



Joint Monitoring and Evaluation Commission
(JMEC)

REPORT BY

H.E. FESTUS G. MOGAE

CHAIRPERSON OF JMEC

**ON THE STATUS OF IMPLEMENTATION OF THE AGREEMENT ON THE
RESOLUTION OF THE CONFLICT IN THE REPUBLIC OF SOUTH SUDAN**

FOR THE PERIOD

May 1st – July 31st, 2017

JUBA, SOUTH SUDAN

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List of Acronyms

<i>AJMCCs</i>	<i>Area Joint Military Ceasefire Committees</i>
<i>ARCSS</i>	<i>Agreement on the Resolution of Conflict in the Republic of South Sudan</i>
<i>CRA</i>	<i>Compensations and Reparations Authority</i>
<i>CTRH</i>	<i>Commission on Truth, Reconciliation and Healing</i>
<i>CTSAMM</i>	<i>Ceasefire and Transitional Security Arrangements Monitoring Mechanism</i>
<i>DCAB</i>	<i>Draft Constitutional Amendment Bill</i>
<i>DDR</i>	<i>Disarmament Demobilisation and Reintegration</i>
<i>DPs</i>	<i>Displaced Persons</i>
<i>EALA</i>	<i>East African Legislative Assembly</i>
<i>HLRF</i>	<i>High Level Revitalisation Forum</i>
<i>IGAD</i>	<i>Inter Governmental Authority and Development</i>
<i>JIP</i>	<i>Joint Integrated Police</i>
<i>JMCC</i>	<i>Joint Military Ceasefire Commission</i>
<i>JMCTs</i>	<i>Joint Military Ceasefire Teams</i>
<i>JMEC</i>	<i>Joint Monitoring and Evaluation Commission</i>
<i>JOC</i>	<i>Joint Operations Centre</i>
<i>MHADM</i>	<i>Ministry of Humanitarian Affairs and Disaster Management</i>
<i>MVTs</i>	<i>Monitoring and Verification Teams</i>
<i>NCAC</i>	<i>National Constitutional Amendment Committee</i>
<i>NCRC</i>	<i>National Constitutional Review Commission</i>
<i>NEC</i>	<i>National Election Commission</i>
<i>NRA</i>	<i>National Revenue Authority</i>
<i>OAGs</i>	<i>Other Armed Groups</i>
<i>OCHA</i>	<i>UN Office for the Coordination of Humanitarian Affairs</i>
<i>OLC</i>	<i>Office of Legal Counsel</i>
<i>PPC</i>	<i>Political Parties Council</i>
<i>SDSR</i>	<i>Strategic Defence and Security Review</i>
<i>SDSRB</i>	<i>Strategic Defence and Security Review Board</i>
<i>SPLM</i>	<i>Sudan People's Liberation Movement</i>
<i>SPLM-IO</i>	<i>Sudan People's Liberation Movement in Opposition</i>
<i>TCRSS</i>	<i>Transitional Constitution of the Republic of South Sudan</i>
<i>TGoNU</i>	<i>Transitional Government of National Unity</i>
<i>TNLA</i>	<i>Transitional National Legislature</i>
<i>UNDP</i>	<i>United Nations Development Program</i>
<i>UNMISS</i>	<i>United Nations Mission in South Sudan</i>

