



NATIONAL ECONOMIC CONFERENCE

Towards a Diversified, Inclusive and Sustainable Economic Growth

FREEDOM HALL & RADISSON HOTEL

JUBA, REPUBLIC OF SOUTH SUDAN

4th – 9th September 2023

DRAFT COMMUNIQUE OF THE NATIONAL ECONOMIC CONFERENCE

PREAMBLE

The First National Economic Conference, organized under the theme ***Towards a diversified, inclusive, and sustainable economic growth***, and convened between 4th and 9th September 2023, brought together stakeholders from around the country/world to analyze, debate, and offer policy ideas on how to stabilize the country's economy. Thus, the Conferees:

Appreciate H.E. Gen. Salva Kiir Mayardit, President of the Republic of South Sudan for initiating the National Economic Conference (NEC) and commissioning the Ministry of Finance and Planning to organize the NEC ;

Thank and congratulate both Hon. Dr. Dier Tong Ngor and Hon. Dr. Bak Barnaba Chol and the staff of the Ministry of Finance and Planning (MoFP); The Ebony Centre for Strategic Studies, The University of Juba and the contributing partners – the World Bank, UNDP and the AfDB for a successful organization of the NEC;

Appreciate and congratulate Honorable Ministers; Honorable Governors of 10 States and 3 Chief Administrators; Members of the TNLA and all the Delegates of the NEC for their commitment, attendance, and contributions to the discussions and recommendations of the 1st NEC;

Appreciate the efforts of H.E Dr. Riek Machar Teny, First Vice President and Chair of the Governance Cluster; H.E. Dr. James Wani Igga, Vice President and Chair of Economic Cluster; H.E. Gen. Taban Deng Gai, Vice President and Chair of the Infrastructure Cluster; H.E Hussein Abdelbagi Akol, Vice President and Chair of the Service Cluster in overseeing the deliberations of the NEC, and chairing various sessions of the NEC;

Deeply concerned by the status of development outcomes in South Sudan that continue to impact the lives and livelihoods of households and communities across the country.

Recognize and appreciate the participation and contributions of our development and diplomatic partners who supported and participated in the NEC

Recognize the importance of a clear vision, policies and legal framework to grow and manage a vibrant and strong economy;

Recognize the importance of instituting robust and realistic economic plans and actionable goals to improve development outcomes to promote diversified, inclusive and sustainable economic growth in the Republic of South Sudan;

Assert that the 1st NEC was a timely opportunity to discuss the key economic reform priorities of the country.

Realize the importance of collective efforts and consorted need to act together to change the course and the trajectory of our national economy

Validate and commit to the resolutions and recommendations of the 1st NEC, conducted between 4th-9th September 2022;

Therefore, we:

1. GOVERNANCE CLUSTER RECOMMENDATIONS

- The NEC participants resolve that there should be greater institutional stability and less turnover among the key members of the country's national economic team (Ministers of Finance, Governors of BOSS, Undersecretaries of Ministries of Finance and Planning).
- Review the laws and regulation;
- Implement policies, regulations and laws;

- Enact intellectual property law;
- Establish e-government for efficiency and accountability;
- Enhance peacebuilding and reconciliation country-wide
- Strengthen partnerships and coordination
- Investment in telecommunication infrastructures
- Institute competitive recruitment process of public employees;
- Demand for the removal of check points country-wide to reduce transaction cost and goods prices
- Conduct development centered research to inform new and ongoing development programs.
- The government agencies should monitor and evaluate resource allocations and milestones attained to provide evidence on the value for money.
- Establishment of National Development Planning Authority/Agency (NDA) to advance a renewed social contract between the South Sudanese Citizenry and their State by restoring investment programs in the people through development.
- Investment in data generating institutions (South Sudan National Bureau of Statistics)
- Advance regional integration to finalize pending EAC protocols: customs management, movement of labor and capital;
- Call for comprehensive disarmament to attain peace;
- Call for diaspora participation in the national programs to contribute to economic development;
- Call for trust building between the government and the citizens
- Enact laws that governance the insurance companies and micro finance organizations
- The conference calls for peaceful, credible and fair election
- Establishment of independent authority to conduct environmental impact assessments
- The conference calls for environmental audit
- The conference calls for full implementation of NEC resolutions
- Demand for implementation of R-ARCSS
- Call for dialogue engagement between the leaders and citizens
- Strengthen the judicial and rule of law
- Encourage community policing.

