

Press Statement

By the Negotiation team of the GoS with regards to the Press Release by the delegation of the GoRSS

The negotiating team of the Government of the Sudan (GoS) on post- secession issues with the Government of the Republic of South Sudan has been following the statements and allegations made by representatives of the Government of South Sudan (GoRSS) including the Press Release from Addis Ababa dated 17th January 2012 by the delegation of GoRSS titled, “Government of Sudan poisons negotiations atmosphere in Addis by stealing 1.4 million barrels of South Sudan oil just days before“.

The negotiating team of the Government of Sudan would like to make the following response:

1. The GoS entered the process of negotiations with the SPLM/GoSS in accordance with art 67-3 of the Referendum Act of 2009 to negotiate and agree on arrangements on pending issues, and was eager to conclude those negotiations in sound agreement for the realization of viable economies for the two states. This was translated in the document on the Guiding Principles that was adopted by the parties and within the letter and spirit of the Mekelle MoU which launched the process of negotiations.
2. During this process the negotiating team kept to the spirit and the Mekelle MoU directives and strived to create an atmosphere of restraint in the negotiations, refraining from any statements or remarks that would adversely affect the negotiations. Our preference has always been the realization of two viable states and economies, acting on the principle of close cooperation and good neighborliness. Unfortunately our proposals for two cooperating states including the joint management and development of the oil industries in the two states, close commercial links and cooperation in border trade

for the benefit of the two peoples, were met each time with rejection by the other party. This rejectionist attitude has been the major reason for the protracted nature of these negotiations. An attitude that was fostered and encouraged by the ineptitude towards them by some of their international political sponsors from outside the African continent.

3. While the negotiating team of the GoS kept its statements within the parameters of comity, the other party unfortunately kept using slanderous language including terms as stealing, robbery, piracy, theft etc. Those remarks have not even spared the Head of State of the Sudan. Sudan has contributed immensely to the stability of the region through its commitment to the full implementation of the CPA.
4. On the allegations brought forward by the negotiation team of the GoRSS, we would like to clarify the following:
 - The Government of South Sudan has failed to reach an agreement with the Government of the Sudan in respect of transporting its crude oil through the territory of, and infrastructure under the sovereignty of the Sudan.
 - The GoRSS is laboring under the erroneous assumption that they are party to the COPAs and COTAs negotiated and signed by the Sudan and oil companies. An assumption which is refuted by the principles of international law.
 - GoRSS made intermittent payments which amount to a small fraction of the fees claimed by the GoS to those private companies under agreement to which it is not a party without any of these payments being made to the Sudan .Meanwhile GoRSS proceeded with negotiations with GoS without showing the necessary good faith to reach a negotiated convention within a reasonable time.
 - The GoS has since 9th of July 2011 presented invoices to the GoRSS to cover the costs for processing and

transporting GoRSSs crude oil together with a transit fee without receiving any payment from GoRSS up to date. The GoS has decided accordingly to take its entitlements of transit fee and other service fees in kind in conformity with recent legislation passed by the GoS. The GoS has made that clear via a letter to all stake holders including the Minister of Petroleum and Mining of the GoRSS , and duly informed all the concerned parties that its decision will be implemented starting 1st December 2011 . Thus the allegations that the oil was stolen are baseless and unfounded.

- The GoS, in the face of the stubbornness of GoRSS and their clear intention not to reach an agreement as long as their entitlements of crude oil are transported through the territory and infrastructure of the Sudan and sold free of any agreed fees, decided to apply the measures of taking in kind its entitlements of transit fees and charges for other services.
- The GoRSS unilaterally confiscated the assets of Sudapet and expelled Sudanese employees in the oil industry in the South without compensation.
- It is important to recall that The GoRSS has rejected an interim arrangement on oil proposed by the AUHIP which was accepted by GoS and which we were, and still, are ready to sign. That arrangement would have allowed the flow of the crude oil of the South through the Sudan in return for an agreed amount of remittance to the Republic of the Sudan, until a final agreement was reached between the two states. This would have averted the current prevailing situation.

5-We would like to re-iterate here that the GoS continues to believe that two viable states, closely cooperating and in good faith, is for the optimum benefit of the peoples of the two states. But it takes two parties to achieve this objective. We remain ready to fulfill that; however is the other party ready?

6-The negotiation team of the GoS believes it is appropriate for the two parties to bring their concerns to the negotiation table rather than negotiating through the media. We call on the international community, in particular the AU to convince the other party to act as a responsible state in the letter and spirit of the Mekelle MoU.

19 January 2012
Addis Ababa