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The Criminalization of South Sudan's Gold Sector

Kleptocratic Networks and the Gold Trade in Kapoeta

By the Enough Project

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A Precious Resource in an Arid Land

Within the area historically known as the state of Eastern Equatoria, Kapoeta is a semi-arid rangeland of clay soil dotted with short, thorny shrubs and other vegetation.[1] Precious resources lie below this desolate landscape.

Eastern Equatoria, along with the region historically known as Central Equatoria, contains some of the most important and best-known sites for artisanal and small-scale gold mining (ASM). Some estimates put the number of miners at 60,000 working at 80 different locations in the area, including Nanaknak, Lauro (Didinga Hills), Napotpot, and Namurnyang. Locals primarily use traditional mining techniques, panning for gold from seasonal streams in various villages. The work provides miners' families resources to support their basic needs.[2]

Kapoeta's increasingly coveted gold resources are being smuggled across the border into Kenya with the active complicity of local and national governments. This smuggling network, which involves international mining interests, has contributed to increased militarization.[3] Armed actors and corrupt networks are fueling low-intensity conflicts over land, particularly over the ownership of mining sites, and causing the militarization of gold mining in the area. Poor oversight and conflicts over the control of resources between the Kapoeta government and the national government in Juba enrich opportunistic actors both inside and outside South Sudan. Inefficient regulation and poor gold outflows have helped make ASM an ideal target for capture by those who seek to finance armed groups, perpetrate violence, exploit mining communities, and exacerbate divisions.

[*] Note: This report was compiled and written before South Sudan reverted to ten states in February 2020.

This report draws on field interviews and focus groups to provide an overview of the gold trade in Kapoeta, including insight from various stakeholders such as insiders and politicians' representatives.[4]

The Gold Sector in South Sudan

The bloody conflict in South Sudan that erupted in December 2013 stemmed, in part, from economic and political crises that disrupted established patterns of corruption and tested the legitimacy of the violent kleptocratic system established by the ruling elite. Competition to capture and control natural resources has pitted local leaders against the national government, with various international and regional actors lending their backing. Corruption by top leaders and their enablers has negatively affected various sectors of the economy—first the oil and cash exchange sectors, and now the gold sector.[5]

Gold, a key alternative form of hard currency during economic crises,[6] has become an attractive target for the competitive corruption already playing out across the economy. The precious metal's relatively steady value is critical in South Sudan, which relies heavily on the volatile oil sector. However, the prospects for viable industrial mining are unknown in a country that relies largely on artisanal methods.[7] There is no formal documentation regarding the quantity of naturally occurring gold deposits in South Sudan.[8] Only a few official public records contain even basic details about gold mining across the nation, due in part to the widespread practice of selling products through informal channels.[9] The Kapoeta government, for instance, purchases roughly 10 kilograms (322 troy ounces) of gold per month from local miners,[10] but only about one kilogram reaches the country's central bank, the Bank of South Sudan, annually.[11] Foreign traders working with local elites have estimated that between one and two tons of gold are actually mined each month.[12] Traders also put the annual monetary value of the gold trade at $24 million, likely an underestimate since trading takes place outside formal channels.[13]

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South Sudan's poor infrastructure hampers the development of large-scale mining: the country has a total of only 280 kilometers (175 miles) of paved roads,[14] a severe impediment to arranging basic logistics and to transporting heavy mining equipment and ore. While multinational companies, including South Sudanese firms—some affiliated with senior government officials—have gold exploration licenses in the region, operations have been largely reduced to small-scale mining activities. As the director of mining at the Ministry of Petroleum and Mining, Arkangelo Okwang Oler, explained, "Large-scale mining will not take place unless we first establish infrastructure."[15]

Although the gold sector is severely underdeveloped, mining enjoys a robust legal framework. The 2012 Mining Act regulates the prospecting, exploration, development, and production of minerals and mineral products in South Sudan.[16] The law grants small-scale and artisanal mining licenses that recognize traditional rights to pan minerals from streams, rivers, and other areas. Companies must be controlled by South Sudanese individuals in order to obtain mining licenses.[17]

