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South Sudan Transition Strategy 2011-13

Executive Summary, June 2011



1 Executive Summary

South Sudan's¹ development challenges are daunting. This region, historically within the Sudanese provinces of Bahr el Ghazal, Equatoria, and Upper Nile but now divided into the 10 southern states of Sudan, is home to over 110 ethnic groups, many of whom suffer from some of the world's worst socio-economic conditions. It was engulfed in Africa's longest-running conflict—two phases of civil war spanning nearly 40 years and ending with the Comprehensive Peace Agreement (CPA), signed on January 9, 2005. The interim period of the CPA is set to expire in July 2011, six months after a referendum on self-determination for southern Sudan; the southern referendum took place January 9-15, 2011, and resulted in an overwhelming approval of the secession option. A separate referendum for the region of Abyei is also required under the CPA.

This 2011-13 USAID Transition Strategy is based on the premise that increasing stability in the immediate post-CPA period will depend on a combination of strengthening core governance institutions and processes and making them more inclusive, responding to the expectations of the population for essential services and improved livelihoods, as well as containing the conflicts that are likely to erupt and addressing the grievances behind them. The Transition Strategy further builds on USAID's previous 2006 strategy and sets forth USAID's plan to assist the government and people of South Sudan to enhance stability and advance their development aspirations in the two to three years immediately following the expiration of the CPA interim period. Also, the experience of the last six years demonstrates that moving from humanitarian to development programs and approaches is not a simple or linear process. Areas of the south that were stable subsequently lapsed into conflict, often triggered by drought or other environmental factors, and required relief again. The Transition Strategy also takes into consideration the capacity needs of the Government of South Sudan (GOSS), at the central, state, and local levels, the potential contributions of other development partners, and the anticipated role of other elements of the U.S. Government (USG).

The Transition Strategy is informed by both the broad, long-term experience of USAID in southern Sudan and specific evidence, findings, and recommendations gathered through recent studies (as detailed in Annex B), including three recently completed assessments covering the environment, gender, and conflict. USG stabilization teams have also provided information that has informed this transition strategy, identifying critical conflict issues, illustrative programs, and interventions to address instability in conflict areas. This Transition Strategy lays the foundation for the USG's long-term engagement in South Sudan, whose strategic focus will be informed by a Country Development Cooperation Strategy that will be developed over the intervening two years.

¹ Given that the region of southern Sudan is expected to be a separate country on July 9, 2011, where it is appropriate to refer to this future expected nation, the term "South Sudan" is used. When referring to the region as a part of Sudan prior to this time, "southern Sudan" is used.

The Transition Strategy addresses critical local drivers of conflict through flexible and quick-impact conflict mitigation interventions in flashpoint areas that will be implemented in partnership with local officials and traditional authorities. USAID will support broad initiatives to strengthen effective, accountable, and inclusive governance, the lack of which underpins and deepens grievances that can be mobilized for conflict in South Sudan. At the same time, citizens' grievances against the state will be addressed by targeting specific institutions, processes, and actors focusing on building effective and transparent institutions at the executive level, reducing corruption, and fostering a stable macroeconomic and legal framework that encourages investment. USAID will strengthen the capacity of citizens, civil society, media, and other nongovernmental actors to hold the GOSS accountable and ensure that it is responsive to its citizens. GOSS and private efforts to address citizens' high expectations for delivery of essential services will be strengthened at the state and local levels, in coordination with ongoing humanitarian programming and with an aim to transition from aid dependency to GOSS self-sustainability. USAID will support, with other donors, the oil sector and oil revenue management since South Sudan will remain primarily an oil-based economy for some time to come.

The lack of economic opportunity, particularly among marginalized youth, is another critical potential driver of conflict in South Sudan. USAID will support sustained and inclusive agriculture sector-led growth to enhance resiliency and reinforce stability. Economic interdependence will be reinforced through increasing household productivity and linking communities to markets, providing access to credit for agribusinesses and small-scale farmers, and building strategic partnerships to better enable south Sudanese to capture market opportunities and enhance stability in targeted areas where lack of economic opportunity is part of the conflict dynamic.

The overall goal of USAID's Transition Strategy is: *An increasingly stable South Sudan post-CPA.*

The goal will be accomplished through four Development Objectives (DO): *DO1– Conflicts in Flashpoint Areas Mitigated; DO2 – Effective, Inclusive, and Accountable Governance Strengthened; DO3 – Essential Services Developed and Maintained; and DO4 – Agricultural-Based Economic Opportunities Expanded.* Though not explicit in the names of these Objectives, this strategy lays out plans for USAID's engagement on key economic management concerns (under DO2) and for synergies with programs led by USAID's humanitarian arms in the Offices of U.S. Foreign Disaster Assistance (OFDA) and Food for Peace (FFP). While USAID's mandate does not include security programs, maintaining security is essential to the achievement of the goal and is thus included in the results framework.

GOSS Ownership and Capacity Building: The transition strategy is fully aligned with the four pillars of the three-year development plan that the GOSS is currently working on: 1) Governance; 2) Economic Development; 3) Social and Human Development; and 4) Conflict Prevention and Security. The Transition Strategy supports GOSS' priority core governance functions in the areas of executive leadership, fiduciary management, public administration, and natural resources management. These core functions have been identified as essential to effective government in the post-CPA period and building GOSS capacity is a core element of each Development Objective.