Executive Summary

1. This Report which covers the period from May 1st to July 31st 2017 highlights the prevailing political, security, humanitarian and economic situation in the Republic of South Sudan and the status of implementation of the Peace Agreement. Importantly it highlights the critical role of the proposed IGAD led High Level Revitalisation process. It presents a series of observations and makes recommendations to address some of the shortcomings in the implementation process.
2. In its effort to improve monitoring of the Peace Agreement, JMEC established six Working Committees, according to the Chapters of the Peace Agreement, which work in close consultation with the three TGoNU clusters -- Governance, Economy and Service Delivery. These thematic Working Committees have met a combined total of 24 times since March 2017 to evaluate progress in implementation and act as oversight platforms to provide advice and recommend remedial action, which are then forwarded to the JMEC Chairperson.
3. Only modest progress has been made in the implementation of the Peace Agreement. With regards to Chapter I while the National Constitutional Amendment Committee had completed the drafting of the Constitutional Amendment Bill (2017), it has not yet come into force as was envisaged under the Peace Agreement and the draft remains within the Ministry of Justice. Also, the post of the Deputy Minister of Foreign Affairs and International Cooperation allocated to the Former Detainees remains vacant, and the 25 percent quota for women participation in the Executive, Council of Ministers and Deputy Ministers has not been met.
4. In spite of the unilateral declaration of a ceasefire by H.E President Salva Kiir Mayardit, there were reports of continuing and increasing incidents of targeted and retaliatory violence committed by uniformed forces as well as Other Armed Groups in different parts of the country. Meanwhile, work within the Transitional Security Arrangements mechanisms such as the Joint Military Ceasefire Commission, the Joint Operations Centre, the Joint Integrated Police-Management Team, and the Strategic Defence and Security Review Board continued, with varying results. Promised funding by the TGoNU in support of these Chapter II mechanisms had not yet materialized, which delayed the implementation of several critical components.
5. The humanitarian situation in the country remains dire. This is evidenced by increasing levels of food insecurity, larger numbers of South Sudanese seeking refuge in neighbouring countries and within camps in South Sudan. There are also difficulties encountered in securing humanitarian access. The situation is compounded by an outbreak of cholera and a rise in the incidence of malaria, which has resulted in several deaths and continues to affect significant numbers of people across the country.
6. The TGoNU has made some progress in reducing the high level of economic instability experienced during 2016 by lowering their level of borrowing from the

Central Bank and in the process keeping inflation levels down as well as checking the slide in the exchange rate. Other efforts by TGoNU to improve and streamline expenditure management, eliminate the fuel subsidy, consolidate and reduce domestic arrears, establish the National Revenue Authority, and enact appropriate legislation can have the impact of further improving economic stability. Together with the unveiling of the National Development Strategy and efforts to increase oil production it will be better placed to secure future gains once the conflict ends.

7. Preparatory work on the formation of the Commission for Truth, Reconciliation and Healing is underway. The multi stakeholder committee has commenced outreach to stakeholders in the country. In addition, the Africa Union Commission Office of the Legal Counsel held consultations with the TGoNU on the technical aspects of the formation of the Hybrid Court and agreed on a draft roadmap for the court's establishment.
8. Under Chapter VI of the Peace Agreement, the TGoNU was required to initiate and oversee a permanent Constitution-making process within the first six (6) months. The process was expected to be completed within eighteen (18) months into the Transitional Period. The permanent Constitution-making process has not yet started, and a credible Constitutional making process will require considerable time.
9. The Chairperson of JMEC continued his engagement with the top leadership of the TGoNU. He also engaged in further diplomatic missions with the leadership of the United Nations, the African Union Commission, IGAD, and the various dedicated Special Envoys, all with the intention of finding a path out of the current crisis. To this end the Chairperson stressed the need for all international stakeholders to speak with 'One Voice' and encourage a political solution to the conflict in the country.
10. Ultimately, IGAD decided to urgently convene a High Level Revitalisation Forum of the Parties to the Peace Agreement, including estranged groups, to discuss concrete measures to restore the permanent ceasefire, return to full and inclusive implementation of the Peace Agreement, and to develop a revised and realistic timeline and implementation schedule towards democratic elections at the end of the transition period.
11. For the Revitalisation process to succeed and for effective implementation of the Peace Agreement to be achieved, there is need for demonstrable political will by the Parties and estranged groups to be inclusive and to accommodate one another politically, rather than attempt to defeat each other militarily.

I. Introduction

1. This report is submitted pursuant to Chapter VII, Article 5 of the Agreement on the Resolution of the Conflict in the Republic of South Sudan (ARCSS) and covers the period May 1st to July 31st 2017.
2. Highlighted in the Report is the prevailing political, security, humanitarian and economic situation in the Republic of South Sudan and their impact on the implementation of the Peace Agreement, or lack thereof. The Report also focuses on the key issues that must be addressed in the revitalisation process if durable peace is to be achieved in the country. Finally, it proposes a series of observations and recommendations to address some of the shortcomings in the implementation process.

II. Status of the Implementation of the Peace Agreement

Overview

3. In this reporting period, the Joint Monitoring and Evaluation Commission JMEC convened two Plenaries, received regular briefings from the Transitional Government of National Unity (TGoNU), addressed an Extra-Ordinary Summit of the Intergovernmental Authority on Development (IGAD) Heads of State and Government on South Sudan, and two IGAD Council of Ministers meetings, and considered reports from the different Peace Agreement institutions and mechanisms on its implementation. JMEC is currently engaged in supporting the convening of the IGAD High Level Revitalisation Forum.
4. At the March Plenary the decision was taken to establish six JMEC Working Committees, according to the Chapters of the Peace Agreement and to work in close consultation with the three TGoNU clusters -- Governance, Economy and Service Delivery.
5. These thematic Working Committees meet regularly to carefully evaluate progress that has been made or lack thereof by the TGoNU and all Peace Agreement institutions and mechanisms in its implementation. They also act as oversight platforms to provide advice and recommend remedial action, which are then forwarded to the JMEC Chairperson. During this reporting period, they have met a combined total of 24 times and had very constructive deliberations and assessments, which will constitute invaluable inputs toward the revitalisation process.

