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SOUTH SUDAN'S PROSPECTS FOR PEACE AND SECURITY

HEARING

BEFORE THE

SUBCOMMITTEE ON AFRICA, GLOBAL HEALTH, GLOBAL HUMAN RIGHTS, AND INTERNATIONAL ORGANIZATIONS

OF THE

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SOUTH SUDAN'S PROSPECTS FOR PEACE AND SECURITY

WEDNESDAY, APRIL 27, 2016

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON AFRICA, GLOBAL HEALTH,
GLOBAL HUMAN RIGHTS, AND INTERNATIONAL ORGANIZATIONS,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:02 p.m., in room 2200 Rayburn House Office Building, Hon. Christopher H. Smith (chairman of the subcommittee) presiding.

Mr. SMITH. And good afternoon to everybody and thank you for being here.

On July 9, 2011, the Republic of South Sudan became the world's newest nation. In a referendum held in January of that year, nearly 99 percent of the population voted to become independent from the Republic of Sudan. Although there are those who felt the South Sudanese were not prepared for independence, the people of that country believed otherwise and rejoiced in severing their ties to the regime in Khartoum after many years of war and efforts to undermine the South.

Unfortunately, the people's rejoicing was short-lived. The lack of infrastructure and transparent governance frustrated any hope of progress for this fledgling nation. Despite significant arable land, agricultural production did not increase largely due to a lack of transportation and power infrastructure needed which also prevented significant mining or manufacturing operations.

Nearly 5 years after independence, South Sudan remains heavily dependent on its oil production which represents as much as 98 percent of its revenue. As the price of oil has fallen worldwide, South Sudan became the producer earning the least from each barrel of oil, estimated between $9 and $12 a barrel. Although an increase in agricultural would have helped bridge the gap, the displacement of so many farmers, the continued insecurity, and the recent spread of violence to the agricultural heartland prevents any benefits agriculture could have provided. Consequently, South Sudan has projected that a negative growth rate this year of nearly 8 percent.

More than 2.4 million people have been displaced by the conflict just since December 2013; 706,600 of them are now refugees in neighboring Sudan, Ethiopia, Uganda, and Kenya. United Nations officials estimate that more 6 million people need humanitarian aid

and nearly a quarter of the country's population, or 2.8 million, are facing life-threatening hunger.

Bob Leavitt, Deputy Assistant Administrator for USAID will testify today that "half of all Sudanese—meaning 6.1 million people—are in need of humanitarian assistance or protection this year." And, "Over half of all children aged 6 to 15—or 1.8 million children—are not in school in South Sudan, the highest proportion in any country."

Efforts to address the needs of the South Sudanese people have been blocked by various fighting forces—at least 52 relief workers have been killed since the civil war began—and according to United Nations there are numerous reports of harassment, threats and active hostility toward aid workers. Apparently, targeted attacks to prevent aid from reaching certain communities have meant that far too many people in need of help cannot be helped even in U.N. compounds which have also come under attack.

Greg Simpkins and I were scheduled to visit South Sudan on a trip that unfortunately coincided with the eruption of the violence in December 2013, so that trip was cancelled at the request of the State Department. But for more than 20 months since, fighting between forces led by Salva Kiir and former Vice President Riek Machar continued without stoppage despite several ceasefire agreements. In fact, the targeting of populations and oil facilities became worse the closer the signing of a final agreement came as both sides competed for territory before agreeing to halt hostilities.

Unspeakable human rights violations have occurred as documented by the African Union Commission of Inquiry on South Sudan, and U.N. reports have corroborated that. The interethnic violence, Dinka-Nuer conflict, has now devolved into interethnic animosity involving clans within larger ethnic groups.

Matt Wells of the Center for Civilians in Conflict includes a very touching and sad, tragic interview with Rebecca, a 29-year-old victim who lost her husband. She says in part, "[t]he government soldiers came in and were looking for Nuers; they killed all the Nuers they found. When the [armed opposition] attacked, they killed the Dinkas and other tribes . . . [o]ur dead relatives will never come back. But we need to know [those responsible]. Then we can decide to forgive them or send them to prison. I want to know why they killed innocent civilians, why did they kill our children," she says. "The government must recognize our suffering [and] rebuild our homes. Once [our homes are rebuilt,] our children [are back in] school, we have medicine, and the guns have stopped banging in my head, I will have [what I need.]"

We should be honest that both President Salva Kiir and returning Vice President Machar don't control all the forces still in the field. The burgeoning of militias into the national army has produced units more loyal to their commanders than to the government. Meanwhile, Machar's hastily assembled rebellion also lacks strict chain of command, therefore achieving a lasting end to the fighting will take more than a peace accord that has been signed by these two men.

The United States has played a major role in ending South Sudan's long and destructive war with Sudan and was instrumental in its independence. Since then, the U.S. Government has been the

leading donor contributing approximately $1.5 billion in humanitarian aid.

Today's hearing will examine the role of the United States, the role it has played and continues to play in search of peace, stability, and prosperity. And I want to thank our very distinguished witnesses for the role they have personally played in that effort. The State Department will describe the successes and failures hopefully in the nearly 5-year effort. Witnesses on both panels will explain how the optimism of 2013 devolved to the barbarism we are trying to overcome today.

Let me just say to all my colleagues that we look forward to their testimony. I would like to now yield to Eliot Engel, the ranking member of the full Committee on Foreign Affairs, for any opening comments he might have.

Mr. ENGEL. Thank you very much, Chairman Smith. As the ranking member of the full committee, I want to once again thank you for calling this hearing and thank you for the good work that you do. Ambassador Booth, Mr. Leavitt, thank you for your service and for your testimony today. The two of you know as well as anyone the dire situation facing South Sudan.

Since the war broke out more than 2 years ago, both parties, parties on both sides, have committed gross violations of human rights and humanitarian law. Approximately 16,000 child soldiers have been recruited mostly by the rebel forces, ethnically targeted rape has been prevalent on both sides, and in February, government forces were involved in an attack on the U.N. protection of a civilian's camp at Malakal. At least 30 internally displaced persons lost their lives in this attack, more than 120 were injured, and about one third of the camp was burned to the ground.

The humanitarian picture in South Sudan is truly catastrophic. Nearly 3 million people are facing starvation, yet only 17 percent of the funding needed to respond to this crisis has been provided. Amid these reports I was glad to hear that this morning the United States announced more than $86 million in additional humanitarian assistance to help affected people in South Sudan.

What makes this a crime and really a pity is that we had such high hopes when South Sudan was formed and thought that would be the beginning of a new era in the area, instead unfortunately things have gotten worse.

Yet even those trying to provide relief face danger. At least 52 aid workers have been killed since the onset of violence in December 2013, and many others have been harassed, threatened, and in some cases savagely beaten. Humanitarian convoys are subject to extortion at multiple illegal checkpoints throughout the country, multiplying the cost of the humanitarian response the people of South Sudan desperately need.

On top of everything, I have deep misgivings about the peace deal meant to put an end to this violence. The peace agreement signed in August is a bargain negotiated by the political elites who created this conflict in the first place. I fear that it essentially resets the political landscape to what it was at the outset of the conflict and has little to do with the millions of people who have been affected.

So we need to ask ourselves what can we do to support reconciliation at the local and national levels to help prevent new flare-ups of violence. This is especially important in light of the government's decision to press ahead with the division of the country's 10 states into 28 states, a move that has created localized conflicts in parts of the country that had been relatively peaceful.

Moreover, I worry that warring parties are simply paying lip service to issues of justice, reconciliation and accountability, thereby ensuring that the cycle of impunity will continue. Contrary to the intent of the peace agreement, the manmade conflict in South Sudan is expanding and the country's people of course deserve better.

We know there aren't a lot of good options, but in my view we should go forward with an arms embargo. For months the United States has considered such a measure to ensure compliance with the peace process. However, with the return of opposition leader Riek Machar to Juba yesterday, implementation of such a plan has lagged behind schedule. All the while a supply of arms and ammunition to both sides has prolonged and escalated the conflict.

I am glad Mr. Machar has returned and consider this an important but modest step forward. Much more needs to be done, and I am concerned that more weapons entering South Sudan will only keep the parties from making further progress. We shouldn't think of an arms embargo as a point of leverage but as a means by which to prevent further suffering. The U.N. Panel of Experts on South Sudan has endorsed this approach, and Ambassadors from Angola, Senegal, Spain, France, New Zealand, and the UK, all members of the Security Council, have indicated support.

So this is clearly far from a solution, but I think it puts us on the right side of history and could help move this situation in the right direction. I look forward to our witnesses and seeing what they have to say about what they think can be done, and again I want to applaud our chairman for shining a light on this difficult challenge.

I am going to have to leave in a few minutes. I have a longstanding appointment with one of the Ambassadors, but I will be reading the transcript of the hearing and will keep in touch with Mr. Smith and work together with him as we have for many, many years. So I thank you, Mr. Chairman, and I thank the witnesses as well.

Mr. SMITH. I want to thank Ranking Member Engel for his excellent statement, for his leadership, and for passage of his important bill yesterday on the floor. Congratulations on that.

I would like to now yield to Mr. Donovan from Staten Island.

Mr. DONOVAN. Mr. Chairman, I yield my time so we have more time to hear from the witnesses, but I appreciate your offer. Thank you, sir.

Mr. SMITH. I would like to yield to Mr. Cicilline.

Mr. CICILLINE. Thank you, Chairman Smith, and I also want to acknowledge the leadership of Ranking Member Bass, and thank you for calling this hearing on South Sudan's prospect for peace. And thank you to our witnesses, and I look forward to hearing from both of you on the situation in South Sudan.

Like most observers I was optimistic when after almost 40 years of war between Sudan and the South Sudanese, which claimed more than 2½ million lives and displaced more than 4½ million people, South Sudan emerged in 2011 as the world's newest country. However, the civil war that has ravaged the country since 2013 has had a devastating impact.

Today, South Sudan faces another post-conflict reconciliation process, massive and chronic humanitarian needs, high level corruption, and widespread displacement of its population. This conflict has displaced more than 2.3 million South Sudanese since December 2013, and the U.N. estimates that over 6.1 million people need humanitarian aid and 2.8 million people face life-threatening hunger.

The human rights situation is horrific, with assertions from the U.N. and from U.N. officials that targeted attacks against civilians and U.N. personnel may constitute war crimes or crimes against humanity. The U.N. Mission in the Republic of South Sudan reports that gross violations of human rights and serious violations of humanitarian law have occurred on a massive scale with civilians often targeted along ethnic lines. And UNICEF estimates that the warring sides have recruited as many as 16,000 child soldiers and that conflict related sexual violence against civilians is prevalent.

There are many serious challenges that remain as South Sudan moves toward implementing its peace agreement. I look forward to hearing from our witnesses about the prospect for peace and what the United States and the international community can do to improve prospects for peace in the country and begin to tackle the enormous humanitarian needs of the South Sudanese people. And with that I thank you and I yield back.

Mr. SMITH. Thank you, Mr. Cicilline. I would like to yield to Mr. Rooney.

Mr. ROONEY. Thank you, Mr. Chairman. I would just like to say I was fortunate enough to be able to address Secretary Kerry when he testified before our Appropriations subcommittee, and I asked him if the U.S. is willing to hold war criminals in South Sudan accountable by imposing additional targeted sanctions and an arms embargo to show that we are actually serious about the peace agreement and that violating its terms will not be tolerated. I felt like the U.S. was about to get serious when he responded very assertively that the international community is absolutely prepared to put into place individual sanctions for a range of things that may have been committed in the course of the war.

But since then, unfortunately, not one additional person has been subject to sanctions or an asset freeze by the U.N. or by the U.S. Russia continues to block U.S. and UK motions at the U.N. Security Council, as you know, for an arms embargo with seemingly no pushback from the administration. Also, the February attack on a protected civilian site was without question facilitated by government soldiers and aligned forces.

This was a deliberate attack on a U.N. base, sanctioned by the Government of South Sudan, with its soldiers killing over 30 and injuring over 100, deliberately and systematically burning down sections of the camp occupied by ethnic groups aligned with the op-

position. Government forces turned to ash 3,700 civilian shelters, along with clinics, water tankers, nutrition centers, schools, et cetera.

I hope that you address some of these issues in your testimony here today. And with that, Mr. Chairman, I thank you for the opportunity to make a statement and I yield back.

Mr. CAPUANO. First, I just want to appreciate the opportunity to sit with you and to listen. I have been involved with the Sudan issue for awhile. Welcome, Ambassador Booth and Mr. Leavitt. They do great work. And with that I am going to yield back and listen to them.

Mr. SMITH. Thank you very much, and thank you for coming, for your longstanding leadership on Sudan.

I would like to now welcome our two very distinguished representatives from the administration, who are themselves leaders when it comes to Sudan. Ambassador Donald Booth was appointed U.S. Special Envoy to Sudan and South Sudan on August 28, 2013. He previously served as Ambassador to Ethiopia, Zambia, and Liberia.

Prior to that he was director of the Office of Technical and Specialized Agencies at the Department of State's Bureau of International Organization Affairs. Ambassador Booth has also served as director of the Office of West African Affairs, deputy director of the Office of Southern African Affairs, economic counselor in Athens, and division chief for Bilateral Trade Affairs at the Department of State.

We will then hear from Bob Leavitt who serves as deputy assistant administrator for USAID's Bureau for Democracy, Conflict, and Humanitarian Assistance. Mr. Leavitt has over 20 years experience managing humanitarian and development assistance programs and national security policies. From 2012 until joining the Bureau in September 2014, he served as USAID's executive secretary and senior advisor for national security affairs.

While on detail from USAID, Mr. Leavitt served as the director of African Affairs at the National Security Council at the White House from 2009 to 2012. He joined USAID in 2001 as a conflict resolution specialist in the Bureau for Africa after he worked for Catholic Relief Services from 1994 to 2000.

Ambassador Booth, you are recognized.

STATEMENT OF THE HONORABLE DONALD BOOTH, SPECIAL ENVOY TO SUDAN AND SOUTH SUDAN, U.S. DEPARTMENT OF STATE

Ambassador BOOTH. Thank you, Chairman Smith, Ranking Member Bass, and members of the subcommittee. I appreciate the opportunity to speak before you today.

Yesterday, April 26th, former Vice President Riek Machar returned to Juba and was sworn in as First Vice President by President Salva Kiir. Now this represents a significant step toward formation of the Transitional Government of National Unity that both leaders had committed to when they signed the peace agreement 8 months ago. We expect the Transitional Government to be formed and constituted within days now. However, this will not in and of itself deliver peace and restore national unity. To achieve those

outcomes, South Sudan's leaders will need to work together for the people of South Sudan.

I would like to note that progress this week came only after bouts of obstructionism by both sides. The progress of the last few days would not have happened without the intensive personal diplomacy of Ambassador Phee and her team in Juba as well as Ambassador Haslach and her team in Addis Ababa. They worked tirelessly to overcome the many last-minute hurdles that delayed First Vice President Machar's return.

