

UGANDA

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The EAC Regional Integration and Prospects for Peace Building in South Sudan

Background

On March 2, 2016, South Sudan became East African Community regional economic bloc's newest entrant, a struggle the world's youngest nation initiated since her independence in 2011. A statement released by the 17th Ordinary session of the EAC Heads of State Summit in Arusha, Tanzania, stated; "South Sudan is a new member of the EAC". From economic perspective, South Sudan's entry will undoubtedly increase export and import trade especially for Uganda and Kenya where annual trade exports to South Sudan are currently valued at \$200M and \$180M respectively. The biggest political puzzle however still remains whether the EAC integration will offer a new opportunity for ushering in peace and stability in a country which has been wrecked by decades of war and civil strife. This puzzle is further compounded by the fact that South Sudan still suffers from acute constraints - physical, infrastructural, institutional and in human resource terms - stemming in no small measure from its status as a landlocked, low-income, economy with a long history of armed conflict¹. Most proponents for South Sudan's joining the EAC integration argue that this admission offers a ray of hope to peace building in South Sudan. For instance, Edmund Yakani, a South Sudanese political activist agrees that this is a golden opportunity and it is "timely for

the effective implementation of the peace agreement"².

South Sudan's Journey to the EAC Integration

For close to a decade, South Sudan made several attempts to join the EAC - a regional bloc comprising of five East African countries with a combined population of about 160M people. The first attempt was made when the country applied to join the EAC on the 10th June 2011, just a few weeks before acquiring her independence on the 9th July. The economic rationale was that South Sudan's eventual integration into the EAC will benefit not only South Sudan, but also other members of the community³. A Verification Committee from EAC visited the Republic of South Sudan in July 2012, with the aim of establishing the country's level of conformity with the criteria for admission of foreign countries into the regional bloc as provided under Article 3 of the treaty establishing the EAC.

Based on the recommendations of the report by the committee, the EAC heads of State summit in Nov 2012 directed the council of Ministers to negotiate the admission of South Sudan putting into consideration the provision of the EAC Treaty on the criteria for joining the community. A committee was charged with visiting

² Sudan Tribune 2016, South Sudan become the EAC's Sixth Member State
<http://www.sudantribune.com/spip.php?article58197>

³ Mkinga, M. 2012. *Citizen Reporter Tanzania*, at <http://www.thecitizen.co.tz/sunday-citizen/-/22317-south-sudan-eyes-eac-membership>, May 13, 2012

¹ Pierre S (2012). South Sudan's EAC Accession: Framing the Issues. IGC Policy Brief 52001

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South Sudan and establishing whether South Sudan meets the criterion and conditions for membership according to Article 3 (3) of the EAC Treaty, which sets the conditions for membership. Such conditions include "(a) acceptance of the Community as set out in the Treaty; (b) adherence to universally acceptable principles of good governance, democracy, the rule of law, observance of human rights and social justice; (c) potential contribution to the strengthening of integration within the East African region; (d) geographical proximity and interdependence between it and the Partner States; (e) establishment and maintenance of a market driven economy; and (f) social and economic policies being compatible with those of the Community"⁴.

In 2012, a Brookings study by Anne Kamau argued that South Sudan was in a good position to have its application for membership in the EAC approved for two reasons: First, South Sudan has the potential to contribute significantly to the strengthening of integration within the East African region. South Sudan is a neighbor to most of the EAC states and its government has indicated in its development plans that it is interested in establishing and maintaining a market-driven economy. In addition, the government is continuing its efforts to establish a governance system based on the rule of law and respect for human rights and social justice. Second, South Sudan shares historical and cultural links with virtually all EAC members⁵. Time will tell if these candid justifications will yield ripe fruits with South Sudan now a member of EAC regional bloc.

⁴ EAC Heads of State Meeting 2012. *Communiqué of the 10th Extraordinary Summit of EAC Heads of State Held on the April 28, 2012 at Ngurdoto Mountain Lodge, Arusha, Tanzania: Towards a Single Customs Territory, Arusha, Tanzania, 2012.*

⁵ Kamau, A.W (2012). South Sudan's Quest for Regional Integration. The Brookings Institution, Africa Growth Initiative

In March 2014, a High level Committee to oversee South Sudan's accession to EAC was appointed by Salva Kiir and in Nov of the same year, [negotiations were initiated](#) to finalize the country's entry into the regional bloc. In October, 2015 the final report of the technical negotiations was presented to the ministerial negotiation team, which upon review of the report, observed that South Sudan meets the threshold for admission to the EAC⁶. On March 2, 2016, South Sudan became East African Community regional economic bloc's newest entrant.

In other related quests, the country also recently established a mechanism for ratification and accession to international treaties, having already acceded to the UN and AU Charters, and has been admitted to several regional and international organizations like IGAD and Nile Basin Initiative and more recently in 2015 when it became African Development Bank's latest entrant.