Chapter I -- Transitional Government and National Unity

6. Some modest progress has been made by the current TGoNU in the implementation of the Chapter but there are several provisions yet to be implemented. The post of the Deputy Minister of Foreign Affairs and International Cooperation allocated to the Former Detainees (FDs) that had fallen vacant remained unfilled during the reporting period. It is critical that the TGoNU fills this vacant position in accordance with the provisions of the Peace Agreement.

7. The 25 percent quota for women participation in the Executive, Council of Ministers and as Deputy Ministers has not been met. During the reporting period representation of women in the Council of Ministers stood at 20 percent with no woman appointed as Deputy Minister. The TGoNU is encouraged to consider full women participation as provided for in the Peace Agreement.
8. During the last quarter it was reported that the National Constitutional Amendment Committee (NCAC) had completed the drafting of the Constitutional Amendment Bill (2017). Also that it had incorporated provisions of the Peace Agreement into the Transitional Constitution of the Republic of South Sudan (TCRSS) 2011, which was presented as the Draft Constitutional Amendment Bill (DCAB) 2017 to the Ministry of Justice and Constitutional Affairs (MoJCA) on April 13th 2017, and that the Minister had prepared a memo for presenting the draft Bill to the TGoNU Council of Ministers.
9. The Peace Agreement provides that the Draft Bill should be submitted to the Council of Ministers and Parliament within seven days of its receipt from the NCAC. However, four months later, it remains stuck with the Minister of Justice without explanation. The delayed completion of the Constitutional Amendment process inevitable impacts on other processes directly and indirectly, for example the initiation of the Permanent Constitution-making process.
10. The NCAC has made commendable progress in the review and amendment of key National Security related legislation as required by the Peace Agreement. The Committee held an interdisciplinary meeting of experts on defence, national security, police, and wildlife to map out the scope of amendments and reforms to the SPLA Act 2009, the National Security Act (2014), the Police Service Act (2009), the Prison Service Act (2011), and the Wildlife Service Act (2011). The NCAC also conducted consultations with different line ministries and stakeholders including women groups and civil society organisations.
11. To fast-track its work, the NCAC established two sub-committees –one on defence laws and another on policing laws. Both NCAC sub-committees have finished the first reading of the relevant security and policing laws under their dockets. The sub-committees await further suggestions for amendments from key stakeholders.
12. The NCAC is further required under Chapter I, Article 16 to review the Political Parties Act (PPA) 2012 and the National Elections Act 2012. The PPA is to be reviewed to comply with international best practices for free and democratic registration of political parties in South Sudan.
13. The Political Parties Council (PPC) and the National Election Commission (NEC) were required to be reconstituted within eight months into the Transitional Period. During the reporting period no significant progress had been made in this direction, both in terms of legislative amendment and institutional reforms.

14. The NCAC held preliminary consultations with both the PPC and the NEC. A governance experts' meeting is scheduled during August 2017 to assess the scope of the issues for consideration in the amendment process of both pieces of legislation.
15. Pending tasks include finalization of the amendments of the relevant security and governance related legislation for presentation to the TGoNU Council of Ministers, their ratification by the Transitional National Legislature (TNLA) and signing by the President. Also pending is the reconstitution of several transitional institutions and mechanisms, including the PPC and NEC, which are critical for paving a way for registration of political parties, and preparation and conduct of elections at the end of the Transitional Period. These are all tasks that will require a considerable amount of time and resources to be credible.

Chapter II - Permanent Ceasefire and Transitional Security Arrangements

16. In spite of the unilateral declaration of a ceasefire by H.E President Salva Kiir Mayardit, fighting between government and opposition forces continued in different parts of the country. There were reports of continuing and increasing incidents of targeted and retaliatory violence committed by uniformed forces as well as Other Armed Groups (OAGs). The main highways and commercial transit arteries remain highly dangerous due to the large number of robberies, ambushes and physical assaults including killings.