In 2012, South Sudan also endorsed the Extractive Industries Transparency Initiative (EITI) and established a new mining license system based on international standards.[18] Several other laws have since been enacted, and guidelines have been issued to manage mining and commerce.[19] In June 2017, the government announced a petroleum audit, an important step toward the country's EITI candidacy and membership. However, little monitoring has occurred.[20]

Despite its legal framework, the gold sector remains ungoverned and poorly regulated.[21] The 2012 Mining Act sets resource-intensive protocols to obtain artisanal licenses, which are prohibitively expensive. Most artisanal miners lack the means necessary to apply for a license. Much of the mining thus occurs without authorization under applicable mining laws.[22] Improper management of mining sites in ecologically fragile areas contributes to environmental damage, such as deforestation and soil degradation.[23] Current ASM practices have largely focused on extracting small gold nuggets, which requires the use of mercury harmful to humans, animals, and the environment.

Industrial mining activity has stalled due to insecurity and poor infrastructure further strained by the ongoing war, even in the face of growing interest in exploring South Sudan's mineral resources and the government's attempts to formalize the mining sector. Traditional authorities resist the formalization of gold mining altogether due to mistrust of the national government, while the national and local governments disagree over how to manage the sector.

Governing Gold Mining

Mining activities bring three groups of actors together in conflictual relationships: the national government, local governments and traditional authorities—or the leaders of mining communities. The first group includes the Office of the President, the National Security Service (NSS), the Ministry of Mining, the Bank of South Sudan, and the Ministry of Finance and Economic Planning. In Kapoeta, the second group features the governor's office, the local finance ministry, the Kapoeta Investment Authority, members of parliament, and county commissioners. Competing interests to control gold-rich areas and manage gold revenues result in alliances and rivalries among Kapoeta's four main ethnic communities: the Toposa, Didinga, Buya, and Jie of Mogos. Today, a few powerful actors tightly control the gold revenue management process in both the local and national governments.[24]

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The national government is heavily involved in awarding mining licenses and overseeing the production, marketing, and sale of gold. However, by prospecting in the gold sector, public officials are often looking out for their individual and personal interests rather than those of the public.

While the national government oversees the sector, local governments set regulatory laws and control direct access to mining areas and to the gold market, overseeing gold prices and sales. In Kapoeta, the local government plays a crucial role in facilitating exploration and ASM.[25] The governor's office manages the gold market, the Kapoeta Investment Authority, and the local finance ministry, as well as the local ministry of commerce, investment, industry, and mining. Once the national government awards a concession to a mining company, the local government facilitates a series of consultations with mining communities as the exploration proceeds.

Despite the balance of power and collaboration built into this design, the three centers of authority—the national government, the local government, and traditional authorities—have conflicting interests in the minerals sector that shape the local gold market. The president's office seeks to exercise executive oversight and dictate terms to companies operating in certain areas under specific terms. However, the Kapoeta government—along with county commissioners and legislators—views gold as a local resource and thus seeks a role in any related deals in the region. Local communities and traditional authorities feel an even stronger connection to their areas. The traditional authorities and the local population see government regulation efforts, including the national policy of engaging in large-scale mining operations with foreign companies, as a threat to their own livelihoods.[26] They see the mining companies and national and local governments as the only parties benefiting from resources belonging to traditional mining communities. Often disregarding formal agreements between those parties, local leaders claim that top government officials in Juba and Kapoeta cut deals with multinational companies without consulting the traditional authorities. The growing number of foreign mining companies with ties to senior officials in Juba and Kapoeta entering the gold business in Kapoeta has increased tensions.

The Price of Gold in Kapoeta

Poor infrastructure, the scarcity of hard currency—especially the US dollar—and competition between foreign traders to purchase gold can increase the relative value of the precious metal. Although the Ministry of Finance and Economic Planning sets the financial policies applicable to mining activities, the demand for gold and the black-market exchange rate of the South Sudanese pound (SSP) against the US dollar guide the miners' strategic decisions.[27] The Bank of South Sudan directs artisanal miners to bring their gold nuggets to a designated bank in Kapoeta. The local government has authorized the Ministry of Investment and the Kapoeta Investment Authority to serve as the sole authorities for buying gold from ASM operations,[28] barring other gold buyers.[29, 30] In reality, artisanal miners can sell their gold nuggets to a variety of different parties.

