existent data, high staff turnover and a poor culture for data use. Coordination of data production is also weak. Development partners, the private sector and civil society organizations are generating their own development data with no or limited government engagement and regulation. Policies and laws on the generation, production and use of data need to be updated.

As part of the implementation of the R-NDS, the GRSS, in collaboration with development partners, will invest in strengthening the National Bureau of Statistics to lead on the revitalization of the national statistics landscape. Focus will be on the following:

- *Working with all sector working groups and MDAs to develop and update baseline indicators in the R-NDS results framework and link the R-NDS results matrix with the relevant SDGs and Africa Agenda 2063 indicators.*
- *Conducting a mapping exercise of the range of statistics systems in the country, including those of the United Nations, bilateral partners, the private sector and civil society organizations, to build a national statistics ecosystem and set up a national mechanism for coordination of statistics.*
- *Strengthening ICT infrastructure to transition from a paper-based to a digital statistics system.*
- *Convening data forums twice a year to raise awareness among policymakers, civil society organizations and the private sector on the vital role of statistics in sustainable development.*

## 10.4 Risks and mitigation plan

Judging by South Sudan's recent history, the R-NDS is not without internal and external risks. Instability and natural hazards (drought, floods and locust invasion) disrupted full implementation of the two previous development plans and strategies. Aside from the risks of instability and natural hazards, there are other important political and economic risks that could undermine the quality and timely delivery of the R-NDS. This section highlights the critical and probable risks to R-NDS implementation and results.

*Political instability:* The R-ARCSS defines the commitment of all national stakeholders to establishing and consolidating peace. Derailment from the implementation of the Peace Agreement and internal fracturing of structures of its guarantors could severely undermine the delivery of the R-NDS. The sustained commitment so far, which has resulted in the enjoyment of stability at the national level since September 2018, gives us hope that the country is on a steady path to sustainable peace. Notwithstanding this, we are aware of the fragility of the Agreement. The GRSS will encourage the national and regional monitoring mechanisms for the R-ARCSS to incorporate the implementation of the R-NDS. Early warning mechanisms will be included in the monitoring and evaluation framework of the R-NDS to keep track of areas of volatility.

*Local violence and conflicts:* While national-level instability could derail the entire R-NDS, local-level violence and intercommunal hostility could impede implementation of projects and activities in the R-NDS. The presence and use of light weapons, especially by unemployed and at-risk youth, have resulted in serious safety and security risks in many of our communities. The GRSS will combine rule of law, economic dividends and community peacebuilding to address this challenge. The Ministry of Peacebuilding, with support from our development partners, has set up an early warning system that will collect real-time data on intercommunal violence, sexual and gender-based violence, and floods and drought. This system will be incorporated in the local-, state- and national-level R-NDS monitoring and evaluation mechanism. Sector working groups will regularly deliberate

on reports from the system and, under the leadership of the state and local authorities, design coordinated responses to address conflict-related risks.

*Government ownership and leadership of the R-NDS:* The success of the R-NDS will depend largely on whole-of-government ownership and leadership. Without the support of political leaders, starting with His Excellency the President, the R-NDS will not get traction and commitment from MDAs. At the beginning of the R-NDS, the President will officially launch the process and instruct the cabinet to regularly review progress at cabinet meetings. The High-Level Partnership Forum will help reinforce national ownership and leadership. The Ministry of Finance and Planning will lead in monitoring ownership and leadership, starting with tracking R-NDS implementation allocations in the budgets of MDAs.

*Low absorptive and delivery capacity:* Capacity constraint is a significant risk to the effective implementation of the strategy. There will be continuing use of well-targeted technical assistance to fill gaps where local expertise is currently lacking. Steps will be taken to provide support and training for MDAs through the sector working groups. The GRSS will use a range of implementation modalities, including third-party arrangements, to implement the R-NDS while it strengthens GRSS delivery institutions.

*Sharp decline in revenue:* Government revenue is heavily dependent on earnings from oil. For the foreseeable future, oil is likely to account for most of the country's revenue. While the price of oil on international markets is currently surging, there is a high risk of a price slump, as witnessed in the COVID-19 pandemic. This could severely undermine our efforts to finance the R-NDS. Measures will be taken to establish a special development fund, taking advantage of increased oil prices. The fund will be drawn upon to continue R-NDS activities in the event of price shocks. In addition, we will continue to boost domestic revenue mobilization from non-oil sectors to diversify development financing sources. Other sources of financing that will be explored are discussed in Chapter 9.

# CHAPTER ELEVEN:

## Concept note – looking ahead to the 2024–2028 NDP

### 11.1 Introduction

Increased momentum on the concept and process of planning has been observed in developing countries in the past two decades. Typically, such plans are based on a 5–25-year horizon that defines desired development outcomes to be achieved. The process also entails consensus-building on the challenges and opportunities that should be addressed and explored for achieving the outcomes, and defines the role of different stakeholders. South Sudan, like many other countries in Africa, is building a track record and committing to a consistent system of national development planning, starting with the elaboration of its first National Development Plan in 2012 and the current NDS 2018–2021.

The process of revising the original NDS 2018–2021 for the transition period has highlighted important challenges that need to be addressed for the country to move forward. However, they cannot be addressed in the context of the ongoing transition and within the period covered by the extension of the NDS. As a result, this chapter of the NDS articulates a concept for a 4–5-year National Development Plan for South Sudan to be considered after the implementation of the R-NDS. This concept note lays out the issues that need to be addressed in the next NDP and suggests that one of the key strategic objectives of this current R-NDS is preparation for the 2025–2028 medium-term National Development Plan by carrying out strategic thinking for framing that plan.

### 11.2 Anticipating the context of the medium-term National Development Plan

The preparation of the medium-term National Development Plan requires careful thought, cogent analysis and a long-term strategy. We are aware of the possibility of a changing context that may influence the priorities and needs of the country in the future. We therefore present the contents of this chapter with considerable caution and emphasize that this is preliminary thinking on the development plan to follow the R-NDS.

We can, however, make some assumptions about the context in which the next plan will be developed. This context will form an important background and provide a basis for guiding the national development planning process in the future. Some of the assumptions include the following:

- *The R-NDS will have been implemented and, pursuant to the commitment to hold elections contained in this R-NDS, an elected government will be in place.*
- *As a result of the commitment to implement the provisions of the Peace Agreement, especially regarding the security sector, the country will have a unified force in charge of security.*
- *The enabling environment for governance reforms will have improved through the formulation of key legal instruments, including having the permanent Constitution in place, that will clarify the federal system.*
- *Following the full implementation of the Peace Agreement, the country will be enjoying peace with reduced humanitarian needs.*
- *A rebound of the global economy is expected, giving a positive outlook for our economy, but with a possible decline in carbon-intensive economies and the accompanying urgent need to focus on the green economy.*
- *There will be a reduced time period for meeting our commitment to the global development agenda with only seven years left for the implementation of the SDGs.*
- *As a result of the appointment of governors and other government officials at the state level, local government will be in place and slowly actualizing a decentralized system of governance in the country.*



- *There will be signs of increased cooperation with our development partners as a result of closer collaboration during the R-NDS.*

### 11.3 Key underpinning assumptions for the design process

The design of the National Development Plan II and its implementation will be premised on the following scenarios:

- **Strong political buy-in from all political parties:** *The demand for and commitment to development planning should be grounded in the governing and related political system and institutions.*
- **The parliamentary committee on development will be active:** *The oversight role and responsibility of parliament is critical in ensuring that national priorities form the basis of the National Development Plan.*
- **The success of the R-NDS will inspire confidence in all partners, including development partners:** *The commitment and desire for development partners to collaborate and work closely with the GRSS will be secured. This depends largely on the experience in the implementation of the R-NDS.*
- **The investment climate will improve due to confidence in the peace:** *The security situation in the country will improve and positive results on the economy through increased investment will be evident.*
- **Macroeconomic stability as projected by the IMF will come to fruition:** *A stable macroeconomic environment owing to our commitment to the implementation of PFM reforms, the Staff Monitored Programme, etc., will bear fruit with increasing confidence in the government's ability and capacity to manage the economy.*

### 11.4 Other considerations for launching a full-scale medium-term plan

Given that the R-NDS is a revision of the original document, it was not the place to consider entirely new ideas on national development planning. We will, however, have this opportunity in the iteration of the future medium-term plan. Issues will include:

- **The role of the private sector:** *Long-term planning and investment in the future is as important to the private sector as it is for the public sector. Also, the private sector, though a possible beneficiary of results of national development planning, has a critical role to play in achieving the medium- to long-term development objectives of the country. The role of the private sector should be carefully thought through in the next iteration.*
- **The role of local government:** *Defining the role of local government in implementation of the NDS will be critical. This was not fully integrated because of the slow pace of formation of local government at the time of revising the NDS.*
- **Alignment of planning and budget preparation processes:** *As we continue on the path of sustained development planning and implementation, we will ensure a more systematic approach of aligning the planning process with the budget preparation process.*
- **Performance review of the R-NDS to draw lessons learnt for the next plan:** *A more detailed review of the R-NDS, especially the newly introduced concept of nexus planning and all proposed implementation and monitoring frameworks, will be conducted. This will provide us with important lessons for the future medium-term plan.*

### 11.5 Governance of the design and implementation process

The process of designing and implementing the National Development Plan II will be done through government institutions, some of which will neither be available nor effectively functioning at the time of the R-NDS. These include:

- *The Parliamentary Committee on Development, to ensure a national process that includes all political persuasions*
- *Leadership of the Ministry of Finance and Planning*
- *Governors' Forum*
- *Local government board*
- *Active sector working groups*
- *Civil society organization network*

## 11.6 Background studies of major themes anticipated for National Development Plan II

South Sudan faces many challenges, which, although no different from those other countries in similar circumstances have faced before, require new mindsets and innovative thinking to ensure that the failures of the past are avoided, and that new regional and global solutions are harnessed and employed for the breakthrough development the country needs. To adopt innovative thinking in resolving challenges, we will embark on extensive studies prior to the iteration of the National Development Plan II. These studies will explore opportunities in key issues pertinent to the development of our country and its people. The studies will provide evidence and make concrete recommendations on policies and strategies that should be adopted in the National Development Plan II for sustainable development in South Sudan.