Ceasefire Violations

17. Verification of violations of the ceasefire remains complicated and sometimes ambiguous. The division of the SPLA-IO into two factions confuses the identification of forces in the field, and complicates the Ceasefire and Transitional Security Arrangements Monitoring Mechanism (CTSAMM) investigations due to the absence of SPLA-IO (Machar) liaison officers in the CTSAMM Monitoring and Verification Teams (MVTs). Without formal liaison between CTSAMM MVTs and OAGs field commanders, CTSAMM cannot verify incidents, investigate and accurately report on violations by SPLA-IO (Machar) and OAGs due to lack of access into their controlled areas. Consequently, more violations are reported in Government controlled areas, which are more accessible to MVTs, than in SPLA-IO (Machar) and areas controlled by OAGs.
18. The proliferation of OAGs and non-signatories to the Agreement, which do not fall under CTSAMM's verification and investigation operations mandate, also confuse the data especially when they engage, or are engaged by, the SPLA-IG. None of the violation reports issued by JMEC to both the SPLM and SPLM-IO authorities have been answered. There also has been no feedback on these reports from the parties or any documented subsequent or substantive actions taken by them.

Status of Transitional Security Arrangements Mechanisms

19. The work within the Transitional Security Arrangements mechanisms such as the Joint Military Ceasefire Commission (JMCC), the Joint Operations Centre (JOC), the Joint Integrated Police-Management Team (JIP-MT) and the Strategic Defence and Security

Review Board (SDSRB) continued, with varying results and impact to build operational capacity under and aligned with the Peace Agreement. Promised funding by the TGoNU in support of the Chapter II Mechanisms had not yet materialized, which delayed the implementation of its several critical components that would support greater adherence to the cease fire.

The Joint Military Ceasefire Commission

20. The JMCC met routinely, focusing their efforts on the cantonment of forces, National Architecture development and other security related concerns. The National Architecture, which includes the Area Joint Military Ceasefire Committees (AJMCCs), and the Joint Military Ceasefire Teams (JMCTs) were yet to be established due to a persistent lack of funding and resources. The main goal of the National Architecture will be to support cantonment operations and other security related verification duties for the TGoNU.
21. The JMCC was pressing forward with cantonment preparations at the Malobur site near Juba; however, several recent incidents of opposition troops accepting terms and assembling in other areas of South Sudan have preceded the JMCC planning. As a result, there are now opposition troops ready to report for cantonment and yet there are no sites fully established or supported with the resources necessary to fulfil this purpose.
22. The one initial site that has seen the most development is at Malobur. This is currently de-mined and levelled for development and construction of infrastructure. Kenya and China stated they would support the development of this site, but to date, none of that support has been realized.

The Joint Operations Centre

23. The Joint Operations Centre (JOC), which had been established prior to the July 2016 conflict remains non-operational. However, the compound and building upgrades were completed, all equipment required for the communications were installed and activated, and all personnel needed for staffing have been assigned. The final task needed is to complete the training of the selected staff, at which time the JOC will become operational sometime in August 2017.

The Joint Integrated Police

24. One thousand one hundred and forty seven Joint Integrated Police (JIP) (661 I/O and 486 I/G) were trained and graduated during this quarter. The background vetting of the JIP is still incomplete; however, the need to get them into service in support of the Peace Agreement is critical and thus the vetting was postponed. Deployment of the JIP was not commenced, and currently the final deployment plan is pending approval.

Ceasefire and Transitional Security Arrangements Monitoring Mechanism¹

25. CTSAMM continued to report significant restrictions on the freedom of movement of its MVTs in Central and Eastern Equatoria, Upper Nile and Western Bahr el Ghazal. Centrally and locally imposed restrictions severely limited their ability to rapidly move to reported incidents and provide accurate and timely accounts.
26. However, the reports CTSAMM have been able to provide JMEC incontrovertibly confirm the permanent ceasefire is being violated by both SPLM/A-IG and SPLM/A-IO. Also during the reporting period CTSAMM began the difficult task of compiling comprehensive reports on rape and gender based violence.
27. Analysis of reports provided to JMEC by CTSAMM during the quarter clearly indicated the security situation in Upper Nile, Unity, Eastern and Central Equatoria continued to deteriorate, with frequent clashes between SPLA-IG, SPLA- IO (Machar) and OAGs. The advance of SPLA –IG on Kodok an SPLA-IO (Machar) stronghold on 25/26 April 2017 caused the displacement of an estimated 20, 000 civilians towards the Sudan border. Clashes between SPLA-IG and SPLA-IO (Machar) in and around Yei in Central Equatoria resulted in the deaths of an unknown number of civilians and the flight of at least 6,000 over the border into Uganda. Numerous ambushes along the Nimule road continue to affect the supply of goods and materials into the country.