2. SERVICE DELIVERY CLUSTER RECOMMENDATIONS

- In line with the strategic directions of the Revised National Economic Strategy and the Declaration of the recent Human Capital Summit in Dar es Salaam — and based on the recommendations of the NEC's participants, the Conference resolves to increase public expenditure on human capital sectors, primarily health and education, and to do more to protect the vulnerable — to leave no one behind.

- The Participants resolved that the Ministry of Public Service and Human Resource development should carry a Country wide screening exercise to cleanse the payroll and use the electronic payroll system using the biometric system
- That the Ministry of High education should unify the tertiary education curriculum
- That the Ministry of General Education and instruction should introduce Technical and vocational school for skills enhancement
- That there is need for National Revenue Authority to continue the recruitment process that was planned for in the Human Resource Manual and 5 years strategy Plan;
- That the Ministry of Public Service and Human Resource development should develop policies that promote staff capability, skills, attitudes, and behavior.
- That the wage/salaries for the civil Servant and organized forces need to be increased to avoid the temptation of criminality and corruption
- That the Government should take bold decision to retire the Pension Bound personnel to create positions for young energetic qualified staff
- That the Government should revert to transferring the senior personnel all over the Country to create Unity
- That the Ministry of Health should improve the status of the primary Health care Centers to cater for the primary basic service.
- That the Ministry of Finance and Panning should set aside Student Support fund managed by the Ministries of Education
- That due to Ministries having a big number of pay from with within staff for many years, the Participants resolved that a formal recruitment for such personnel be official done

3. ECONOMIC CLUSTER RECOMMENDATIONS

Agriculture and Food Security

- Use of the oil revenue to invest in the productive sectors (Agriculture and Food Security; Wildlife Conservations and Tourism; Livestock and Fisheries; Mining; Trade and Industry; Water Resources and Irrigation; Land, Housing and Urban Development; Environment and Forestry; and Investment);
- R-TGONU should adopt the CAADP Maputo Declaration and Malaba Commitment of Head of States and Government committing to allocate at least 10% of national budget to agriculture;
- Requested the Government of South Sudan to review any taxes on agricultural equipment in order for farmers to import more productive equipment required for agricultural productivity;
- Urged the South Sudanese farmers to form cooperatives in order to access agricultural loans, access to seeds and to benefit from marketing opportunities;
- Establishment of 13 model farms in the 10 states and 3 administrative areas;

- Access to finance
- Infrastructural development – construction of feeder, inter-County and Inter-state road networks to facilitate movement of agricultural goods and services between the production sites and marketing hubs in towns/cities;
- Investment in Human capital, especially capacity-building and training of farmers to enhance their knowledge, skills and use of modern technology to increase productivity;
- Revive the national agricultural projects or schemes.
- Improve storage facilities and food preservation;
- Improve security and sustained political stability in order for rural farmers to be safe to farm without hindrances;
- R-TGONU should adopt the CAADP Maputo Declaration and Malaba Commitment of Head of States and Government committing to allocate at least 10% of national budget to agriculture;
- Adoption of sustainable mechanization: ox-ploughing farming;
- Establishment of the of food preservation authority or agency – to deal with food safety and manage wastage of food;

Livestock and Fisheries

- The Ministry of Livestock and Fisheries to commercialize the abundant livestock resources to generate revenue for the government to enhance delivery of the public goods;
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Finance and Planning

A. Fiscal policy

- In order to accelerate necessary PFM reforms, the NEC participants resolve that an appropriate model for a Treasury Single Account should be operationalized this fiscal year and that all off-budget programs, particularly the Oil for Roads program, should be full integrated and mainstreamed into the budgetary processes of the MOFP.
- Review or establish fiscal rules to help with monitoring of national budget implementation;
- Expansionary fiscal policy: increase spending in agricultural sector by 10 percent in the national budget, tourism, health, education, mining, manufacturing, water, energy-hydro-power, infrastructures, technology, salaries and rural development;
- Review of the tenure of Minister of Finance, Undersecretaries, the Governor of BoSS and BoSS Deputies.
- There should be competitive recruitment in the BoSS and Establishment of Strong Board of Directors to assess the performance of BoSS

- Fiscal discipline: Transparency, accountability and integrity in performance of activities of financial;
- Allocation of funds to SSNBS to generate data for evident based policies;
- Harmonization of multiple taxes.