Here we outline four critical areas we will commission studies on that should be part of the next planning cycle. These are economic diversification (policies, opportunities, strategies); human capital development; transitioning to a green economy; and population settlement.

### 11.6.1 Economic diversification (policies, opportunities, strategies)

South Sudan has the third largest oil reserves in sub-Saharan Africa, much of which remain unexplored,<sup>49</sup> and on which the country is highly dependent. South Sudan's experience so far indicates that this dependence on a single commodity, albeit of high value, has significantly increased shocks on the economy as a result of the volatility of the global oil market and geopolitical conflicts with Sudan. On the other hand, the structure of the economy is such that the majority of South Sudanese depend on other sectors of the economy for their livelihoods, primarily some combination of agriculture, livestock, trading, exploiting other natural resources (timber, gold) and, critically, the public sector.

We will undertake a study to explore the opportunities, appropriate policies and strategies required for economic diversification as the strategic pathway to sustainable development and attainment of Vision 2040, which is "emphatic that South Sudan will have a diversified economy driven by agriculture, industry, mining, tourism and services to be a vibrant economy that is able to compete and attract

investors."<sup>50</sup> We will use evidence from the study to map out a path to eventually kick-start industrialization. We anticipate that the study will explore how tourism would likely be feasible in the medium term, given its low entry requirements. This, of course, requires a stable security environment, so is dependent on full implementation of the Peace Agreement during the implementation of the R-NDS.

In exploring the potential for economic diversification, we will include studying the experiences of other countries that have successfully diversified from oil-based economies, in the context of the reality of South Sudan.

### 11.6.2 Human capital development

South Sudan has been characterized as a country with serious challenges in human capital, weak institutional capacity of many government institutions and serious challenges of organizational capacity. Key ministries, such as the Ministry of Finance and Planning, experience challenges in capacity for planning, budgeting and exercising fiscal discipline, and these are all linked to technical capacity limitations of their manpower. This is the case in many other government institutions. Knowing how critical human capital development is for the implementation of national development planning, but especially for the well-being of our people and their contribution to development, we will embark on an extensive study that provides a clear road map for sustained human capital development. The study is part of our commitment in the R-NDS and is elaborated on in Chapter 8. The study will be expected to provide concrete recommendations and evidence, drawing on lessons from other countries, on how to improve employee performance, capabilities and resources and on how education, technical skills and on-the-job training can be tailored to ensure effective delivery of services. The study will be drawn upon to develop a comprehensive capacity development plan in the National Development Plan II.

Evidence abounds on the correlation between human capital and economic growth. A key component of the study therefore is to explore the benefits of expanding the knowledge and skills of our people on economic growth. The study will propose policies and strategies for investing in human capital for increased productivity. We recognize the importance of investing in human capital as it is an important aspect for the delivery of a national development plan.

<sup>49</sup> Conflict Sensitivity Resource Facility (CSRf), *Conflict Sensitivity Analysis: United Nations Mission in South Sudan (UNMISS) Protection of Civilian (PoC) Sites Transition: Bentiu, Unity State, and Malakal, Upper Nile State*, March 2021.

<sup>50</sup> South Sudan Country Report on Independent Policing Oversight Authority, November 2019, Juba, South Sudan.

### 11.6.3 Transitioning to a green economy

The reality facing the entire world, including South Sudan, increasingly points to the important shift from a carbon-based economy to a green economy. Frequent and intense weather and extreme climatic events and occurrences, and their consequences for human life and economies, are a loud call for us to do things differently. Commitment and intent are, however, not enough for a transition to a green economy – these need to be accompanied by the necessary know-how. Whereas general information may be available on how to transition to a green economy, country peculiarities may demand that different countries take different routes. This necessitates a detailed study on how to transition our oil-dependent economy to a green economy. The study will help us consider the impact of climate change and emerging policies and strategies on substituting new and renewable energy sources for fossil fuels. The study will assess the impact of transitioning to a green economy on South Sudan's oil industry and on revenue. This analysis will contribute to defining the diversification strategy mentioned above.

### 11.6.4 Population settlement

Years of protracted conflict with Sudan and continued internal conflict has left many of our people displaced. The United Nations South Sudan 2020 COVID-19 Socio-Economic Response Plan indicates that well over half of our population (7.5 million people) are characterized as mobile, and the majority of these are internally displaced persons and returnees. To compound the situation further, the same report indicates that about 2.3 million of our people are living in neighbouring countries as refugees. Returning and settling all of them will be a key task during the term of the National Development Plan II, especially if we succeed in the full implementation of the Peace Agreement during the implementation of the R-NDS. We will commission a study to provide guidance on settling our people.

## 11.7 Deepening ongoing initiatives in the R-NDS

The revision of the NDS has been carried out by holding extensive consultations countrywide. Given the development needs in the various parts of the country and of the different groups of people, this generated many priorities. It is, however, clear that within the timeframe of implementation of the R-NDS, most of these valid priorities may not be fully implemented. Given the importance of the priorities to the people and the government, we will plan to deepen the

implementation of democratic governance, macroeconomic management and the triple nexus approach.

### 11.7.1 Deepening democratic governance

The current authority governing in South Sudan is the R-ARCSS. By its nature, the Peace Agreement has a top-down approach, and while we believe it has democratic governance aspirations it does not contain within itself the means of achieving democratic governance. The R-ARCSS requires the R-TGoNU to set up several governance institutions and structures to implement governance processes, such as the development of the permanent Constitution, the setting up of PFM systems and other relevant processes. It does not, however, go as far as stating governance principle processes and practices. We have a responsibility to think through these issues and get them ready for implementation before or during the term of the next National Development Plan. Key among these areas of thought will be the sharing of power and resources among the spheres of government; the separation of powers; and checks and balances between the three branches of the state. These will hopefully be enshrined in our Constitution. The task will be to understand the extent to which they are grounded and the role of the National Development Plan II in the consolidation of democratic institutions in achieving our foundational SDG 16.

### 11.7.2 Macroeconomic management

South Sudan's dependence on oil revenue is the main determinant of macroeconomic stability. We recognize the fact that our country will run out of oil in the near future, and that we should take measures to ensure the development of the country beyond the period when it has oil. Two suggestions dominate the conversation. One is the need for establishing a sovereign wealth fund from current oil revenues to fund future development priorities. The other is using current oil revenues to fund diversification of the economy. These are not necessarily mutually exclusive, and we will explore their use through an extensive study on macroeconomic management ahead of National Development Plan II design.

### 11.7.3 The triple nexus

Various situations (protracted conflict, increased poverty and hunger, regular weather disasters, etc.) have led to a significant humanitarian footprint and left many of our people in perpetual need of humanitarian assistance. We plan to lay the initial blocks for moving our country from one in need of

humanitarian assistance to a path of sustained development during the implementation of the R-NDS. We will explore what it takes to move the country into the post-conflict phase and leverage the potential of the triple nexus as an integrated approach for the development of our country. During the transition and implementation of the R-NDS, we will make conceptual, strategic and benchmarking preparations for a full-blown triple nexus strategy in National Development Plan II.

### 11.7.4 Medium- to long-term holistic financing strategy

As part of the National Development Plan II design we will develop an integrated national financing framework for South Sudan. The R-NDS cycle will be used to conclude an ongoing development finance assessment to lay the foundation for such a financing strategy. The development finance assessment will:

- *establish a credible picture of South Sudan’s financing needs and opportunities; and*
- *strengthen interministerial and multi-stakeholder dialogue around financing priorities, better resource management and alignment of available domestic and external resources.*



Figure 25: Laying the groundwork for a holistic financing strategy

The objectives of the NDS review reflect the importance of strengthening the national development finance landscape, namely by including a financing chapter in the R-NDS and carrying out a development finance assessment. The assessment exercise resulted in a comprehensive analysis of financing requirements, public and private financing trends and policies to provide an overarching direction for financing development and for our country to achieve the SDGs. Preliminary findings of the development finance assessment indicate that South Sudan has high potential to step up mobilization of domestic resources to a level that reflects national assets, uses oil revenue more strategically as a stable contribution to national planning and budgeting, and combines public and private financing policies to ensure all available resource flows contribute to national sustainable development. Substantive findings from the assessment’s analytical phase will feed into a series of financing dialogues during National Development Plan II planning.

### 11.8 Conclusion

South Sudan is a new country with an incredible opportunity to tackle old problems in new ways and try bold, innovative, evidence-driven solutions, free of the constraints of tradition and precedent. Independence came at a time when many early post- and neocolonial theories that influenced much of post-independence development paradigms had been tried and questioned, modified or discarded. South Sudan can learn from the experiences that worked and those that failed and blaze a new trail of successful resolution of conflict, sowing the seeds of development while addressing humanitarian crises, leveraging development opportunities for preserving a sustainable peace and launching onto an irreversible sustainable development trajectory, forged in the African experience and infused with global knowledge.

The key areas discussed in this concept note are critical for the development of the country, but they are not exhaustive. The issues have a catalytic and strategic impact on other issues and challenges we face. We believe that undertaking the strategic studies, deepening the implementation of initiatives from the R-NDS, will lay the proper foundation for successful tackling of many of the challenges of the country. Investment in analysis and conceptualization, as well as in developing national consensus on these issues during the transition phase, as contained in this chapter, will form the key areas of work a year prior to the iteration of the National Development Plan II.

