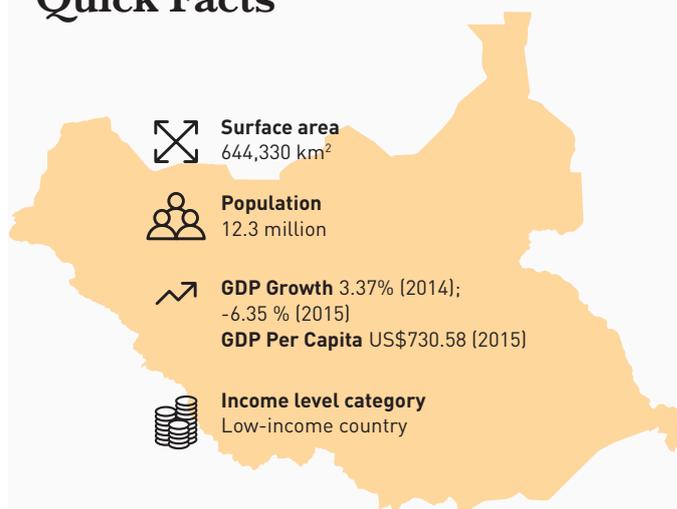




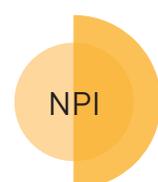
1. Country Context

The Republic of South Sudan is a newly born state, independent since 2011. Unfortunately, the post-independence peace has been interrupted by returns to violent conflict in 2013 and 2016, which erupted over access to resources and plunged the country into a deep political, socio-economic and humanitarian crisis. Economic losses related to the conflict amounted to 15% of potential GDP in 2014. Oil production, which accounted for 60% of GDP and 98% of exports, fell by 20%. An estimated 4.6 million people were food-insecure in 2015. The peace settlement in 2015 provided a basis for the government and partners to begin key reforms, including in official development finance management. Total ODA disbursed to South Sudan in 2014 was US\$1.96 billion, representing 20% of GNI. High levels of humanitarian needs persist and were mainly supported by United States, United Kingdom and EU, according to OECD DAC. Key sectors for official development finance delivery are security, health and education. Dependency on official development finance, particularly in areas such as food security and health, is perceived as a growing problem.

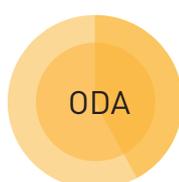
Quick Facts



Key Development Indices:



National Poverty Index
50.6% of pop. (2009)

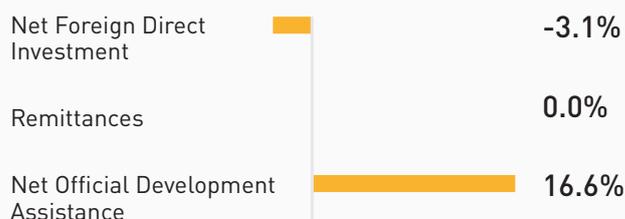


Official Development Assistance/Capital Formation
142.7% (2014)

ODA per Capita US\$164.9 (2014)

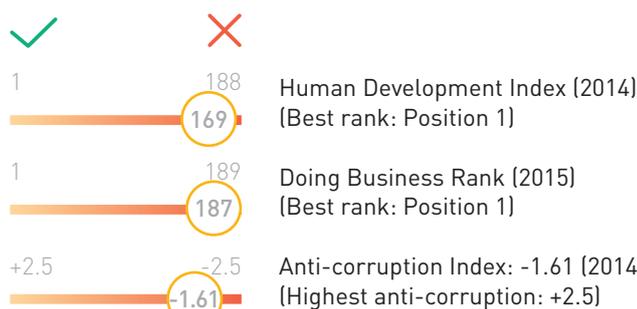
Inflows (% Gross Domestic Product)

LATEST YEAR AVAILABLE



Key Development Challenges

The recent conflict has compromised service delivery in critical sectors. Most health care infrastructures are dilapidated. Centralized supply of electricity and clean water is practically non-existent and most roads are impassable during the rainy season. National and local capacities to plan, finance, develop and deliver basic services and to invest in development infrastructure are severely constrained. All this intensifies the socio-economic deprivation of the predominantly young population. The country faces low resilience to external shocks and, as it continues to struggle over resources, does not have the stable governance structures needed to bring peaceful and sustainable development to the country.



