We believe the IAP will definitively contribute to consolidating the AfDB’s leadership role in collaborating with key

donors and the private sector will fill the remaining gap. At the time that this Report was drafted, there was no agreement

At the request of the Government of the Republic of South Sudan (GRSS), the African Development Bank Group (AfDB)
has provided assistance in preparing this flagship Infrastructure Action Plan (IAP) aimed at putting in place an effective
instrument for all stakeholders in the collective effort to provide the necessary full-fledged support to address the country's
development challenges.

As early as in late 2010, the AfDB initiated work to assist the Government in preparing detailed needs assessments in
agriculture and infrastructure sub-sectors (energy, transport, water and sanitation, and ICT). The validation workshop of
the draft reports took place in Juba in September 2011. The Bank was further requested to build on the work done to fast-
track the preparation of an Infrastructure Action Plan (IAP) for South Sudan for the decade ahead. The first draft of the IAP
was completed in February 2012, and validated in July 2012 in Juba at a national stakeholders’ workshop attended by
several participants from the GRSS, relevant sectors, civil society and other development partners.

The new Republic of South Sudan (RSS) is classified as a post-conflict country. South Sudan is characterized by a very high
degree of socio-economic fragility, with weak institutional and human capacities and one of the lowest social development
indicators in Africa. The political, security, economic and social situations have remained fragile. The country also has a
narrow economic base, with a heavy dependence on the oil sector. In this context, the dilapidated infrastructure, mainly
as a result of decades of war, has been identified as the most binding constraint for economic diversification and inclusive
private sector-led growth and productive employment. Infrastructure development can also help address the most pressing
challenge of South Sudan, namely the urgent need for peace and state building, including accommodating the high
expectations of the population for peace dividend through job creation and improved livelihood.

Peace and stability remain key prerequisites to addressing vigorously the infrastructure bottlenecks. The IAP, however, does
not dwell on the volatility of the political and security landscape in South Sudan. It takes the position that infrastructure
development in South Sudan will primarily require sustained and concerted efforts in addressing medium to long term
structural, human and institutional factors, including devising appropriate financing arrangements. As long as these factors
are not adequately dealt with, they will remain valid and persist over time.

The IAP proposes a major program for the development of basic infrastructure in the decade ahead that, in conjunction
with a range of other initiatives aimed at building human capacities and labor force skills and strengthening institutions,
would provide the basis for a transition to economic growth in the range of 9% a year in real terms in the non-oil economy.

The IAP analyzes the underlying institutional and other structural issues and factors of the economy of South Sudan. It
presents appropriate and pragmatic structural and sustainable responses, with medium to long term perspectives. The
proposed program takes into account the need for the endogenous development of domestic institutions and supply factors
and conditions. The IAP considers a 10-year period, using 2010 as the base year. The implicit assumption made at the time of
drafting the IAP was that the GRSS would be in a position to roll out its program of infrastructure development in the
context of implementing its first South Sudan National Development Plan (SSDP) 2011-2013, following the independence
in July 2011.

The proposed funding arrangement in the IAP involves the Government for more than 50% of the total requirements, while
donors and the private sector will fill the remaining gap. At the time that this Report was drafted, there was no agreement
between South Sudan and Sudan on the arrangements for sharing income from oil fields currently in production. The
IAP report has, therefore, set out scenarios of possible outcomes ranging from an arrangement in which the national
government of South Sudan receives 80% of the net oil income (scenario A: High Growth Case) to two other alternative
scenarios (B and C) whereby the net receipt represents 96% and 69%, respectively. On the basis of the agreement on oil
reached in September 2012 between the two countries, scenario A seems most likely.

We believe the IAP will definitely contribute to consolidating the AfDB’s leadership role in collaborating with key
stakeholders and assisting the GRSS in the design and implementation of infrastructure development in South Sudan.

The Infrastructure Action Plan (IAP) Flagship Report for South Sudan was prepared by a team of staff and consultants from
the African Development Bank Group (AfDB) led by Solomane Kone, Lead Economist in the Regional Department East 2
(OREB). The AfDB staff in the dedicated core team was comprised of: Mr. Abdul Kamara, Resident Representative (SSFO),
Mr. Suwareh Darbo, Principal Economist (OREB), Mr. Andoh Mensah, Principal Country Program Officer (SSFO), Mr.
Girma B. Bezabeh, Principal Transport Engineer (OTTC2), Mr. Boniface Aleoobua, Principal Sanitation Engineer (OWAS 2),
Mr. Engesaw Negash, Division Manager (ONEC2), Mr. Lawal Umar, Principal Livestock Expert (OSAN 1) and Mr. Enoch
Yonazi, Principal ICT Expert (ICT4D). Mr. Abdul Kamara and Mr. Andoh Mensah are particularly acknowledged for
the coordination work accomplished on the ground before the official full establishment of the South Sudan Field Office
(SSFO). Upon taking up their respective duties in the newly-established SSFO, Mr. Jeremiah Mutape (Resident
Representative), Mr. Dejene Demissie (Principal Country Program Officer), and Mr. Joseph Muvawala (Chief Country
Economist) have been instrumental in critical steps towards finalising the IAP including the stakeholder validation
workshop. Other members of the wider South Sudan Task Force also provided valuable comments and assistance in the
process, namely Ms. Senai Assefa, Principal Resource Mobilization Officer (ORMU), Mr. James Walseh, Lead Economist
(OSFUE), Mr. Fath Kamau, Legal Expert (GECIL 1) and Ms. Nana-Efa Spio-Garbrah, Young Professional (ORVP), Mr.
Nyende Magidu (Senior Economist). Mr. Daniel Ugwoke, Team Assistant (OREB) provided excellent administrative
support, including during the validation workshop of the infrastructure subsector needs assessments.