Considering the latest progress of South Sudan's entry into the EAC, a fundamental question that ensues is whether the EAC accession will enable the country to overcome the challenges of insecurity which has bedeviled the country for decades – with the most recent conflict sparked-off in Dec 2013 by armed forces loyal to South Sudan's politician Salva Kiir and Riek Machar.

The current situation in South Sudan

After several failed attempts for the SPLM-IO to return home, on the 26th April 2016, Dr. Riek Machar took a bold step to come back to Juba as one of the preconditions for the peace deal. He took oath as first vice president shortly after his arrival marking the beginning of the formation of the Transitional Government of National Unity (TGoNU). This was pre-

⁶ Charles Data Alemi, Jaime de Melo and Astrid R.N. Haas (2016). Recommendation for South Sudan to join the East African Community. Policy note

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ceded by each of the parties nominating cabinet ministers for appointment by the president. SPLM-IG took the majority positions, followed by SPLM-IO, former political detainees and the Democratic Change (DC) party. Salva Kiir had the highest nominees (16 cabinet ministers and 4 deputies, followed by SPLM-IO with 10 cabinet positions and 2 deputies. The former detainees and Democratic Change party each has 2 full cabinet ministers and 1 deputy each. The size of the cabinet is reasonable and representative. In effect, Riek has majority opposition. If well implemented and followed, there is a chance that this combination of opposition and ruling government will create useful checks and balances that are necessary to foster the development of institutions necessary for growth of the world's newest nation. The Government of National Transition is still under formation and real business is expected to kick off sometime in June.

Understanding the Political Economy of South Sudan's EAC Accession

It is undoubted that South Sudan's entry as a member of the EAC provides the country with numerous opportunities to increase her market size; reduce on the transaction costs and increase economic efficiency. But what are some of the fundamental political economy questions that underpin South Sudan's entry to the EAC regional economic bloc? Article 6 (d) of the EAC Treaty clearly states the principles of the community as: "good governance including adherence to the principles of democracy, the rule of law, accountability, transparency, social justice, equal opportunities, gender equality, as well as the recognition, promotion and protection of human and peoples' rights in accordance with the provisions of the African Charter on Human and Peoples' Rights." Why then should South Sudan, a country arguably devoid of most, if not all of these principles be accepted into the community? This can be contextualized within a broader political-economy framework analyzed below;

i. "Fire in the theatre"

Most EAC member states can broadly be described as semi and/or un-democratic. With exceptions of Kenya and Tanzania where there is some modicum of peaceful transition of political power, Burundi, Uganda and Rwanda still leaves a lot to be desired. In Burundi, for instance, Presidential Pierre Nkurinziza's bid for another unconstitutional third term was met with street protests and demonstrations which later culminated into a political and security crisis when armed government forces joined leaving hundreds of people dead and thousands displaced.

The recently concluded elections in Uganda which has just given President Museveni another five years to extend his thirty years grip on power also leaves the principles of democracy within the EAC to be questioned. The report by both the EU and AU Electoral Observation Missions pointed to the fact that the electoral processes were largely characterized by rampant malpractices like limiting access to information through the social media lockdown, deliberate late deliveries of voting materials and the subsequent house arrest of a leading political opposition candidate in Uganda.

In Rwanda, the Dec 2015 referendum gave President Kagame another chance to continue advancing his reign amidst numerous accusations of human rights abuses like trampling on the freedom of free speech and press. It can further be argued that even in Kenya and Tanzania which have been heralded as the beacon of democracy in the region, all isn't rosy. A [recent survey](#) by PwC, for instance, placed Kenya as the third most corrupt country in the world. In Tanzania, the CCM party has led the country since independence⁷ thereby limiting the space for political pluralism.

From this background, preventing South Sudan from becoming an EAC member

⁷ TANU – the party that ushered independence in Tanzania and Afro Shirazi Party (ASP) merged to form CCM in 1977.

Konrad-Adenauer-Stiftung e.V. state on the basis of her inability to meet some of the key principles stipulated in the protocol holds less/no credibility since most member states are suffering from the same dysfunctions.

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ii. **Informal EAC membership status**

Viewed within a security, social and economic lens, it can be argued that South Sudan had in fact been an informal EAC member state for several decades. Economically, trade between South Sudan and other regional member states especially Uganda and Kenya has grown rapidly, albeit unevenly over the past decades. However, significant volumes of transactions were informal and in several instances crossed the borders unrecorded owing to the lack of systems in the new nation resulting from the unending civil strife. Similarly, the trade was also highly asymmetric with the volume of exports from each of the two trading partners to South Sudan being disproportionately larger than the volume of exports from South Sudan to these countries⁸. To show the magnitude of the economic relationship between South Sudan and some of the member states, Uganda and Kenya's annual trade exports to South Sudan were valued at about \$250M and \$200M respectively in 2015. South Sudan refers to Uganda as a 'lifeline trade route and home', and Uganda refers to South Sudan as the 'best export destination on the world market'⁹.

iii. **Creating synergies to overcome Infrastructural bottlenecks**

Being a landlocked country, South Sudan faces severe infrastructural challenges, one of them extremely poor road networks with [facts](#) showing that it has the world's most unpaved road network. This in effect poses significant transport challenges like breakdowns and high

⁸ South Sudan: A Study On Competitiveness And Cross Border Trade With Neighboring Countries.