2. Efforts to Implement the Effectiveness Principles

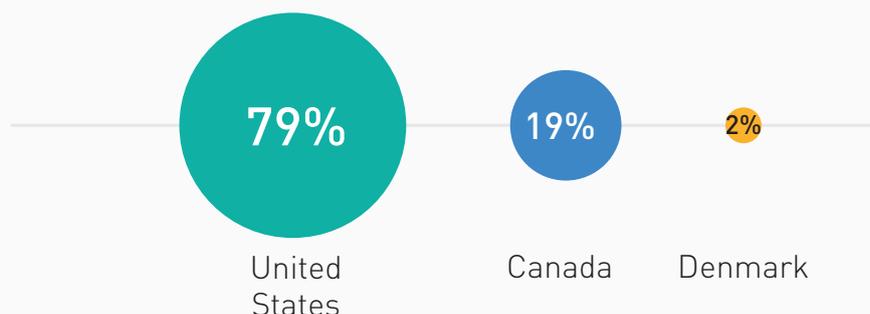
A. Policies and Tools for Partners' Alignment

During the period of good will after independence in 2011, the Government and Development Partners established several highly innovative modalities and mechanisms including a joint development partner office, pooled funding mechanisms, and joint planning exercises, such as Sector Working

Groups and Sector Aid Financing Plans, to ensure the alignment of official development finance objectives with the National Development Plan and Vision 2040. However, these initiatives have mostly been abandoned due to the breakdown in relations between the government and development

partners, the majority of whom now programme their official development finance unilaterally. Many line ministries have strategic planning processes that include or take note of development partner resources, often through interaction with the implementing partners.

Major Development Partners of this Round (by Reported Disbursements)



No

Participation in 2014 Monitoring



Yes

Existence of a National Co-operation Policy

B. Governance and Management of Development Finance and Co-operation

South Sudan's Aid Strategy was developed by the Aid Coordination Directorate in the Ministry of Finance and Economic Planning in 2011 and outlines strong and effective principles intended to guide co-operation between partners and the government. It outlines a wide array of partner forums and sector-focused groups. The Inter-Ministerial Appraisal Committee appraises and approves development partner-funded projects. The Quarterly and High-level Forums are a coordination and communication mechanism between the government and its development partners, alongside

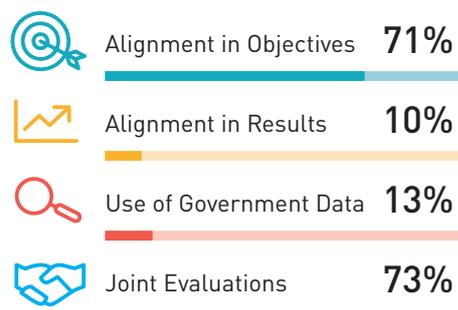
partner-only meetings such as the G6 grouping of several major partners. However, the ongoing conflict has reduced the government's capacity to manage and partners' willingness to engage with and be bound by the principles and targets of the Aid Strategy. Data for the budget and Annual Aid Report is currently collected twice a year through Excel-based templates. South Sudan is an active member of the g7+ and, after undertaking a nationwide fragility assessment, was very close to agreeing a New Deal Compact before the outbreak of violence in December 2013.

3. Country Ownership

Indicator 1: Partners' Alignment and Use of Country-Led Results Frameworks

The overwhelming set of needs for post-conflict reconstruction has led to high alignment between development co-operation projects and government plans. Despite this, government and partner spending patterns reveal wide differences in prioritization. Increased alignment could be expected in terms of results (i.e., design

of outcome indicators) and monitoring systems. From the three reporters, only two projects, funded by the Government of Canada, demonstrated alignment with country results frameworks and monitoring. Partner reported a high level of joint evaluation of development projects between the government and partners.

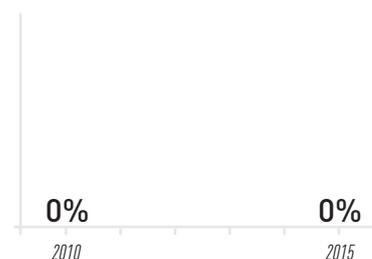


Indicator 6. Development Co-operation is on Budget (Subject to Parliamentary Scrutiny)

None of the three reporting partners had any projects that are included in the national budget. In 2014/2015, projects from four partners (IDA, African Development Bank, China Exim

and UNDP) used government financial systems and were therefore recorded in the budget. For 2015/2016, this was extended to include all projects.

Percentage on Budget



Indicators 9 and 10. Use of Country Systems

No projects from the three reporting partners used any aspects of country systems. In 2014 and 2015, two projects – UNDP support to upgrade the Aid Management System and the World Bank-supported Local Government Service Delivery Project – successfully used government financial systems. No

other partners have moved to use country systems due to the ongoing conflict and breakdown in trust. Development co-operation finance relies on project modalities for implementation; PIUs are widespread; and continued bypassing of the government systems in the delivery of ODA causes harm in the medium to

longer terms. South Sudan's PFM quality has worsened over the years and it has therefore moved down a measure on the CPIA performance scale. Based on the three reporting partners, the proportion of official bilateral development assistance that is fully untied declined from 78% in 2013 to 61% in 2014.

