DEVELOP AN INCLUSIVE ECONOMY

VIII. Elevate Role of the Independent Boundaries Commission

South Sudan should expand the authorities of the Independent Boundaries Commission (IBC) to manage natural resource use in the country, after the number and boundaries of South Sudan’s states are determined. The IBC includes the participation of five AU member states and is among the most critical transition bodies. It should fill the gap in the oversight of natural resources—including oil, mining, and land—during the transitional period. The IBC, in coordination with the relevant commissions, should also organize a conference on the decentralization of economic resources to focus on finding an equitable division of authority between the central government and states.

How would this action improve economic governance?

The failure to regulate and clarify rules for investing in South Sudan’s natural resources has led to violent competition and widespread exploitation of natural resources. Land grabs in particular entrench misuse of power by government actors, and lead to cyclical human rights violations against affected individuals—most often women—and communities, including forced evictions, denial of justice, and limited access to food and water. The IBC’s extended work is urgent because of the persistent risk of natural resource conflict, corruption that drives it, and wealth inequality that could spark future violence.

- The IBC’s expansive focus on land-based natural resource issues and oversight of investments would ensure open dialogue on the use of resources during a period of fragility and uncertainty surrounding the redrawing of borders.
- The expanded IBC would have the authority, under an AU non-South Sudanese director, to arbitrate on land and natural resource issues in strict compliance with relevant international standards. The IBC would follow the Free, Prior and Informed Consent (FPIC) guidelines for land and natural resource issues to protect the rights of communities, prevent conflict, and flag any form of exploitation—labor abuses, gender inequality, environmental degradation, and other illegal practices.
- There is a pressing need to delegate fiscal planning and spending power to the states to decongest public expenditure centralization and improve economic development outside the capital. Since both the national and state governments have the right to levy taxes, for instance, a conference on decentralization would pursue issues such as revenue sharing and management of development assistance.

Has this policy worked?

In East Africa, land use conflicts between local communities and investors are common because while communities often hold rights to the land, foreign companies generally receive the rights to the natural resources under the same plot. In Tanzania, Community Based Natural Resource Management (CNBRM) boards delegate the management of some natural resources to the local communities to head off conflict.
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What are the steps to implementation?

The R-TGoNU is reviewing the number of states in South Sudan. The Transitional Constitution of 2011 indicates that South Sudan should follow a decentralized system, and the R-ARCSS also calls for “the decentralization of decision-making in regard to development, service delivery and governance.” Following the IBC’s findings, donors and investors should adhere to existing frameworks of the IBC to ensure the right procedures are in place for accountable investments.

- **South Sudan:** The R-TGoNU should legally expand the IBC’s mandate. South Sudan should also support the work of the previous Constituency Development Funds (CDFs) that distribute development assistance directly to the states in a more equitable manner.111

- **IGAD, AU, United Nations:** The five-member AU contingent of the IBC and the non-South Sudanese chair of the IBC should prioritize the process of allocating new states. RJMEC, as the international oversight head, should work with the transitional government to convene the conference on the allocation of financial resources.

- **International Partners, Donors:** The R-ARCSS calls for Troika expertise in the IBC.112 The Troika and other donors should offer technical and financial support to the IBC and seek to empower humanitarian and development partners to engage directly with local communities and comply with FPIC standards.