The Kapoeta Investment Authority is required to sell any artisanal gold to the Bank of South Sudan in order to prevent unauthorized trade in unofficial channels that lack government approval. Two officials in Kapoeta indicated that local and national authorities do not coordinate their activities or transactions in managing the gold revenues that flow through this particular channel.[31] Artisanal miners can make more profit selling gold on the black market, where traders offer at least 5,400 SSP ($44) per gram—and up to 7,000 SSP ($57) per gram—compared to only 3,000 SSP ($24) per gram from the government commission. Gold miners in Kapoeta thus have little incentive to sell gold to the central bank. Market forces and widespread corruption encourage gold trading on the black market, which offers a much better price to artisanal miners. In turn, the prevalence of black market trades means that many taxes go unpaid.

Kapoeta's population has historically resisted outsiders fiercely, especially when it comes to natural resources.[32] Traditional leaders and local officials want to keep the local gold market closed to outsiders and the local price, supply, and sale of gold tightly controlled to preserve its supply and value, as well as to limit the number of participants and beneficiaries in the market. Members of the Toposa ethnic group who are active in mining price would-be buyers out of the market at times, charging as much as $38 per gram—more than in any other gold market in the region. These practices dissuade additional actors from entering the market.[33] However, traders in Kapoeta, Lokichoggio, and Nairobi told the Enough Project that they make no profit buying and selling gold via formal channels. Traders who make official gold purchases in Kapoeta do so to buy goods abroad, such as maize in Uganda or beverages in Kenya, which they sell in shops in Kapoeta to recover their losses.[34]

The 2012 Mining Act criminalizes black market gold sales. Traders who purchase gold directly from local miners are thus engaging in illegal activity, although both outsiders and officials participate in this commerce. The very people tasked with ensuring that gold revenues flow into the public treasury collude with traders to smuggle gold out of Kapoeta for their personal benefit. Foreign traders—predominantly Chinese, Kenyans, Somalis, and Ugandans, as well as Darfuris—work with collaborators at the national and local levels. These traders compete with one another. Having purchased gold without authorization or through private arrangements, they take the precious metal out of Kapoeta and sell it at highly competitive prices in Dubai, Kampala, Khartoum, or Nairobi.[35] In doing so, they must pay for its transport, along with bribes at the border to avoid scrutiny by local law enforcement authorities.[36]

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Gold is the common currency of choice for illicit cross-border transactions. Much of Kapoeta's gold enters the international supply chain illegally, largely through Nairobi and the Kenyan border town of Lokichoggio, although there are four main routes: to Dubai via Juba; to Nairobi via Lokichoggio; to Kampala via Liria, Juba, or Nimule; and to Khartoum. Given the difficulties in tracking products sold on the black market, the South Sudanese government is unable to determine how much gold is leaving the country. Andu Ezbon Adde, an undersecretary in the Ministry of Petroleum and Mining, said in 2017 that an estimated 200 individuals were working unofficially as gold traders in the Greater Equatoria region.[37] One smuggler told the Enough Project that he would transport up to 15 kilograms of gold by road to Nairobi per month.[38] Another trader estimates that the unauthorized traders manage between one and two tons of gold each month.[39]

Operating Outside the System

Miners who operate within the legal constraints established by the central and local governments can face high restrictions and potential losses. Chinese traders in Kapoeta, for example, can only exploit a restricted number of mines and face additional losses due to machinery sitting unused at abandoned worksites. As a result, some traders have found other ways to access the gold market in Kapoeta, with much illegal mining taking place under the radar.[40] Between 2009 and 2010, for instance, Kenyan traders colluded with Kapoeta authorities to mine gold without official authorization using metal detectors that had previously been brought by Tanzanians at the request of Kapoeta's governor.[41, 42] Kenyan traders clashed with the local authorities—some were arrested and others threatened—and, eventually, many vacated the area. Kapoeta elders have indicated that village residents oppose the use of modern technology for gold prospecting because they consider the practice a violation of traditional mining methods and worry it would deplete resources,[43] thus putting future generations at a disadvantage.[44] Their opposition has prompted the departure of other miners who use such methods.