Looking forward, the parties in the Transitional Government will have to demonstrate that they can and will work together to make tough decisions, to break old habits, and accept a new and intrusive degree of international financial oversight in order to convince the world of their seriousness in leading South Sudan to a better future.

The United States is ready to help the Transitional Government do right by its people, but we need to see that this government will not repeat past mistakes. The United States will press for full implementation of the peace agreement, particularly the reform agenda contained therein. And there I am referring to, first, economic reform. South Sudan needs to undertake rigorous macro economic reforms. It cannot spend what it doesn't have. It is time for austerity as well as revised spending priorities.

We are coordinating with other international donors to ensure that any financial commitments in support of the Transitional Government will be conditioned on its acceptance of international oversight of its revenues and expenditures. Specifically, we believe that an external expenditure oversight mechanism needs to be established. To be seen as a credible partner, the Transitional Government also needs to demonstrate its commitment to allowing full and unfettered humanitarian access to all parts of the country.

For too long South Sudan has been the victim of some corrupt leaders and their mismanagement of its economy and natural resources. This cannot continue. To that end, my office and others in the administration are pursuing measures to identify and act against those responsible for wanton corruption and theft. We want to see a Transitional Government in which corruption is no longer the scourge that it has been in the past, and we will not neglect the possibility of trying to recover stolen money.

Second, security sector reform. For more than a generation South Sudanese society has been dominated by armed groups and by the perception that conflict brings rewards. It is imperative that men under arms be able to transition to peaceful and productive citizens. This disarmament, demobilization, and reintegration effort will require significant resources and enormous creativity to have a chance of success. South Sudan, however, must emerge from the transitional period as a state with an army and not an army running a state.

And third, reconciliation and accountability. We fully support the peace agreement's provision for the Hybrid Court for South Sudan to be established by the African Union, as well as the establishment of a Commission for Truth, Reconciliation, and Healing. We are pleased to see that the African Union has begun initial preparations to create the court and we are prepared to support it.

Ethnic grievance fueled this most recent war, and to prevent another the crimes of the conflict must be addressed consistent with both South Sudanese values as well as international norms. It is easy to name the ways that this agreement might fail, and it is easy to find cause for pessimism.

We were appalled by the violence at the U.N. Protection of Civilians site in Malakal in February in which men in SPLA uniforms opened fire on civilians. We are dismayed by the death toll of humanitarian aid workers, and we continue to be concerned about the government's 28 states plan, which has complicated implementation of the peace agreement and stoked grievances among communities. We have made clear to both sides that this kind of behavior has to end.

I want to be clear that if any of South Sudan's leaders continue to work against implementation of the agreement, we are prepared to employ any measure to include sanctions and an arms embargo which we believe could change their behavior. I believe we must remain, however, committed to helping South Sudan work toward the laudable goals contained in the peace agreement. It really is more than just an accommodation between warring factions. It has important reform elements.

The people of South Sudan, the people we have spent $1.6 billion in humanitarian assistance to support since the conflict began, are the reason we cannot throw up our hands in frustration. They are the reason we must be prepared to support the Transitional Government if and when it begins demonstrating its commitment to implementing the agreement. Any other course of action would simply abandon those South Sudanese to a future of more conflict and deprivation. These are the same South Sudanese who with our support for their right of self-determination voted for independence in 2011 and who deserve a country that lives up to the promise of its beginnings.

Finally, I want to thank the members of the subcommittee for your ongoing attention to South Sudan and its people, and thank you for giving me the opportunity to speak before you today. I look forward to your questions.

[The prepared statement of Ambassador Booth follows:]

Testimony of
Special Envoy for Sudan and South Sudan Donald Booth
before the House Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations
"South Sudan's Prospects for Peace and Security"
April 27, 2016, at 2:00 p.m.

Chairman Smith, Ranking Member Bass, and Members of the Subcommittee, thank you for the opportunity to speak before you today.

As I sit here, the situation on the ground in South Sudan is extremely fluid. The last 10 days, and the last 48 hours in particular, have seen a flurry of activity culminating with the return to Juba yesterday of Riek Machar. Upon his arrival, Machar was sworn in as First Vice-President, under the terms of the peace agreement signed last August. We expect the Transitional Government of National Unity to be formally constituted within days. These are the most significant advancements yet in implementation of the peace agreement. Progress this week came only after the most recent bouts of obstructionism by both sides – notably, Riek Machar's imposition at the eleventh hour of new conditions regarding security personnel and weapons, and the government's sudden closure of Juba International Airport to block Machar's planned arrival on April 23. Both sides continue to angle for political advantage ahead of the formation of the Transitional Government, and this remains our foremost challenge in implementing the peace agreement.

I want to emphasize that the progress of the last few days would not have happened without the intensive, personal diplomacy of

Ambassador Phee and her team in Juba, as well as Ambassador Haslach and her team in Addis Ababa. They worked tirelessly to overcome last-minute hurdles involving flight clearances and weapons inspections, when intransigence from both the government and the opposition repeatedly threatened to delay Machar's return. It would be difficult to overstate the level of commitment Ambassador Phee has shown in her nine months in Juba to making the peace agreement work.

I do not have to tell you that this is only a first step toward lasting peace. The most difficult work still lies ahead. We will need to work with the Transitional Government to address the economic crisis now facing South Sudan in a way that pulls the country back from the brink of ruin and builds the foundation for a more stable economy going forward. The formation of an inclusive Transitional Government is necessary but not sufficient to this effort. The parties will have to demonstrate that they can and will work together to implement the peace agreement in order to gain further support from the United States, other partners, and the international financial institutions. The Transitional Government, comprised of former enemies, must work together, make tough decisions, break old habits, and accept a new and intrusive degree of international financial oversight, to convince the world of its seriousness. The United States has always been a friend to South Sudan. We are ready to help its new government do right by its people. But we need to see that this government will not repeat past mistakes.

The formation of the Transitional Government will start the clock on a 30-month timetable leading toward elections in 2018. For those elections to happen, and for South Sudan's institutions to be sufficiently healthy by then to function effectively, much needs to be done. The United States will continue to press for full implementation of the peace

agreement. We will remain by necessity involved in every detail of implementation. To that end, I would like to discuss what we see as the main elements of the peace agreement that need to be implemented. I would state here that we are ready to work with South Sudanese leaders who are willing to implement the agreement's core reform agenda.

When I speak of the agreement's reform agenda, I am referring to its provisions across four areas: governance and constitutional reform; macro-economic reform and transparency of public finances; security sector reform; and justice and reconciliation. Implementing these provisions is imperative to ensure that South Sudan does not repeat the mistakes of the past.

The current economic crisis must be addressed to give the Transitional Government and South Sudan a chance of success. For too long, South Sudan has been the victim of the corruption of its leaders and their mismanagement of its economy and natural resources. This cannot continue.

The peace agreement spells out many of the economic reforms that are needed, notably the establishment of an effective government payroll system and transparency in revenue collection and expenditures, as well as improved budget discipline. The agreement provides for the strengthening of the National Audit Chamber and the creation of a National Revenue Authority. These would be positive steps, but they would not go far enough. South Sudan needs to undertake rigorous macro-economic reforms. It cannot spend what it does not have; it is time for austerity as well as revised spending priorities. It needs to use the money it has effectively and transparently. We are coordinating with other international donors to ensure that any financial commitments in

support of the Transitional Government will be conditioned on its acceptance of international oversight of its revenues and expenditures. Specifically, we believe that an expenditure oversight mechanism needs to be established that would have an ability to review Transitional Government expenditures to ensure they are in line with the budget and available funds, and processed in a transparent manner. We believe, also, that to be seen as a credible partner, the Transitional Government must demonstrate its commitment to allow full and unfettered humanitarian access to all parts of the country.

While many South Sudanese leaders have habitually resisted anything that appears to them to limit the country's sovereignty, in recent conversations South Sudanese officials have shown a more realistic attitude toward the challenges the country faces and the tough decisions that will be needed to confront those challenges. I am hopeful that agreement can be reached both among donor nations and between donor nations and the Transitional Government that will allow the international community to assist in repairing South Sudan's economy and eliminating the corruption and mismanagement of the past.

In addition, I believe we need to address the problem of official corruption head-on. As long as public office is viewed as a path to wealth through the misuse of public funds, South Sudan will never have the leadership it deserves. We believe it is important both to prevent corruption in the future and, where possible, to undo the damage of the past. To that end, my office and other departments are exploring avenues to identify and take measures against those responsible for gross and wanton corruption and theft. This would include measures the Department of State itself can take to discourage corruption, potentially to include visa bans on officials found to have stolen public funds. Our

focus is forward-looking: we want to help stand up the Transitional Government – and, ultimately, a permanent, democratically elected government – in which corruption is no longer the scourge it has been. But we will not neglect the possibility of recovering stolen money that belongs to the people of South Sudan and by rights should be used to rebuild the country.

As daunting and critical a challenge as economic reform is, security sector reform (SSR) poses an equally great test for the Transitional Government and its regional and international partners. For more than a generation, South Sudanese society has been dominated by armed groups – by the mythos of the Sudan People's Liberation Army, by the perception that conflict brings rewards, and by the status of the SPLA as South Sudan's single largest employer. In the wake of a devastating conflict, it is imperative that thousands of men under arms be able to transition from the armies of both sides into peaceful and productive citizens. This disarmament, demobilization, and reintegration (DDR) effort will require significant resources and enormous creativity to have a chance of success.

The peace agreement provides for SSR and DDR efforts. There are no easy answers; the task is massive and complex. While the peace agreement provides for a 180-day Strategic Defense and Security Review, a lack of resources and the inevitability of political disagreements among the parties make it likely that this deadline will slip, as others have. I expect we will see frustrating delays and political posturing, as we have with the process of cantoning forces in advance of the Transitional Government's formation. We will maintain constructive pressure on the parties to adhere to the ceasefire and keep the process moving forward, without losing sight of underlying goals

and the importance of getting it right, even at the cost of delays. Making the right decisions and getting the right outcomes will be more important than adhering to a strict timeline. South Sudan must emerge from the transitional period as a state with an army, not continue as an army running a state.

These are pressing tasks. But we will not lose sight of the need as well for justice and accountability following South Sudan's conflict. We fully support the peace agreement's provision for the Hybrid Court for South Sudan, to be established by the African Union, as well as the Commission for Truth, Reconciliation, and Healing. We are pleased to see that the African Union has begun initial preparations to create the court, and we are prepared to support it in becoming the credible and impartial mechanism South Sudan needs to address the worst crimes of the conflict. The South Sudanese people have made it clear that they consider both justice and reconciliation to be vital aspects of the transitional agenda. Ethnic grievance fueled this most recent war, and to prevent another war, the crimes of the conflict must be addressed in a way that is consistent with South Sudanese values as well as international norms.

Even as the formation of the Transitional Government has been delayed, many of the transitional mechanisms provided for in the agreement are functioning. These include the Joint Monitoring and Evaluation Commission (JMEC), the Joint Military Ceasefire Commission, and the Ceasefire and Transitional Security Arrangements Monitoring Mechanism. The JMEC, in particular, is crucial to ensuring full implementation of the peace agreement. To that end, we have worked to maintain regional and international support for JMEC and its Chairperson, former President of Botswana Festus Mogae, to preserve

unanimity among South Sudan's partners and to make clear to the South Sudanese parties that they cannot seek alternative forums when they do not like a decision made by the JMEC. In February, Kenya's Foreign Minister and I co-hosted a meeting in Kenya of the JMEC Partners Group, which includes all non-South Sudanese guarantors and witnesses to the peace agreement, and will participate in a second meeting in May. The signing of the agreement last August and the partial progress since then have come about because of consistent messaging and pressure from us and our partners, and the purpose of the JMEC Partners Group is to maintain that focus.

It is in no country's national interest to have a failed state on its borders. Nations such as Kenya, Ethiopia, Sudan, and Uganda will continue to strongly influence the narrative of South Sudan, and it will continue to be vital that we engage these and other countries to ensure that they play a constructive role in implementation of the peace agreement. To date they have done so, and in fact the international character of the efforts to implement the first phases of the agreement – from Ethiopia arranging flights for opposition returns, to China helping prepare sites around Juba for opposition security personnel, to the Troika's cooperation on a range of matters – indicate that the United States and our partners have been generally successful in sustaining both international will and international unanimity on the forward path in South Sudan.

It is easy to name the ways this agreement might fail, and it is easy to point to the delays and other problems and find cause for pessimism. We were appalled by the violence in the UN Protection of Civilians site in the town of Malakal in February, during which men in SPLA uniforms opened fire on civilians, and disappointed by the government's lackluster response. We continue to be concerned about the

government's 28 states plan, which has complicated implementation of the peace agreement, stoked grievances among some communities, and created new official structures that this government cannot afford. We were disappointed that on the eve of formation of the Transitional Government, the opposition once again imposed conditions for Riek Machar's return and the Kiir government once more put up obstacles to Machar's return. We have made clear to both sides that this kind of behavior has to end.

I want to be clear that if any of South Sudan's leaders continue to work against implementation of the agreement, or attempt to drag their country even further from peace, we are prepared to employ any measure, to include sanctions and an arms embargo, that we believe could change their behavior.

Ambassador Phee and her staff, and my staff, and so many others in the U.S. government, our NGO community, the UN Mission in South Sudan, and the international community, have worked tirelessly for more than two years to help South Sudan's leaders achieve a compromise that would bring peace to their country. But we are not the ones who will suffer if those leaders fail once again to make good on that compromise. It is the people of South Sudan who will suffer. They are exhausted by war and hungry for a better future. And they are the reason I continue to believe that we must remain committed to helping South Sudan work toward the laudable goals contained in the peace agreement. The people of South Sudan – the people we have spent almost $1.6 billion in humanitarian assistance to support since the conflict began – are the reason we cannot throw up our hands in frustration. They are the reason we must continue the patient work of pressing for implementation of the peace agreement. They are the reason we must be prepared to support

the Transitional Government when it begins demonstrating its commitment to implementing the four reform pillars of the peace agreement. Any other course of action would simply abandon those South Sudanese to a future of more conflict, more deprivation, and more uncertainty – the same South Sudanese who with our support for their right of self-determination voted for independence in 2011 and who deserve a country that lives up to the promise of its beginnings.

Finally, I want to thank the Members of this Subcommittee for your ongoing attention to South Sudan, and your commitment to the South Sudanese people. Thank you for giving me the opportunity to speak with you today, and I look forward to your questions.

Mr. SMITH. Thank you very much, Ambassador Booth, and thank you for your personal efforts that have been extraordinary.

Mr. Leavitt.