# ANNEX 1:

## Sector working groups

**Sector name: Accountability**

**Sector goal: “A cohesive, efficient and effective accountability sector”**

Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>1. High level of corruption, lack of accountability and transparency</b>	1. More transparent and accountable governance systems	1. Empowerment of the agencies concerned	1. Ensure legal frameworks are enacted and implemented	Anticorruption Committee Audit Chamber
	2. To ensure more inclusive social and political participation			
<b>2. Insufficient legislative framework and lack of implementation of existing laws</b>	1. Establish a strategic sectoral partnership to lobby institutions enacting laws	1. Ensure legal frameworks are prepared by all agencies and passed for enactment	1. Ensure legal frameworks are enacted and implemented	All accountability sector agencies
<b>3. Insufficient physical infrastructure and inadequate staff capacity</b>	1. Develop strategy for recruiting and retaining motivated professional staff	2. Secure funding for construction of office buildings	2. Ensure institutional and human resource development	All accountability sector agencies except the National Bureau of Statistics, Fiscal and Financial Allocation Monitoring Commission and Audit Chamber
<b>4. Inadequate intervention/ funding by government and some development partners/donors</b>		1. Ensure sufficient funding is allocated to agencies	1. Ensure sufficient funding is allocated to agencies	Ministry of Finance, partners/donors
<b>5. Allocation, monitoring and publication of funds from central government to states and counties</b>	1. Operationalize institutional mechanisms to promote citizen engagement and participation	1. Enhance and strengthen coordination and institutional relations	1. Ensure transparency in transfers of funds from central government to states and counties	All accountability sector agencies

## Sector name: Economic functions

## Sector goal: "To achieve viable economic stability and growth"

Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>1. Limited domestic production</b>	1. To enhance export promotion	1. Macroeconomic stability	1. Diversify economy	Ministry of Finance, Ministry of Trade
			2. Increase access to finance for micro, small and medium enterprises	Ministry of Trade
<b>2. Low-quality industrial and agricultural output</b>	1. To improve the quality of industrial and agricultural output to exportable standards	1. Economic diversification by modernizing industry and agriculture	1. Provision of high-quality seeds and establishment of modern industries	Ministry of Trade, National Bureau of Standards
		2. Ensure optimum exploitation of natural resources	2. Sustainable exploitation of natural resources	Ministry of Mining and Petroleum, Ministry of Irrigation and Water Resources
<b>3. Underutilization of natural resources</b>	1. To optimally utilize natural resources	1. Diversification of revenue resource bases	1. Diversify economy	National Revenue Authority, Ministry of Mining and Petroleum, Ministry of Irrigation and Water Resources
<b>4. Over-reliance on oil resources</b>	1. To diversify the economy			Ministry of Irrigation and Water Resources, Ministry of Land
<b>5. Inadequate economic infrastructure</b>	1. To develop and enhance the use of sustainable infrastructure	1. Development of economy-related infrastructure	1. Develop economy-related infrastructure	

## Sector name: Education

Sector goal: "Make quality education accessible, equitable and sustainable at all levels to build a peaceful, prosperous and informed nation (SDG 4 and Agenda 2040)"

Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>Equity in access issues in education</b>				
<b>There is inadequate infrastructure to accommodate the rising demand for education at all levels</b>	Increase the numbers of students and expand educational institutions at all levels	Ensure education is accessible, affordable and equitable for all, particularly for people from low-income families, etc.	<ul style="list-style-type: none"> <li>Construction and expansion of existing infrastructure</li> <li>Improve grants transfers systems to institutions</li> <li>Strengthen student welfare fund</li> <li>Accreditation of private and foreign institutions</li> <li>Evaluate foreign certificates</li> <li>Encourage private sector investment in education</li> </ul>	Ministry of General Education and Instruction, Ministry of Higher Education, Science and Technology, partners
<b>Low enrolment of female students, teachers and managers at all levels</b>	Promote inclusive access to education at all levels	Ensure gender mainstreaming in the education sector	<ul style="list-style-type: none"> <li>Increase percentage of female students, teachers and managers</li> <li>Provide hygiene kits for girls</li> </ul>	
<b>Distance to schools from communities</b>	Reduce distance to and from schools	Ensure bomas, payams and counties have schools	Strengthen parent-teacher associations and payam and county education offices to ensure schools are brought closer to learners	
<b>Harmful cultural practices</b>	Reduce harmful traditional practices hindering access to education	Ensure learners' right to education is not trampled upon	Sensitize the community to education as a human right	
<b>Displaced schools and colleges due to insecurity</b>	Create a safe and secure teaching and learning environment	Renovate and relocate displaced schools and colleges to their original locations where peace prevails	<ul style="list-style-type: none"> <li>Create an enabling environment to facilitate return and reintegration of displaced schools and colleges</li> <li>Coordinate with relevant security personnel on matters of security</li> </ul>	

Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>Quality issues in education</b>				
<b>Prevalence of untrained teachers in schools and colleges at all levels</b>	Increase the percentages of trained teachers in schools and colleges	Ensure teachers' qualifications are improved	Strengthen teacher training colleges  Fast-track the training of teachers through pre-service and in-service programmes  Offer scholarships for teachers and educational managers	Teacher training colleges, schools of education in all universities, Ministry of General Education and Instruction, Ministry of Higher Education, Science and Technology
<b>Weak education management information system at all levels</b>	Establish and upgrade education management information system at all levels	Ensure education data are reliable, valid and constantly updated	Set and manage education management information system to inform planning and decision-making  One-stop centre for all information on education	Ministry of General Education and Instruction, Ministry of Higher Education, Science and Technology, UNICEF, UNESCO
<b>High turnover of qualified teachers due to low pay at all levels</b>	Attract and retain trained staff	Ensure teachers are well motivated	Improve salaries of teachers at all levels  Pay teachers on time	Ministry of General Education and Instruction, Ministry of Higher Education, Science and Technology, Ministry of Finance and Planning, Ministry of Public Service and Human Resource Development
<b>Curriculum and availability of new educational learning material</b>	Reduce ratio of students per textbook	Ensure availability of adequate and relevant instructional material	Print and disseminate materials for new curriculum  Train teachers in use of new curriculum materials	Ministry of General Education and Instruction, curriculum development centres, UNICEF, partners
<b>Quality of supervision of examination processes</b>	Conduct credible, fair and reliable examinations and assessment processes	Improve effectiveness and efficiency of Examination Secretariat	Strengthen the structures and system of the Examination Secretariat  Provide a secure database to store primary and secondary students' records  Provide a printing press for the Examination Secretariat  Equate foreign certifications	Examination Secretariat, Ministry of General Education and Instruction, Joint Admissions Board



Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>Quality of supervision of admission processes</b>	Widen access to higher education	Ensure all students studying in higher education have a national admission number	Provide secure database and printing press for Admissions Secretariat  Review admissions policy to integrate digital admission	Examination Secretariat, Joint Admissions Board, university registrars
<b>High school and college dropout as a result of lack of food</b>	Provide access to nutritious food, health and hygiene services at schools and colleges at all levels	Ensure access to nutritious food, health and hygiene services	Promote school gardens  Increase access to equitable, quality education and reduce student dropout due to hunger	Ministry of General Education and Instruction, Ministry of Higher Education, Science and Technology, World Food Programme, universities, food contractors
<b>Weak supervision of private and foreign institutions at all levels</b>	Strengthen quality of private education institutions at all levels	Ensure private education institutions are conversant and in compliance with accepted national and international standards	Create awareness of the existing policy framework  Site visits for assessment  Support policy meetings at all levels	National Council for Higher Education, Ministry of General Education and Instruction, Ministry of Higher Education, Science and Technology, General Assembly, social cluster, Cabinet, National Legislative Assembly
<b>No institutions to coordinate research</b>	Coordinate research and development studies at all levels	Ensure one-stop centre for research in the country	Establish national research and development centre  Promote science technology and innovation	Ministry of Higher Education, Science and Technology, research and development centre, various universities

#### Management

<b>Weak system and uncoordinated partnership among stakeholders at all levels</b>	Improve coordination and effective partnership among stakeholders at all levels	Strengthen leadership framework and coordination among stakeholders	Review of policy framework and plan of action  Establish standard operating system at all levels	Ministry of General Education and Instruction, Ministry of Higher Education, Science and Technology, partners
<b>Fiscal constraints and budgetary discipline affects programme implementation</b>	Increase allocation to education sector at all levels	Improve services and infrastructure	Mobilize funds from public, donors and business to support programmes	Ministry of General Education and Instruction, Ministry of Higher Education, Science and Technology, Ministry of Finance and Planning, partners

Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>Weak staff motivation strategies and low intake to educational programmes</b>	Increase staff effectiveness and institutional efficiency	Ensure human and institutional development	Reduce high staff turnover Make state transfers Attract students to educational programmes Train, place, remunerate well, retain and promote staff regularly	Ministry of General Education and Instruction, Ministry of Higher Education, Science and Technology, Ministry of Public Service and Human Resource Development, partners
<b>Use of traditional mode of delivery of content</b>	Promote digital transfer	Strengthen the use of ICT in implementation of programmes	Equip offices and schools with ICT Train staff on the use of ICT	Ministry of General Education and Instruction, Ministry of Higher Education, Science and Technology, Ministry of Transport and Communications, partners
<b>COVID-19 pandemic</b>				
<b>Disruption of schools</b>	Respect World Health Organization standard operating procedures	Adhere to health advisories to reduce risk and death due to COVID-19	Liaise with Ministry of Health to minimize the risk associated with COVID-19 Increase budgetary allocation to enable schools and colleges to adequately plan their response Adhere to social distancing and face mask use Provide adequate water, soap and sanitizers in schools and colleges Encourage learners and teachers to maintain social distance Teachers to sensitize by including standard procedures in their lectures Encourage learners and staff to take the vaccine	Ministry of Health, Ministry of Higher Education, Science and Technology, World Health Organization, Ministry of General Education and Instruction
<b>Loss of loved ones where risk is high</b>	Provide psychosocial support for staff and students who have lost their loved ones during the pandemic	Ensure counsellors are present in every school and college	Increase number of trained counsellors in schools and colleges Make provision for repatriation Isolate infected students and staff	Ministry of Health, Ministry of Higher Education, Science and Technology, Ministry of General Education and Instruction

Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>Pandemic versus limited or no connectivity</b>	Broadcast basic lessons on radio and television, and use photocopied notes where there is limited or no bandwidth	Ensure education is not put on hold, even in the midst of the pandemic	Establish online infrastructure Migrate to digital or online mode (asynchronous)	Microsoft, Ministry of Transport and Communications, UNICEF, UNESCO, Ministry of Higher Education, Science and Technology, Ministry of General Education and Instruction
<b>Full connectivity versus the risk of COVID-19</b>	Provide a dual mode: face-to-face and online classes	Deploy ICT specialist in all schools and colleges to support online teaching and learning	Establish digital identity for students and staff after developing online structures and system All teachers and students to acquire communication devices Curriculum and lectures to be available online	Microsoft, Ministry of Transport and Communications, UNICEF, UNESCO, Ministry of Higher Education, Science and Technology, Ministry of General Education and Instruction
<b>Gender mainstreaming</b>				
<b>Enrolment at all levels has favoured male learners and teachers</b>	Promote gender-responsive governance and infrastructure through strengthening women's and girls' participation and facilitate an enabling environment to support their inclusion in decision-making	Ensure the inclusion of women and girls in education, facilitate their transition and involve them in decision-making	Review customary laws that undermine the participation of women and girls in access, retention and completion Review policy frameworks, action plans and curricula that do not recognize women's and girls' contributions Increase budgetary allocation for targeted intervention for women's projects Strengthen coordination among women in authority Sensitize all stakeholders on women's participation in schools and colleges Ensure the implementation of affirmative action in schools and colleges	UNICEF, UNESCO, Ministry of Higher Education, Science and Technology, Ministry of General Education

<b>Sector name: Health</b>				
<b>Sector goal: “A strengthened health system and partnerships that overcome barriers and effectively delivers universal health coverage”</b>				
<b>Sector key issues</b>	<b>Sector strategic objectives</b>	<b>Sector priority areas</b>	<b>Sector key strategic interventions</b>	<b>Responsible sector agency</b>
<b>1. Less accessibility to health services</b>	1. To implement the basic package of health and nutrition services and the Boma Health Initiative in order to achieve universal health coverage	1. Improve and operationalize accessibility to health services	1. Improve health facility infrastructure	Ministry of Health
<b>2. Insufficient human resources</b>		2. Improve human resources for health	2. Train, deploy and retain core human resources for health	Ministry of Health South Sudan HIV/AIDS Commission
<b>3. Less budgetary allocation to health</b>		3. Increase budgetary allocations for health to 15% as per the Abuja Declaration	3. Allocate 15% of total government expenditure to health	Ministry of Finance and Planning
<b>4. Inadequate quality of medical products and technology supplies</b>		4. Improve equitable access to quality essential medical commodities, equipment and supplies	4. Increase public procurement and distribution of quality medical commodities, equipment and pharmaceutical products	Ministry of Health Drug and Food Control Authority
<b>5. Inadequate coordination framework</b>		5. Strengthen coordination and management of health services at all levels	5. Institutionalize and build capacity for health system coordination at all levels	Ministry of Health
<b>6. Inadequate subsector policies, strategies and regulations</b>		6. Develop, revise and update relevant subsector policies, strategies and guidelines	6. Develop, review, update and operationalize relevant subsectoral policies, strategies and guidelines at all levels	Ministry of Health
<b>7. Inadequate availability and use of strategic information for decision-making</b>		7. Improve strategic information for health	7. Review, update and implement health sector monitoring and evaluation framework	Ministry of Health South Sudan HIV/AIDS Commission

Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>8. Inadequate capacity to regulate quality and safe medical supplies</b>	2. To strengthen the regulatory functions of the Drug and Food Control Authority	1. Strengthen regulatory functions of the Drug and Food Control Authority	1. Strengthen institutional capacity for effective regulation of medicine, health care products and technologies for humans and animals	Drug and Food Control Authority Ministry of Health
<b>9. Lack of legal framework and policy for the regulation of medical and toxic waste management</b>		2. Strengthen the regulatory capacity for medical and toxic waste management	2. Develop, implement and operationalize regulatory framework and policies for medical and toxic waste management	Drug and Food Control Authority
<b>10. Inadequate HIV and tuberculosis services in the community</b>	1. To increase access to and retention in HIV and tuberculosis care, treatment and support for people living with HIV and tuberculosis and other eligible populations	1. Increase availability, accessibility and coverage of HIV and tuberculosis services	1. Increase availability, accessibility and coverage of HIV/AIDS services in communities	South Sudan HIV/AIDS Commission
<b>11. Inadequate human resource capacity</b>		2. Train, deploy and retain human resources	2. Train, deploy and retain human resources for HIV/AIDS activities	South Sudan HIV/AIDS Commission Ministry of Health
<b>12. Inadequate financial allocations</b>		3. Increase government financial allocations to HIV/AIDS Commission	3. Increase government financial allocations to HIV/AIDS Commission	Ministry of Finance and Planning
<b>13. Lack of state HIV infrastructure and poor coordination</b>		4. Improve coordination and infrastructure of HIV intervention activities all levels	4. Improve coordination and re-establish HIV offices at state and national levels	South Sudan HIV/AIDS Commission
<b>14. Lack of involvement of key populations and civil society organizations in HIV and tuberculosis response</b>		5. Involve key populations and civil society organizations in HIV and tuberculosis interventions	5. Involve key populations and civil society organizations in HIV and tuberculosis interventions	South Sudan HIV/AIDS Commission
<b>15. Widespread stigma and discrimination against people living with HIV and tuberculosis</b>		6. Reduce stigma and discrimination against people living with HIV and tuberculosis	6. Reduce stigma and discrimination against people living with HIV and tuberculosis	South Sudan HIV/AIDS Commission
<b>16. Weak intersectoral collaboration</b>	1. To strengthen critical enablers of and develop synergies for the multisectoral approach in South Sudan to address and strengthen socioeconomic determinants of health	1. Strengthen intersectoral collaboration for the health system	1. Strengthen intersectoral collaboration towards the 'one health' approach	Ministry of Health South Sudan HIV/AIDS Commission Drug and Food Control Authority
<b>17. Weak core capacity for compliance with international health regulations</b>	1. To strengthen health emergency preparedness and response	1. Strengthen core capacity for compliance with international health regulations	1. Implement key international health regulation activities in the National Action Plan for Health Security	Ministry of Health

<b>Sector name: Infrastructure</b>				
<b>Sector goal: “Rehabilitate, construct and procure infrastructure system for effective service delivery”</b>				
<b>Sector key issues</b>	<b>Sector strategic objectives</b>	<b>Sector priority areas</b>	<b>Sector key strategic interventions</b>	<b>Responsible sector agency</b>
<b>1. Lack of legal and policy framework</b>	1. To design legal and policy frameworks to address the sector gap	1. Formulate legal and policy frameworks	1. Review and update existing legal framework	All agencies
	2. To enhance drafting of legal and policy frameworks for the sector	2. Reviewing and updating drafted legal and policy frameworks	2. Validate legal and policy frameworks	All agencies
<b>2. Lack of proper roads infrastructure</b>	1. To improve trunk roads	1. Enhancing construction and rehabilitation of trunk roads	1. Construct Juba–Bor Road; Juba–Rumbek–Wau Road; and Juba–Magwi–Torit–Nadapal Road; and rehabilitate Juba–Nimule Road and Juba–Yei–Morobo Kaya Road	Ministry of Roads and Bridges, South Sudan Road Authority, Ministry of Transport
	2. To improve transport infrastructure in the country	2. Rehabilitation of highway roads linking South Sudan to neighbouring countries	2. Carry out assessment of road maintenance	Ministry of Roads and Bridges, South Sudan Road Authority, Ministry of Transport
<b>3. Limited capacity to distribute power</b>	1. To generate and distribute electrical power	1. Improvement of power stations at national and state levels to enable power distribution	1. Rehabilitate and increase power supply plants at national and state levels	Ministry of Energy and Dams, South Sudan Electricity Corporation
<b>4. Lack of improved airstrips across the nation</b>	2. To improve airstrips in all states	2. Enhancing rehabilitation of airstrips in the 10 states	2. Repair existing airstrips in all 10 states	Civil Aviation Authority
<b>5. Lack of efficient and effective database for monitoring and coordination</b>	1. To set up an effective sectoral database	1. Providing efficient and effective monitoring and coordination and evaluation of annual plans of the sector	1. Procure equipment 2. Recruit personnel 3. Train personnel to manage the database	All agencies
<b>6. Lack of funds (high costs) for road construction and maintenance</b>	1. To lobby for funds through the R-NDS from partners and investors	1. Publishing feasibility studies of the infrastructure sector	1. Conduct stakeholder consultative meetings 2. Develop a strategic plan for the sector	All agencies

