

# High Level Technical Meeting on Capacity Development for Southern Sudan

## Opening Speech

### Head of Delegation, Government of Southern Sudan (GoSS)

*H.E. David Deng Athorbei, Minister of Finance & Economic Planning*

- Our kind hosts the representatives of the European Commission,
- Honourable members of the Government of Southern Sudan,
- Representatives of the Diplomatic Corps and United Nations agencies,
- Distinguished guests,
- Ladies and Gentlemen.

I would first like to thank all of you for coming here today. We are here today because we share a common vision.

We share the vision of a strong, stable and prosperous Southern Sudan. We share a vision of a government that stands on its own feet, and is the master of its own destiny. We also share the vision that the prevalence of peace and stability in Southern Sudan is a contribution to regional peace and stability. For this, we must work together to create a government that delivers peace, stability and development for its people.

Ladies and Gentlemen, Southern Sudan has come a long way since the signing of the Comprehensive Peace Agreement. At the signing of the CPA we had very little but a common conviction that the South could and must govern itself and a common will to make it happen.

In a few short years the Government of Southern Sudan and our partners have made great strides. We have set up a government from scratch, establishing the Government of Southern Sudan, the

Southern Sudan Legislative Assembly, ten state governments and assemblies and an independent judiciary.

However, as the CPA comes to an end, it is not enough to say that we have come a long way since it's signing. To simply list our achievements to date is not enough. We need to make sure that we have come **far enough**.

With the referendum fast approaching and the end of the CPA interim period on July 9<sup>th</sup> next year, we must carefully and honestly review the progress that we have made. We must ask ourselves, 'have we done enough'? We must identify what else needs to be done.

At the moment, we feel we have done a lot but still have some way to go. This is why we have established the **2011 Taskforce** to prepare GoSS for the Referendum and after. And this is why, under the Taskforce, we have been working together with our development partners to identify the **core functions** that we must have in place by July next year.

These are the functions that are essential to the maintenance of government in Southern Sudan, regardless of the referendum's result. These are the functions that we must have in place to see our common vision fulfilled. And, **these are the functions that will allow us to stand on our own feet**.

The core functions are set out in the short term **action plan** that we are presenting here today. This action plan is designed to ensure that our development partners' efforts complement the hard work GoSS is already doing in these areas as identified through our annual planning process.

Ladies and gentlemen, as a Minister of Finance I am always talking about the importance of prioritisation. Today is no exception.

Drawing on the action plan, I wish to highlight the **seven top priorities** where increased attention is most required to deliver quick wins in the next few months:

1. First, GoSS urgently needs high-level **peer learning on macroeconomic issues**. This will help to transfer lessons learned from those countries that have been through similar experiences. I am not talking about ‘study tours’, but instead about short, targeted visits to Southern Sudan by a small number of world class experts. Such visits would inform our leadership on how to ensure the stability of the Southern Sudanese economy.
2. Second, we can no longer think in terms of passing *this* law or *that* law in isolation. We instead need support to develop a **core ‘package’ of legislation** to provide the necessary legal framework. This package would include all the top priority pieces of legislation still missing from Southern Sudan that are essential to governing. It includes laws on public finance, procurement, pensions, central bank, natural resources, a customs code and external audit. This package needs to be urgently and coherently developed and passed to provide the **strong legal basis** that Southern Sudan will need in the coming months.
3. Third, we need to ensure that our rule of law institutions are trained and function within the law. One obvious area where the international community can help here is to provide **training to new recruits at Dr. John Garang Unified Police Training Academy** in Rajaf. This support will need to be scaled-up extremely quickly so that the recruits can be deployed rapidly within Southern Sudan.
4. Fourth, all steps must be taken in contingency planning for **currency options**. This means ensuring we have done our due

diligence as a government in planning for different post-referendum currency scenarios. We must have a clear understanding of all the monetary policy options open to us and how to go about implementing them if necessary. Careful advance planning on this issue is absolutely essential, as is world class international support in this area.

5. Fifth, developing non-oil revenues is a top priority of this government. In the short-term, developing a strong **customs function** will be crucial as customs duties will provide the most important source of non-oil revenue to Southern Sudan for some time to come.
6. Sixth, putting in place adequate procedures for **regulating and monitoring the oil sector** is a top priority for this government. This includes ensuring that we have solid petroleum policy, sound licensing policies and a strong legal framework.
7. Finally, **oil revenue management** functions must be developed rapidly. We must urgently ensure that mechanisms are in place for oil revenue collection, stabilization, verification and accounting at the GoSS level.

Ladies and gentlemen, a strong theme among these priorities is the need for **sound macroeconomic management**. It is the foundation stone of good governance. Without this key pillar, many of the gains we have realised since the signing of the CPA will be undermined.

GoSS is working hard, in close collaboration with our development partners, in all of these areas. However, in implementing the action plan going forward I wish to emphasize the importance of Government leadership and ownership.

I also want to emphasize the importance of the development of systematic GoSS-wide approach to *identifying, recruiting* and

*retaining* relevant skills in the **Diaspora**. This will help to ensure that the support of the international community leaves a sustainable legacy, that allows GoSS to stand on its own feet.

Finally, I hope that we can all agree that this is the start of a long journey together. We will work hard to be accountable, transparent, and effective for the people of Southern Sudan. The sustained support of our development partners is also required and welcomed as part of this journey.

For this reason I hope you can all support the Government of Southern Sudan over the **medium-term** by aligning your support to the MoFEP led **GoSS Development Plan**:

- The Development Plan will set out a clear vision for the South's **economic development priorities** for beyond the interim period.
- It will **provide a structure for budget management**, guiding the priorities for GoSS budget allocations in 2011 and beyond.
- It will help to **guide Development Partner support** in line with GoSS' funding priorities.
- It will double as an **interim poverty eradication strategy paper**.

The Development Plan will help to ensure that the momentum developed so far will carry over into the post-referendum period. It will set out a clear vision around which our development partners can align their support to the Government of Southern Sudan, including for capacity development.

Ladies and gentlemen, I would like to conclude by reviewing the key points that the GoSS Delegation is making here today:

- First, there is an urgent need for development partners to focus their support in the coming months on the core functions identified by the Government of Southern Sudan.
- Second, to have an impact, our immediate efforts should be prioritised, focusing on the **seven top priorities** I have highlighted. Macroeconomic stability, sound revenue management and rule of law issues are at the core of this action plan.
- Third, going forwards GoSS will provide leadership in setting a medium-term Development Plan that will take the south beyond the Referendum. I hope our development partners can align behind this plan to deliver assistance in the post-referendum period. This support will have a more lasting effect if it can be coupled with a systematic approach to bringing Diaspora skills into Government in Southern Sudan.

Ladies and Gentlemen, I want to thank you again for your support here today. I urge you all to continue to strengthen our partnership. Thank you for helping to make our vision of a strong, stable and prosperous Southern Sudan a reality.

Thank you.