STATEMENT OF MR. BOB LEAVITT, DEPUTY ASSISTANT ADMINISTRATOR, BUREAU FOR DEMOCRACY, CONFLICT, AND HUMANITARIAN ASSISTANCE, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Mr. LEAVITT. Chairman Smith, Ranking Member Bass, and members of the subcommittee, thank you for holding this hearing and thank you for the opportunity to testify.

Today I would like to highlight the humanitarian crisis in South Sudan and how USAID has adapted its response to the situation. We join the Special Envoy in calling the Transitional Government of National Unity to begin to address the country's urgent challenges.

South Sudan's economy is in crisis. Its people struggle to find enough to eat, and human rights abuses continue with impunity. The recent exodus of South Sudanese into Darfur, Sudan, shows the desperation that many face. A total of 2½ million South Sudanese have fled their homes. Approximately one in four South Sudanese are experiencing extreme, life-threatening hunger. This year will likely be the most food insecure since South Sudan gained its independence.

The U.S. Government and our partners continue to do everything possible to help the people of South Sudan, providing nearly $1.6 billion in humanitarian assistance since December 2013. This includes the $86 million we announced earlier today. Every month we reach 1.3 million South Sudanese with life-saving food assistance, protection, clean water, and sanitation. We have moved over 344,000 metric tons of food assistance, which is enough to fill the equivalent of 18,000 tractor trailers back-to-back between here and New York City.

Our partners also provide trauma and protection support to children and survivors of gender-based violence. I want to express our deep appreciation for our partners and colleagues on the ground for their courage and their commitment to save the lives of the South Sudanese. They continue to face significant security challenges and access challenges.

Warring parties and armed actors have killed 52 aid workers, a dozen more since we testified last in December 2015. The parties are obligated under the peace agreement to allow humanitarian aid to flow without interference, yet aid workers continue to deal with lengthy negotiations, numerous checkpoints and other obstacles. I would like to thank Ambassador Booth and Ambassador Phee in Juba for repeatedly intervening to secure humanitarian access when it counts most.

USAID has shifted its long term assistance from helping to build the institutions of the new South Sudanese state to investing directly in the South Sudanese people. We educate children where they are now, including in Protection of Civilians sites at U.N. compounds across South Sudan. We have enrolled nearly 148,000 children, more than triple the number of students in the Washington, DC, public school system. Despite these efforts, over half of all chil-

dren age 6 to 15 are not in school in South Sudan, the highest proportion in any country.

We collaborate with other donors to support basic health care including maternal and child health services and immunizations. We are helping the South Sudanese regain their ability to make a living. We recently announced a new effort to help communities in food insecured states to recover assets such as farming tools and seeds, and improving their nutrition. These investments will help reduce their dependency on emergency assistance.

As Ambassador Booth highlighted, paving a way for transitional justice processes will be critical for South Sudan's future. USAID has piloted a program that helps communities overcome trauma that perpetuates historic grievances. We are also working with the South Sudan Council of Churches to engage the South Sudanese in grassroots healing and reconciliation, and we launched a peace center to educate citizens about the peace agreement.

We all want to see South Sudan move forward. The Transitional Government of National Unity must set the country on a path to peace and development. We expect the Transitional Government to prevent the extortion and physical threats of aid workers and to allow full freedom of movement for all civilians. We expect them to prioritize their country's health and other development needs.

As part of our mission to end extreme poverty and promote democratic resilient societies, we will continue to invest in the people of South Sudan and their efforts to build a more prosperous, peaceful future. I want to thank Congress and this subcommittee for your commitment to the South Sudanese people. Your support makes our life-saving work possible. Thank you.

[The prepared statement of Mr. Leavitt follows:]

Testimony of Deputy Assistant Administrator Bob Leavitt
Bureau for Democracy, Conflict, and Humanitarian Assistance
United States Agency for International Development

House Committee on Foreign Affairs
Subcommittee on Africa, Global Health, Global Human Rights and International Organizations
"South Sudan's Prospects for Peace and Security"
April 27, 2016

Chairman Smith, Ranking Member Bass, and members of the Subcommittee, thank you for holding this hearing and for your continued strong interest in South Sudan.

Today, I would like to highlight the worsening humanitarian crisis that the South Sudanese people face and how USAID has adapted its efforts to help them despite serious challenges. I will discuss our life-saving aid, as well as our long-term assistance to provide basic services, improve livelihoods, and mend the deep societal rifts in South Sudan. USAID's mission is to partner to end extreme poverty and to promote resilient, democratic societies while advancing our security and prosperity—nowhere more so than in a country as desperately in need as South Sudan.

Situational update

The parties to the August 2015 peace agreement have taken some steps to implement the agreement; we join the Special Envoy and international community in calling on the Transitional Government of National Unity to begin to address the country's urgent challenges. South Sudan's economy is collapsing, its people struggle to find enough to eat, and human rights violations and abuses continue with impunity.

South Sudan has one of the highest inflation rates in the world. Ordinary South Sudanese are struggling to afford food and other basic goods with a significantly devalued currency. In March, USAID's Famine Early Warning Systems Network (FEWS NET) reported a 300 percent price hike for the staple crop—sorghum—compared to its pre-crisis price.

People continue to flee South Sudan in search of food and safe haven. The recent exodus of South Sudanese into Darfur, Sudan, shows the desperation they face. A total of about 2.5 million South Sudanese have fled their homes, including 1.7 million internally displaced persons (IDPs) and more than 800,000 refugees in Ethiopia, Uganda, Sudan, and Kenya.

Half of all South Sudanese—meaning 6.1 million people—are in need of humanitarian assistance or protection this year. Approximately one in four South Sudanese—2.8 million people—are experiencing extreme, life-threatening hunger. Years of conflict and periodic drought have eroded their ability to cope and many have no remaining livestock or other assets with which to feed their families.

In the most conflict-affected areas of the Greater Upper Nile region (Jonglei, Unity, and Upper Nile states), approximately 40,000 people face catastrophic levels of food insecurity, which means they do not have basic food to survive and some are starving to death.

Despite impressive efforts to pre-position as much food aid and other assistance as possible before the rainy season intensifies, the hunger crisis will not improve this year. According to FEWS NET, the number of people facing extreme hunger will increase as the limited harvest runs out and food prices continue to rise through the summer. It is likely that this year will be the most food insecure since South Sudan gained its independence in 2011.

Delivering Life-Saving Assistance

The U.S. Government continues to do everything possible to help the people of South Sudan during these very difficult times. We are the largest donor to South Sudan, providing nearly $1.6 billion in humanitarian assistance for conflict-affected people in South Sudan and South Sudanese refugees in the region since the start of the crisis. This includes more than $86 million announced this week. Every month, we reach 1.3 million South Sudanese with lifesaving assistance, including food and nutrition, protection, and safe water and sanitation. Since the crisis began, we have moved over 344,000 metric tons of food—more than enough to fill 18,000 tractor trailers lined up back to back from Washington, DC to New York City.

Our partners take very seriously the needs of members of vulnerable populations, especially women and children who have suffered unspeakable brutality in this conflict. They have reached 48,000 children and parents with child protection services, helped reunite nearly 10,000 separated children with their families, and provided gender-based violence support for more than 30,000 people. After February's attack on the Protection of Civilians site at the Malakal UN compound, USAID partners established a clinical management of rape site and two emergency women's centers that provided clinical and trauma support to women and girls. Partners also integrate protection across all humanitarian assistance. For instance, we involve women in decision-making about clean water and sanitation access to ensure their safety.

I want to express our deep appreciation for our United Nations (UN) and NGO partners and staff on the ground for their courage and commitment to save lives. Our partners use creative tactics to reach people in one of the world's most dangerous and logistically difficult countries. One USAID partner's staff walked for days to deliver critical emergency nutrition supplies to remote displaced populations in Upper Nile State. Another partner used canoes and an extensive community network to distribute seeds to communities in need. Partners have deployed mobile teams during sporadic cessations of fighting to quickly access people in hard-to-reach, remote, insecure, and conflict-affected areas. They have surged back into areas of Unity State where aid groups previously had to evacuate due to violence and resumed services for some of the hardest-hit populations.

USAID's partner, the World Food Programme (WFP), has expanded road routes to deliver aid when warring parties fight or block movement. They have found new places to land in support of air operations. In January and February, WFP mobile teams completed 21 missions, reaching

403,000 people with emergency food assistance. WFP works with the governments of Sudan, Ethiopia, Kenya, and Uganda to bring aid across each of their borders to maximize efficiency.

Security and Access Challenges

Our partners continue to face significant security and access challenges that make our life-saving operations more dangerous and complex. Since the beginning of the current conflict, warring parties and armed actors have killed 52 aid workers—a dozen more since I last testified before Congress in December 2015. More than 90 percent of all aid workers are South Sudanese who risk their own lives to help their fellow citizens. Since January 2014, the UN has recorded nearly 1,900 incidents in which criminals or warring parties attacked offices, detained or assaulted aid workers, or otherwise interfered with aid operations. Journalists and other civil society groups are also under threat as South Sudan becomes an increasingly dangerous place to speak and operate free from violence.

Following President Kiir's unilateral creation of 28 states last year, local officials proliferated. Since then, our partners report a marked increase in informal taxation, harassment, and other impediments that slow down the delivery of aid to people in desperate need. Although the parties are obligated under the peace agreement to allow humanitarian aid to flow without interference, aid workers continue to deal with lengthy negotiations, numerous checkpoints along major supply routes, and other obstacles.

While we have been able to reach communities trapped in the crossfire through ad-hoc negotiations, parties to the conflict have not yet demonstrated the political will to grant full and unfettered access nationwide. For example, on March 16—after a month of intense diplomatic pressure—the government allowed a humanitarian delegation to reach more than 27,000 people who had been cut off from aid in Wau Shilluk for weeks. Nevertheless, the people of Wau Shilluk are still not able to move freely and parents and children in that community remain stranded on opposite sides of the Nile River.

The parties to the peace agreement must meet their obligations under the agreement to facilitate an environment in which civilians and aid workers can move freely and safely. Ambassador Booth and I recently met with senior South Sudanese officials and urged them, as we have many times before, to make access a top priority immediately.

Adapting our Response to Promote Recovery

Since the conflict began, USAID has shifted its development assistance from helping to build the institutions of the new South Sudanese state to more directly meeting the needs of the South Sudanese people. We recognize that corruption is a pervasive problem. We provide no financial assistance to the Government of South Sudan. We are squarely focused on investing in the people of South Sudan directly and empowering them with the services, information, and economic opportunities to move their country along a path to peace. As part of our assistance, we strengthen civil society, which plays a critical role as a government watchdog.

Because the government has used its resources to wage war, the people of South Sudan have

poor and scarce basic services. The government is by far the largest employer in South Sudan, but it routinely pays salaries late. Many government workers are not getting paid at all—including teachers and health care workers.

Education is critical if we are to ensure that an entire generation is not lost to war and despair. We provide education to children where they are now—including thousands of children that are in Protection of Civilians sites at UN compounds across South Sudan. We have enrolled nearly 148,000 children and adolescents from displaced and host communities—that is more than triple the number of students in the Washington, DC public school system. We are also partnering with the Bangladeshi NGO BRAC to provide community-based education for an additional 10,500 children—60 percent of whom are girls—who have never attended school. Despite our efforts, education needs are massive. Over half of all children aged 6 to15—or 1.8 million children—are not in school in South Sudan, the highest proportion in any country.

As a result of the conflict, South Sudan has experienced one of the steepest declines in media freedoms in the world and there are very few independent outlets for citizens to receive unbiased information. We have adapted our efforts to expand access to information on everyday needs during the crisis. For instance, our partner Inter-news created an innovative and low-tech service that offers information to displaced people—by motorized bike and loudspeaker—on topics such as the peace process, IDP services, and how to mitigate health threats such as cholera.

We have expanded access to independent radio in all of South Sudan's 10 states. At a community radio station we support in Northern Bahr el Ghazal—Nhomlaau FM—a group of 64 women recently walked for hours to communicate on air about their frustration over having to walk 12 hours from their homes to collect water. Their remarks sparked intense community debate throughout the day as others called into the station to discuss the problem of water access. The radio station later reached out to the area's governor who promised to visit the affected area within a month to resolve their water problem. These efforts are critical to ensuring that South Sudanese can engage and speak freely about their concerns, and sustain the space for democratic debate and participation in South Sudan.

We continue to provide basic health services that are the only option most South Sudanese have to access health care because the government has failed to prioritize health in its own budget and procurements. Last month, USAID signed an agreement to join other donors in providing basic health services to eight states. This latest investment follows a one-year project that USAID, the United Kingdom (U.K.), and Norway recently completed to procure and deliver essential medicines across South Sudan. In addition to our longer-term support, we have also provided health services for more than 213,000 IDPs across six health clinics in protection of civilian sites, including reproductive health and gender-based violence support, and cholera and polio vaccinations to prevent disease outbreaks. We urge the government to make good on its commitments to prioritize health funding, as South Sudan has some of the poorest health outcomes in the world. The Government of South Sudan has allocated significantly less resources to health care than what other developing countries in sub-Saharan Africa allocate.

We are also helping the South Sudanese recover their livelihoods. This month, we announced a new activity to build resilience in conflict-affected states that are stable enough for early

recovery. While our previous food security work was in South Sudan's more agriculturally productive "greenbelt," this effort focuses on food insecure regions. We will help restore assets and livelihoods, build infrastructure, and bolster nutrition so that these communities can withstand climate and conflict stresses and reduce their dependency on emergency assistance.

As South Sudan's largest donor, we play an important leadership role in ensuring donor efforts are based on shared objectives. Two weeks ago, the Department of State and USAID convened global donors and the World Bank and International Monetary Fund to discuss options to promote transparent public financial management and stabilize South Sudan's economy. At USAID, we take seriously the need to integrate conflict-sensitive principles into our efforts across all sectors. We are also working with the U.K. Department for International Development (DFID) to create a resource center with research and advisory capabilities to assist all donors in incorporating conflict sensitivity into program design and implementation to ensure that their assistance does not exacerbate tensions.

We all want to see South Sudan move forward. We continue to help the people of South Sudan at the grassroots. We hope that as the new transitional government takes shape we can help put South Sudan back on a path to long-term development.

Paving the Way for Peace

As Ambassador Booth highlighted, paving a way for a transitional justice process will be critical for South Sudan's future. It is important to recognize that the South Sudanese people are heavily traumatized not just from the current conflict, but from prior conflicts dating back decades. The people of South Sudan must come to terms with the effects of trauma and rebuild ties between communities in order to lay the foundation for long-term peace and reconciliation. USAID has piloted a program that helps communities understand the impact of trauma and how it perpetuates historic grievances. The program helps communities overcome inter-communal tensions that have fueled cycles of violence and revenge killings.