## Sector: Natural resources

## Sector goal: “Sustainable utilization of natural resources to improve livelihoods and diversify the economy”

Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>1. Poaching of wildlife, habitat destruction and insecurity in areas of tourism attraction</b>	1. To build the capacity of wildlife forces to combat poaching and habitat destruction	1. Establishment of wildlife infrastructure in protected areas	1. Provision of anti-poaching equipment and protected areas infrastructure	Ministry of Wildlife Conservation and Tourism
	2. To develop and promote the tourism industry	2. Development of tourist industry in protected areas	2. Review criteria for the classification of tourism facilities	Ministry of Wildlife Conservation and Tourism
<b>2. Lack of environmental legal frameworks, compliance and enforcement capacity</b>	1. To enact environmental protection legislation	1. Enhancement of environmental protection	1. Finalize and disseminate the Environmental Protection Bill	Ministry of Environment and Forestry
	2. To reduce deforestation by encouraging the use of alternative energy sources	2. Combat deforestation	2. Review, monitor and evaluate implementation of forestry concessions	Ministry of Environment and Forestry
<b>3. Lack of productive capacity of livestock and fisheries resources</b>	1. To improve the productive capacity of livestock and fisheries resources	1. Enhancement of livestock production	1. Improve animal health through disease surveillance and control	Ministry of Livestock and Fisheries
	2. To regulate fishing equipment	2. Monitoring and evaluation of the fishing industry	2. Practise good fishing methods	Ministry of Livestock and Fisheries
<b>4. Lack of legal framework for land management</b>	1. To develop a land policy	1. Fast-track and disseminate a land policy	1. Formulate a land policy	South Sudan Land Commission
	2. To enforce and implement the Land Act	2. Review and enforce the Land Act	2. Law enforcement and implementation of the Land Act	South Sudan Land Commission
<b>5. Low agricultural productivity and lack of supply chain</b>	1. To review and update policies and strategies for development of the agricultural sector	1. Implementation of Comprehensive Agriculture Master Plan component of reconstruction, recovery, food and nutrition security	1. Implementation of the Comprehensive Agriculture Master Plan document	Ministry of Agriculture and Food Security
	2. To develop infrastructure for integrated agricultural development	2. Ensure development of integrated agricultural infrastructure	2. Construction of feeder roads to promote food security and supply chain	Ministry of Agriculture and Food Security

<b>Sector name: Public administration</b>				
<b>Sector goal: "Efficient, effective, transparent, accountable and sufficient public service delivery"</b>				
<b>Sector key issues</b>	<b>Sector strategic objectives</b>	<b>Sector priority areas</b>	<b>Sector key strategic interventions</b>	<b>Responsible sector agency</b>
<b>1. High levels of corruption and lack of transparency in public service</b>	1. Ensure accountability in managing and delivering public service	1. Fighting of corruption in public offices	1. Prevent and report corruption cases 2. Hear and compile corruption cases	All agencies
	2. Promote transparency in managing and delivering public services	2. Provision of transparent public services	1. Assess presence of corruption in institutions 2. Publish public information	All agencies
<b>2. Insufficient physical infrastructure</b>	1. Develop functional institutions	1. Improving institutional structure and providing necessary office equipment and accessories	1. Procure furniture, office supplies and equipment	All agencies
	2. Build and renovate infrastructure	1. Providing enough office space and needed office accessories	1. Construct and renovate office buildings	All agencies
<b>3. Inadequate staff capacity</b>	1. Develop and strengthen personnel capacity	1. Capacity-building of existing staff 2. Recruitment of qualified staff	1. Recruit new staff 2. Train new and existing staff 3. Appraise staff performance	All agencies
	2. Improve employees' benefits	2. Reviewing public service wages and salaries and adjusting for inflation effect	2. Evaluate wage and salary structure periodically	Ministry of Public Service and Human Resource Development
<b>4. Insufficient legislative framework and lack of implementation of existing laws</b>	1. Review and enact laws	1. Formulating, reviewing and enacting laws	1. Ensure that relevant legal frameworks are reviewed, reformed enacted, passed and assented to	Reconstituted Transitional National Legislature
	2. Implement existing laws	2. Implementing existing laws	2. Implemented existing immediate and accordingly	All agencies
<b>5. Incoherent social relations or social fragmentation</b>	1. Consolidate and improve social relations	1. Education on citizenship and social norms with respect to South Sudanese diversities	1. Develop civic education manual 2. Develop citizenship manual	Ministry of Peacebuilding and Peace Commission in collaboration with Ministry of Youth and Sport and Ministry of Culture



Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
	2. Enhance coordination and cooperation amongst public institutions and communities	2. Coordination and cooperation amongst public institutions	1. Enhance communication, strengthen coordination and institutional relations	Ministry of Peacebuilding and Peace Commission in collaboration with Ministry of Public Service and Human Resources Development
<b>6. Weak democratic best practice and culture</b>	1. Build democratic institutions 2. Promote peace and democracy	1. Democracy 2. Peace, love and unity	1. Electoral laws, rules and regulations 2. Periodic elections 3. Dialogue	National Election Commission and other relevant institutions
<b>7. Delay dissemination of Revitalized Agreement on Resolution of Conflict in South Sudan (R-ARCSS)</b>	1. Disseminate the R-ARCSS	1. Dissemination of the R-ARCSS	1. Establishment of early warning mechanism in the 10 states and three administrative areas 2. Conducting awareness conferences on R-ARCSS provisions	Ministry of Peacebuilding, Ministry of Information, Communication, Technology and Postal Services, Peace Commission and other relevant institutions

## Sector name: Rule of law

## Sector goal: "Strengthening the rule-of-law system to ensure and promote equal access to justice for all"

Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>1. Proliferation of firearms</b>	1. To strengthen the rule of law through the reduction of illegal arms	1. Enhancing disarmament, demobilization and reintegration process	1. Carry out public awareness campaign about the danger of firearms	Ministry of Investment, Bureau for Community Security and Small Arms Control
	2. To have sustainable security, development, stability and peace	2. Development of community security strategy	2. Conduct consultations with all stakeholders, form technical working groups and develop community security strategy	
<b>2. Lack of permanent people-driven constitution</b>	1. To establish a democratic society and rule of law	1. Preparation of a permanent Constitution through a participatory process	1. Conduct a nationwide civic education and public consultation campaign on constitutional issues	National Constitutional Review Commission, Ministry of Justice and Constitutional Affairs
	2. To realize sustainable peace in the country	2. Encouragement of freedom of speech and expression	2. Form a technical constitution-drafting committee	
<b>3. Lack of implementation of existing laws and respect for the rule of law</b>	1. To review all existing laws and implement them fully	1. Enhance implementation of all existing laws	1. Conduct awareness campaign on human rights and review all existing legislation	All rule-of-law agencies
	2. To increase public awareness of and knowledge on existing laws	2. Promotion of human rights and rule-of-law culture	2. Enhance implementation of all laws that promote human rights and the rule of law	All rule-of-law agencies
<b>4. Lack of adequate capacity in all rule-of-law institutions</b>	1. To provide specialized training to all rule-of-law agencies	1. Strengthen institutional and human resources capacity	1. Conduct training across the board	
	2. To provide necessary equipment to all law enforcement agencies	2. Retention of trained personnel	2. Develop a monitoring and evaluation mechanism	
<b>5. Lack of adequate financial resources for infrastructure</b>	1. To provide adequate financial resources to improve rule-of-law infrastructure	1. Rehabilitation and construction of rule-of-law sector's infrastructure and facilities	1. Survey the existing rule-of-law infrastructure and facilities	
	2. To establish sustainable rule of law in the country	2. Advocate and lobby for allocation of sufficient resources	2. Develop costed strategic plans and provide resources	

## Sector name: Social and humanitarian

## Sector goal: "Reduce vulnerability, enhance resilience and develop capacity for inclusive growth"

Sector key issues	Sector strategic objectives	Sector priority areas	Sector key strategic interventions	Responsible sector agency
<b>1. Lack of gender mainstreaming, equality and women's economic empowerment</b>	1. To empower women for effective participation in economic development and poverty reduction	1. Enhancing the Women's Enterprise Fund and strengthening women's participation in business entrepreneurship	1. Train groups of women in small-scale business	Ministry of Gender, Child and Social Welfare
	2. To strengthen policies and regulatory framework to promote gender equality and prevent sexual and gender-based violence	2. Strengthening gender equality and mainstreaming in all government policy frameworks and programmes	2. Advocate on the importance of gender equality and women's economic empowerment	Ministry of Gender, Child and Social Welfare
<b>2. Lack of youth empowerment</b>	1. To build a national identity that fully respects and promotes ethnic and cultural diversity and youth empowerment	1. Strengthening cultural, sports and youth legal frameworks	1. Advocate for the importance of cultural, sports and youth legal policies	Ministry of Youth and Sport, Ministry of Culture, Museums and National Heritage
	2. To empower youth through sports, capacity-building and entrepreneurship	2. Enhancing capacity-building for the youth	2. Train youth on leadership skills and vocational training	Ministry of Youth and Sport, Ministry of Culture, Museums and National Heritage
<b>3. Lack of services for war disabled, widows and orphans</b>	1. To enhance the lives of war disabled, widows and orphans	1. Providing better facilities for disabled persons and other vulnerable groups	1. Mainstream the disabled in all sectors	South Sudan War Disabled, Widows and Orphans Committee
	2. To provide services for war disabled, widows and orphans	2. Enhancing capacity-building for persons with disabilities, widows and orphans	2. Conduct training for war disabled and widows	South Sudan War Disabled, Widows and Orphans Committee
<b>4. Lack of implementation of policy, and resettlement of internally displaced persons, returnees and refugees, as well as provision of aid services</b>	1. To operationalize disaster management, early warning and preparedness policy	1. Strengthening of capacity-building of staff	1. Conduct awareness and training on early warning systems	Ministry of Humanitarian Affair and Disasters Management, Relief and Rehabilitation Commission
	2. To provide assistance to internally displaced persons, returnees and refugees and resettle them	2. Increasing funds for disaster preparedness and response by communities, states and national government, humanitarian actors and other stakeholders	2. Advocate for more funds from government and other stakeholders	Ministry of Humanitarian Affair and Disasters Management, Relief and Rehabilitation Commission
<b>5. Limited coverage of safety net programmes</b>	1. To expand safety nets and integrated livelihood programmes	1. Designing and rolling out social protection programmes for vulnerable persons	1. Advocate and mobilize funds for safety nets	All agencies

## ANNEX 2:

# A brief review of the implementation of the NDS 2018–2021

The most widespread consensus among all those interviewed is that there is very little or no evidence of the implementation of the NDS. There were several reasons for this, the fundamental one being that the GRSS did not own the strategy at the level of commitment necessary for it to be deemed the main blueprint for the development of South Sudan. In the end, the results framework was never finalized as planned, stakeholders were not held to account and picked and chose their own priorities, national and state budgets were not aligned to the strategy, implementation arrangements envisaged were never fully developed, and the central accountability necessary for implementing a national strategy was sorely lacking.