	Budget (ideal: 100%)	Financial Reporting (ideal: 100%)	Auditing (ideal: 100%)	Procurement (ideal: 100%)	CPIA* (maximum: 6)	Untying (ideal: 100%)
INDICATOR 9B.	0%	0%	0%	0%		
INDICATORS 9A & 10.					1.5 ▼	61% ▼

* Country Policy and Institutional Assessment

4. Inclusive Partnerships for Development

Indicators 2 and 3. Fostering Inclusive Partnerships for Development

Due to the ongoing in-country conflict, data on these two indicators are not available. The government has expressed commitments to engage in dialogue with non-state development stakeholders

and to gain public trust. Parts of civil society work closely with the government, but further improvement is possible, particularly with regards to engaging NGOs, which are on the front line of

partner-financed service provision. As it starts to develop, the nascent local private sector could slowly assume a stronger role in post-conflict reconstruction.

Indicator 8. Gender Empowerment

No data are available on whether allocations for gender equality are systematically tracked or whether there is leadership and oversight of the tracking system by the central government unit

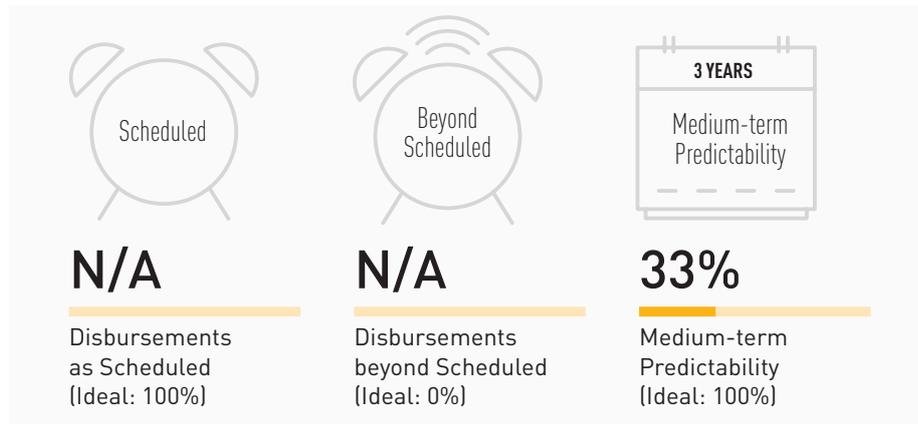
in charge of public expenditures. It is unclear whether gender-equality-focused budget information is publicly available or whether gender-specific indicators are used to inform budget

allocations. No impact assessments of budgets are conducted to address how women and men benefit respectively from government expenditures.

5. Transparency and Accountability

Indicator 5. Development Co-operation is More Predictable

Inconsistencies between the financial year used for the monitoring survey (calendar) and that used by South Sudan (July-June) prevented calculation of data on predictability of short-term official development finance. However, in 2014/2015, partners of on-budget support reported their expected disbursements for the upcoming year during the budget process and these were evaluated on a quarterly basis. For 2015/2016, this was extended to all projects and the majority of partners report expected disbursements for the upcoming year. Early indications suggest that there is a high level of variation; as would be



expected in such a volatile environment, it is unlikely to be useful. Data for years

two and three are not currently collected.

Indicator 7. Mutual Accountability

South Sudan has an Aid Policy (2011) defining national priorities for the management of development co-operation. The official development finance policy includes specific country-

level targets guiding the monitoring and evaluation of results. However, no assessments towards these targets have been undertaken jointly by the government and official development finance partners.

Separately, South Sudan developed a New Deal Compact in order to guide the country's headway out of fragility, but this was not signed due to the outbreak of violence in December 2013.

National Priorities Going Forward

“

The priority of the Government of South Sudan is to achieve a return to sustained peace and security. After that, the government seeks to resume provision of basic social services such as health, education, infrastructure and agricultural development. To do so, it will need to improve its own capacity and its ability to generate revenue. This will take time and so, for the foreseeable future, external support will play an important role. Regarding official development finance management, the Government of South Sudan would like to resume the constructive levels of dialogue with partners that characterized the immediate post-independence period. Returning to the coordination structures and targets outlined in the 2011 Aid Strategy (and jointly amending them where necessary) would be a good first step. In 2013, many innovative modalities and co-operation mechanisms were designed to maximize the effectiveness of official development finance in South Sudan and there is likely to be significant value in resuming them. Alongside this, continuing the New Deal process and signing a New Deal Compact are likely to be priorities.

”

**Moses Mabior Deu, Director, Department of Aid Coordination
Ministry of Finance and Economic Planning, Government of South Sudan**

Any discrepancies between information in this profile vs. information that has been reported are due to adjustments that were made after conclusion of the monitoring round.

Disclaimer This document was prepared based on data collected from voluntary reporting to the Second Monitoring Round of the Global Partnership for Effective Development Co-operation and, for Country Context, other open source information available online. The information provided does not necessarily represent the views of UNDP.

For ease of reference, the term 'country' is used to refer to developing countries and territories that reported to the Second Monitoring Round. Participation in this process and mention of any participant in this document is without prejudice to the status or international recognition of a given country or territory.