Kenyan investors brought equipment and attempted to mine the gold themselves. However, some companies and investors—particularly non-South Sudanese actors—offer technology to local ASM operations on the condition that the gold mined using these tools be sold to them at preferential prices. This arrangement distances foreign traders from the traditional authorities, who seek to keep outsiders away from gold mining sites, and provides artisanal miners with access to technology that locates and extracts gold more efficiently. Somali gold prospectors have loaned imported machines to locals under the condition that any gold extracted be sold exclusively to the machine providers. Such agreements are not legally recognized, but the interests of both the suppliers and the buyers of gold in this market align. The use of local manpower to mine gold has allowed Somali traders to establish and keep a large share of the local gold market, becoming some of the biggest buyers of Kapoeta gold.

In order to offset losses and risks, some foreign traders form unauthorized associations with the traditional authorities. They run parallel businesses, such as commodity stores that buy from locals to whom they have supplied mining machines at mutually agreed prices, thereby becoming fully integrated into the local economy. The traders then provide technical support and control many other commodity supply chains reaching the area, which helps ensure that their agreements are maintained.

Much of the gold departs Kapoeta through smuggling and the black market, with officials involved at every turn.

Some of the traders who bring in advanced technology fend off threats and hostile forces with weapons, as gold mining in Kapoeta has fueled low-intensity conflicts over land, particularly over the ownership of mining sites. Members of the largest local ethnic group, the Toposa, are heavily engaged in artisanal mining and have driven foreign miners from Toposa-claimed land to neighboring areas, including the Didinga Hills, which other ethnic groups claim and mine.[45,46] Similarly, the Didinga people stake out as their ancestral home Lauro, where the Toposa are also seeking rights.[47] Hostilities over land and water resources tend to surface at contested mining sites, and manual workers employed by mutually hostile groups become targets.[48] Meanwhile, government officials seeking to consolidate control over gold production and trade bring in armed soldiers from the South Sudan People's Defense Forces (SSPDF) or the NSS, contributing to growing militarization at the sites.

Companies linked to politically exposed persons (PEPs) in both Juba and Kapoeta are engaged in small-scale mining activities using large detecting machines, thus violating the 2012 Mining Act. They use Kapoeta security apparatuses for their own gains to monitor foreign miners' activities and protect the sites from hostile competitors. Local businesspeople indicated in interviews that the cash flows of some of the political-military leaders who control mining sites can reach $2 million per month.[49] By using government vehicles and soldiers to facilitate their private mining activities, these PEPs eschew high security, transportation, and wage costs so that they can pocket the proceeds without the government receiving its share.[50, 51] Much of the gold departs Kapoeta through smuggling and the black market, with officials involved at every turn. Some officials control mining sites in their ancestral areas by directing their own foreign collaborators to buy gold at a low price from the locals and smuggle it out to other markets, where they split the profits. Members of parliament, county commissioners, and other officials from both Kapoeta and Juba are involved, either directly or through their associates.[52]

A loose regulatory framework and certification process allows minerals extracted from other conflict-prone areas across the region, particularly the Democratic Republic of Congo, to enter the international supply chain via South Sudan.[53] Traders who source their gold from conflict areas attempt to hide the origins of gold linked to conflict—like that from the eastern Congo provinces of North Kivu, South Kivu, and Ituri—due to the risks of selling it to companies on the international gold market.[54] They circumvent restrictions by obtaining gold-buying licenses in South Sudan that falsely name Kapoeta as the place of origin, according to individuals who helped provide such misused licenses. Companies registered in South Sudan as buyers of gold from Kapoeta may thus, in fact, be exporting Congolese gold using South Sudanese licenses. The due diligence requirements of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, a US federal law, apply to Congo and its nine neighboring countries. South Sudanese exports could therefore be considered conflict gold unless verified as conflict-free. However, companies sometimes fail to register this risk as part of their supply chain analyses, unaware of the illicit aspects of the trade in South Sudan. Criminal networks in the region exploit this weak regulatory framework to circumvent mining ban initiatives.[55]

Policy Recommendations

The information presented in this report can help end the exploitation of communities in Kapoeta's gold mining areas by exposing and disrupting criminal networks that facilitate the depletion of South Sudan's most valuable natural resources. The political, economic, and conflict aspects of the local gold industry can help enhance the economic returns of mining while preventing a repeat of the looting that took place in South Sudan's oil sector.