Strategic Defence and Security Review Board

28. The reconstituted Strategic Defence and Security Review (SDSR) Board met in June and July. The TGoNU pledged one million US dollars for supporting SDSR, JMCC and Cantonment but has not yet delivered on its promise. In the reporting period the SDSR Board and Secretariat continued their development work, which culminated in a two-day consultative workshop. This achieved its two principle aims of resolving the issue of funding for its mechanisms and agreeing the status of its work. Meanwhile work continues on a Draft Strategic Security Assessment and a Draft Defence Policy.
29. Once funding becomes available, the Board should provide a set of planning parameters regarding eligibility for service within the security forces and broad guidance for the Disarmament Demobilisation and Reintegration (DDR) Commission. The Board has agreed that it will complete the security policy framework documents, stage one, and present them for review and ratification to the relevant executive bodies by end-August 2017 and will complete stages two and three by end-December 2017.

The Regional Protection Force

30. The United Nations Mission in South Sudan (UNMISS) has made progress in the deployment of the main bodies of the Regional Protection Force (RPF) having obtained the necessary security clearances and tax and visa waivers. However, the bulk of

¹ Detailed CTSAMM Reports for the period are attached in Appendix 1.

Contingent Owned Equipment for the Rwanda and Ethiopia forces have not been shipped to date. On July 27th 2017 UNMISS and the TGoNU signed an MOU for land designated for the RPF next to UN House. With regards to the second site for the RPF the TGoNU has refused to allocate land closer to the airport as was requested by UNMISS.

Chapter III - Humanitarian Assistance and Reconstruction

31. The provisions in Article 1 of Chapter III on humanitarian access, protection of the rights of conflict-affected people, and administrative facilitation of delivery of humanitarian assistance remain not fully implemented. As described below people continue to flee the country, more people are food insecure as compared to the previous reporting period, and humanitarian access is inconsistent.
32. During the reporting period JMEC convened a joint humanitarian affairs discussion forum with the participation of TGoNU, humanitarian actors, and international partners. The forum discussed the challenges facing delivery of humanitarian assistance and explored options for enhancing the efforts.
33. The famine declared in February 2017 was eased largely due to the financial and operational support provided by the international community². By end-July 2017, the Humanitarian Response Plan, request for US \$1.6 billion, was 54 percent funded (US \$892 million) as compared to 27 percent (US \$520 million) by the end of the previous reporting period.³
34. Although famine has largely been averted, the humanitarian situation remains dire with 6 million people severely food insecure, 1.94 million displaced internally, and a further 1.94 million living as refugees, of whom around half in Uganda.⁴ Of the 6 million people that are severely food insecure a large proportion remains on the brink of famine.⁵ There are particular concerns about 10,000 living on isolated islands in the White Nile in Leer, most of whom lack access to humanitarian assistance.⁶
35. The worsening food insecurity is caused by numerous factors, including continued conflict leading to displacement, thus hindering engagement in livelihood activities, especially food production. The conflict has also disrupted markets and supply routes leading to increased prices of staple foods and further deepened the food insecurity. In addition, the deteriorating economic situation with continued depreciation of the South

² <http://reliefweb.int/report/south-sudan/south-sudan-humanitarian-response-eases-famine-food-insecurity-reaches>.

³ <http://reliefweb.int/report/south-sudan/south-sudan-humanitarian-bulletin-issue-12-28-july-2017>.

⁴ See footnote 3.

⁵ <http://reliefweb.int/report/south-sudan/south-sudan-humanitarian-bulletin-issue-11-15-july-2017>

⁶ http://www.fews.net/sites/default/files/documents/reports/SOUTH%20SUDAN%20Food%20Security%20Outlook_06302017.pdf.