Once the requirement to have the NDS was satisfied, it would appear that the GRSS took no further steps to either complete the strategy or implement it and it was never the basis for resource mobilization interactions with development partners. While many activities were taking place in the country, some of which may have looked similar to what was envisioned in the NDS, there was no way of attributing these to the NDS.

While it is difficult to assess how much financing of the NDS was a factor in its limited implementation, it is certainly

the case that budgets were not based on its priorities and development partners did not base their contributions on it either. Resource mobilization has been poor, with a weak economy resulting in significant budget deficits. During the NDS period, external financing has been directed towards humanitarian and relief efforts.

Despite several challenges, the NDS has been a vital instrument for implementing the R-ARCSS. The GRSS has implemented key reforms, which have contributed to the NDS objective of consolidating peace and stabilizing the economy. These include:

- *abolishing the fuel subsidy and liberalizing the fuel market;*
- *abolishing the advance sale of crude;*
- *abolishing deficit financing by the central bank; and*
- *reactivating national planning processes.*

However, there is a need for nuancing this assessment, in that the implementation of the NDS was also contingent on the progress of the implementation of the Peace Agreement, which itself was not being sufficiently well implemented.

## ANNEX 3:

# Realignment organizational structure

Cluster	Sector	Agency
<b>Governance cluster</b>	Public administration	<ol style="list-style-type: none"> <li>1. Ministry of Presidential Affairs</li> <li>2. Ministry of Cabinet Affairs</li> <li>3. Ministry of Foreign Affairs and International Cooperation</li> <li>4. Ministry of Parliamentary Affairs</li> <li>5. Ministry of Federal Affairs</li> <li>6. Ministry of East African Community</li> <li>7. Ministry of Information, Communication, Technology and Postal Services</li> <li>8. Ministry of Peacebuilding</li> <li>9. Local Government Board</li> <li>10. National Election Commission</li> <li>11. Northern Corridor Implementation Authority</li> <li>12. Parliamentary Service Commission</li> <li>13. Council of States</li> <li>14. National Legislation Assembly</li> <li>15. Refugee Commission</li> <li>16. Access to Information Commission</li> <li>17. Media Authority</li> <li>18. National Communication Authority</li> <li>19. South Sudan Broadcasting Commission</li> </ol>
	Security	<ol style="list-style-type: none"> <li>1. Ministry of National Security</li> <li>2. Ministry of Defence and Veteran Affairs</li> <li>3. National Demining Authority</li> <li>4. Disarmament, Demobilization and Reintegration Commission</li> </ol>
	Rule of law	<ol style="list-style-type: none"> <li>1. Ministry of Interior</li> <li>2. Ministry of Justice and Constitutional Affairs</li> <li>3. National Constitution Review Commission</li> <li>4. Law Review Commission</li> <li>5. Human Rights Commission</li> <li>6. Judiciary</li> <li>7. Bureau of Community and Small Arms Commission</li> </ol>
	Accountability	<ol style="list-style-type: none"> <li>1. Anticorruption Commission</li> <li>2. Audit Chamber</li> <li>3. National Bureau of Statistics</li> <li>4. Fiscal, Financial Allocation and Monitoring Commission</li> <li>5. Reconstruction and Development Fund</li> </ol>

Cluster	Sector	Agency
<b>Economic cluster</b>	Economics function	<ol style="list-style-type: none"> <li>1. Ministry of Finance and Planning</li> <li>2. Ministry of Petroleum</li> <li>3. Ministry of Trade and Industry</li> <li>4. Ministry of Water Resources and Irrigation</li> <li>5. National Revenue Authority</li> <li>6. Ministry of Mining</li> <li>7. Ministry of Lands, Housing and Urban Development</li> <li>8. South Sudan Land Commission</li> <li>9. Bank of South Sudan</li> <li>10. Petroleum and Gas Commission</li> <li>11. Ministry of Investment (Authority)</li> <li>12. Urban Water Corporation</li> <li>13. National Bureau of Standards</li> <li>14. Public Procurement and Assets Disposal</li> </ol>
	Natural resources	<ol style="list-style-type: none"> <li>1. Ministry of Agriculture and Food Security</li> <li>2. Ministry of Livestock and Fisheries</li> <li>3. Ministry of Environment and Forestry</li> <li>4. Ministry of Wildlife Conservation and Tourism</li> <li>5. Environmental Management Authority</li> </ol>
<b>Infrastructure cluster</b>	Infrastructure	<ol style="list-style-type: none"> <li>1. Ministry of Energy and Dams</li> <li>2. Ministry of Transport</li> <li>3. Ministry of Roads and Bridges</li> <li>4. South Sudan Road Authority</li> <li>5. South Sudan Civil Aviation</li> <li>6. Electricity Corporation</li> </ol>
<b>Services cluster</b>	Education	<ol style="list-style-type: none"> <li>1. Ministry of Higher Education, Science and Technology</li> <li>2. Ministry of General Education and Instruction</li> <li>3. National Examination Council</li> <li>4. Research and development centres for natural disasters, strategic studies and scientific research</li> <li>5. Student Support Fund</li> </ol>
	Health	<ol style="list-style-type: none"> <li>1. Ministry of Health</li> <li>2. South Sudan AIDS Commission</li> <li>3. Drug and Food Authority</li> <li>4. Health Care Support Fund</li> </ol>
	Public service	<ol style="list-style-type: none"> <li>1. Ministry of Public Service and Human Resource Development</li> <li>2. Ministry of Labour</li> <li>3. Civil Service Commission</li> <li>4. Employee Justice Chamber</li> <li>5. Public Grievances Chamber</li> <li>6. Salaries and Remuneration Commission</li> </ol>
<b>Gender and youth cluster</b>	Social and humanitarian	<ol style="list-style-type: none"> <li>1. Ministry of Humanitarian Affairs and Disaster Management</li> <li>2. Ministry of Gender, Child and Social Welfare</li> <li>3. Ministry of Culture and National Museums</li> <li>4. Relief and Rehabilitation Commission</li> <li>5. War Disabled, Widows and Orphans</li> <li>6. Ministry of Youth and Sport</li> </ol>

## ANNEX 4:

# Expenditure scenarios for 2021–2024

The strategy to free up additional resources and expand the fiscal space through effective revenue collection, reorientation of spending and enhanced planning and budgeting may not close the current R-NDS financing gap. Nevertheless, it has the potential to considerably diminish it. As illustrated in Table 8,<sup>50</sup> this gap is estimated to fluctuate between an annual \$490 million and \$1.2 billion for a low order-of-magnitude estimate of the R-NDS investment needs. Considering that this gap depends on the actual

domestic revenue out-turns of FY2021/22–2023/24, Table 8 includes two scenarios with low and high revenue assumptions. Especially in the case of an above average resource mobilization trajectory, the government will ensure that the agreement on annual spending levels will go hand in hand with a careful assessment of spending priorities and the enhancement of technical and absorptive capacities to avoid further inflation and overburdening of economic actors, which, in turn, risks driving up costs.

Table 8: Simulation of financing gaps according to different revenue and financing scenarios, \$

	Baseline scenario (low revenue)				Investment scenario (high revenue)			
	Total – 3 years	2021/22	2022/23	2023/24	Total – 3 years	2021/22	2022/23	2023/24
<b>Domestic revenue</b>	–	1.34 billion	1.28 billion	1.37 billion	–	1.71 billion	1.72 billion	1.91 billion
<b>Gap with low-range R-NDS cost estimates (year 1: \$2.2 billion; year 2: \$2.48 billion; year 3: \$2.55 billion)</b>	3.2 billion	855 million	1.2 billion	1.18 billion	1.9 billion	490 million	760 million	640 million
<b>Gap if ODA/country programmable aid complements domestic revenue<sup>51</sup></b>	1.7 billion	365 million	700 million	670 million	–	390 million	260 million	130 million

The following tables provide an outlook on two scenarios that simulate funding possibilities for the R-NDS strategic priorities in 2021–2024. Table 9 shows a baseline scenario where non-oil revenue will increase in line with the out-turns since FY2017/18 and oil revenue gradually increases back to pre-pandemic levels, slowly increasing in South Sudanese pound terms but stagnating in dollar terms

due to the depreciation of the pound. Revenue collection remains broadly in line with the historic trend forcing an increased level of borrowing to maintain current expenditure levels. This scenario may prove possible in spite of shocks related to the COVID-19 crisis or a deterioration of ongoing peacebuilding efforts.

<sup>50</sup> For details on annual cost estimates see chapter 9.2.

<sup>51</sup> As per chapter 9.2.2, ODA/country programmable aid is estimated to reach an average \$400–500 million. The following amounts were deduced from the initial financing gap: year 1: \$490 million; year 2: \$505 million; year 3: \$505 million.