International and regional policymakers can use this insight to exert financial pressure and use diplomatic tools to alter the calculations, behavior, and material positions of the elites and their accomplices who perpetuate large-scale violence in Kapoeta and beyond through the gold trade. Appropriate branches of the US government can enact network sanctions against traders and their South Sudanese allies who happen to be the leaders of armed groups. Companies conducting or seeking to conduct business in South Sudan's gold sector can also adjust their decisions accordingly.

In order to stop armed actors and kleptocratic networks from seizing and controlling mining activities in Kapoeta, the Enough Project recommends the following actions:

Update US Executive Order 13664 to include natural resources. EO 13664 is the legal authority to implement US sanctions on South Sudan. While Paragraph 14(j) of United Nations Security Council Resolution 2428 (2018) allows for targeted sanctions against armed groups or criminal networks that are engaged in activities that destabilize South Sudan through the illicit exploitation of or trade in natural resources, EO 13664 lacks a similar provision. The European Council transposed Resolution 2428 in October 2018. The United States should amend EO 13664 to allow for targeted sanctions in a broader sense, removing the caveat that armed groups or criminal networks must conduct the problematic behavior, which artificially limits the ability to target the illicit trade documented in this report.

Utilize network sanctions. The UN Security Council and the European Union should investigate and place under sanctions individuals and entities involved in the illicit trade in Kapoeta gold, particularly South Sudanese armed commanders and traders, including the networks responsible for trafficking the precious metal elsewhere in the region. The United States should follow suit once it has the appropriate legal authorities to sanction this activity.

Treat gold from South Sudan as an anti-money laundering concern. South Sudan's gold trade exhibits red flags as defined by the Financial Action Task Force (FATF). These include the failure to report gold purchases to financial authorities, the involvement of foreigners and proxies, as well as the unclear guidelines on transporting the metal. Gold refiners, traders, and financial institutions should therefore conduct enhanced due diligence when dealing with South Sudanese products to ensure that they are not inadvertently facilitating the laundering of conflict gold proceeds. They should also take measures to support responsible, conflict-free gold trade. Jewelry, banking, gold refining, and other companies should mitigate South Sudan's high risks for conflict gold by implementing the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance. The country should also be flagged as a high-risk jurisdiction as part of any due diligence in gold supply chain management by refiners, international traders, and financial institutions.

Conduct an ESAAMLG-led review of regional trends. Building on the findings of the 2015 FATF gold typology, the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) should conduct a study on the trends and methods of money laundering through the gold trade in East and Central Africa (including the Congo, Rwanda, Uganda, and other countries in the region) and publish a typology report to better inform regional regulators and financial institutions on how to identify and deter this activity.

Support the conflict-free gold mining sector. International donors and jewelry companies should set up responsible artisanal gold mining projects to support conflict-free artisanal gold mining in South Sudan, which would encourage the growth of responsible trade while counteracting illegal trade. Companies should not shy away from investing in Kapoeta and other gold mining areas, namely by working with ASM communities. Donor governments should design programs to assist the national and local governments to help formalize the ASM sector, including by giving legal titles to artisanal miners and establishing low-cost mechanisms for miners to register and report on the trade. Juba and the Kapoeta government should allow ASM local miners, including women, to mine on the industrial concessions and to sell to large-scale mining companies to combat the threat to their livelihoods and the growth of the black market.

Support accountability for and adherence to legislation. Donors should support South Sudanese civil society's demands for implementation of the strong beneficial ownership and public disclosure provisions set forth in South Sudan's 2013 Petroleum Revenue Management Act and the 2011 Public Financial Management and Accountability Act.