Sudanese Pound and a stagnation of wage rates have reduced the purchasing power of most residents.⁷

36. Also compounding the dire humanitarian situation is an ongoing cholera outbreak, which since May 2017 has spread from 19 to 24 counties with almost 20,000 infected in all states except Western Equatoria. This outbreak is the deadliest since independence and has resulted in a reported 355 deaths. Vaccination campaigns however are gaining traction and there has been a decline in the number of reported cases during the month of July.⁸
37. As usual during the rainy season there has been an increase in the number of malaria cases reported. For all of 2017, almost one million cases have been reported with an estimated 2,000 deaths. The severity of malaria is made worse due to displacement and the general poor state of the public health service.⁹
38. This year, the people of South Sudan are experiencing a new threat, the fall armyworm a crop-eating caterpillar. Controlling the caterpillar will be near impossible for most farmers, and it is likely to spread throughout the country reducing the prospects of agricultural recovery.¹⁰
39. Alleviation of the dire humanitarian situation is complicated by access constraints in the form of (i) restriction of movement; (ii) violence against personnel; (iii) destruction and theft of assets; (iv) active hostilities; (v) operational interference; and (vi) bureaucratic/administrative impediments. In May OCHA received 89 reports of humanitarian access incidents, rising to 100 cases in June, and to 136 cases reported in July. In July more than a third of the reported incidents included violence against humanitarian staff and assets, and a total of 670 metric tons of food was looted.¹¹
40. The man-made restrictions on humanitarian access are further compounded by the poor condition of most roads, some of which are impassable during the on-going rainy season.¹² The shortage of fuel also continues to hinder delivery of humanitarian assistance.
41. The conflict-affected population of South Sudan continues to endure gross human rights violations. Sexual and gender-based violence has been a consistent and pervasive feature

⁷ See footnote 6.

⁸ See footnote 3 and <http://reliefweb.int/report/south-sudan/south-sudan-health-cluster-bulletin-7-31-july-2017>.

⁹ See footnote 5.

¹⁰ See footnote 3.

¹¹ <http://reliefweb.int/report/south-sudan/south-sudan-humanitarian-access-snapshot-july-2017>, <http://reliefweb.int/report/south-sudan/south-sudan-humanitarian-access-snapshot-june-2017>, and <http://reliefweb.int/report/south-sudan/south-sudan-humanitarian-access-snapshot-may-2017>.

¹² <http://reliefweb.int/map/south-sudan/south-sudan-physical-access-constraints-map-28-july-2017>

of the conflict with indiscriminate killings, rape, sexual violence, and destruction of property.¹³

42. Article 2 of chapter III concerns the establishment of a Special Reconstruction Fund. No progress has been made on this. However, the Ministry of Humanitarian Affairs and Disaster Management (MHADM) is in the process of developing a five-year Strategic Plan and the TGoNU is working on a National Development Strategy, both of which are commendable. It is important to ensure that these plans/strategies are aligned with the Peace Agreement.

Chapter IV - Resource, Economic and Financial Management

43. The TGoNU has made some progress in reducing the high level of economic instability experienced during 2016. After its rapid depreciation by over 500 percent during 2016 the exchange rate of the South Sudanese Pound vis-à-vis the US dollar has moderated with an average monthly decline over the reporting period by $\frac{3}{4}$ of a percent. Similarly, inflation levels which skyrocketed to over 500 percent during 2016 declined appreciably and at end-July 2017 annual inflation stood at 156 percent.
44. During the first six months of 2017 the authorities initiated a marked reduction in their high levels of borrowing from the Central Bank, which had contributed to the disruptions in both inflation and the exchange rate during 2016. This action which they have indicated will be continued is the main reason for the resulting favorable outturn.
45. Over the past few months government revenue has evolved more favourably than was anticipated in the budget as oil prices strengthened. However, limited scope for quickly increasing oil production as well as low levels of non-oil revenue continue to seriously hinder budget operations. Going forward the TGoNU is seeking to increase revenue performance by establishing a fully functional National Revenue Authority (NRA).
46. TGoNU has closed government bank accounts in commercial banks, and imposed limits on medical and travel claims; all in an effort to improve budget operations. To further streamline spending and increase budget efficiency the authorities have committed to pay down arrears owed to public sector workers, suppliers of goods and services, and the Sudan government. It also plans to strengthen expenditure management procedures, limit future borrowing, and prioritize payment of salaries, transfers to the States, and debt service obligations.
47. TGoNU in its 2017/18 budget has proposed the removal of the fuel price subsidy, which in 2016/17 rose as high as 85 percent of fuel cost. This translated to government having paid to oil suppliers the equivalence of six months of salaries and transfers to the States. Such high levels of payments to suppliers have placed a serious burden on government's

¹³ See footnote 3.

budget execution, which contributed to three months of salary arrears to public servants and mounting arrears to suppliers of goods and services.