We have long collaborated with faith-based organizations in South Sudan and today they play an important role in peacebuilding. Religious organizations are some of the most widely trusted institutions in South Sudan and they have reach and influence in communities nationwide. In March, we announced a new effort with Catholic Relief Services to support the South Sudan Council of Churches as it engages 1.25 million South Sudanese in community healing and reconciliation processes. We launched a National Peace Center that will provide citizens with events and materials on global peace processes and implementation strategies. We are also supporting the Catholic University of South Sudan to convene public discussions on healing and transitional justice in Juba, as part of a larger program to encourage youth and other citizens to participate in efforts to respond to and mitigate conflict.

To ensure a lasting peace, women must have a voice in the peace process, and USAID has worked hard to promote their participation. For example, a USAID partner in Central Equatoria organized a rally to encourage women's political participation. Their advocacy led to the nomination of two additional women to local governance structures and the establishment of a Gender Desk Office at the local police station. We directly support women's groups—such as

the South Sudan Women's Empowerment Network—to disseminate the peace agreement. We also worked with the Women's Monthly Forum to coordinate women's advocacy around the peace process, including efforts to strengthen female representation in key peace agreement mechanisms.

Conclusion

The U.S. Government is committed to saving the lives and aspirations of the people of South Sudan and to paving the way for peace and development wherever possible. The Transitional Government of National Unity must take on the responsibility of setting the country on the right course. The stakes have never been higher—and the people of South Sudan cannot afford one more day of bloodshed.

We urge the government to prioritize humanitarian access so that we can reach those who most need our help. We appreciate the work of our Department of State colleagues who have engaged key local actors to make real gains in humanitarian access.

We also appreciate the support provided by this Committee and other members of Congress on behalf of the American people. Our assistance to people in desperate need in South Sudan is saving lives. We will continue to invest in the people of South Sudan and their efforts to build a more prosperous, peaceful future.

Mr. SMITH. Thank you so very much, Mr. Leavitt.

To begin, just a few opening questions. First, Ambassador Booth, you talked about any measure being on the table. You might want to elaborate a little bit. Of course this is a time of some heightened hope, but we know that hope coupled with the credible threat of a downside, a sanction, personal especially, can sharpen the mind.

The impact on food security, or food insecurity more appropriately termed, on vulnerable persons, since it is very hard to get food aid as well as medicines to targeted populations, what impact do we know—Mr. Leavitt, you might want to speak to this—is having on the elderly, children, particularly pregnant women?

We know the great gamechanger of the first 1,000 days from conception to the second birthday, is any of that happening now in South Sudan? Are we about to see a period of stunting and other kinds of consequences, maladies that could be prevented? Fifteen thousand child soldiers, is that accurate? Is it more or less? What is being done to reintegrate those kids?

John Prendergast says that one factor not addressed, and he goes on to talk about the main driver being unchecked greed. He talks about looting frenzy, violent kleptocracy, looting and killing with impunity, but he suggests that the one factor that has not been addressed is this issue of unchecked greed; your response to that.

And Matt Wells in his comments points out that in February, Senegal, Angola, UK, and France supported an arms embargo and suggests that U.S. leadership has been lacking on an arms embargo. If the U.S. were to strongly support an arms embargo it is likely that the position would prevail in the Security Council; your reaction and thoughts on that.

Mr. LEAVITT. Chairman Smith, I will begin with the impact on the elderly and the children regarding this situation. USAID is concentrated on the situation affecting the most vulnerable people in the country.

Just to give you an example of how we are targeting children and elderly, in the case of children USAID provides health and nutrition assistance to some of the most vulnerable in some of the most dangerous and vulnerable areas of the country. What that translates into, what that looks like is an example of an 8-month-old boy in the State of Jonglei late last year got malaria. He got terribly sick, dehydrated, and became less than 10 pounds in weight. The mother carried that boy for 6 hours to get to the first accessible clinic.

That was funded by USAID's partner IMA, health international. That organization provided specialized therapeutic assistance to that child in nutrition support. That child gained back 3 pounds over the course of 5 weeks, and at that point in time the mother was able to care for the child and to bring the child back home. This assistance, the health assistance and nutrition assistance that USAID and its partners bring to bear sometimes in remote and dangerous areas makes a significant difference.

In terms of children and elderly, also making sure that our activities do no harm and our activities support the needs of such vulnerable populations, we have partners that have helped train communities that have been vulnerable to conflict and to displacement to be prepared, when necessary, to flee. And our partners

have provided training for communities to have escape plans, evacuation routes, run bags, and in one recent case that training was actually utilized just a day or so after it was received. And that training also looked at how to care for the elderly, how to make sure that we are caring for the needs of the children and the elderly as people flee.

Ambassador BOOTH. Thank you very much, Mr. Chairman. Let me tackle the child soldiers question first. I don't think there is a really reliable number of the numbers that have been recruited, because a lot of children who have ended up in the conflict have been parts of militias and other groups such as the infamous Nuer White Army, which is really a traditional hunting band, which has been suborned at times in this conflict in support of the opposition.

But, and clearly when we look at a DDR program, one of the first actions and where we would like to have U.S. participation in early intervention is in identifying child soldiers and getting them separated and out and into some sort of psychosocial counseling so they can be reintegrated into society. Child soldiers——

Mr. SMITH [continuing]. For counseling?

Ambassador BOOTH. The capacity in country does not. We would have to——

Mr. SMITH. Is it even close? I mean, how quickly could that be stood up?

Ambassador BOOTH. You would have to bring in outside experts to work on this and find people in South Sudan who have some rudimentary skills and work with them to add to that. But this whole question of child soldiers is something that I engaged with the Minister of Defense on even before this conflict broke out, and I think we had a commitment from the government at that point and they were working toward actually tackling this problem in a serious way. The conflict obviously set that back.

The question about measures to take if the leaders don't cooperate, I mentioned in my oral remarks that really we have sort of everything on the table. We are prepared to look at sanctions. We are prepared to look at an arms embargo. I think one of the key elements though is what I discussed, which is we really want to make sure that resources of the country are going to be utilized for the people of the country. And so we are taking a careful look at what has been stolen in the past and who stole it, so we are definitely going to pursue that.

Mr. SMITH. If I could interrupt briefly, is Enough Project of help to you, The Sentry, their project—are you working with them on that?

Ambassador BOOTH. We certainly are working with them. They have shared information with us. We have been discussing this with them. I think it is a good information collection gathering effort, but we now need to take that forward in ways that the U.S. Government is uniquely qualified to do whether it is through our FinCEN at Treasury which looks at this issue on a systemic basis, or through the Department of Justice which would look at things in an individual case basis.

And there is also an Executive order that gives us the ability to deny visas to people that are involved in corruption at well, so there are a number of tools out there we can use.

Mr. SMITH. So you have sufficient authority for tools to hold individuals to account?

Ambassador BOOTH. We have a broad range of tools that we can use should people be backsliding. The other big tool that we can use, frankly, is going to be getting those countries in the region who have no interest in having a failed state on their border to put their own pressures on, and often that is much more effective than what we can do from the U.S.

This gets to the question about the unchecked greed and corruption. Again we are trying to tackle that in two ways. One is looking at what has happened in the past, but more importantly, as I said in my remarks, we want to make sure that with this government there is transparency in its public finances. And we have already put the existing government as well as the opposition before they came together on notice that we would be looking for some sort of expenditure control mechanism to be in place. Otherwise, it would be very difficult to justify putting additional resources in support of stabilization of the macroeconomy.

So that is a push we have been working with our international partners on. We have had a number of meetings, most recently last month, here in Washington with key donors.

And then on the events in the Security Council about the arms embargo last month, at that time the focus of the efforts was to ensure that former Vice President Machar returned to Juba and the Transitional Government was stood up. And so the idea was not to punish for the fact that it wasn't stood up, but to encourage the parties to get it formed and to implement the peace agreement.

And so we looked at what we could do that would have an impact that would incentivize both sides, and there the embargo actually came up short because it would incentivize the government much more which could have led to greater resistance from the opposition. And so that was the problem that we were dealing with at the time. Now that they are one government it should be easier to exert some of those types of pressures.

Mr. SMITH. A deployment of 13,000 peacekeepers, is that about right? Is it enough?

Ambassador BOOTH. The U.N. increased the peacekeeping ceiling to 12,500 troops in December 2013, and then added another 500 to the ceiling in December 2015. Those troops have not been found and recruited yet to deploy to the mission, and it took about 18 months to even do the first bump-up. So there is a problem of finding people, troop contributing countries, and I think the role of the U.N. Mission, protection of civilians, will begin to change with the Transitional Government.

With a Transitional Government that is functioning you should have people beginning to feel safe that they can now leave these U.N. camps, can begin to leave the IDP camps and go home. And that will also be the main thing, I think, that will alleviate the humanitarian crisis facing the country.

Mr. SMITH. Thank you.

Ranking Member Bass.

Ms. BASS. Thank you very much, Mr. Chairman, for conducting this hearing and also for our witnesses.

While we welcome the return of Riek Machar to Juba, we recognize that for all parties concerned, including the United States, much hard work must be done to address effectively the current situation on the ground and help move this pivotal country and its people forward in peace.

I had the opportunity to visit South Sudan twice over the last few years and the opportunity to meet with the people and the leaders of the world's youngest country. During my first visit, a congressional delegation in May 2012, almost a year after South Sudan's independence, there were high expectations of what independence could mean for the country, the region, and the diaspora.

My last visit to South Sudan with my colleague Mr. Capuano was in November of last year. The difference between this visit and the first visit could not have been more stark. Last November there was an atmosphere of fear and desperation. I saw and met victims of physical attacks and the internally displaced all desperate for access to humanitarian assistance.

I also heard about countless accounts of human rights abuses and about the degradation of women and their children in an environment where there appeared increasingly to be a lack of compassion. Against the backdrop of increasing intercommunal strife, perhaps the most telling statistics are those of South Sudanese seeking refuge in neighboring countries including Sudan.

Since December 2013, the beginning of this crisis, the U.N. reports over 200,000 new South Sudanese arrived in Sudan. These refugees are in addition to the 200,000 South Sudanese who fled to Ethiopia, the ones who fled to Uganda, and the approximately 100,000 that fled to Kenya. In addition, South Sudan has an internally displaced population of approximately 1 million people.

A major concern of all of us who monitor closely humanitarian issues is the blatant intimidation and killings of humanitarian workers, the majority of whom are South Sudanese. While we were there, I believe it was, Mr. Capuano, 2 weeks before we got there, there was a humanitarian mission where the boat was hijacked and everybody was held hostage for a couple of weeks and everything on the boat was stolen. I am also concerned about food consumption and the increasing crisis, the food insecurity which both witnesses have referenced.

But before I close I want to note what I hope is a prospect for peace, and that is the South Sudanese-Americans, the former Lost Boys and Lost Girls. We had a policy breakfast about this last week. There are a number of them that I am sure are here in the room today, and if there are they should raise their hands. These were former Lost Boys and Lost Girls who came to our country years ago and have made incredible accomplishments, becoming doctors and nurses and playing a very positive role in U.S. society.

And so I am considering introducing legislation that might have our Government support some of them returning, and I wanted to know your opinions about that and how we might do that in a constructive way. Many of them in my conversations—and Mr. Capuano and I met with a group of, I think it was probably about 25 who came from all over the country and they have accomplished a tremendous amount here, but, you know, they have left family back in South Sudan and many of them have expressed an interest

in returning, and I want to know your thoughts on that. The leadership vacuum that exists there now, and if you think they might be able to return and make some contribution.

I also want to know, I mean, I realize that Vice President Machar just returned, but I want to know if you have heard any reports of anything that has happened. I guess he has just been there a few days and I know he brought a tremendous number of forces with him. But what is the sentiment? What is happening now? So perhaps you could answer those couple of questions before I continue on.

Ambassador BOOTH. Thank you very much, Congresswoman. Let me answer the second, or the last part of it, first, about Riek Machar's return and the impact in Juba. I think one indicator is the strengthening of the South Sudanese pound today, so I think the markets are reacting favorably as one indication.

The reception that he was given yesterday when he went directly from the airport upon arrival to the presidential grounds for the swearing-in, and the speech that was made by President Kiir in particular, was very, I think, uplifting. The President apologized not only to the people of South Sudan for the conflict, but he apologized to the international community for——

Ms. BASS. Good.

Ambassador BOOTH [continuing]. What has happened. And he raised the hands of both Riek Machar and Vice President Wani Igga, who is from Equatoria, so the three major regions of South Sudan together, and said we are going to work together and we are going to implement this agreement and we are going to restore our country.

So I think the atmospherics initially have been very good and I commend the parties for that. There is still a lot of tough work ahead, and I anticipate that there are issues that were not fully resolved in the peace agreement and will continue to be contentious in going forward. But that is the real test. Can they show that they can work together? Can they compromise? And that is the challenge that is ahead of them and the challenge that we are putting to them.

Ms. BASS. Let me interrupt you for a second. When we were there and we met with President Kiir, the whole idea of the new states that were created he left us with the impression—and Mr. Capuano, I think you would agree. But he left us with the impression that that was not necessarily going to be implemented right away, because how could these parties come together and agree to divide leadership and create a new government and then in the meantime he goes and doubles the geographic areas? And I don't know how Machar is supposed share power in that situation.

Do you, is it your impression—and we were there in November. Is it your impression that he moved forward with the creation of these new states or did he keep it to the number that is was before, which I think it was at 12—10? So he went from 10 to 28 states.

Ambassador BOOTH. Unfortunately, Congresswoman, on Christmas Eve, the President did promulgate the order to create the 28 states. And despite strong pressure that they not move forward and actually implement that, though, they did move forward over the last couple of months appointing governors and other officials.

The events in Malakal at the PoC camp, the underlying tensions for that were most likely a result of this 28 state decision where the Shilluk community in particular felt they were being displaced because Malakal has been moved from a Shilluk dominated area to a Dinka dominated area. So the 28 states created not only difficulties in implementation of the agreement, which was based on power sharing in 10 states, but also created these additional ethnic tensions which have played out not only in Malakal but also in Western Equatoria and Western Bahr el Ghazal.

Ms. BASS. You know, practically speaking, what did they do, roll up on the governor's mansion and tell the governor he has got to leave?

Ambassador BOOTH. Well, in one case, in effect yes that did happen in Pibor, and there was fighting in Pibor town as a result of that as one governor replaced another. We have pushed very hard and with the support of the international partners and President Mogae, who is running the JMEC, the monitoring mechanism responsible for oversight of the implementation of the agreement, to push for the issue to be put off until the Transitional Government is formed, and for there to be a boundary commission that would look at what the borders of the states would be and also, frankly, to take a look again at the subdivision of the country. Frankly, South Sudan cannot afford 28 states at this point.

Ms. BASS. Did they redo the power sharing with Machar?

Ambassador BOOTH. That is an issue that is still complicated, because power sharing at the state level as I said was based on 10 states. The government has said any state that, new state that came from one of the states that the opposition would have gotten the majority in, then the opposition would get the majority there.