Adhere to global standards for gold supply chain management. The South Sudanese government should accelerate its adherence to the Extractive Industries Transparency Initiative (EITI) and incorporate into its legal framework the principles of the International Conference on the Great Lakes Region (ICGLR) Regional Certification Mechanism for minerals and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Endnotes

[1] Long before South Sudan's independence, Kapoeta was an administrative region or a district, with Kapoeta town as its center. In 2002, two counties were created: Kapoeta County, which was composed mainly of Toposa people, and Budi County, which was composed mainly of Buya and Didinga people (the name of the county is a contraction of the words Buya and Didinga). Kapoeta County was later split into three separate counties: Kapoeta North, Kapoeta South, and Kapoeta East, each with Toposa ethnic majority. The three Kapoeta counties were known collectively as Greater Kapoeta, which made up the eastern half of the Eastern Equatoria State in South Sudan's original 10-state configuration. An October 2015 presidential decree creating 28 states of the original 10 combined the three Kapoeta counties and Budi County in a state that was initially named Namorunyang State, with the town of Kapoeta as state capital. There was criticism and popular resistance to the name Namorunyang, and the state was renamed Kapoeta. A 2017 presidential decree creating four additional states—bringing the total number of states in South Sudan to 32—did not affect the configuration of the state of Kapoeta. The 32 states were contentious among the protagonists in the South Sudanese conflict, causing a deadlock to the formation of a unity government and obstructing progress on a peace agreement to resolve the country's conflict. However, in February 2020, President Salva Kiir dissolved the 32 states and embraced a key opposition demand to revert the country to ten states. As a result, the state of Kapoeta ceased to exist, and it is now part of the larger Eastern Equatoria state.
Republic of South Sudan, "Establishment Order Number 36/2015 for the Creation of 28 States" in the Decentralized Governance System in the Republic of South Sudan, 2015, available at: http://www.sudantribune.com/IMG/pdf/establishment_order_for_the_creation_of_28_states_in_south_sudan.pdf
Sudan Tribune, "South Sudanese President Creates Four More States," January 15, 2017, available at: http://www.sudantribune.com/spip.php?article61403
PaanLuel Wël, "The 32 Federal States of the Republic of South Sudan," January 22, 2017, available at: https://paanluelwel.com/2017/01/22/the-32-federal-states-of-the-republic-of-south-sudan/

[2] Cordaid, "Mining in South Sudan: Opportunities and Risks for Local Communities," January 2016, p. 10, available at: https://www.cordaid.org/nl/wp-content/uploads/sites/2/2016/03/South_Sudan_Gold_Mining_Report-LR_1.pdf

[3] For reports and documentation of violence surrounding the control, exploitation, and movement (through both formal means and informal or illicit smuggling networks) of gold in neighboring Sudan, the Central African Republic, the Democratic Republic of Congo, and Uganda, see:
Elfadil Elsharief Elhashmi, "The Politics of Mining and Trading of Gold in Sudan: Challenges of Corruption and Lack of Transparency," Sudan Democracy First Group, November 2017, available at: http://www.democracyfirstgroup.org/wp-content/uploads/2017/11/Gold-report-English.pdf
The Enough Project, "Sudan's Deep State: How Insiders Violently Privatized Sudan's Wealth, and How to Respond," April 2017, available at: https://enoughproject.org/reports/sudans-deep-state-how-insiders-violently-privatized-sudans-wealth-and-how-respond
United Nations Security Council, "Letter dated 6 December 2017 from the Panel of Experts on the Central African Republic extended pursuant to Resolution 2339 (2017) addressed to the President of the Security Council," December 6, 2017, available at: http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/1023
United Nations Security Council, "Letter dated 26 July 2017 from the Panel of Experts on the Central African Republic extended pursuant to Security Council Resolution 2339 (2017) addressed to the President of the Security Council," July 26, 2017, available at: http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/639
Daniel Flynn, "Gold, Diamonds Feed Central African Religious Violence," Reuters, July 29, 2014, available at: https://www.reuters.com/article/us-centralafrica-resources-insight/gold-diamonds-feed-central-african-religious-violence-idUSKBN0FY0MN20140729
United Nations Security Council, "Letter dated 22 December 2017 from the Group of Experts on the Democratic Republic of the Congo addressed to the President of the Security Council," December 22, 2017, available at: http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/1091
United Nations Security Council, "Letter dated 8 August 2017 from the Group of Experts on the Democratic Republic of the Congo extended pursuant to Security Council resolution 2293 (2016) addressed to the President of the Security Council," August 16, 2017, available at: http://www.un.org/ga/search/view_doc.asp?symbol=S/2017/672/Rev.1
Global Witness, "Uganda: Undermined: How Corruption, Mismanagement and Political Influence Is Undermining Investment in Uganda's Mining Sector and Threatening People and Environment," June 2017, available at: https://www.globalwitness.org/en/campaigns/oil-gas-and-mining/uganda-undermined/

