

X. Broaden South Sudan Reconstruction Board

South Sudan should expand the mandate of the transitional body, the Board of Special Reconstruction Fund (BSRF)—which is responsible for the reconstruction in the country—to act as the final approver of all high-value investments, such as infrastructure projects.¹²⁰ A central body that oversees foreign financing and investments would lower the risk of corruption or mismanagement that results from uncoordinated assistance.¹²¹ Following an independent national audit, the BSRF should organize the South Sudan Pledging Conference, as called for in the peace agreement,¹²² to coordinate foreign assistance.

How would this action improve economic governance?

Since independence, unregulated business deals and unscrupulous investments from foreign companies have been detrimental to South Sudan's economy. The country's failure to guard against predatory investors, corruption, abuse of local communities, and economic mismanagement has led to episodic instability. Because the rapid investments that are needed to boost the economy will likely require international support, the BSRF should take the lead in approving all high-value foreign investments.

- The BSRF would have the mandate to conduct a strategic investment review to promote economic growth and identify the top government priorities in infrastructure, agricultural production, and social service delivery in the transitional period.
- The board would outline, promote, and coordinate the country's priority infrastructure and regional integration projects.¹²³ With the guidance of IGAD, the AU, and development partners, the BSRF would assess the viability of physical infrastructure and rehabilitation projects to spur reconstruction and development.
- With the support of South Sudan's oversight agencies, the board would help to ensure public and private investments include explicit anti-corruption commitments and incorporate internationally recognized due diligence and transparency standards—including robust remediation protocols and environmental and social impact assessments.

Has this policy worked?

Following conflict in Cambodia, the U.N. Transitional Authority in Cambodia (UNTAC) promoted economic reconstruction and development, including through the rehabilitation of Cambodia's essential infrastructure. UNTAC helped to channel economic resources in a coordinated, efficient manner.¹²⁴ The U.N. Guiding Principles on Business and Human Rights, which sets the global standard for preventing and addressing the risk of adverse impacts on human rights linked to business activity, calls for businesses to respect human rights, which should include anti-corruption efforts.¹²⁵

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What are the steps to implementation?

The BSRF, as part of the R-ARCSS transitional structure, should work with the Ministry of Finance and Planning to implement the R-TGoNU's Strategic Economic Development Roadmap in South Sudan.¹²⁶ The board should lead the reconstruction effort, which will require foreign assistance, and coordinate donor support with the Vice President of the Infrastructure Cluster to lead an investment-led development plan.¹²⁷

- **South Sudan:** The president should publicly endorse the board and declare that it is the preeminent and only body in the country authorized to sign off on high-level foreign assistance and investments. The R-TGoNU should also incorporate aspects of the South Sudan National Revenue Authority (SSNRA) into the BSRF.¹²⁸
- **IGAD, AU, United Nations:** The AU should lead an African-led investment campaign tied to the South Sudan Pledging Conference to spark business and infrastructure projects in South Sudan that adhere to the U.N. Guiding Principles.
- **International Partners, Donors:** Once the R-TGoNU makes significant progress to implement the peace agreement, donors should collaborate with the BSRF, whether through the Donor Assistance Committee or other venue, to prioritize which projects will have maximum benefit for the people of South Sudan. A divided approach would increase the risk of further corruption and mismanagement.