So instead of the opposition having a majority of the state government in 10 states it would have an opposition majority in, I believe, 6 states. Sorry, three of the 10 versus 6 of the 28. That issue is one of those unresolved issues that is out there. I think this 28 state question will be something that preoccupies the Transitional Government in its early days, among other things.

You also asked about security. Yes, there was provision in the security agreement that followed the peace agreement for Riek Machar to have security in Juba. They have now mainly deployed there including elements of the Joint Integrated Police that will be responsible for security of the city.

Ms. BASS. Well, before I run out of time though, if you wouldn't mind, the question I asked about the Lost Boys and Girls who are men and women and they are no longer lost, but what your thoughts are about that.

Ambassador BOOTH. Clearly, there are a number of people, Lost Boys and Girls, others from the diaspora that have skills that would definitely benefit South Sudan. Some have gone back. You mentioned a leadership vacuum. I think the leaders there would argue that there is no leadership vacuum. There are plenty of potential leaders in the country.

Ms. BASS. Okay.

Ambassador BOOTH. But I think I know what you were referring to.

Ms. BASS. I wasn't necessarily referring to the President and the Vice President. But I mean, I think there is lots of layers although that is debatable as well. Yes, right. A lot of new governors are needed, right?

Ambassador BOOTH. Hopefully we won't need as many governors either. There are those types of programs. The World Bank has one known as TOKTEN, which is the transfer of knowledge, which brings back diaspora members, helps fund them. So those are programs that have worked in some countries.

There is always resistance, however, particularly when a country is coming out of conflict, to having people who have not been there come back and take over, particularly more highly paid positions. But South Sudan clearly does need expertise, so whenever I meet with diaspora I encourage them to indeed look for how they can contribute, whether going back or staying here and contributing from here. Thank you.

Mr. SMITH. Thank you very much. I yield to the distinguished chairman of the full committee, Chairman Royce.

Mr. ROYCE. Thank you very much, Chairman, for holding this. I know how involved you and Congresswoman Bass have been on this issue and in pushing for U.S. engagement on this issue, and we thank you for that. And I think yesterday with the return of Riek Machar to Juba we see maybe, for once, a real opportunity here. We thank the Embassy for their work in that regard of getting him there. But I think establishing a Transitional Government is obviously the cornerstone of the step we have to take.

One of my frustrations through all of this is that we have not utilized the arms embargo to shut down the weaponry that continues to escalate. And now that we have a peace process, I think it begins to lay the foundation for the administration having argued, well, it is punitive to do that. I don't think it was punitive, but now it is conditional, right? It is a condition I would hope, Ambassador, it is a condition of the deal that we cut off the arms flow.

And I think the problem is that with these factions so heavily armed now and spending their resources on those armaments, and with the deep distrust that they have, and I have spoken to both sides of this conflict, but they are now confined in the capital, and one miscommunication could spark an absolute explosion within the capital of not just the start of another conflict, but the loss of human life in that crossfire, which would really be catastrophic.

So on that point, I think we have long used this argument of an embargo as an empty threat. I see some of the witness testimony here that shows that witnesses are going to testify to the fact that in the past actual imposition of an embargo has shut down the amount of violence. The threat of an embargo without imposing it? No, no. That often actually increases the conflict as these continue to ramp up. So I am just back to something that I have, Ambassador Booth, long been haranguing about but I just think it is really important now.

Lastly, if they are going to respect the ceasefire why would they still want to build up their arsenals? So I think from that standpoint that is just one additional argument why part of this has to be to prevent that cycle. It has been widely reported that this past February there was expressed support at the U.N. Security Coun-

cil. What I saw was the UK, France, our friends among African Union members all in support of that, so that is a good thing. And I don't know how bad things have to get to get to the point where the U.S. is on board, but I would suggest we are past that point, not to belabor it.

The last point I would make here is that the financial coffers are nearly empty. They are not going to be able to repay any debts, probably, in Juba. So Ambassador Booth, I am pleased to read in your testimony that the administration is coordinating with other international donors to ensure financial commitments to support the Transitional Government will be conditioned on international oversight of both the revenue side of this and the expenditure side. I think it is vital. It is vital because, frankly, both sides have a long history with respect to, we will just call it corruption, or misuse of funds.

And I would ask what actions will the administration take if the South Sudan Transitional Government does not accept the prerequisite oversight mechanisms? I think that is wise to let them know that there will be consequences if they try to skirt that. Will we be ready to walk away from the table if they refuse that? And have we considered adding any new names to the U.S. or U.N. sanctions list? A lot of time has gone by. We haven't wrapped that list up, and there are some pretty bad actors involved and I think we have to be mindful of that. We don't want to create a perception of immunity. So I will allow you to respond. Thank you very much.

Ambassador BOOTH. Thank you, Chairman. It is good to see you again. Let me address the issue about arms. We all agree that there are far too many arms in South Sudan and that they certainly don't need anymore. And particularly now that they are together in a Transitional Government, there is no point in continuing to build up the arms stockpiles.

I think one of the ways that is most effective to get at this, and would be more effective even than an arms embargo—if it was supported particularly by the region—and there are many in the Security Council who do not support it and it was not even a unanimous support about a month ago when it was raised by the African members, so it is not an easy lift in the Security Council by any means. But the way to get at this problem, really, is through the public financial management approach that we are proposing.

I mentioned also macroeconomic reform, and one of the things in order to make this government budget anywhere near being financeable they are going to have to make major concessions. And one that has been recommended to them by the IMF is that capital expenditures need to be cut basically to zero. Now capital expenditures is weapons as well, and so if we can use the financial side of our approach to this to get at preventing additional weapons from getting into South Sudan that would be, I think, an easier way to do it and a more effective way to do it.

I think, also, the Council support for this followed immediately after the events in the PoC site in Malakal and since then has diminished in ardor for doing this, and even more so given the fact that the Transitional Government is about to be formed with Riek Machar there. You asked what we would do if they don't accept sort of the transparency of the public finances. I think the answer

there is they don't get the type of money that they would need to do things like stabilize the economy, to implement reconstruction, and really to move forward in any meaningful way on DDR.

This country, because of the decline in the price of oil, and since oil had been the major, over 90 percent, source of their revenue, the country is now really in a very difficult position. And so they really are going to need the help and support of the international financial institutions and donor partners. So we, I think, are in a good position to be able to achieve the type of intrusive role that we have been proposing.

Mr. ROYCE. Thank you, Ambassador.

I see John Prendergast here. I just wanted to thank him for getting me into Sudan even if it was without a visa. John, thanks. Thanks for being with us today.

Mr. SMITH. Thank you. Mr. Cicilline.

Mr. CICILLINE. Thank you again to our witnesses. I want to just focus for a moment on the question of the child soldiers. And I am wondering whether you, Ambassador, or Mr. Leavitt, could talk a little bit about what we are doing to both prevent more child soldiers and to help secure the release of existing child soldiers, and to the chairman's question how large is the problem?

Ambassador BOOTH. Well, Congressman, as I said we don't have a totally accurate number because these are not formal military organizations. And, you know, many of the militia groups, I mentioned the Nuer White Army as an example, where they traditionally have brought younger children in as part of their cattle-raiding activities, and when these cattle raiding activities become part of the conflict, yes, they become child soldiers.

So the scope of the problem is something that needs to be defined as we go into this DDR program. As I said, one of the top priorities would be to get the children away from other combatants, to get them into some sort of psychosocial counseling program, reintegrated back into their society, hopefully with their families.

Mr. CICILLINE. But that is not happening at all right now.

Ambassador BOOTH. That is not happening because there hasn't been a security sector reform program so there hasn't been a start to DDR yet. But there has been a start of soldiers going to cantonment sites, which is a rather loose term because these are not sort of formal barracks but more the villages where they would be then registered and accounted for, and so that is when we can start that process.

But that is something that we would need, you know, to probably work with other partners to ensure there is sufficient funding to get that done. But the child soldiers is clearly one of the top priorities for DDR.

Mr. LEAVITT. As a part of USAID's emergency education activities, 148,000 children have been enrolled, children and adolescents. That does not target former combatants, former child combatants, but there are former child soldiers who had served as combatants that are a part of those programs. And some of those former combatants have received psychosocial treatment.

Mr. CICILLINE. Thank you. And with respect to the issue of the endemic corruption that seems to plague South Sudan since the very days of its formation, what can we do working with the re-

gional governments to help the South Sudanese leverage their natural resources to make sure that the proceeds from those resources actually go to the people and not line the pockets of the political leadership? You know, what other steps can we take to help incentivize or advocate for that kind of approach?

And secondly, would you just speak a little bit on what was the rationale for the creation of the additional states? Was it simply to give more appointments of governors, or was there some underlying policy, and how do you think that is likely to sort of unfold?

Ambassador BOOTH. Well, on the issue of corruption and—particularly how do you make sure that the resources that come to the state, basically the oil revenues, get used for the benefit of the state—that was something that we had identified during the peace negotiations, and we pressed hard for inclusion in the peace agreement of an intrusive public financial management oversight system. That was, I think, understandably resisted by some other countries in the region who are not particularly interested in setting precedents like that.

But with the declining price of oil and the prolongation of the conflict, South Sudan is now in a position where it really has virtually no revenue, and so we are taking another run at this as a group of donors in conjunction with the international financial institutions to try to make sure that indeed what is owed to the state gets collected, goes to the Ministry of Finance, the Central Bank, and then is spent according to the budget so that there aren't a lot of extra budgetary expenditures, no one showing up at the Central Bank saying where is my $200,000 that I asked for this morning? That has been a perennial problem in South Sudan and one that needs to be stopped.

The 28 states issue is interesting. During the peace negotiations the opposition pushed very hard for a formal declaration that South Sudan would be a Federal country, a Federal system of government, and the opposition pushed for 21 states in that Federal system. The government at that time, Salva Kiir, supported by the mediation and by others such as ourselves, said the structure of a state is a fundamental issue that should be decided when you draft your permanent constitution. It shouldn't be something decided around a negotiating table over a peace agreement.

That prevailed during the negotiations, and so it was rather shocking that President Kiir would float this then 3 months after having signed the peace agreement, something he had vigorously opposed during the negotiations. It was really done as a political ploy, I think, by both sides to particularly gain support from the Equatorias.

The three Equatorian states have long been supporters of a Federal approach in South Sudan, and so there was a sort of jockeying for political support that was going on. This unfortunately has created more ethnic tensions in parts of South Sudan and more violence. And so this has to be addressed by the Transitional Government as a priority matter.

Mr. CICILLINE. Thank you, and I yield back.

Mr. SMITH. Mr. Rooney.

Mr. ROONEY. Thank you, Mr. Chairman, and thank you to the chairman of the full committee for letting me sit in today. I sit on

the Appropriations Committee, the Subcommittee on State and Foreign Operations, which is why I am here today and why I have taken an interest in your testimony, for obvious reasons, where our money is going and how it is being spent. I appreciate your testimony and your job, and I also appreciate the sensitivity of diplomacy and how we must proceed forward despite certain setbacks.

But I do find very interesting some of the things that we have heard today, especially from the chairman. I know we talk about being disappointed and condemning violations of ceasefires, attacks on U.N. compounds, and the killing of civilians by government forces. I know recently Susan Rice went so far as to demand that the Government of South Sudan investigate the attack it orchestrated against its own citizens itself, and bring itself to justice as if it was the United States.

If we the United States aren't publicly willing to hold those accountable for atrocities committed throughout the course of the war, and hold those accountable who raided the public finances to support the purchase of military equipment used to conduct systematic killings of civilians, it is kind of hard to fathom that this government is going to do that themselves. They are just not going to do it. It is not going to happen.

So I think as an appropriator and somebody who votes to spend money on things that I think are important, that we need to send a message to let the people know that we are serious that we are on the side of the people and not the leaders, whether it be the government or opposition. And we need to really tell when we look at these leaders that when we say and we demand a stand-down order that that is what we demand, and not sort of, you know, well, it is a touchy situation because governments are just forming and, you know, we don't want to have sanctions or an arms embargo, because there shouldn't be arms coming in from either side.

I mean, you know, we have talked in our office to people that are in the NGO community. If there was a real arms embargo, it would have a real impact. The threat or sort of like these half measures, I think, actually sends, as I think that Chairman Royce was saying, actually has a counterproductive consequence.

So I guess my question is this. As an appropriator, somebody who votes to spend money, why are we allowing war criminals and war profiteers to dictate our policy while they deliberately lie, cheat, and steal from us? And how has the international community held those responsible accountable for these war crimes and what is it doing to stop attacks like this from happening again? And what is it going to take to hit these guys where it hurts—I am talking about the leaders on both sides—so that our people, our taxpayers in this country, feel confident that their tax dollars are not being wasted? Thank you.

Ambassador BOOTH. Thank you, Congressman. You raised two issues, accountability for war crimes and also accountability for the money that has been spent. On the issue of war crimes, gross violations of human rights, this is why the peace agreement includes the provision for the creation of this Hybrid Court for South Sudan which would be created by the African Union, and they have begun to work on that. It will be hybrid. It will be with South Sudan. But

the leadership of it will be coming from the African Union, and they have started work and we are prepared to support that.

Last May, Secretary Kerry pledged $5 million as an initial down payment if you will to support this effort. We take accountability for gross violations of human rights seriously and we will be in the forefront of pressing for that. We were the ones who pressed for the release of the African Union's Commission of Inquiry report. We have been very active in the U.N. Human Rights Council.

We have managed to get a resolution this past January or February that creates a panel of experts that will continue the work of looking at what has happened. My office, in conjunction with our Human Rights Bureau, is also funding a documentation center so that South Sudanese themselves can document what has happened so that information is there for accountability purposes.

In terms of the money, you mentioned that an effective arms embargo would have an impact. We fully agree. The problem has been: Could you get an effective arms embargo? You need to have the cooperation of the immediate neighbors, and during the course of this conflict there were divisions in the immediate neighbors and those divisions played out in terms of support of arms and other equipment moving to both sides of this conflict.

This is where again we worked very hard to help bring the immediate neighbors together and the Intergovernmental Authority on Development (IGAD), which ran the mediation. And President Obama's participation in a meeting with the heads of state of IGAD back in July, we think really was a major element in the breakthrough of getting them on the same page, and we had a month after that the signing of the peace agreement. So that is what is absolutely required if you want to have an effective arms embargo.

But as I mentioned, I think we can get at this problem of spending money on arms, when there needs to be money spent on food and medicine and roads, through the very intrusive public financial management controls that we are proposing to the Transitional Government.

And in terms of protecting American taxpayer money that is exactly why we are proposing this. We want to make sure not just that we know how our money is being used, but how the money that is South Sudan's money is being used for the benefit of the people. And until South Sudan starts to move, put much more of its money, in fact all of its meager resources at this point, to the benefit of its people and to reconstruction that would be the trigger for us to then look at whether we could help. But we need to make sure that the practices of the past, whether it is corruption or, you know, misaligned spending priorities, need to be corrected.