[4] The lawmakers requested anonymity.

[5] The decline in oil production and global oil prices led to sharp losses in oil revenue, which had provided almost all the South Sudanese national government's revenues and hard currency. These losses created a crisis for a country heavily dependent on imported commodities from neighboring countries (Ethiopia, Kenya, Uganda, and Sudan). South Sudan was suddenly unable to purchase and import essential commodities. Self-serving, badly timed monetary policies exacerbated the problems and caused the money market to collapse. The value of local currency crashed, the value of hard currency soared, and a black market for cash exchange grew.
[6] Okech Francis, "Economic Chaos Fuels Gold Mining Rush in Africa's Newest Nation," Bloomberg News, July 4, 2017, available at: https://www.bloomberg.com/news/articles/2017-07-04/economic-chaos-fuels-gold-mining-rush-in-war-torn-south-sudan
[7] Cordaid, "Mining in South Sudan: Opportunities and Risks for Local Communities," January 2016, p. 17, available at: https://www.cordaid.org/nl/wp-content/uploads/sites/2/2016/03/South_Sudan_Gold_Mining_Report-LR_1.pdf
[8] South Sudan's Ministry of Mining lists the country's main mineral deposits as gold, iron ore, gypsum, silver, talc, nickel, mica, limestone, lead, tin, diamond, copper, and bauxite. For additional analysis on the mineral endowments in South Sudan, see: Fortune of Africa, "Mining Sector of South Sudan," available at: http://fortuneofafrica.com/southsudan/mining/
[9] Hannah McNeish, "Panning for Gold in South Sudan, a Gram at a Time," National Public Radio, August 21, 2013, available at: https://www.npr.org/sections/parallels/2013/09/15/213579620/panning-for-gold-in-south-sudan-a-gram-at-a-time
[10] Al Jazeera, "No Gold Rush For South Sudan," Video, May 2, 2018, available at: https://www.youtube.com/watch?v=Tjw8cIQPXsw&vl=en
[11] Enough Project telephone interview with an employee of the Bank of South Sudan's department of research and statistics who requested anonymity in order to speak freely, November 2018.
[12] Enough interview with a businessperson who requested anonymity in order to speak freely, Nairobi, April 2018.
[13] Dimo Silva Aurelio, "South Sudanese Turn to Illegal Mining for Survival," Voice of America News, December 13, 2017, available at: https://www.voanews.com/a/south-sudan-illegal-gold-mining/4162517.html
[14] United Nations Children's Fund, "Rain, Roads and Checkpoints: The Challenges of Supplying South Sudan," January 2018, available at: https://reliefweb.int/report/south-sudan/rain-roads-and-checkpoints-challenges-supplying-south-sudan
[15] Abraham Garang Ajang, "South Sudan Mining Laws in the Pipeline," Gurtong, August 17, 2013, available at: http://www.gurtong.net/ECM/Editorial/tabid/124/ctl/ArticleView/mid/519/articleId/12555/South-Sudan-Mining-Laws-In-The-Pipeline.aspx
[16] Republic of South Sudan, Mining Act of 2012, available at: http://mom-goss.org/LAW%20OF%20SOUTH%20SUDAN%20MINING%20ACT%202012.pdf
[17] *Ibid.*
For an overview of the framework, see:
Cordaid, "Mining in South Sudan: Opportunities and Risks for Local Communities," January 2016, pp. 26-28, available at: https://www.cordaid.org/nl/wp-content/uploads/sites/2/2016/03/South_Sudan_Gold_Mining_Report-LR_1.pdf
Republic of South Sudan, Financial Act, 2017/18, available at: http://mofep-grss.org/wp-content/uploads/2017/11/Financial-Inner.pdfInner.pdf
Republic of South Sudan, The Taxation Amendment Act, 2016, available at: http://grss-mof.org/wp-content/uploads/2017/02/Taxation-Act_2016.pdf
