### South Sudan and the African Development Bank

1. The African Development Bank Group and the Republic of South Sudan have a history of cooperation, which started after the signing on 9th January 2005 of the Comprehensive Peace Agreement, brokered by the Intergovernmental Authority on Development (IGAD). South Sudan became a member of the African Development Bank in May 2012, and in September 2013 ratified its membership. Following the country’s independence in July 2011, the Bank opened its country office in the capital, Juba, in September 2012.

2. The African Development Bank Group commenced lending operations in South Sudan in 2012. Since then, the Bank’s cumulative approvals to South Sudan have amounted to $136.79 million. The sector interventions are agriculture ($45 million), power ($38.9 million), multi-sector ($45.9 million), and water and sanitation ($7 million). Currently, there are seven active operations in the African Development Bank’s portfolio for South Sudan, with commitments amounting to $108.8 million. The agriculture sector has the largest allocation at 41%, the power sector 35.6%, multi-sector 16.5%, and water supply and sanitation 6.5%.

3. The Country Strategy Paper (CSP) defines the African Development Bank’s sector areas of intervention, informed by the national development priorities, and has guided the Bank’s development assistance to South Sudan. In July 2018, the government adopted its National Development Strategy (NDS) 2018-21, replacing the first National Development Plan 2011-13, extended to 2016. The overarching objective of the new NDS is to consolidate peace and stabilize the economy. In addition, the NDS provides the medium-term framework for implementing Vision 2040, which focuses on justice, liberty and prosperity. The NDS priority areas are: (i) Creating enabling conditions for the return of displaced citizens; (ii) Developing and enforcing the rule of law; (iii) Ensuring secure access to adequate and nutritious food; (iv) Silencing the guns; (v) Restoring and expanding the provision of basic social services; and (vi) Restoring and maintaining basic transport infrastructure, such as roads and bridges.

4. Following the approval of the NDS 2018-21, the Bank in May 2019 approved the updated Interim Country Strategy Paper (I-CSP) 2012-18, extended to December 2021. The extended I-CSP remains focused on building state capacity and infrastructure development to support the country’s plan to improve the living conditions of its population, and building economic resilience during this transitional period after years of conflict. Greater attention will be given to the root causes of fragility by supporting the government to increase transparency in the management of its natural resources to enlarge fiscal space, thereby enabling it to increase investments in productive sectors like agriculture.

5. In line with the updated I-CSP, during the period 2019-21, the Bank plans to invest about $85.4 million in grants to finance investment projects and provide technical assistance. These operations include: (i) improving access to and quality of basic education; (ii) strategic urban and
rural water supply and sanitation improvement; (iii) East Africa payment system; (iv) technical assistance and capacity building on oil negotiations; (v) strengthening dialogue for improved economic resilience; (vi) agriculture infrastructure and value addition; (vii) non-oil revenue mobilization and accountability; and (viii) renewable energy.

6. During the implementation of the updated I-CSP, the following analytical works and strategy formulation will be undertaken to identify lending and co-financing opportunities. These will be on: (i) gender profile; (ii) climate change and green growth profile; (iii) private sector profile; (iv) debt management strategy; (v) feasibility study for the 400 KV South Sudan-Uganda power interconnection project; and (vi) youth empowerment strategy. These studies will also inform the design of future projects and guide the government’s economic and related policy reforms.