Economic Outlook

48. An urgent resolution to the conflict in South Sudan is necessary in order to strengthen and consolidate economic stability while beginning the huge task of creating conditions for broader economic growth and development. This will necessarily include increasing agricultural production, improving oil and other revenue sources, encouraging growth in the rest of the private sector and developing the services sector. The unwinding of the oil price subsidy will have an immediate and profound impact on government operations freeing up valuable resources to be used to meet its more pressing commitments.
49. Ongoing efforts by TGoNU to improve and streamline expenditure management, eliminate the fuel subsidy, consolidate and reduce domestic arrears, establish the NRA, enact appropriate legislation, and limit borrowing from the Central Bank can have the impact of further improving economic stability and setting the stage for future growth. Together with the unveiling of the National Development Strategy and efforts to increase oil production it will be better placed to secure future gains once the conflict ends.
50. Consequently, implementation of Chapter IV of the Peace Agreement will strengthen the economic policy framework, and make it easier to achieve the policy goals. JMEC is presently reviewing implementation in cooperation with the government, and identifying impediments to implementation.

Chapter V - Transitional Justice, Accountability, Reconciliation and Healing

Commission on Truth, Reconciliation and Healing

51. The TGoNU, with the support of UNDP and UNMISS has, over the reporting period, advanced the work of the multi-stakeholder technical committee established in December 2016, for the consultative process on the formation of the Commission for Truth, Reconciliation and Healing (CTRH). This committee has commenced outreach to raise awareness among key stakeholders in the country on the consultations to be conducted on the mandate, structure and process of the CTRH as envisaged in the Peace Agreement.
52. In mid-June 2017, the committee visited Bor, Torit, Yambio, Rumbek, Wau and Malakal and reported successful forums in a majority of the locations. However, the prevailing insecurity in parts of the country poses significant challenges to the work of the committee and the proposed CTRH process. The absence of an enabling environment to conduct a truth telling and reconciliation process was highlighted consistently by participants at the sensitization forums at the six locations visited.

The Hybrid Court for South Sudan (HCSS)

53. In July 2017, the Africa Union Commission Office of the Legal Counsel (OLC) held consultations with the TGoNU on the draft enabling framework for establishment of the

Hybrid Court. The consultations focused on the technical aspects of the formation of the Hybrid Court and agreed on a draft roadmap for the court's establishment.

The Compensation and Reparation Authority (CRA)

54. The Compensation and Reparations Authority has not been established.

Chapter VI - Parameters of Permanent Constitution

55. The Peace Agreement provides for the making of a new Permanent Constitution during the Transitional Period under which an election should be held at the end of the Transition Period. No progress has yet been made in this direction, and significant time has elapsed. There is need to finalize the Constitutional Amendment Bill to embark on the Permanent Constitution-making Process.
56. Under Chapter VI of the Peace Agreement, the TGoNU was required to initiate and oversee a permanent Constitution-making Process within the first six (6) months. The process was expected to be completed within eighteen (18) months into the Transitional Period. The Permanent Constitution-making Process has not yet started, and a credible Constitutional making process will require considerable time.
57. Key pending tasks required for a Permanent Constitution-making Process includes the review of the National Constitutional Review Commission (NCRC), drafting and enactment of legislation to guide the Constitution-making Process; consultation with all key stakeholders (political parties, CSOs, women, Faith based groups) and reconstituting the NCRC.
58. The NCRC is then required to hold countrywide consultations with the people and conduct civic education; preparation and dissemination of a draft Constitutional Text; presentation of that draft by the NCRC to the Executive accompanied by a report; convening of the National Constitutional Conference (NCC); and transformation of the TNLA into a Constituent Assembly to adopt the new Permanent Constitution. None of these activities have been implemented. The making of a permanent constitution remains a critical process for the democratization and sustainability of peace in the Republic of South Sudan.

Chapter VII - Joint Monitoring and Evaluation Commission

59. The Chairperson of the JMEC continued his engagement with the TGoNU, particularly with H.E. Salva Kiir Mayardit, President of the Republic of South Sudan and H.E. General Taban Deng Gai, the First Vice President. There was also engagement in further diplomatic missions with the leadership of the United Nations, the African Union Commission (AUC), IGAD, and the various dedicated Special Envoys, all with the intention of finding a path out of the current crisis.