⁹ Ibid

transport cost to the EAC community member states whose major export destination is South Sudan. In fact, the largest portion of the increase in price is [attributed](#) to transport costs as well as other stamps and duties along the way¹⁰. Poor transport system also increases the cost of transporting South Sudan's oil through Sudan's pipeline and Port Sudan, which has presently rendered oil unprofitable for South Sudan¹¹.

As part of the East African Community, South Sudan will be able to benefit from ongoing and future regional infrastructure projects. These include the [port](#) that is being constructed in Lamu, Kenya, and the [EASSy cable](#), a 10,000km submarine fibre-optic cable along the coast of eastern and southern Africa¹². As infrastructure development is an expensive undertaking, regional collaboration will be vital for improving South Sudan's connectivity. Improved connectivity will, in turn, lower transport costs and thus the price of consumer goods in the country. At the same time, it will also improve access and competitiveness in regional markets for South Sudanese exports¹³.

EAC and the Prospects for Peace in South Sudan

In South Sudan, the process of peace building – let alone state building – is still struggling to get underway. The country's chances of establishing a state that lives up to the EAC's grand principles is a distant dream¹⁴. There are still concerns among the member states that the con-

¹⁰ <http://theconversation.com/what-south-sudan-will-gain-from-joining-the-east-african-community-55592>

¹¹ Charles Data Alemi, Jaime de Melo and Astrid R.N. Haas (2016). Recommendation for South Sudan to join the East African Community, Policy note.

¹² <http://theconversation.com/what-south-sudan-will-gain-from-joining-the-east-african-community-55592>

¹³ *ibid*

¹⁴ Jared Jeffery (2016). South Sudan joins East African Community club. NKC African Economics

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flict in South Sudan might jeopardize the benefits that would accrue from her entry into the EAC. Phyllis Kandie, the chair of the EAC Council of Ministers, for instance, noted that; "Stable countries make strong regional entities. It is therefore in the best interest of the East African Community that South Sudan remains stable. The civil war in the country could undermine social cohesion, political stability and economic prosperity in the region,"¹⁵

Considering the fact that the current political quagmire in South Sudan is largely due to the failure to strike a political settlement between President Salva Kiir and the former Vice-President Riek Machar, the solution still lies in politics. This political solution should go a long way in strengthening state institutions that would guarantee transitional arrangements and the subsequent peace and stability that the country so much desires.

Perhaps we need to ask if the EAC would have any added value in expediting the return to normalcy of the world's newest nation. In the build up to the signing of the peace deal in 2015, IGAD failed to realize the peace deal as [anticipated](#). This brought to question the issue of neutrality in the face of death of hundreds of innocent civilians and the subsequent displacement of thousands. Many crucial questions still remain a subject for further exploration?: will joining the community (EAC) compel South Sudan's leaders to bury their hatchet and thus provide for more dialoguing and less of violent expression of dissent? This in the long run will create a modicum of peace which is bedrock for establishing the cherished institutions that will be pivotal in facilitating the establishment of a democratic system

of governance in South Sudan. With the final return of Riek Machar to Juba and subsequent swearing in as first vice president in the interim government, there is a glimpse of hope that South Sudan will soon return to dialoguing and thus peaceful resolution to their conflicts. For as long as the government and opposition do not reach a consensus, it will be difficult for South Sudan to fully participate in the EAC and enjoy the benefits thereof because they will need much more time to resolve their internal issues which in effect have implications on the rest of the member states especially Uganda and Kenya.

For the EAC, individual member states will continue to reap from the economic benefits accruing from trade with individuals who wield power in South Sudan at the expense of the country's would-be revenue collections. This will not be new, however the volumes are likely to increase. Politically, given that South Sudan still has a myriad of political challenges; it will likely increase the burden of administration on the already fragile community. This is likely to be the case where South Sudan has not much say or veto power on anything and thus will not have much added value to the East African Community (EAC).

Therefore, the question as to why the EAC admitted South Sudan at such a time when it barely meets a quarter of the minimum requirements besides the geographical proximity leaves much to desire. As to whether it will help expedite the realization of peace and development in South Sudan, time will witness

¹⁵ See more at: <http://www.un.org/africarenewal/magazine/august-2014/peace-south-sudan-critical-regional-stability#sthash.St58eMcP.dpuf>.