B. Non-oil Revenue mobilization

- Expansion of taxation base and Tax compliance across all government, business and public
- Individuals working with NRA authorities, should have a contract with the state, and be given definite term;
- Review SOFA/EPISA agreements on exemption of subcontractors;
- Capacity building in taxation;
- Government should create jobs to young people;
- Recruitment of qualified human resource at NRA and other sectors of the economy;
- Establishment of a body to resolve dispute between the government and investors;
- Call for policy shift needs;
- Enhance inter and intra state and regionally trade;
- Public private dialogue;
- There is need for Tax dispute arbitration courts

C. Monetary policy

- Exchange rate stabilization through accumulation of reserves.
- Encourage citizens save in banks and adopt electronic banking system;
- Consider changing current South Sudan currency to rid of old bank notes;
- The oil revenue should be transferred to Bank of South Sudan accounts
- Encourage South Sudanese to use domestic currencies as the legal tender as opposed to foreign currency (USD);
- Enact laws that governance the insurance companies and micro finance organizations
- Establishment of stocks market
- The commercial banks operating within the country should provide business loans to people with good economic standings;
- Issuance of bank reports to help with research and information sharing;
- Conduct study on inflation dynamics in South Sudan;
- Conduct awareness on the importance of savings at the bank to the people of South Sudan;
- The Ministry of Finance and Planning should provide loans guarantee to business community;

- Strengthening Regulatory Framework: Enforce comprehensive regulations to ensure the soundness and integrity of the financial system;
- Invest in the institutional infrastructure to facilitate the transmission of monetary policy measures and support economic activities;
- Establishment of South Sudan Insurance authority and micro-finance frameworks
- Invest in financial Literacy for citizens to know the value of their money and best ways to utilize or invest it to have returns in benefits;
- BoSS should be allowed to have operational autonomy in implementing its monetary policies;
- Economic Diversification: Reduce dependency on oil exports by promoting non-oil sectors, thereby mitigating the impact of oil price volatility and enhancing the buildup of foreign exchange reserves that act as a buffer against excessive currency depreciation;

D. Debt management

- The debt rescheduling will avert some Risks such as interest rate risk for fixed interest rate loans which will increase the time to – refixing of the loans and give some headroom for the country to gradually pay off the loans;
- Debt rescheduling will also lengthen the average time to maturity of some of the commercial loans with heavy debt servicing burden and the other debts with maturing time of one year with the consequences of their servicing on the current revenue;
- The development of the domestic debt market can be achieved first by recapitalizing on some of the domestic banks or consolidation them to build enough capital buffer to be able to take up bond and other security offers from government;
- Domestic debt market will also benefit from establishment of a robust Debt Management Agency that will have the expertise to issue government debt and manage same in the market;
- Development of the domestic market will provide alternative financing for government fiscal deficits and drastically reduce dependence on Monetary financing from the Bank of South Sudan;

E. Oil and Petroleum

- NILEPET is still a small entity. It needs to be invested on before it can take over from the big Oil operating companies owned by foreign countries;
- Ministry of Finance and Planning should implement the sovereign wealth funds;
- Investment in exploration into upstream;
- Construction of a bankable alternative pipeline;
- Construction of scale and bankable refinery;
- Technology transformation of the petroleum sector to ensure efficiency;

- Invest in well enhancement and intervention projects;
- Capacity building of trainable, coachable and tradeable petroleum carders;
- 2027, renegotiate EPSAs;
- The petroleum act does not cover the downstream – act submitted to ministry of justices to approve the law to avoid establishment of petrol stations;
- Revise Petroleum Act- sovereign wealth fund;
- RNDS- National development funds;
- Accountability and transparency of oil revenue;
- Privatization;

Wildlife Conservation and Tourism

- Classify all the existing hotels and restaurants in the country and determined the different types of services and categories of hospitalities and their standards system;
- Tourism sector development and management – law enforcement;
- Development of roads and river Infrastructures to facilitate tourism and trade;
- Want tourism law to be in place to enhance investment and utilization of the tourism opportunities;
- States and local government to have plans and policies to promote tourisms in their areas;
- Local communities to exhibit cultures and to entertain tourists
- Partners to invest on the cultures, tourism and exhibitions
- Enactment of Wildlife and Tourism laws for protected areas;
- Workforce has aged, need young and qualified to take up the tasks;
- Development of protected areas – infrastructure and lack of facilities
- There is need to screening and promoting national and cultural sites across the country for documentation and development; t
- Called for immediate deployment of unified forces to deal with poachers;
- Conservation education – to inform people about the importance of the conservation business
- Revival of defunct projects in Tourism Sector

Trade and Industry

- Trade transaction should be channeled through the banking system
- Capacity building for human resource people working in the trade and industry sector
- Avail trade information and trade promotion