[18] Radio Tamazuj, "South Sudan Oil Ministry Launches Open Tender for Petroleum Audit," June 17, 2018, available at: https://radiotamazuj.org/en/news/article/south-sudan-oil-ministry-launches-open-tender-for-petroleum-audit
[19] African Mining Legislation Atlas, "South Sudan Mining (Mineral Title) Regulations, 2015," available at: https://www.a-mla.org/masteract/688
[20] Radio Tamazuj, "South Sudan Oil Ministry Launches Open Tender for Petroleum Audit," June 17, 2018, available at: https://radiotamazuj.org/en/news/article/south-sudan-oil-ministry-launches-open-tender-for-petroleum-audit
[21] See, for example:
United Nations Security Council, "Letter dated 20 November 2017 from the Panel of Experts on South Sudan addressed to the President of the Security Council," November 20, 2017, available at: http://www.undocs.org/S/2017/979
[22] The 2012 Mining Act states, "The entire ownership of any Mineral Product extracted from any Mineral Resource from within a Mineral Title Area shall vest in the Title Holder of that Mineral Title upon severance from the ground."
Republic of South Sudan, Mining Act of 2012, Ch. I, Part 6, available at: http://mom-goss.org/LAW%20OF%20SOUTH%20SUDAN%20MINING%20ACT%202012.pdf
[23] P.M. Makenzi, "Indigenous Knowledge in Natural Resources Management in the ASALs: A Case of Biodiversity Conservation in Baringo, Kenya," PhD Thesis, Moi University, 2003, pp. 98-118.
[24] Enough interview with a lawmaker, Kapoeta, July 24, 2017.
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[41] Enough interview with a member of parliament, Kapoeta, June 2017.
[42] Enough interview with a member of parliament, Kapoeta, July 2017.
[43] Enough interview with two state lawmakers, Kapoeta, June 2017.
[44] Enough interview with a state official, Kapoeta, June 2017.
[45] Enough interview with a former Kapoeta county commissioner, Nairobi, July 6, 2017.
[46] The ethnic groups living in gold-rich areas near Toposa strongholds include the Didinga of the Didinga Hills, the Jie or Jiye, the Kachipo or Suri, and the Murle people of the Boma Plateau and Maruwa Hills.
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[50] Enough interview with a Kenyan businessperson who has businesses in Juba, Nairobi, April 2018.
Enough interview with a Ugandan businessperson in Juba, February 2018.
[51] The South Sudan Mining Act of 2012 states that any rent, royalties, taxes, bonuses, or any money (except fees) paid to the national and state governments as a result of exploration and mining activities shall be shared as follows: (1) if mining activity is governed by the national government, five percent shall be paid to the states and communities as follows: (a) two percent shall be paid to the state, and (b) three to the communities. (2) If mining activity is governed by the state government, five percent shall be paid to the counties and communities as follows: (a) two percent shall be paid to the county and (b) three percent to the communities. See:
Republic of South Sudan, Mining Act of 2012, Act 36, pp. 66-68, available at: http://mom-goss.org/LAW%20OF%20SOUTH%20SUDAN%20MINING%20ACT%202012.pdf
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[53] Enough interviews with people close to the matter who previously worked in the DRC's mining industry, including one who has personally helped DRC traders obtain licenses in South Sudan, Juba, February 2018.
[54] Enough interview with a trader who has worked in both Congo and Uganda, Juba, February 2018.
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