Table 9: GRSS – financing the R-NDS baseline scenario<sup>52</sup> (billions SSP, unless otherwise indicated)

	2016/17	2017/18	2018/19	2019/20 (est.)	2020/21 (proj.)	2021/22 (proj.)	2022/23 (proj.)	2023/24 (proj.)
<b>Total revenue and grants<sup>53</sup></b>	<b>100.8</b>	<b>152.1</b>	<b>226.2</b>	<b>232.8</b>	<b>274.7</b>	<b>382.6</b>	<b>425.7</b>	<b>478.0</b>
<b>Total oil revenue</b>	90.7	130.3	198.2	201.1	234.7	330.6	361.7	402.0
<b>Non-oil revenue</b>	8.9	19.7	28.0	31.8	40.0	52.0	64.0	76.0
<b>Grants</b>	0.1	-	-	-	-	-	-	-
<b>\$ billion – total revenue and grants</b>	1.18	1.19	1.48	1.44	1.18	1.34	1.28	1.37
<b>Total expenditure</b>	<b>101.7</b>	<b>167.3</b>	<b>233.5</b>	<b>311.9</b>	<b>310.0</b>	<b>415.0</b>	<b>436.8</b>	<b>480.8</b>
<b>Current expenditure</b>	99.6	165.3	227.1	282.1	259.7	350.5	352.4	374.9
<b>Capital expenditure</b>	2.0	1.9	6.5	29.8	48.0	64.5	84.4	105.9
<b>\$ million – total expenditure</b>	1.19	1.31	1.53	1.93	1.33	1.45	1.32	1.37
<b>Financing</b>	<b>14.3</b>	<b>39.2</b>	<b>41.5</b>	<b>69.1</b>	<b>9.1</b>	<b>20.5</b>	<b>23.3</b>	<b>19.5</b>
<b>Domestic (net)</b>	16.3	44.6	42.4	-7.4	23.0	-	2.2	-4.0
<b>Foreign (net)</b>	-2.9	-5.5	-0.9	76.4	-13.8	20.5	21.1	23.5
<b>Memo</b>								
<b>Exchange rate (SSP/\$ average)</b>	85.3	128.0	152.4	161.8	232.7	285.8	331.6	350.0
<b>Oil price (average GRSS sales price, \$/bbl)</b>	42.3	58.6	62.9	49.3	47.9	54.7	53.4	54.5

Source: IMF Staff Report (2021) based on projections from South Sudanese authorities and IMF; adjusted with baseline estimates for revenue collection and World Bank projections<sup>54</sup> on the exchange rate for 2020/21–2022/23

Table 10 shows an optimistic investment scenario that assumes that peacebuilding efforts consolidate and enhance the contribution of national institutions and of development partners to the R-NDS. In this scenario, the National Revenue Authority makes significant inroads in the collection of tax revenues, and new investments in the oil sector allow for

upturns in oil production. In line with budget allocations since 2019/20, authorities reorient expenditures away from military spending and towards the infrastructure and social development priorities of the R-NDS. From 2022/23, authorities will start paying down debt and cutting back on their borrowing.

52 This baseline scenario is an adjustment of the following the GRSS/IMF investment scenario. Data for FY2021/22–2023/24 showcases these assumptions: (i) domestic revenue – oil revenue grows only 50 percent of increases foreseen by the GRSS/IMF and non-oil revenue grows at an annual SSP 12 billion, thus SSP 1 billion/month; (ii) expenditures – expenditures and current expenditures grow only 50 percent of increases foreseen by GRSS/IMF and capital expenditures grow proportionally, making up for remaining expenditures; and (iii) financing – under this scenario, the GRSS will not be able to pay down debt, but will limit borrowing to about 50 percent of 2018/19 pre-pandemic levels.

53 Total revenue for FY2016/17 and 2018/19 includes low additional revenues beyond oil and non-oil revenue.

54 World Bank, *South Sudan Economic Update*, Fourth Edition, 2021, p. 33.



Table 10: GRSS – financing the R-NDS investment scenario (billions SSP, unless otherwise indicated)

	2016/17	2017/18	2018/19	2019/20 (est.)	2020/21 (proj.)	2021/22 (proj.)	2022/23 (proj.)	2023/24 (proj.)
<b>Total revenue and grants<sup>55</sup></b>	<b>100.8</b>	<b>152.1</b>	<b>226.2</b>	<b>232.8</b>	<b>274.7</b>	<b>489.6</b>	<b>571.1</b>	<b>669.0</b>
Total oil revenue	90.7	130.3	198.2	201.1	234.7	426.8	489	596.5
Non-oil revenue	8.9	19.7	28.0	31.8	40.0	62.9	82.1	99.6
Grants	0.1	-	-	-	-	-	-	-
<b>\$ billion – total revenue and grants</b>	<b>1.18</b>	<b>1.19</b>	<b>1.48</b>	<b>1.44</b>	<b>1.18</b>	<b>1.71</b>	<b>1.72</b>	<b>1.91</b>
<b>Total expenditure</b>	<b>101.7</b>	<b>167.3</b>	<b>233.5</b>	<b>311.9</b>	<b>310.0</b>	<b>519.9</b>	<b>563.6</b>	<b>651.6</b>
Current expenditure <sup>56</sup>	99.6	165.3	227.1	282.1	259.7	441.3	445.0	493.4
Capital expenditure	2.0	1.9	6.5	29.8	48.0	78.6	100.3	125.7
<b>\$ billion – total Expenditure</b>	<b>1.19</b>	<b>1.31</b>	<b>1.53</b>	<b>1.93</b>	<b>1.33</b>	<b>1.82</b>	<b>1.70</b>	<b>1.86</b>
<b>Financing</b>	<b>14.3</b>	<b>39.2</b>	<b>41.5</b>	<b>69.1</b>	<b>9.1</b>	<b>-1.2</b>	<b>-44.9</b>	<b>-63.4</b>
Domestic (net)	16.3	44.6	42.4	-7.4	23	-	-18.2	-32.5
Foreign (net)	-2.9	-5.5	-0.9	76.4	-13.8	-1.2	-26.2	-30.9
<b>Memo</b>								
<b>Exchange rate (SSP/\$ average)</b>	85.3	128.0	152.4	161.8	232.7	285.8	331.6	350.0
<b>Oil price (average GRSS sales price, \$/bbl)</b>	42.3	58.6	62.9	49.3	47.9	54.7	53.4	54.5

Source: IMF Staff Report (2021) based on projections from South Sudanese authorities and IMF; complemented with World Bank estimates on the exchange rate for 2020/21–2022/23

<sup>55</sup> Total revenue for FY2016/17 and 2018/19 includes low additional revenues beyond oil and non-oil revenue.

<sup>56</sup> Total expenditures include arrears repayments beyond current and capital expenditures.

# ANNEX 5:

## Methodology to estimate R-NDS financing requirements

To establish an overarching picture of R-NDS financing requirements, the exercise mapped existing national financing needs estimates and complemented them with average estimates for low-income developing countries. To map data that exists at agency level but are not publicly available, a survey was submitted to sector working group co-chairs.

For sectors without established national estimates, the analysis referred to a 2019 study from the Sustainable Development Solutions Network (SDSN)<sup>57</sup> which summarizes the most recent SDG financing needs assessment for 59 countries classified as low-income developing countries. The SDSN (2019) presents order-of-magnitude estimates of per capita annual costs for 100 percent basic minimum coverage (2019 prices), therefore services with rather low quality, but that are universally accessible. Total per capita

cost to achieve minimum coverage for all SDGs in low-income developing countries would be \$460 per capita, roughly \$7 billion for a country like South Sudan. To achieve a more credible budget envelope for the R-NDS, estimates around the coverage for some sectors was adjusted in line with R-NDS targets and to avoid an inflation of the national budget to a level that cannot realistically be implemented. The established estimates do not replace country-level planning and costing exercises, but provide an order-of magnitude estimate where national needs have not yet been fully assessed.

### Country-specific sources used to adjust proxies

Population and GDP projections: IMF (2021), Country Report No. 21/70.

Table 11: Assumptions and sources per cluster

	High estimate: \$5 billion/year		Low estimate \$3 billion/year	
	Assumptions and notes	Available sources and observations	Assumptions and notes	Available sources and observations
<b>Governance</b>	<p>No national programme or costed strategy available</p> <p>SDSN provides costs for rule of law and universal access to legal services</p> <p>Other critical government expenditures not directly linked to SDGs, e.g., public administration, courts, policing and defence</p>	<p>Rule of law: \$20/capita/year</p> <p>Other critical expenditures and administrative costs: 6% of GDP</p>	<p>Rule of law: SDSN estimates were adjusted in line with R-NDS results framework (“50% of people feel they have equal access to justice”)</p>	<p>Rule of law (SDSN): \$10/capita/year</p> <p>Other critical expenditures and administrative costs: 6% of GDP</p>