The team was assisted by consultants, namely Mr. Russell Cheetham, Lead Consultant, main coordinator and author to
several chapters of the IAP; Mr. Felix Ndulue (Agriculture), Mr. Andrias Rakotomalala (Transport), Mr. Biraneh Fikrei (Power),
Mesfin Abebe (Water and Sanitation), and Ms. Dorothy Okello (ICT). Mr. Timothy Wasswa edited the final manuscript
and coordinated the final production of the report. The consulting firm, MK Mazuri and Associates was assigned the task
of preparing provisional income statements for public entities that currently have responsibilities for infrastructure
assets and or provision of infrastructure services in South Sudan, referred to as quasi State Owned Enterprises (SOEs).

The IAP Report benefitted from the general direction provided by Mr. Steve Kayizzi-Mugerwa, former Director of OREB.
The IAP Report and the South Sudan Task Force also benefitted from the leadership and guidance provided by Mr. Aloysius
U. Ordu, former Vice-President Country and Regional Programs and Policy (ORVP) from the very beginning of the long
journey towards completing this IAP. The team also wishes to express its appreciation to Mr. Zondo Sakala, currently Vice-
President ORVP for his encouragement, and support in ensuring seamless continuity in the final stages of completing
the IAP. He is also acknowledged for his guidance and support in initiating numerous related activities to ensure effective
implementation going forward.

A special appreciation goes to the Government of the Republic of South Sudan (GRSS) for the trust in the AfDB by
requesting, at a very early stage prior to the official independence of the country, its expertise and advice in building
the new State and co-leading the Economic Development Pillar of the South Sudan National Development Plan (SSDP),
with particular emphasis on infrastructure and aid coordination. By late 2010, the AfDB had initiated work to assist the
Government in preparing detailed needs assessments in agriculture and infrastructure sub-sectors (energy, transport,
water and sanitation, and ICT). The validation workshop of the draft reports took place in Juba on 12-13 September
2011. The Bank was further requested by the Government to build on the work done to fast-track the preparation of an
Infrastructure Action Plan (IAP) for South Sudan for the decade ahead. The draft report of the IAP was validated in July
2012 in Juba at a national stakeholders’ workshop, attended by several participants from the GRSS, relevant sectors, civil
society and other development partners, too numerous to mention here, but their individual and collective contributions
are recognized and highly appreciated.

Without being exhaustive, the team is particularly grateful to the following top officials: Hon. Kosti Manibei Ngai, Minister of
Finance and Economic Planning (MoFEP), his deputies Hon. Mary Jervase Yak and Marial Awou Yol, Deputy Ministers
(MoFEP), and Mr. Aggrey Tisa Sabuni, Presidential Advisor on Economic Affairs, as well as Hon. Stephen Dhieu Dau,
Minister for Petroleum and Mining, Hon. Garang Diing Akuong, Minister of Commerce, Industry and Investment, Hon. Lt.
Gen Gier Chuang Ahoang, Minister for Roads and Bridges, Hon. General Madut Biar Yol, Minister of Telecommunications
and Postal Services, Hon. Prof. Peter A. Nyarba, Minister of Higher Education, Hon. Dr. Martin Limoro, Minister of Animal
Resources, Hon. Simon Majok, Deputy Minister for Roads and Bridges, Hon. Mayom Kuoc Malek, Deputy Minister of
Transport, Hon. Mary Nyualiang, Deputy Minister of Housing and Physical Planning, Hon. Kwog Danheer Gathak,

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challenge of South Sudan, namely the urgent need for peace and state building, including accommodating the high
expectations of the population for peace dividend through job creation and improved livelihood.

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Acknowledgments

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Deputy Minister of Labour, Public Service and Human Resource Development, Hon. Ali Ketta Uche, Deputy Minister of Water Resources and Irrigation, Hon. Beatrice Khamisa Wani-Noah, Deputy Minister of Telecommunications & Postal Services, Hon. Priscilla Joseph Kuch, Deputy Minister of Gender, Child and Social Welfare. The team would also like to thank the staff of the National Bureau of Statistics, in particular Mr. Isaiah Chol Aruai, Chairperson, Mr. John Maciek A. Acol, Deputy Chairperson, Mr. Philip Dan Thiong, Acting Director for Monitoring and Evaluation, Mr. Mark Otwari Acting Director for Social and Demographic Statistics; Mr. Simon Aban, Acting Director for Economic Statistics, Mr. David Chang, Director for Economic Statistics Directorate, and Mr. Gordon Lada Paulo, Monitoring and Evaluation Officer.

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