Mr. SMITH. Mr. Capuano.

Mr. CAPUANO. Thank you, Mr. Chairman. Again I want to appreciate the opportunity to be here as well, as not a member of the committee but a longtime observer and supporter of the creation of South Sudan.

Mr. Leavitt, I want to start out by saying thank you. I can't tell you how much most of us love what the USAID does. You represent the best of America around the world in dangerous situations. As you said the 52, if I remember the last number, of your people have been killed and, you know, never mind all those who have been

harassed and threatened with bodily harm and actually received bodily harm that weren't killed. So I want to say thank you and appreciate that and I would love to be able to do more to help them.

But I also want to be real clear though. USAID doesn't operate in a vacuum, you operate with a lot of other partners around the world. And when we were in there, when we were in Sudan we watched as people were given their rations for the month and we were told unequivocally by the camp owners that the food that they were given was calculated to last 20 days for the month, not that the food would, but that the nutritional value of that food was 20 days' worth.

So with all the work that we are doing, with all the money we are sending, we are still not providing people the absolute minimum to sustain themselves. And with that Ambassador, again we have worked together for many years now and you know how much I appreciate your effort and your work. And actually, more than anything else I appreciate your patience which I don't have. You have to have it. I don't.

But I do want to go back to the sanctions just a little bit. I want to be real clear that my support for sanctions, not just general sanctions in arms, there are so many small arms in that country, the sanctions are not going to do anything to remove them. However, if the sanctions, this is my opinion, were directly focused to the large arms that did not exist in that country more than a year or 2 ago, which cost millions of dollars for helicopters, millions of dollars for vehicles that can pursue people through swamps, it changed the face of that conflict dramatically.

It is bad enough when bad actors are doing bad things, but then when they chase the civilian, the unarmed civilian population out of a village and then they can pursue them with a helicopter and they can pursue them with vehicles that can get through swamps, that changes it dramatically. It is bad enough to be able to live in a swamp, live nearby in the forest to be able to not even be able to do that is something that I would argue that if we focus directly on the heavier arms, especially now, the country, no one can argue that they need them now. And if we can't get sanctions through the U.N. there are other ways that I will trust you are more capable of pursuing than I am.

But again for me the focus is, not that I wouldn't like to give it up all arms, but on those heavy arms in particular, and as you know we have had this discussion before. I would personally like to see chasing particularly the worst actors. I would love to see their personal funds chased. And I say that because, you know, they aren't just sitting in a mattress in South Sudan. They are not in gold bars. They are sitting in banks in Kenya and Uganda for the most part. And, you know, it is cash that they have stolen from our money, from USAID, not just like cash but items that they stole from you and then sold, and it is readily available.

And again I know we have had this discussion before and we have to go vote, but I wanted to add my voice to that which you have heard before, but I wanted to do it here for the record as well.

Mr. SMITH. Thank you very much. Let me just conclude with one final, a very brief question, and elaborate for the record if you

would. With regards to child survival, are children getting the vaccinations that they absolutely need to survive and to prosper? And the first 1,000 days of life which I know South Sudan has agreed to, is that a priority of USAID to ensure that that nutrition and supplementation to reduce maternal mortality as well as child mortality being prioritized?

Mr. LEAVITT. Our health activities and nutrition activities do very much focus on women and children at this time. With regards to vaccinations I can take that for the record and provide you the details on that.

[The information referred to follows:]

WRITTEN RESPONSE RECEIVED FROM MR. BOB LEAVITT TO QUESTION ASKED DURING THE HEARING BY THE HONORABLE CHRISTOPHER H. SMITH

For many years, USAID assistance to South Sudan has included childhood vaccinations against major vaccine preventable diseases which include polio, measles, and diphtheria, pertussis, and tetanus Hepatitis B and Haemophilus influenza type B), as a core part of our basic health services. USAID helps South Sudan with the purchase of new vaccines through its global investment in Gavi, the Vaccine Alliance, and with the aim optimizing the global investment, the USAID mission in South Sudan supports activities to strengthen routine immunization systems, including service delivery which is necessary for the delivery the vaccines. USAID is an anchor donor for Gavi with more $200 million in annual contribution and South Sudan is one of the Gavi priority countries for vaccines and health systems.

South Sudan's national immunization program is largely supported by international development partners, including USAID and Gavi. USAID actively participates in the National Interagency Coordinating Committee to ensure that Gavi funds are used strategically in support of routine immunization activities in South Sudan. As part of ongoing health activities, USAID-funded programs will continue to work with county health departments and state ministries of health to implement the "Reaching Every District/County" strategy in all eight states covered by a multi-donor health fund (supported by USAID, the United Kingdom, Canada, European Union, and Sweden). The eight states covered by the fund are Central, Eastern and Western Equatoria; Western and Northern Bahr el Ghazal; Lakes; Unity and Warrap. The World Bank supports basic health services in the remaining two states, Upper Nile and Jonglei.

In the last three years, routine immunization activities in South Sudan have been significantly affected by conflict, particularly in the northern part of the country. Consequently, the national administrative immunization coverage (DPT–3/PENTA–3) has dropped from nearly 70 percent in 2011 to 56 percent in 2015. USAID support has been essential in preventing these rates from dropping even further. Because strong routine immunization depends on a functional health system, improvements will take time. In the interim, USAID continues to work with other partners, including the World Health Organization and UNICEF, to support integrated immunization campaigns for polio, measles, and vitamin A supplementation, as well as to improve routine immunization through periodic accelerated vaccination outreach activities.

USAID humanitarian programs support immunization campaigns for measles and polio as part of essential primary health care for internally displaced persons (IDPs) and children at risk of malnutrition, both within IDP sites and through mobile clinic outreach services. In addition, USAID supported cholera oral vaccination campaigns in congested IDP sites to respond to and mitigate cholera outbreaks in 2015.

Preventing stunting requires a multi-sectoral approach in the first 1000 days. USAID supports the provision of safe water and sanitation facilities, as well as training on safe hygiene practices, to prevent and mitigate the negative effects of diarrheal disease on health and nutrition. In addition, education for caregivers on infant and young child feeding practices helps to promote optimal nutrition with the resources available to families. Psychosocial stimulation can also be an important factor for preventing stunting among young children. USAID provides community-based psychosocial support services for conflict-affected children and mothers to enhance their emotional and psychosocial wellbeing, such as through provision of recreational spaces and activities.

These activities complement USAID humanitarian and food assistance programs, which aim to address the immediate nutritional needs of children and pregnant and

lactating women in South Sudan and save lives while mitigating the longer-term developmental impacts of the conflict. USAID supports 10 partners to deliver life-saving treatment for children aged 6 to 59 months and pregnant and lactating women who suffer from acute malnutrition. Since the crisis began, USAID has provided over 1,300 tons of Ready-to-Use Therapeutic Food (RUTF) to UNICEF for the treatment of severe acute malnutrition and over 3,600 tons of Ready-to-Use Supplementary Food (RUSF) through the World Food Program for the treatment of moderate acute malnutrition. USAID humanitarian funding also enables provision of primary health care and maternal and antenatal services in the UN Mission in the Republic of South Sudan Protection of Civilians sites and other locations sheltering large numbers of IDPs.

In addition, in early June, the Ministry of Health, in coordination with relevant line ministries, donors, UN agencies, NGOs, and other civil society organizations, held a high-level advocacy meeting on Scaling Up Nutrition, signaling its intention to revitalize the movement to end malnutrition in South Sudan. USAID will work with other stakeholders to support this process in the coming months.

Mr. SMITH. Because, you know, in the past even when there were conflicts, and one of my first, I actually worked on this issue since I have been in Congress for 36 years, but I will never forget when the FMLN and President Duarte even in the height of their conflict in El Salvador had days of tranquility in order to vaccinate the children. And hundreds of thousands of children were protected against polio, diphtheria, and a number of other child killing diseases, and I just hope that is a priority. If you could get back to us on that, it is extremely important.

We stand in recess. We have four votes and then we will reconvene for Panel II. Thank you so much.

[Recess.]

Mr. SMITH. The hearing will resume. We do have some members en route so I thought I would wait, but I think if we wait too long we will have another set of votes. So I do apologize for that set that intervened. I do want to say a brief statement about this prayer petition for South Sudan.

Deborah Fikes may have left but she was with us earlier from the World Evangelical Alliance, 104,000 signatures on a resolution committing those people to prayer asking our leaders to take bold action to ensure peace is realized in South Sudan by doing everything in their diplomatic power to stop the flow of weapons and ammunition that are fueling the violence and ensuring that those who stand in the way of peace are held accountable, to quote from the petition. So I thank her for providing the subcommittee with that.

I would now like to introduce our distinguished panel, and I do hope the members make their way. There are no more votes for at least 1½ hours.

Beginning first with Mr. John Prendergast who is a human rights activist, best-selling author, and co-founder of the Enough Project, an initiative to end genocide and crimes against humanity, John has worked for the National Security Council under President Clinton, the State Department, and in congressional offices. He has also worked for the National Intelligence Council, UNICEF, Human Rights Watch, the International Crisis Group, and the U.S. Institute for Peace.

He has helped fund schools in Darfurian refugee camps and helped launch the Satellite Sentinel Project with actor and activist George Clooney. Mr. Prendergast has worked for peace in Africa for more than ¼ of a century and has been a frequent and an expert

witness that this subcommittee and other subcommittees do rely on for insight and counsel. So thank you, John, for being here.

We will then hear from Mr. Matt Wells who works on Africa and peacekeeping at the Center for Civilians in Conflict, or CIVIC, with a particular focus on South Sudan. Mr. Wells has undertaken extensive field research on the recent conflict in South Sudan, examining issues including the targeting of civilians by armed actors, the protection of civilians by the U.N. peacekeeping Mission, and civilian perspectives on the peace process and transitional justice.

Prior to joining CIVIC, Matt was an Africa researcher at Human Rights Watch where he led work in Cote d'Ivoire, Senegal, Liberia, Zambia, and he is widely quoted in a number of major news outlets who seek him out for his opinion and insight.

We will then hear from Dr. Luka Biong Deng who is a global fellow at Peace Research Institute Oslo and a fellow at Rift Valley Institute. He has taught at the University of Juba in South Sudan. He was a resident senior fellow at the Carr Center for Human Rights Policy at Harvard Kennedy School, and visiting fellow at the Institute of Development Studies at the University of Sussex in the United Kingdom.

He served as director of the Center for Peace and Development Studies at the University of Juba, a minister in the Office of the President of Southern Sudan, and a national minister of Cabinet Affairs of the Sudan until he resigned in May 2011.

We will then hear from Dr. Augustino Ting Mayai who is director of research at the Sudd Institute. His major research interests include childhood mortality differentials in Sudan and South Sudan, applied quantitative methodology, applied development research, social accountability and public service delivery, and the demography of conflicts and violence.

Prior to co-founding the Sudd Institute, he worked in a wide range of research projects sponsored by the Office of the President of South Sudan, the World Bank, UNICEF, Integrity Research and Consultancy, Capacity Building Trust Fund, and the U.S. National Science Foundation.

So welcome to all four of you. Please proceed, Mr. Prendergast, as you would like.

STATEMENT OF MR. JOHN PRENDERGAST, FOUNDING DIRECTOR, ENOUGH PROJECT

Mr. PRENDERGAST. Well, thank you, Chairman Smith and Ranking Member Bass, for your unwavering commitment to the people of Africa. On a personal note, and this is rather humbling, it has taken me now 30 years to finally identify the primary root cause of suffering in South Sudan and the surrounding region of east and central Africa.

The international community is spending upwards of $2 billion a year in South Sudan, but almost nothing is being done about the root cause. In South Sudan, the state has been transformed into a predatory criminal enterprise that serves only the interests of those at the top of the power pyramid. Competing factions of the ruling party have hijacked the state itself and are using its institutions, along with deadly force, to finance and fortify networks aimed at self-enrichment and maintaining power.

Corruption and violence are not aberrations; they are the system itself. This is the definition of a violent kleptocracy. Unless it is addressed, we are just treating the symptoms not the causes of these cyclical conflicts. Investigations that we have conducted with the Enough Project's new initiative The Sentry have identified numerous cases of large scale embezzlement through procurement fraud, outright looting of the country's natural resources, and countless examples of unexplained wealth.

Funds are routinely and sometimes blatantly misappropriated and diverted away from South Sudan's central bank. In other cases, contracts are awarded to well connected insiders. Money is transferred, but the services are never delivered. We are going to go public with some of these cases very soon.

So addressing root causes you need to involve the building of leverage, which until now has been a cripplingly and puzzlingly insufficient part of international efforts to support peace and human rights in Africa. And, I say it is a puzzle because when the United States wants to counter terrorism or when we want to rein in nuclear ambitions, when we want to undermine drug traffickers, a basic element of the strategy to achieve these objectives is to build leverage through the use of financial statecraft tools.

Biting enforcement of sanctions, anti-money laundering measures, prosecutions, asset seizure and forfeiture, and other economic tools of 21st century foreign policy are key instruments in securing U.S. foreign policy goals. How strange and disappointing it is that these tools are not utilized for promoting peace and human rights in South Sudan and more broadly in Africa.

The surest way in our view to build leverage is by hitting the leaders of rival kleptocratic factions in South Sudan where it hurts the most and the place where they are most vulnerable, which is in their wallets. This requires a hard target, transnational search of dirty money and corrupt deals made by government officials, by rebel leaders, by arms traffickers, complicit bankers, and mining and oil company representatives.

Now the bulk of my written testimony contains very specific recommendations for building that leverage to dismantle the violent kleptocracy in Juba, but given the time constraints I will just focus on a few—two for Congress, two for the administration, and one for countering an American war profiteer.

First, Congress can do a lot to focus policymakers' attention in the Obama administration, but I will highlight two specific recommendations. First is passing the Global Magnitsky Act. That is a catalytic piece of legislation, and we commend your original sponsorship of the bill, Mr. Chairman. We hope everyone on this subcommittee can be convinced over time to become a co-sponsor of that bill.

Secondly, Congress can ensure that the government agencies that are responsible for administering and enforcing targeted sanctions and other tools of foreign policy of economic statecraft, particularly the Office of Foreign Assets Control in Treasury, have sufficient resources and staff to create peace, for real pressure for peace and human rights.

Now, moving quickly to the administration to the executive branch, they can do so much more to create the leverage necessary

for the United States to be able to support and influence the peace process and undergird efforts of human rights that South Sudanese are making. I strongly welcome what Ambassador Booth said just a little while ago about corruption. Those are great words. We have got to see action.