57 SDSN, *SDG Costing and Financing for Low-Income Developing Countries*, 2019.

	High estimate: \$5 billion/year		Low estimate \$3 billion/year	
	Assumptions and notes	Available sources and observations	Assumptions and notes	Available sources and observations
<b>Economic development and agriculture</b>	<p>No national programme or costed strategy available</p> <p>Infrastructure-related costs included in the results framework (e.g., energy, transport) fall under estimates for infrastructure</p> <p>Other targets mainly related to strengthening of agriculture, water, sanitation, hygiene and irrigation</p> <p>SDSN estimates costs for SDG 2 (agriculture, water, sanitation, hygiene and irrigation)</p>	<p>SDSN estimates were used 100%</p> <p>Agriculture: \$9.5/capita/year</p> <p>Water, sanitation and hygiene: \$21.2/capita/year</p> <p>Irrigation: \$4.1/capita/year</p>	<p>No national programme or costed strategy available</p> <p>Infrastructure-related costs included in the results framework (e.g., energy, transport) fall under estimates for other targets mainly related to strengthening of agriculture</p> <p>SDSN estimates costs for SDG 2 (agriculture, water, sanitation, hygiene and irrigation)</p>	<p>In view of the strategic priority, SDSN estimates were used 100% for agriculture</p> <p>Other SDSN proxies were applied with 50% coverage only</p>
<b>Social development (education, health, social protection)</b>	<p>Education: Estimates were made in line with the General Education Strategic Plan 2017–2022, which provides a detailed estimate based on unit cost for student enrolment, classroom construction, cash transfers, teacher training and textbook costs</p> <p>Health: No costed strategy. SDSN estimates for 100% service coverage were applied</p> <p>Social protection: no costed strategy. SDSN estimates for 100% service coverage were applied</p> <p>Humanitarian relief: Existing estimate (\$1.68 billion for 2021) was not included as it overlaps with some of the social sector targets</p>	<p>Education: High-scenario estimates were calculated on an annual basis: \$325million/year</p> <p>Health: SDSN estimates were used 100%: \$85.7/ capita/year</p> <p>Social protection: SDSN estimates were used 100%: \$44.8/capita/year</p>	<p>Education: Estimates were made in line with the General Education Strategic Plan 2017–2022; the modest scenario assumes that there is slower replacement of unqualified teachers and less classroom construction</p> <p>Health: SDSN estimates were adjusted in line with an assumed 50% coverage</p> <p>Social protection: SDSN estimates were adjusted in line with an assumed 50% coverage</p>	<p>Education: Modest scenario estimates were calculated on an annual basis: \$285 million/year</p> <p>Health (SDSN adjusted average): \$42.85/capita/year</p> <p>Social protection (SDSN adjusted average): \$22.4/capita/year</p> <p>NB: The share in the overall budget for social services grows when the budget is cut, pointing to the need to safeguard a minimum budget for social services (about 50% of lower-range budgets)</p>

	High estimate: \$5 billion/year		Low estimate \$3 billion/year	
	Assumptions and notes	Available sources and observations	Assumptions and notes	Available sources and observations
<b>Infrastructure</b>	<p>Infrastructure-related targets are part of all clusters</p> <p>The infrastructure results framework focuses on road construction, energy development and digital transformation</p> <p>Roads: It was assumed that construction would gradually increase (20% in year 1; 40% in years 2 and 3)</p> <p>Energy: Costs for the Fula hydropower project were drawn from South Sudan NDCs (2020). It was assumed that construction would gradually increase (20% in year 1; 40% in years 2 and 3)</p> <p>Telecommunications and other infrastructure projects: Annual costs drawn from international proxies</p>	<p>Roads: Unit costs/km from the South Sudan Road Sector Development Plan (2016) (p. 19) were adjusted and high price tags per km applied</p> <p>Energy: South Sudan NDCs (2020) provides overall costs for Fula, Shukoli, Beden, Lakki, Sue and Kentti. Given the high megawatt production capacity of Fula, it was assumed that construction would require at least half the costs programmed for all hydropower projects over three years</p> <p>Telecommunications: SDSN estimates 100% coverage (\$5,8 per capita/year)</p> <p>Other infrastructure needs: 10% of regional average needs for infrastructure/capita/year were applied: \$10,8 per capita/year</p>	<p>Roads: Gradual increase (20% in year 1; 40% in year 2 and 3)</p> <p>Energy: Assumed that Fula construction would take 10 years, starting in year 2 of the R-NDS</p> <p>Telecommunications: 50% coverage only</p> <p>Other infrastructure projects: Spending starts only in year 2</p> <p>Real infrastructure needs are likely to be much higher (cf. SSDI 2012 aggregated infrastructure projects in line with costing information provided by South Sudan spending agencies was at \$5.8 billion/year). Thus, prioritization around crucial infrastructure investments is of utmost importance to avoid undermining other critical investments in services, etc.</p>	<p>Roads: Unit costs/km from the South Sudan Road Sector Development Plan (2016) (p. 19), were adjusted and low price tags per km applied</p> <p>Energy: South Sudan NDCs (2020) cost estimates were adjusted to a longer period of time</p> <p>Telecommunications: SDSN estimates adjusted to 50% coverage</p> <p>Other infrastructure needs: 10% of regional average needs for infrastructure/capita/year were applied for year 2 and 3 only</p>

	High estimate: \$5 billion/year		Low estimate \$3 billion/year	
	Assumptions and notes	Available sources and observations	Assumptions and notes	Available sources and observations
<b>Cross-cutting issues and the environment</b>	<p>No estimates exist for gender- and youth-related targets, but some of the targets are covered under education, infrastructure and economic development</p> <p>As a minimum investment estimate, United Nations Mission in South Sudan budget for quick impact projects was included as it mainly targets government and cross-cutting issues</p> <p>The Ministry of Environment and Forestry provided a 10-year budget estimate for mitigation- and adaptation-related priorities for the 2020 NPC. Overall budget was \$10.7 billion, thus roughly \$1 billion including the construction of critical infrastructure</p> <p>Assumption of the high scenario is full scale implementation of environment-related objectives as per the NDC costing estimates minus hydropower-related costs already covered under the infrastructure cluster.</p>	<p>As a minimum investment estimate, United Nations Mission in South Sudan budget for quick impact projects: \$1.5 million/year</p> <p>NPC total annual estimates minus hydropower: \$673 million/year</p>	<p>No estimates exist for gender- and youth-related targets, but some of the targets are covered under education, infrastructure and economic development</p> <p>Assumption that in view of limited funding availabilities, R-NDS 2021–2024 implementation period will prioritize adaptation-related projects and some key R-NDS priorities (resource management, reduction of the carbon footprint, waste management systems)</p> <p>This scenario does not include costs of 'efficient soil and livestock management', which would however be critical for the agriculture-related R-NDS targets</p> <p>N.B. Funding agreements in the environmental sector may be of high relevance for other sector priorities. This makes cross-sectoral coordination even more important.</p>	<p>As a minimum investment estimate, United Nations Mission in South Sudan budget for quick impact projects: \$1.5 million/year</p> <p>NPC annual estimates for critical adaptation projects: \$66 million/year</p>

# BIBLIOGRAPHY

- These are not presented in any order, either of importance or of review.
- The documents are not presented with any bibliographical system but are primarily presented as they are on their cover title.
- Review here refers to a quick scan all the way to in-depth reading.

African Development Bank Group, *The Political Economy of South Sudan*, 2018.

African Development Bank Group and GRSS, *Update of the Extended Interim Country Strategy Paper 2012–2018 to December 2021 and 2018 Country Portfolio Performance Review*, East Africa Regional Development and Business Delivery Office, 2019.

African Union Commission, *The Africa We Want: Agenda 2063*, final edition, popular version, 2015.

African Union Commission, *The Africa We Want: A Shared Strategic Framework for Inclusive Growth and Sustainable Development – First Ten-Year Implementation Plan 2014–2023, Agenda 2063*. 2015.

Intergovernmental Authority on Development, *Revitalised Agreement on the Resolution of Conflict in Republic of South Sudan*, Addis Ababa, 2018.

GRSS, *National Health Policy 2016–2026: A Community Anchored Health System for Sustainable Health Sector Development*, May 2016.

GRSS, *NDC Revision*, Climate Promise Project NDC Validation Workshop, 2021.

GRSS, *South Sudan Development Plan 2011–2013: Realising Freedom, Equality, Justice, Peace and Prosperity for All*, Juba, 2011.

GRSS, *South Sudan Vision 2040: Towards Freedom, Equality, Justice, Peace and Prosperity for All*, Torit, 2011. GRSS, Staff Report for the 2019 Article IV Consultation, 2019.

GRSS, Ministry of Finance and Planning, *Aid Strategy for the Government of the Republic of South Sudan*, 2011.

GRSS, Ministry of Gender, Child and Social Welfare and United Nations Children’s Fund (UNICEF), *Mapping and Analysis of Social Protection in South Sudan*, 2019.

GRSS, Ministry of Humanitarian Affairs and Disaster Management (MHADM), *Framework for Return, Reintegration and Relocation of Displaced Persons: Achieving Durable Solutions in South Sudan*, 2017.

Mueller, Hannes, et al., ‘Recovery from Conflict: Lessons of Success’, Policy Research Working Paper, no. 7970. Macroeconomics and Fiscal Management Global Practice Group, 2017.

*South Sudan: Agricultural Value Chain – Challenges and Opportunities*, 2020.

South Sudan National Dialogue Steering Committee, *Summary of the Grassroots Consultations of the Fifteen (15) Sub-Committees of the South Sudan National Dialogue Steering Committee*, 2018.

- United Nations, *South Sudan 2020 COVID-19 Socio-Economic Response Plan*.
- United Nations, *The Secretary-General's Strategy for Financing the 2030 Agenda for Sustainable Development (2018-2021)*, 2018.
- United Nations, *United Nations Cooperation Framework for the Republic of South Sudan 2019-2021*.
- United Nations, *United Nations Secretary-General's Roadmap for Financing the 2030 Agenda for Sustainable Development 2019-2021*, 2019.
- United Nations Development Programme, *Study on the Traditional and Changing Role of Gender and Women in Peacebuilding in South Sudan*, 2018.
- United Nations Development Programme, *UNDP Peace and Community Cohesion Project: Understanding Youth Subcultures in South Sudan – Implications for Peace and Development*, 2020.
- United Nations Development Programme and Data Pop Alliance, *Socioeconomic Assessment of the Impacts and Implications of COVID-19 in South Sudan*, 2020.
- United Nations Office for the Coordination of Humanitarian Affairs, *Humanitarian Response Plan: South Sudan – Humanitarian Programme Cycle 2021*, 2021.
- United Nations Security Council Panel of Experts, Letter dated 25 November 2020 on South Sudan established pursuant to Security Council resolution 2206 (2015), 25 November 2020.
- World Bank Group, Country Engagement Note for the Republic of South Sudan for the Period FY18-19, 2017.
- World Bank Group, *Strategy for Fragility, Conflict, and Violence 2020-2025*, 2020.
- World Food Programme, *South Sudan Integrated Context Analysis: South Sudan*, Juba, 2018.