60. During his diplomatic engagements with the leaders of the region, the AUC, IGAD, UN, Troika, EU and international partners and friends of South Sudan, he continued to share the ‘One Voice’ strategy on South Sudan and appealed for the need to speak with one voice and encourage a political solution to the conflict in the country. JMEC’s concerns over the significant and unacceptable continuation of hostilities and violence across the country that has resulted in a fast expanding humanitarian catastrophe, was also reiterated.
61. Through June and July, the One Voice message was followed by the call for a revitalisation of the Peace Agreement. Consequently, the 31st Extra-Ordinary Summit of the IGAD Assembly of Heads of State and Government, decided to: “urgently convene a High Level Revitalisation Forum (HLRF) of the Parties to the Peace Agreement, including estranged groups, to discuss concrete measures to: restore the permanent ceasefire; return to full and inclusive implementation of the Peace Agreement; and to develop a revised and realistic timeline and implementation schedule towards democratic elections at the end of the transition period.” It also mandated its Council of Ministers to urgently convene and facilitate the Forum in collaboration with the relevant stakeholders.
62. On July 2nd, 2017 the IGAD Council of Ministers met in Addis Ababa to discuss and agree the terms of reference and roadmap for the convening of the HLRF. Subsequently, on July 24th 2017 the first IGAD Council of Ministers meeting to be held in Juba empowered the IGAD Special Envoy for South Sudan in close collaboration with the Chairperson of JMEC to coordinate the revitalisation process involving all stakeholders and institutions charged with the responsibility of the implementation of the Peace Agreement.
63. This is a major step forward in resolving the core issues facing South Sudan right now. The Forum will provide a platform to identify and remove impediments to the comprehensive implementation of the Peace Agreement. The Forum has the full support of the international community and we thank IGAD for their commitment to JMEC and the peace process.

III. Observations and Recommendations

64. For the Revitalisation process to succeed and for effective implementation of the Peace Agreement to be achieved, there is need for demonstrable political will by the Parties and estranged groups to be inclusive and to accommodate one another politically, rather than attempt to defeat each other militarily.
65. It is important that the International Community speaks with ‘One Voice’ to the leaders of South Sudan and align their actions. There should be clear consequences for intransigent groups, spoilers and violations. The Parties must commit to adhere to any revised timelines and implementation schedules and there is need to determine and secure adequate funding for implementation of the revitalised Peace Agreement.

66. Various institutional reforms envisioned in the Peace Agreement have not yet been implemented. The relevant pieces of legislation to facilitate these reforms are still pending. The holding of credible national elections as provided for in the Peace Agreement towards the end of the Transitional Period will require a reconstituted NEC under a Permanent Constitution of the Republic of South Sudan. The existing Elections Act and Political Parties Act will need to be amended to conform to the Peace Agreement ahead of the elections.
67. In that regard, the NCAC is undertaking a review of the relevant legislation. The NEC is yet to be reconstituted. However, its reconstitution can only be done under a new Permanent Constitution. It is therefore critical that the TGoNU expedites the relevant legislative processes and puts in place all the necessary conditions before national elections are conducted.
68. The inordinate delay in establishing the Transitional Justice Mechanisms proposed in Chapter 5 is regrettable. JMEC urges TGoNU and the AUC to expedite the establishment of the CTRH, the CRA and the Hybrid Court respectively. In the meantime, TGoNU should implement measures to protect witnesses and victims during the preparatory phases of the establishment of these mechanisms in order to build the confidence of victims and witnesses in engaging with the processes. TGoNU should create an environment conducive to truth telling, reconciliation and healing.
69. Further delay in establishing the Transitional Justice Mechanisms proposed in Chapter 5 dashes the hopes of victims and communities, and emboldens perpetrators and promotes impunity.

IV. Conclusion

70. August 2017 marked the two-year anniversary of the signing of the Agreement on the Resolution of the Conflict in the Republic of South Sudan. At the time it was hoped that the signing would end a tragic internal conflict that had threatened to tear Africa's youngest nation apart, and usher in a new period of hope for its people. Importantly it was envisaged that the signing would resolve disagreements amongst the Parties over substantive issues, which appeared to divide them.
71. Regrettably this hoped for peace has not materialised and today it appears that the country is as far away from achieving this peace as it was two years ago. JMEC has remained profoundly shocked by the rampant hostilities across the country and the rapid deterioration of the political, security, humanitarian and economic situation in South Sudan.
72. It is our hope that the IGAD led HLPF will once again restore and revitalise the prominence of the Peace Agreement. The country can ill afford to continue on the current path. It will take the combined will of the Parties and all stakeholders with the support of the international community to restore peace and stability in the Republic of South Sudan.