First I would say, first specific thing, and again there are lots of specifics in the testimony, is that the proper use of targeted sanctions is really critical in all of this. We need to go after much higher level officials and then seriously enforce those sanctions working to freeze and seize the ill-gotten assets that are identifiable.

Secondly, some of the South Sudanese who are already sanctioned have continued—listen to this. These are guys already sanctioned and they are continuing to openly travel and bank in international financial institutions. This is embarrassing. It completely undermines what we are trying to do and makes us into a paper tiger.

The Department of Treasury's Financial Crimes Enforcement Network should investigate these sanctions violations by banks and others and begin to discuss consequences with the sanction-busting countries and banks. FinCen, as it is known, should also send out a request to U.S. financial institutions inquiring about senior Sudanese officials suspected of grand corruption and money laundering. These actions could have a chilling impact on the facilitation of corrupt activities internationally.

Finally, a word about a firm run by a U.S. citizen that feeds into this violent kleptocracy. Evidence obtained by our Sentry initiative appears to indicate that a subsidiary of Blackwater founder Erik Prince's new company, Frontier Services Group, has arranged to provide services to South Sudan's military—despite repeated assertions by FSG that it is not involved in security contracts in South Sudan—services that would require special authorization from the State Department that Prince's company has reportedly not obtained.

Congress can work to hold these war profiteers to account by urging the State Department and the Justice Department to thoroughly examine whether Prince and associates have violated United States laws and trade restrictions. Thank you for the opportunity and your commitments.

[The prepared statement of Mr. Prendergast follows:]

Testimony of John Prendergast
Founding Director, Enough Project

House Foreign Affairs Committee
Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations

April 27, 2016

"South Sudan's Prospects for Peace and Security"

Chairman Smith, Ranking Member Bass, and Members of the Subcommittee, I am grateful for the opportunity to testify and for your efforts to shine a spotlight on what is one of the most acute humanitarian and human rights crises in the world.

South Sudan is a country that has effectively been kidnapped for ransom by its leaders. This was never so evident than during my last visit to the country earlier this year. A government at its most basic level is supposed to deliver social services, provide security, and safeguard the rule of law. In South Sudan, however, it has been transformed into a predatory criminal enterprise that serves only the interests of those at the top of the power pyramid. Competing factions of the ruling party have hijacked the state itself and are using its institutions—along with deadly force—to finance and fortify networks aimed at self-enrichment and maintaining or acquiring power.

Unchecked greed is the main conflict driver in South Sudan, although politicians have mobilized armed elements on the basis of ethnicity, leading to horrific war crimes which make peace and reconciliation all the more difficult. And it turns out that, despite its central importance in the war, unchecked greed is the one factor that has not been addressed within the context of international peace efforts.

Although its people are some of the economically poorest on earth, South Sudan is a country fabulously rich in natural resources. It is no coincidence, then, that for South Sudanese leaders, holding political power provides the primary means for self-enrichment. Just a year after the country achieved independence in 2013, revelations emerged that billions of dollars had already been looted from state coffers. And the looting has only escalated since. Investigations conducted by the Enough Project's new initiative The Sentry[1] have identified numerous cases of large scale embezzlement through procurement fraud, outright looting of the country's natural resources, and countless examples of unexplained wealth. Funds are routinely—and sometimes blatantly—misappropriated and diverted away from South Sudan's central bank. In other cases, contracts are awarded to well-connected insiders, money is transferred, but the services are never delivered.

[1] The Sentry (www.thesentry.org), which I co-founded last year with George Clooney, is a partnership between the Enough Project, the Center for Advanced Defense Studies, and Not On Our Watch aimed at investigating violent kleptocratic networks in East and Central Africa and their international facilitators.

The factions vying for power in Juba truly believe that they can loot state coffers and commit atrocities with impunity. In the short term, an elite pact between the Juba government and the rebel SPLA-IO may be the quickest path out of the immediate violence, but sustainable peace in South Sudan will remain illusory if fundamental changes to end impunity and establish accountability are not made. A return to deadly conflict is likely unless the economic and atrocity crimes at the root of the country's violent kleptocratic system are addressed. To address root causes, effective, accountable institutions in South Sudan have to be built and a safe space has to be ensured for civil society and the media to perform their critical functions. But this won't happen unless there is a dramatic increase in the positive influence that the international community can wield. **Addressing root causes will need to involve leverage, which until now has been a cripplingly and puzzlingly insufficient part of international efforts to support peace and human rights in South Sudan**.

I say "puzzlingly" in the previous sentence for this reason: when the United States wants to counter terrorism, reign in nuclear ambitions, undermine drug trafficking or other organized crime, and secure other top policy priorities, a basic element of the strategy to achieve objectives is to build leverage through the use of the tools of financial statecraft. **Sanctions, anti-money laundering measures, prosecutions, asset seizure and forfeiture, and other economic tools of 21st century foreign policy are key instruments in securing foreign policy goals. How strange and disappointing is it that these tools are not effectively utilized for promoting peace and human rights in countries like South Sudan?** Going forward, these tools of financial coercion should be essential components of our efforts to secure peace, prevent mass atrocities, and promote accountability in South Sudan and other African conflicts which must matter enough to deploy the "first team" of policy options.

In response to South Sudan's deadly looting frenzy, the United States must lead the international community in building the leverage necessary to alter the calculations of the country's leaders away from war and towards peace, from kleptocracy to good governance, from impunity to the rule of law.

The surest way to build this leverage is by hitting the leaders of rival kleptocratic factions in South Sudan where it hurts the most: their wallets. This requires a hard target transnational search for dirty money and corrupt deals made by government officials, rebel leaders, arms traffickers, complicit bankers, and mining and oil company representatives. The United States should lead in the development of a coordinated strategy for South Sudan that leverages substantially increased and rapidly deployed financial pressure as a means to secure action by the parties to fully implement the peace agreement and dismantle the violent kleptocracy responsible for this destructive war.

U.S., U.N., and other diplomats often bemoan the lack of leverage at their disposal to actually influence South Sudan's leaders to alter the disastrous trajectory they have set for their country. Frankly, this state of affairs can be swiftly altered. Resignation to this

perceived state of insufficient leverage results from a lack of both political will and policy imagination. The rest of my testimony provides concrete proposals (**throughout the text in bold below**) that could rapidly build leverage for the United States and the broader international community, leverage that could and should then be utilized to help dismantle the violent kleptocracy in Juba and end the cycles of war that have torn the world's newest country to pieces.

The Impacts of Violent Kleptocracy

In South Sudan, grand corruption is inextricably linked to the violence that has plagued the country over the past two years. A 2015 report by the African Union Commission of Inquiry on South Sudan, which uses the word "corruption" no fewer than 34 times, emphasizes the centrality of corruption in the current crisis:

> *"It was clear from the various consultations of the Commission that the absence of equitable resource allocation and consequent marginalization of the various groups in South Sudan was a simmering source of resentment and disappointment underlying the conflagration that ensued, albeit the implosion of the conflict was brought about by the political struggle by the two main players. The struggle for political power and control of natural resources revenue, corruption and nepotism appear to be the key factors underlining the break out of the crisis that ravaged the entire country."*

For South Sudan's citizens, the results of this war have been unequivocally disastrous. It is impossible to truly know the total number of casualties of South Sudan's civil war. According to USAID, nearly 2.5 million South Sudanese have been displaced internally or as refugees as a result of the conflict since December 2013. The country is currently experiencing an undeclared famine, particularly in war-torn areas. The Food and Agriculture Organization of the United Nations recently warned of "[a]larming reports of starvation, acute malnutrition and catastrophe levels of food insecurity."

Violent conflict also has a disproportionate impact on women and girls. In South Sudan, the underreporting of sexual and gender-based violence exacerbates this already serious problem. "Sexual violence remains largely invisible. It is significantly underreported because of cultural taboos, a lack of awareness and a lack of assistance," according to Aurore Brossault, a mental health and psychosocial support specialist with the International Committee of the Red Cross.

Since the war began, the United States and other donors have poured in billions of dollars in humanitarian, peacekeeping and other assistance. Yet the suffering continues, and South Sudan's civil war has taken a devastating toll on the country's economy. Research undertaken by our investigative initiative The Sentry has documented that, through it all, corrupt officials on both sides of the conflict have found ways to profit from the country's instability—whether through illicit currency speculation schemes or through opaque transactions with a host of international war profiteers. Worse, while many South Sudanese citizens are suffering from famine conditions and clinging to their lives, members of the country's ruling elite can afford luxurious properties in neighboring countries and

around the world and can send their kids to prestigious private schools overseas. The war that erupted between ruling party factions in 2013 has been hell for South Sudan's people, but very lucrative for the country's leaders and their international collaborators.

Looting and Killing with Impunity

The rival factions vying for control in Juba each have demonstrated a willingness to use lethal force on a large scale, stoke ethnic tensions for political gain, and commit mass atrocities in order to remain in power. There have been numerous credible reports of security forces targeting civilians. Dozens of humanitarian workers have been killed and their offices looted. In late February of this year, armed men attacked a Protection of Civilians (PoC) site in Malakal, South Sudan, killing over a dozen people, including several health workers. "The attack in the Malakal protection of civilians site (PoC) on 17 and 18 February is another horrifying instance of brutality in a two year conflict marked by utter and unacceptable lack of respect for the lives and dignity of South Sudanese civilians," Medicines Sans Frontieres said in a statement about the attack. "These callous acts of reprehensible violence occurred against a backdrop of two years in which civilians have been subject to indiscriminate levels of violence leading to death, irreparable wounds and the devastation of already extremely vulnerable communities in South Sudan."

This system of horrific violence does not develop and grow in a vacuum; rather it feeds on the deep corruption and lack of accountability that defines the system of governance in South Sudan. Yet the pervasive and systemic corruption that enables this violence is not the result of the complete absence of laws or institutions in the country. In fact, South Sudan's institutional and legal framework for governing public expenditures and combatting corruption was developed with a massive amount of assistance from foreign donors—including the United States—and is considered to exceed international best practices. These laws may look great on paper, but corruption remains rampant because they are simply not enforced with any regularity. In fact, it appears that the country's leaders have proactively cultivated weak and under-developed institutions that allow for minimal or non-existent checks and balances on the excesses of government officials. Meanwhile, journalists and activists who are supposed to be protected by the country's constitution are routinely subject to violence, intimidation, and other forms of obstruction by those in power. And therein lies the crux of the problem: South Sudan's kleptocrats believe they can loot state assets, flout the country's laws, commit war crimes, and sideline or kill those who get in their way—all without fear of any consequence.

A key priority for building sustainable peace in South Sudan is supporting the development of robust accountability mechanisms within the country that can safeguard the state from would-be institutional hijackers. In the long term, **the U.S. and international donors should further support South Sudanese government institutions designed to hold those in power accountable, including the Anti-Corruption Commission (SSACC), the Fiscal, Financial Allocation and Monitoring Commission, and the National Audit Chamber (NAC). The United States and broader international community should also increase diplomatic and financial support to the Joint Monitoring and Evaluation**

Commission (JMEC), a body that was set up in late 2015 to monitor the implementation of the peace agreement.

Given the enormity of the corruption crisis and its links to deadly violence, **donors and international institutions engaged in South Sudan should also give serious consideration to establishing a dual-key financial management mechanism similar to the Governance and Economic Management Assistance Program (GEMAP) used in Liberia from 2006 to 2010.** Under this arrangement, international advisors embedded in key ministries and state-owned enterprises had co-signatory authority over the allocation of contracts, natural resource licenses, and all other major expenditures for a period of several years after the end of Liberia's deadly civil war. In addition to having a strong capacity-building component, GEMAP also helped ensure that state revenue in Liberia was directed to pay for essential basic services. GEMAP also included international audit provisions for donor-provided funds.

The Government of South Sudan has spectacularly failed to provide basic services for its citizens, namely public sector employee salaries, public health initiatives, educational programs, and basic infrastructure. For this reason, a GEMAP-like arrangement should be strongly considered to safeguard the country's financial integrity. Without such an arrangement, the United States and other international donors have no guarantees that aid dollars and capacity building support will go anywhere but to support the kleptocratic system in place.

Ultimately, South Sudanese civil society must be allowed to play its proper role in holding state actors accountable for their actions. The South Sudanese government should create and enforce greater legal protections for civil society organizations and media monitoring corruption and other government abuses, as these actors will provide the foundation for accountability in South Sudan moving forward.

However, given that the South Sudanese elites responsible for the current civil war are actually benefiting from the status quo, those in power in Juba are extremely unlikely to adopt these measures without external pressure to do so. Therefore, the international community must do much more to build the necessary leverage that could be used to press South Sudan's leaders to make the difficult decisions for peace, transparency, and accountability.

Imposing Smarter Sanctions and Ramping Up Enforcement

Targeted sanctions aimed at the networks most responsible for the violence and corruption represent one of the most promising means of applying financial pressure on South Sudan's kleptocrats. Ideally, the United Nations Security Council would enact targeted sanctions on senior South Sudanese officials responsible for the rampant looting of state assets, widespread violence, and human rights abuses. However, some members of the Security Council have signaled that they will block any further sanctions proposed against South Sudan's leaders. **Given the low prospects of U.N. action on this issue, the United States**

should build a coalition of countries prepared to impose targeted sanctions on key high-ranking officials on both sides of the conflict who are undermining peace, and then robustly enforce those sanctions.

The United States should also strengthen the current sanctions regime that is in place by amending Executive Order 13664, which authorizes sanctions on the perpetrators of certain abuses in South Sudan, to include more robust criteria for designation. New provisions could include additional criteria that would allow the administration to place sanctions on South Sudanese officials engaging in public corruption or actions that stifle free speech or democracy through repression of civil society and media. An executive order issued just last week on Libya targets for sanctions those whose actions "may lead to or result in the misappropriation of state assets." This innovative criterion would surely make sense for South Sudan. **The administration should consider enacting secondary sanctions that would target foreign financial institutions engaged in facilitation of public corruption in South Sudan. Additionally, sectoral sanctions could be deployed to limit certain types of financing available for future (rather than current) petroleum projects.**

To be frank, sanctions in many countries are ineffective and at times counter-productive. The main problems with sanctions in South Sudan and elsewhere are that they are often targeted at non-decision makers and are not sufficiently enforced. To counter that, **targeted sanctions in South Sudan should be imposed on much higher-level officials and should be the subject of strict enforcement efforts to demonstrate seriousness on the part of the United States and broader international community.**

Congress should work to ensure that the government agencies responsible for administering and enforcing targeted sanctions, in particular the Department of Treasury's Office of Foreign Assets Control (OFAC), have sufficient resources and staff directed to pursue these cases.

Another step that the Congress could take on its own to put a dent in the culture of impunity that characterizes violent kleptocracies like South Sudan would be passing the Global Magnitsky Act. This bill, thanks to the tireless efforts of its original House sponsor Chairman Smith and co-sponsors such as Representative Cicilline, would provide the U.S. government with the authority to place sanctions on corrupt public officials who misappropriate state assets as well as anyone who attacks journalists and human rights defenders.