Investment

- Intellectual property: lack of intellectual property laws discourages investors, therefore call for enactment of laws and formulation of policies that protect copyright and intellectual property;
- There is need to harmonize and reconcile existing invest laws, policies and regulations;
- There is need of lands specifically dedicated for investment to be managed by the Ministry of Investment and to be made ready for investors;
- There is need for good physical infrastructure and electricity to facilitate investment;
- We don't have guarantees, keeping investors away from S Sudan;
- Insecurity and peace – lack of resolutions of these conflicts will keep investors;
- Promote local and Foreign investment;
- Create social economic zones to enhance economic growth;
- Revival of defunct projects in Tourism Sector

4. INFRASTRUCTURE CLUSTER RECOMMENDATIONS

- Embark on shifting to hydro power and clean energy for sustainable industrialization;
- Treat electricity as a basic need instead of being regarded as luxury;
- Prioritize energy sector by investing now to enhance economic growth and sustainable economic development;
- Implement Grand Fulla project to generate hydroelectricity and promote sustainable agriculture irrigation and sustainable and long-term economic growth;
- Continuing and fast-track construction of Juba-Malakal, Juba-Wau, Juba-Torit roads;
- Developing institutional capacity of energy sector;
- Establishment of broadband connectivity and construction of the data centers;
- Build airport across the country;
- Invest in information and communication technology infrastructure e.g internet infrastructure;
- Rehabilitation of Wau-Aweil-Sudan railroad;
- Construct pipeline through from Pagak to Ethiopia and to Djibouti port;
- Invest in dry and river ports

5. GENDER AND YOUTH CLUSTER RECOMMENDATIONS

- To bridge the existing gender inequality in South Sudan, the conference calls on the government to initiate development projects that target gender mainstreaming in order to achieve inclusive economic empowerment.
- To eradicate the high illiteracy among women and enhance economic empowerment, the conference strongly urges the government to redouble its efforts in incentivizing school enrolment programs for girl child education.

- In order to enhance inclusive economic growth and development, the conference resolves that the government should facilitate credit access with low-interest rates for women in business to achieve women's empowerment and eradicate poverty among them.
- In order to attain practical skills for doing productive business for women, the government is urged through this forum to provide capacity building through technical and vocational training.
- To encourage diversified and inclusive economic growth in the country, the conference urges the government to develop gender and youth agricultural policy.
- To solve the historical marginalization of women in society through cultural vices, the conferees propose the review and/or amendment of legal frameworks regarding current inheritance rights that do not recognize women's rights.
- To expedite the process of women's enterprise funds as provided for in the R-ARCSS, there is an urgent need for the government to initiate the drafting and enactment of the legal framework for such funds.
- To eliminate poverty resulting from the high level of unemployment among the youth, the conference calls for an immediate enactment of the bill for the Youth Enterprise Development Fund.
- Ensure security and safety for IDPs, refugees and host communities;
- The conference also recognizes the importance of sports and calls on the government to nurture and invest in the youth's talents in order to provide solutions to youth economic problems.
- Finally, the conference strongly recommends the formulation of policies that encourage microfinance institutions to support women and youth to attain inclusive economic growth and reduce poverty.

Generally,

We resolve to continue a conversation on the economy of South Sudan in an integrated together with the local economies on a regular basis. These conversations will happen at Cabinet and the leadership of each of the 10 states and Local Administrative Areas as well as the constituent counties. This will enable the leadership to continue guiding the nation. As part of this resolution, the Government and Partners will articulate a mechanism or mechanisms to have updated evidence to inform these conversations on the economy. In addition, this National Economic Conference will continue to be held at least once a year.

We resolve to leverage benchmarking as an essential part of our modus operandi and ensure that what we as a country and local authorities do and how we do it will benefit from the best practice within the region and beyond. This includes for example benchmarking of aid management, exchange rate management, how to set and achieve targets etc.

We resolve to put in place a mechanism to enable South Sudan to implement the outcomes of this conference in the right sequence, at national and state/administrative area, and nurture the right

coalition. This will enable the country to leverage the interlinkages across peace and security, transformation in health and education, trade, rule of law and access to justice, efforts for agriculture transformation etc. This will ensure ownership and commitment as well as accountability. It will also enable us to put in place the right human resources, ensure their continuous training and remunerate them.

We resolve to turn the challenge of climate change in South Sudan into an opportunity to transform public services, deal with climate-change induced conflicts, and ensure just energy transition.

The Conference resolves that there be an Annual National Economic Conference.

-END-

Signed:
