



**Introduction to Investment Opportunities by  
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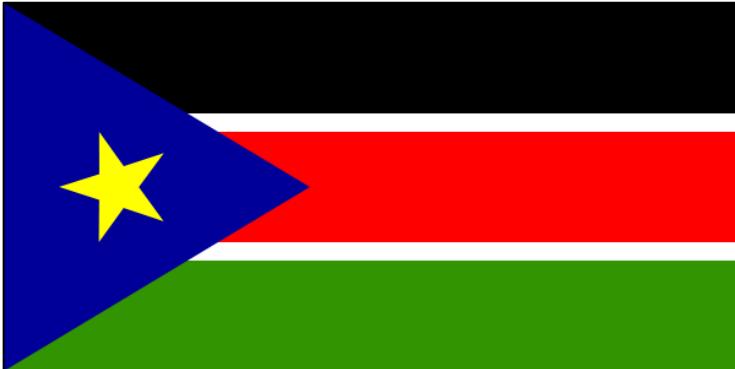


## Presentation Overview

- South Sudan – The World's Newest Investment Destination
- South Sudan - Open for Business:
  - Peaceful and secure
  - A conducive investment climate
  - Rapidly improving infrastructure
  - A booming economy
- Overview of investment opportunities:
  - Agriculture, Fisheries and Forestry
  - Resources
  - Infrastructure
  - Manufacturing and Services
  - Tourism
- Conclusion and Next Steps



After a largely peaceful transition, South Sudan officially became the world's newest nation on July 9, 2011



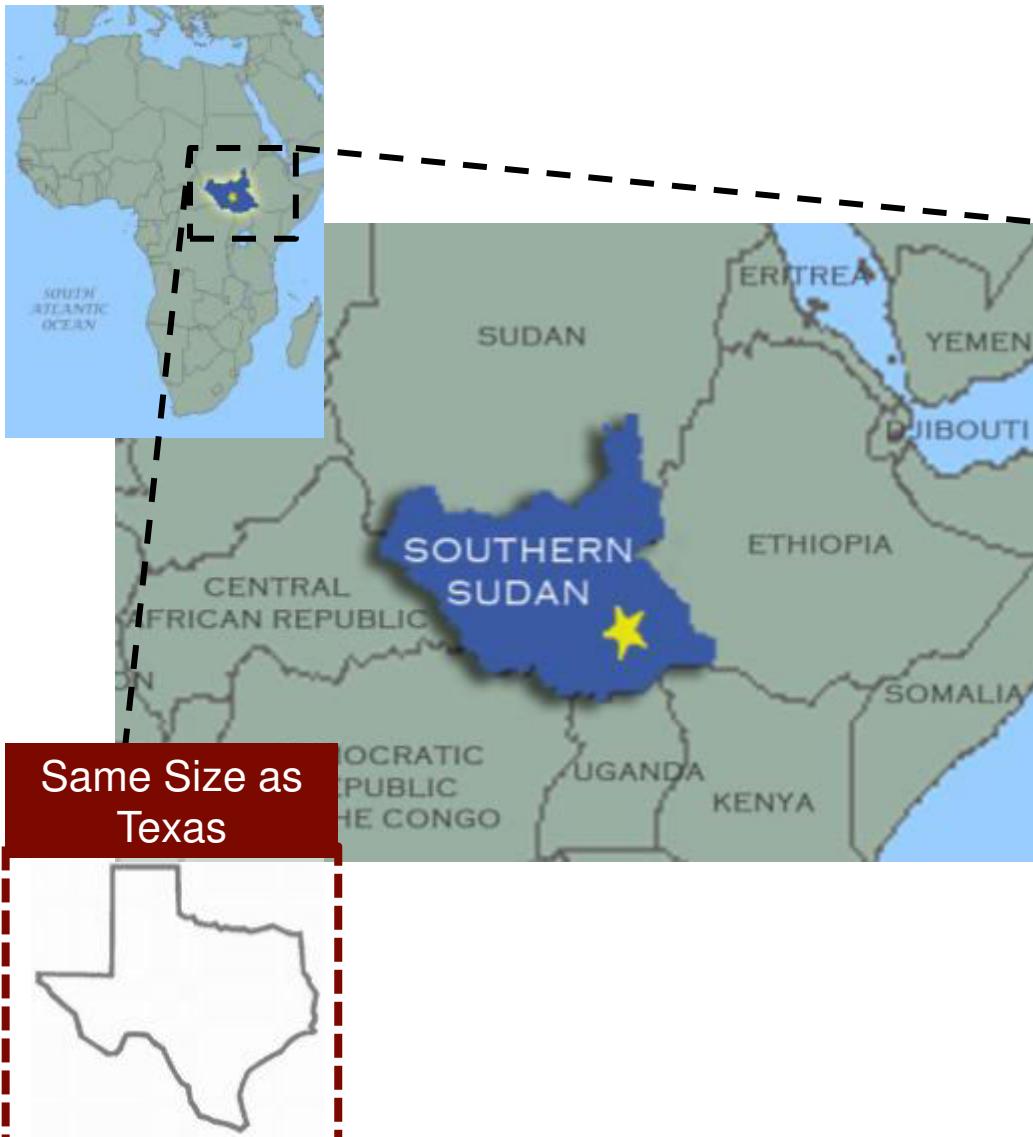
Dr. John Garang De Mabior mausoleum in Juba

- After a 30 year struggle for independence, a **Comprehensive Peace Agreement** (CPA) with the North was signed in 2005
- Since then, the autonomous Government of Southern Sudan has led a largely peaceful transition to independence, culminating in:
  - **Multiparty parliamentary and presidential elections** in 2010 – widely acclaimed for fairness and transparency by independent international observers
  - **Independence referendum** in January 2011 – with 98% vote in favour
  - **Formal Independence** on July 9, 2011

After years of conflict, the largely peaceful and open transition lays the foundation for growth and is a sign of hope for the world that seemingly intractable conflicts can be resolved



# The new nation is vast and lies at the centre of a fast-growing market of more than 250 million people

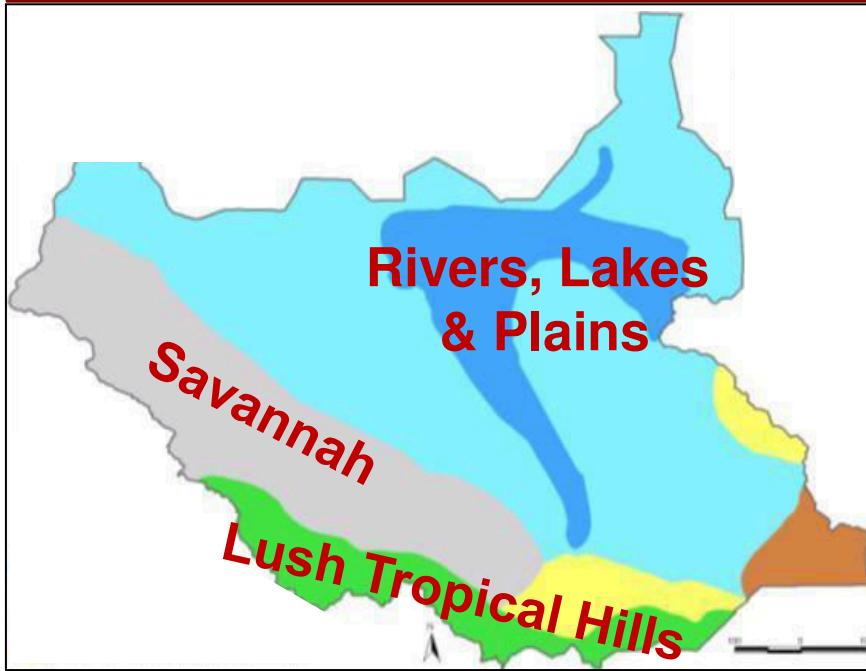


- A vast country of **644,000 sq.km** – roughly the same size as France or Texas, but with only 12 million people
- At the **heart of Africa** – the world's second fastest growing region, after East Asia
- **Surrounded by 6 of the largest and strongest economies in Africa** – Kenya, Uganda, Ethiopia, Sudan, the Democratic Republic of Congo and the Central African Republic:
  - Combined **population of 268 million**
  - Combined **economic output of \$300 billion** (GNI 2010, PPP basis)
  - Combined average **economic growth of 7%** (2006-2010)

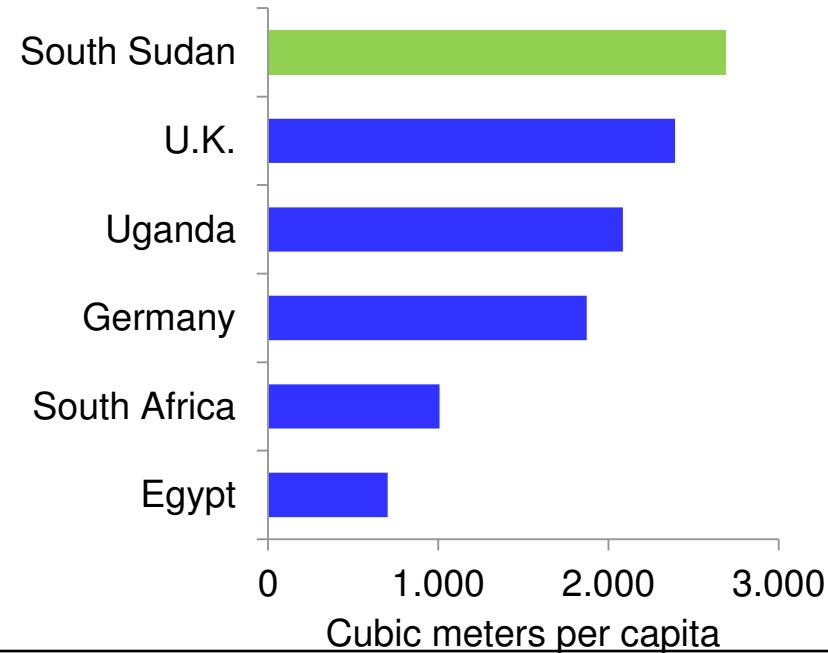


The country is blessed with a range of agro-climates, abundant supplies of water, and vast untapped mineral resources

### Major Agro-Ecological Zones



### Total renewable water resources



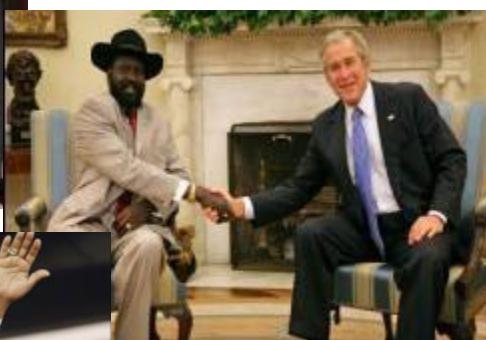
### Mineral Resources

- Estimated oil reserves of over 4 billion barrels – 3<sup>rd</sup> largest in Sub-Saharan Africa
- Known deposits of numerous other minerals – all largely untapped: Gold, Copper, Iron, Manganese, Uranium, Zinc, Marble/Dolomite, Gemstones, etc.



# With the support of the international community, the Government has established a high degree of peace and stability

## Commitment to Peace and Stability



- Comprehensive Peace Agreement implemented and respected
- Multiparty democracy with wide range of interests represented in government
- Free and fair elections
- Unity – 98% vote for independence
- Results of referendum accepted by North
- Strong mutual ties with North – through oil, trade and transportation links
- Close relations with other neighbours who hosted diaspora, particularly Kenya, Uganda and Ethiopia
- More than 300,000 returnees, signalling their faith in the future of the country



# Despite limited resources, the Government has already put in place a strong legal and institutional framework to support the private sector

## Institutional Framework

- Launched new Ministry of Commerce, Industry & Investment
- Established dedicated investment promotion agency with Ministry
- Re-opened Business Registry in Juba now moving to three other capitals (Wau, Malakal and Bentiu)
- Revamping Court system and alternative dispute resolution system
- Re-energized Chamber of Commerce, Industry and Agriculture
- Established South Sudan Business Forum as forum for public-private dialogue
- Good governance and anticorruption principles

## Laws Enacted

- Investment Promotion Act
- Land Act
- Taxation Act
- Anti-Corruption Act
- Registration of Business Names Act
- Partnership Act
- Limited Partnership Act
- Contract Act
- Personal Income Tax Act
- New Transitional Constitution
- Co-operative Societies Act

Sources:

See <http://www.goss.org/> and <http://www.investingsouthsudan.com/index.php/en> for latest information on institutional and legal framework for investors



# Other private sector related policies and bills completed or under processing to support the private sector

Policies	Bills
<ul style="list-style-type: none"><li>■ Microfinance Policy</li><li>■ Water Policy</li><li>■ Energy policy</li><li>■ Investment policy</li><li>■ Communications Policy</li><li>■ South Sudan Growth Strategy</li><li>■ South Sudan Development Plan</li><li>■ Good governance and anticorruption Policies</li></ul>	<ul style="list-style-type: none"><li>■ Companies Bill</li><li>■ Insolvency Bill</li><li>■ Communications Bill</li><li>■ Insurance Bill</li><li>■ Electricity Bill</li><li>■ Import and Export Bill</li><li>■ Public Finance and Management Bill</li><li>■ Procurement Bill</li><li>■ Consumer Protection Bill</li><li>■ Import and Export Bill</li><li>■ Customs Bill, Standards Bill, Weights and Measures Bill</li><li>■ Audit Bill</li><li>■ Labour Bills</li><li>■ Competition Bill</li></ul>

Sources:

See <http://www.doss.org/> and <http://www.investingsouthsudan.com/index.php/en>



The government is planning to negotiate membership in a number of regional and international trade blocs, to ensure access to key markets

### Common Market for Eastern and Southern Africa

- Free trade area between 19 member states extending from Libya to Swaziland



### East African Community

- Free Trade access for members for the community
- Common tariffs on imports from third countries



### African Growth & Opportunities Act

- Under AGOA South Sudan will be permitted to export eligible products to the US duty free



### EU “Everything But Arms”

- Duty Free & Quota Free Access to products into the EU for the 49 LDCs





# The Land & Investment Promotion Acts make clear provisions to enable investors to acquire access to land, while protecting local communities

## Access to Land – key provisions

- Land Act provides for 3 types of land: public land, community land & private land
- **Private Land:** Non-citizens may acquire leaseholds up to 99 years
- **Public Land:** Investors may be allocated publicly-owned land by the National or State Governments, subject to the following conditions:
  - Investor must obtain investment certificate from Ministry of Investment and provide appropriate financial and environmental guarantees
  - Activity should contribute economically and socially to development of community; community must be consulted, and all affected parties must be compensated
  - Leases up to 30 years for agriculture investments, renewable by mutual consent
  - Leases up to 60 years for forestry investments, renewable by mutual consent
  - Leases for mines and quarries for the life of the mine or quarry
- **Community Land:** traditional authority in a community may allocate customary land rights for residential, agricultural, forestry and grazing purposes, but land must be registered, community must be consulted, and in case of land beyond 250 feddans (c. 100 hectares), the State office must be involved



# The country already performs better than many in the ease of doing business, and a One Stop Shop has been created to facilitate investment

## Ease of Doing Business

- According to the latest World Bank report:
  - It costs less to open a business in South Sudan than it does in South Africa – and significantly less than the sub-Saharan average
  - South Sudan ranked higher than Kenya, Nigeria, South Africa and the UAE on the ease of enforcing contracts
  - The country also ranked higher than Kenya and Uganda on the ease of registering property

## One Stop Shop

- A “One Stop Shop” (OSS) has been created in the Ministry of Commerce, Industry and Investment to help investors through the business registration and licensing process
- The OSS brings together officers from key agencies (Labour, Finance, Immigration, Justice and Commerce), so investors can obtain all key permits in one location
- The OSS also offers pre-investment advice and counselling and aftercare support

**The Government is seeking to continuously improve the business environment by adopting best practices from around the world**



# The Government and development partners are investing heavily to put in place the infrastructure to support private enterprise

## Major Infrastructure Achievements

### Major Road Projects

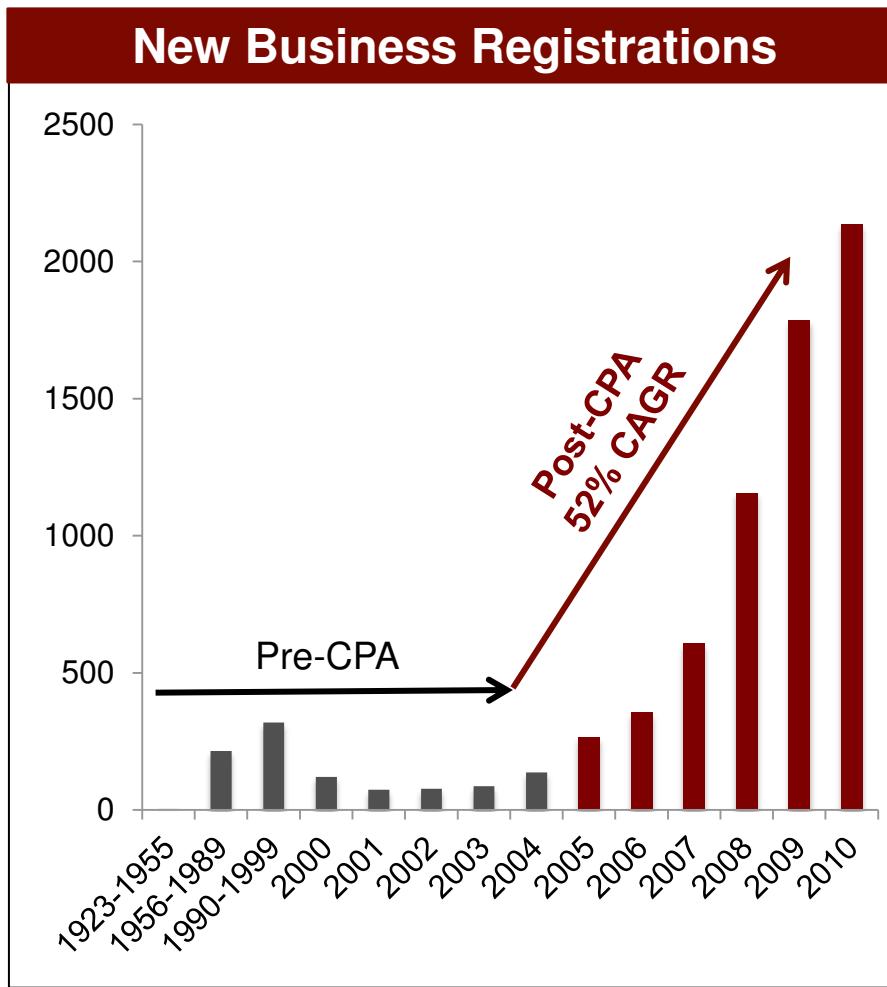


- More than 5000km of gravel roads have been constructed or rehabilitated, with another 3500km targeted for completion in the near future
- 3 new power plants and localised distribution networks have been built in Juba, Malakal and Wau
- New airport terminal in Juba under construction and 5 regional airports are currently being rehabilitated
- 2 ports along the Nile are under construction, giving access to 1500km of navigable water
- 5 international telecom companies have established operations, bringing mobile coverage to 70% of the country
- Water supply and treatment plants have been constructed and/or renovated in 5 cities



**With peace, stability and a conducive policy environment, South Sudan's economy has taken off in recent years**

### A booming economy



- New **businesses registrations** have risen from 136 in 2005 to 12, 000 in 2011
- In 2005, there were just 3 private **vehicles** in all of Juba; today there are thousands
- In 2005, there were no **airlines** flying to Juba International Airport; there are now 32 operators flying to Juba with the vast majority being foreign airlines
- In 2005, there were no **hotels** in Juba, today there are over 40 hotels in the city



# A large number of international companies have already recognized the opportunity and are actively investing



COMMERCIAL BANK OF ETHIOPIA



# bhpbilliton



# PETRONAS



**TOTAL**





# With a booming economy and very limited supply, the opportunities for investors span all sectors



## Agribusiness

- Staple crops
- Export/cash crops
- Livestock & Dairy
- Poultry & Eggs
- Fisheries
- Forestry
- Inputs



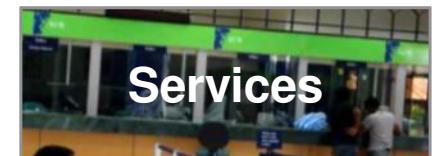
## Resources

- Oil & Gas production
- Oil refineries & pipelines
- Mining & minerals



## Manufacturing

- Cement
- Construction materials
- Consumer goods
- Heavy equipment



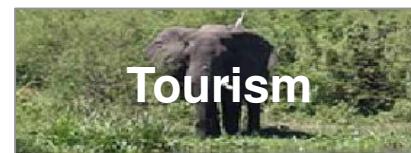
## Services

- Financial services
- Business services (IT, legal, etc.)
- Retail & wholesale
- Transport & logistics
- Health & education



## Infrastructure

- Power
- Roads & Railways
- Airports & ports
- ICT Backbone
- Housing & Property



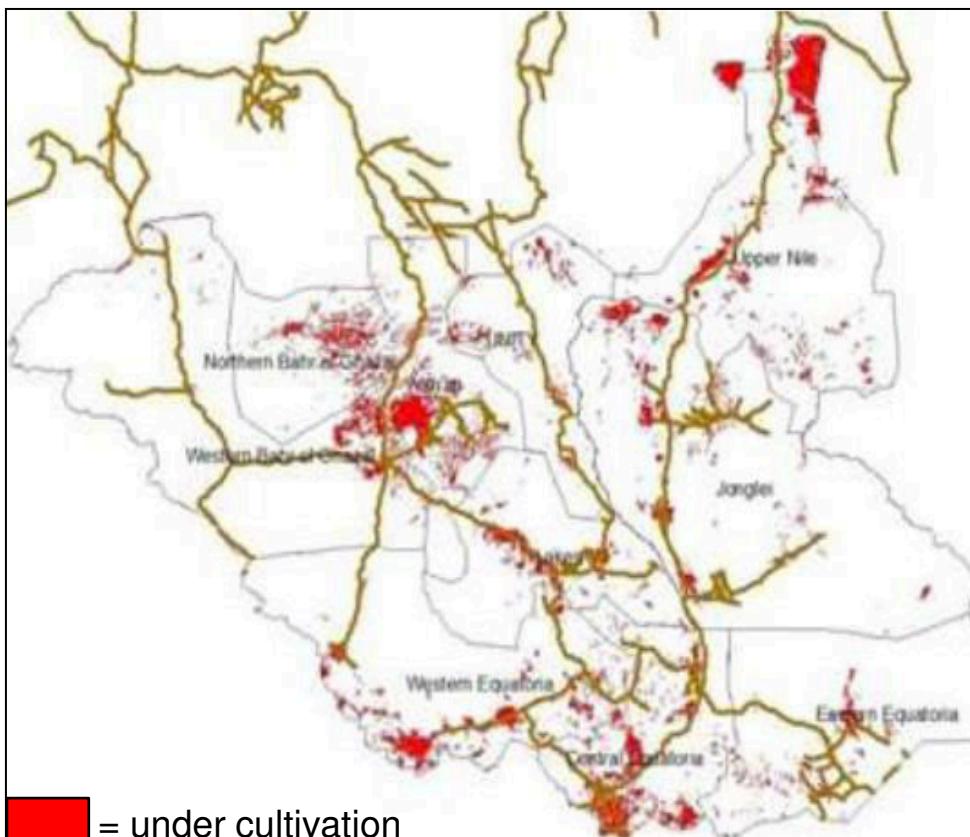
## Tourism

- City business hotels
- Convention Centres
- Safari Lodges
- Operators & service providers



# Abundant land and water and massive unmet local and regional demand creates opportunities in all areas of agriculture, forestry and fisheries

## Current land utilization (areas under cultivation, 2010)



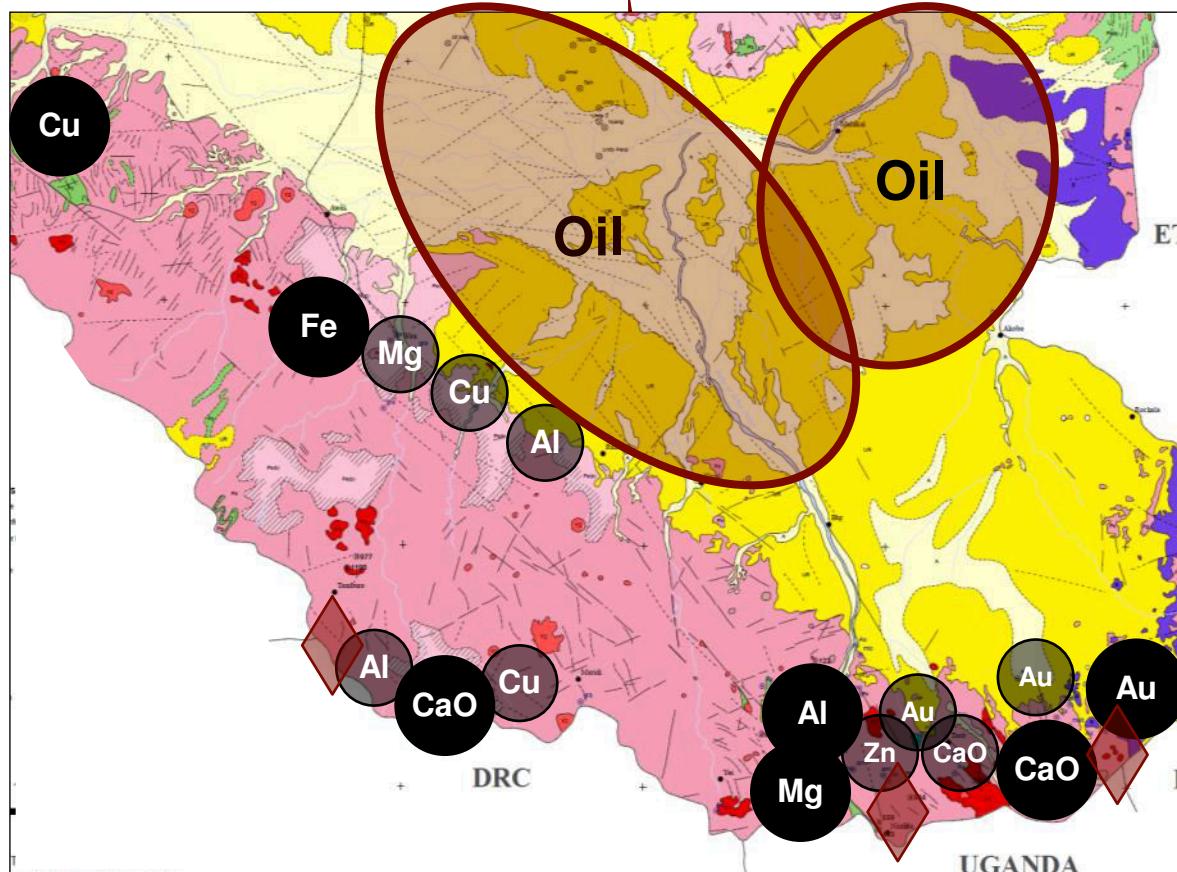
## Investment opportunities

- Staple foods for local and regional markets: grains and pulses, oilseeds, sugar
- High-value crops for export: fruit & vegetables, coffee & tea, gum acacia, sesame, spices & nuts
- Animal products for emerging local market: livestock, dairy, poultry & eggs
- Commercial fisheries for local and global markets
- Forestry plantations
- Seeds and fertilizer production



# Most of South Sudan's mineral wealth is as yet unexploited

## Major mineral resources



## Investment opportunities

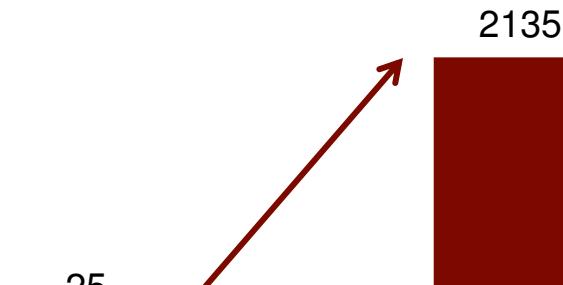
- Oil & Gas exploration and production: less than 50% of suspected oil reserves currently exploited
- Oil & Gas refineries and pipelines to Mombasa and/or Djibouti
- Untapped deposits of other minerals:
  - Gold and gemstones
  - Iron and copper
  - Uranium
  - Chromium and Zinc
  - Limestone and Marble



# The government is seeking private investment to help build badly needed infrastructure

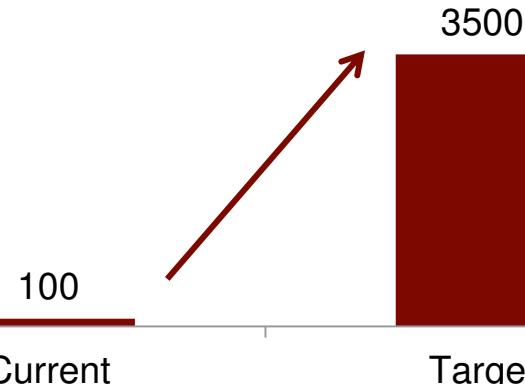
## Massive infrastructure gaps

### Power generation capacity (MW)



Current capacity      Proven potential

### All weather roads (km)



Current      Target

## PPP Investment opportunities

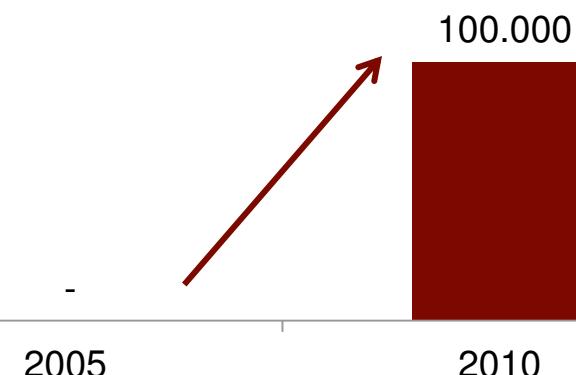
- Power generation & distribution: hydro, solar & biomass
- Toll roads and bridges on major commercial routes
- Rail connection to Mombasa &/or Djibouti
- Broadband cable connection to Kampala &/or Nairobi
- Airport upgrade and management (Juba and 9 regional airports)
- Inland ports and boat services
- Property development: housing, retail, offices, industrial parks



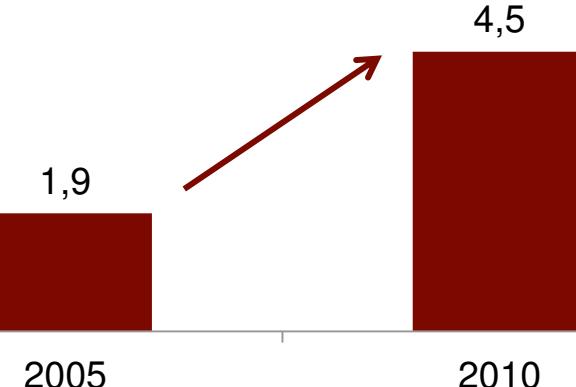
# The booming economy creates demand for a wide range of services and manufactured goods

## Growing demand for goods and services

### Estimated international arrivals



### Government expenditure (SSP bln)



## Investment opportunities

- Financial services: less than 1% of population is banked today
- Business services: IT, legal, accounting, etc.
- Transport and logistics: road haulage, air charter, etc.
- Private education & healthcare
- Cement & construction materials
- Basic consumer goods: food & beverages, FMCG, etc.



# South Sudan's amazing natural beauty and rich cultural heritage offers great opportunities for investment in tourism

## Dramatic offerings for tourists



## Investment opportunities

- Unmet demand for business hotels in Juba and other state capitals
- Leisure tourism – massive potential for safari, birding, adventure & cultural tourism; no lodges today





# Welcome to South Sudan: The World's Newest Investment Destination!

- South Sudan, the world's newest investment destination, is Open for Business – with a conducive business environment and massive opportunities in agribusiness, resources, infrastructure, manufacturing, tourism and services
- The Ministry of Commerce, Industry and Investment stands ready to assist with all aspects of business registration and set-up:
  - Provision of information and documentation
  - Introduction to key agencies, regulators and local partners
  - One stop shop for business registration and set-up
  - Post-investment aftercare and problem resolution
- We welcome you to Juba and urge you to visit all States of South Sudan to see for yourselves!
- Please contact:

**Hon. Simon Nyang Anei**  
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