To reiterate, in order for the sanctions to be effective, they must be adequately enforced. Investigations by The Sentry and revelations in the recent U.N. Panel of Experts reports show blatant lapses in enforcement of U.N. sanctions placed on the perpetrators of abuses in South Sudan. We see not only violations of travel bans but also banks in Kenya that have maintained accounts for individuals under sanctions. Specifically, Major General Marial Chanuong Yol Mangok and Lieutenant General Gabriel Jok Riak continued to maintain accounts at Kenya Commercial Bank. Our information indicates that these were U.S. dollar-denominated accounts. **This means that the Department of Treasury's Financial**

Crimes Enforcement Network (FinCEN) and other agencies should be able to follow up on transactions from these accounts and investigate further who else, in addition to the bank itself, was committing sanctions violations by conducting business with these individuals. Furthermore, we see some evidence that officials from countries neighboring South Sudan may have played a role in facilitating or helping to conceal the offshoring of their assets. The U.S. government must send a direct message to these countries and their financial institutions, starting with Kenya, that compliance with sanctions is not optional and facilitation of the wholesale looting of South Sudanese state assets will not be tolerated, or else there will be further consequences directed at their banking sectors. Finally, in conjunction with any future designations, the U.S. government should be proactive in ensuring that these countries and their financial institutions provide cooperative information and take appropriate enforcement action.

Tracing and Seizing Kleptocrats' Ill-Gotten Gains

Kleptocratic networks cannot operate in a vacuum. They require access to financial institutions, the ability to move or launder their ill-gotten gains, and safe places to stash their illicit proceeds. In the case of South Sudan, numerous international banks have facilitated the illicit transfer of funds out of the country. Several countries around the world, including regional neighbors, have also proven to be a safe place for South Sudanese leaders to park their assets.

Given the dominant role of the dollar in international transactions and the primacy of the U.S. financial system, the U.S. government has the power to obtain bank records from countries where these illicit assets are stashed. **FinCEN can and should send out a request to U.S. financial institutions inquiring about senior South Sudanese officials suspected of grand corruption. FinCEN could also issue an advisory to all U.S. financial institutions regarding the risk of possible money laundering activity related to the laundering of the proceeds of corruption from South Sudan. This, in turn, would trigger U.S. banking and financial institutions to provide information about possible indicators of money laundering to the Treasury Department.**

The administration should also begin direct and coordinated senior-level diplomatic outreach to key banks engaged in moving corrupt South Sudanese assets asking them to cooperate with these efforts by providing information, or face future, direct action that could limit access to U.S. or European financial systems. U.S. authorities should warn banks that are now engaged in moving corrupt South Sudanese assets that they could face significant penalties, including being cut off from U.S. or European financial systems.

As with sanctions, U.S. efforts to curb the offshoring of South Sudanese assets will be significantly more potent if done in concert with a range of international partners, especially the countries in the region where South Sudan's leaders often choose to park their illicit assets. **The administration should take advantage of mutual legal assistance treaties with several key countries in the region and send requests to**

Kenya, Uganda, and Ethiopia asking for bank records associated with South Sudanese elites suspected of grand corruption. If these countries are not cooperative, the administration can work with its allies to raise concerns in a coordinated manner about their possible non-compliance with anti-money laundering best practices in several international fora, including meetings of the Financial Action Task Force (FATF) as well as the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG), where membership for these countries is discussed.

Once the offshored assets of South Sudan's kleptocrats are identified, U.S. authorities, as well as their counterparts overseas, should open investigations that could lead to the forfeiture of the assets and to the prosecution of those involved in money laundering. The Department of Justice's U.S. Kleptocracy Asset Recovery Initiative—an investigative unit comprised of personnel from the D.O.J., Federal Bureau of Investigation, and Department of Homeland Security—should lead the way for these investigations.

Holding War Profiteers to Account

It is not only South Sudan's kleptocrats that are making a fortune from the country's brutal civil war. A host of mercenaries and war profiteers have turned up in South Sudan, eager to make profit from the country's misery.

Take Erik Prince, the founder of Blackwater, for example. When Prince's firm, Frontier Services Group (FSG), began operating in South Sudan, he was explicit about one thing: FSG was dealing solely with the Ministry of Petroleum and Mining, not the military. Prince and FSG indeed have significant business interests in South Sudan's oil sector, including a contract to build and operate a diesel refinery and a $23.3 million contract "to transport supplies and perform maintenance on production facilities at the oil fields." However, providing services to South Sudan's security forces would require a special license from the State Department in order to comply with the U.S. Arms Export Control Act and the International Traffic in Arms Regulations (ITAR). In fact, Prince's Blackwater company had been fined for operating without such licenses several times, including once in 2006 for offering its services to southern Sudanese rebels prior to independence.

Although Prince's associates stressed that they were not doing business with South Sudan's military, an investigation by the online investigative news site *The Intercept* found that Prince's company had attempted to provide attack aircraft to the Government of South Sudan in addition to other defense-related services. When crafting another pitch to South Sudan's government for an operation that, according to the report, would entail "oil field security training, security intervention and protection support services to the government" for a cost of some $300 million, *The Intercept* found that Prince and his associates "explicitly plotted a business structure for the contract that would expose no traceable connection to them" which they believed "would enable them to hide violations of U.S. and international defense regulations." Documents obtained by The Sentry appear to confirm some key findings of this investigation. Records obtained through our investigation indicate that Frontier Logistics Consultancy DMCC, a subsidiary of FSG, also signed a $5.6

million contract to provide "logistical support" to the Sudanese People's Liberation Army. **The U.S. Department of State and Department of Justice should thoroughly examine whether or not Prince and his associates have violated U.S. laws and trade restrictions.**

Unfortunately, FSG is just one of many international companies that appear to have profited from South Sudan's conflict. Many of these entities are based in places outside the United States, including well-known hubs for illicit weapons flows such as Ukraine. **However, most sanctions programs, including the one in place for South Sudan, contain provisions that allow the administration to place sanctions on anyone who provides financial, material, or logistical support to entities under sanctions or those committing sanctionable offenses. The administration could use these provisions to hold the international enablers and facilitators of violence and looting in South Sudan to account.**

Ending Impunity in South Sudan

South Sudan has been kidnapped for ransom, and the hostage takers so far have faced no consequences. But the United States and broader international community now have an opportunity to help South Sudan change course—and the U.S. Congress has a role to play. The United States has tools at its disposal to foster significant change and help to end the suffering on the ground in South Sudan, and Congress can urge the administration to deploy the tools of financial pressure accordingly and work to ensure that the agencies responsible for administering sanctions and such tools have sufficient resources and staff to fulfill this mission. Furthermore, passing the Global Magnistky Act would help ensure that these agencies have a robust mandate to use their power to counter kleptocracy and disrupt the networks of those who commit mass atrocities while also protecting the journalists and human rights defenders who put their lives on the line while attempting to expose abuses.

Chairman Smith, Ranking Member Bass, and Members of the Subcommittee, thank you again for the opportunity to speak today about South Sudan.

Mr. SMITH. Thank you so much, Mr. Prendergast.
Mr. Wells.

STATEMENT OF MR. MATT WELLS, PROGRAM OFFICER, CENTER FOR CIVILIANS IN CONFLICT

Mr. WELLS. Thank you, Chairman Smith, Ranking Member Bass, members of the committee. I greatly appreciate the opportunity to testify today about South Sudan. I focus on South Sudan and peacekeeping for Center for Civilians in Conflict, which works to improve the protection for civilians caught in conflicts around the world. Over the last year I have interviewed several hundred civilians affected by the conflict in South Sudan, as well as officials from the U.N. peacekeeping Mission, the Government of South Sudan, the opposition, and local civil society.

I was most recently in South Sudan in March, investigating an attack on a U.N. peacekeeping base that housed 47,000 internally displaced persons. While there, I interviewed a man named Jameis who first fled violence in January 2014 when the armed opposition captured his village. He went to Malakal town but the conflicts soon forced him to flee again, this time to the other side of the Nile.

Last year, the double threat of food insecurity and attacks by SPLA helicopter gunships meant he was displaced once more, this time to the U.N. PoC site in Malakal. He thought not for the first time that he had found refuge from this conflict's relentless targeting of civilians, yet on February 17 and 18, intercommunal violence within the PoC site deteriorated further when armed attackers including SPLA soldiers entered through a cut in the camp's fencing and proceeded to shoot and kill civilians and to burn down systematically parts of the camp. At least 30 people were killed, more than 120 wounded, many by gunshot, and about one third of the camp was destroyed.

This man's experience is unfortunately far from unique. I interviewed women who were subjected to sexual violence as their homes were set ablaze, who have survived by eating water lilies after fleeing to the swamps only to be pursued even there by armed groups, and who after taking refuge in U.N. bases have been subjected to sexual violence and other abuses merely while trying to collect firewood outside the camp.

The much delayed return of Vice President Machar represents a notable step in the peace process, but it is just that—a step, and one that does not in and of itself greatly change the risks of violence. The U.S. needs to ramp up its engagement on other key issues that will allow people the ability to begin rebuilding their lives without fear that armed groups will continue terrorizing them.

In that vein I will speak quickly about five issues in particular. First, transitional justice. U.S. support is needed to ensure the implementation of all of the transitional justice mechanisms outlined under the peace agreement. In interviews that we and others have undertaken in South Sudan, civilians, regardless of political and ethnic affiliation, have widely expressed support for criminal accountability, locally driven reconciliation, and compensation.

Criminal justice can begin to address the impunity that has made it acceptable to target civilians. Local reconciliation can

bridge communal divisions that have been created or exacerbated by the conflict and by ethnic targeting. And compensation can help respond to communities' urgent needs including rebuilding schools and clinics and returning stolen cattle, a key source of wealth in South Sudan but also a potential driver of violence.

Second, conflict over land. The U.S. should use its leverage to ensure that any decision about the issue of 28 states is made through an inclusive process that involves all of the country's ethnic groups without favoritism based on loyalty during the conflict. The February violence in Malakal PoC is linked to the 28 states decree issue as is recent violence around Pibor and elsewhere.

Third, an arms embargo, which I have been glad to hear much discussion about today. The U.S. should support an arms embargo through the U.N. Security Council. Even after the peace agreement signing, civilians continue to be targeted in many parts of the country, including areas of the country where there previously was not conflict. There is little reason to believe that abuses will stop simply because the Transitional Government is formed.

An arms embargo will help protect civilians from future attack and reduce unlawful attacks by both sides. As was mentioned, African countries on the Security Council, notably Senegal and Angola, publicly expressed support as have the UK and France, yet the U.S. extended any decision about an arms embargo until June. The time for empty threats is over. The parties to the conflict have been given every chance to stop targeting civilians.

Fourth, security sector reform. U.S. support through both carrots and sticks is critical for meaningful reform of the SPLA and police. The splintering of the SPLA during the conflict has demonstrated that despite U.S. investment the military remains less a national institution than a collection of armed groups driven primarily by political and ethnic concerns and loyalty to specific commanders.

The U.S. needs to learn lessons from its past engagement and ensure that the governments and military take serious a SPLA professionalization that builds a national military that protects rather than targets civilians.

Fifth and finally, U.N. peacekeeping performance. The U.S. has shown great leadership in working to support and improve U.N. peacekeeping. That should continue as the U.N. Mission in South Sudan will continue to have a critical role in protecting civilians from harm. There are more than 2 million people displaced today, including 186,000 in six U.N. bases. The mission has saved lives, but it has often been limited in projecting force outside these bases. And during the February violence in Malakal PoC, UNMISS's response was simply inadequate, as we detail in a recent report.

The U.N. has encouragingly set up a Board of Inquiry. We believe it is critical that the U.N. make public a version of that report and address any shortcomings identified. In addition, if the board finds that specific units failed to intervene and protect civilians, the U.N. Secretariat with support from member states like the U.S. should ensure accountability.

I would like to again express my appreciation to the subcommittee for holding this hearing at a critical moment. The peace process has focused largely on bringing back President Kiir and Vice President Machar and the armies that fought for them. U.S.

leadership is critical to ensure the wider conflict dynamics are addressed, and that can't wait. Thank you.

[The prepared statement of Mr. Wells follows:]

CENTER FOR
CIVILIANS IN CONFLICT
RECOGNIZE. PREVENT. PROTECT. AMEND.

Testimony of Matt Wells
Program Officer, Center for Civilians in Conflict
House Committee on Foreign Affairs
Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations
April 27, 2016
"South Sudan's Prospects for Peace and Security"

Chairman Smith, Ranking Member Bass, and members of the committee, I greatly appreciate the opportunity to testify today about South Sudan. I focus on South Sudan and Peacekeeping for the organization Center for Civilians in Conflict (CIVIC), which works to improve protection for civilians caught in conflicts around the world. Over the last year, I have interviewed several hundred civilians affected by the conflict in South Sudan, as well as officials from the U.N. peacekeeping mission, the Government of South Sudan, the opposition, and local civil society.

Two years of armed conflict in South Sudan have inflicted devastating harm on the civilian population. Government and opposition forces both often waged war through targeting civilians, frequently along ethnic lines. They have killed, injured, and raped civilians; burned villages; destroyed or damaged schools and health clinics; and looted property, including cattle, food, and humanitarian supplies. More than two million people have been forced to flee their homes, with about 186,000 still sheltering in U.N. compounds. At the end of my testimony, I have included the story of one woman I interviewed, to provide a sense of what people have gone through.

The much-delayed return of former Vice President Riek Machar would represent a notable step in the peace process, but just that—a first step, and one that does not in itself greatly reduce the risk of further violence and civilian harm. Over the last year, including after the signing of the peace agreement, fighting has spread to new parts of the country, often with government forces responsible for continuing patterns of abuses against civilians. In many locations, rising inter- and intra-communal tensions have also led to violence.

While the formation of the Transitional Government of National Unity is important, it will not inherently address what underlies much of the ongoing civilian harm, including deep divisions that have fueled violence in South Sudan. It will therefore be critical that the U.S. and other countries, including those in the region, remain engaged and apply pressure to ensure tangible progress in a number of crucial areas, such as security sector reform and accountability. An arms embargo and the establishment of the transitional justice mechanisms outlined under the August 2015 peace agreement are both critical starting points.

Key Roots of Ongoing Fighting and Tensions

In many parts of the country, armed actors continue to harm civilians deliberately. In regions previously untouched by the conflict, government soldiers have recently conducted anti-insurgency operations in which civilians and civilian property have been targeted. In other parts of the country, including Jonglei, Upper Nile, Lakes, and the Equatorias, violence affecting

civilians is linked to inter- or intra-communal disputes over issues of local political control, land boundaries, and land usage, such as between cattle herders and farmers.

While there are many underlying causes of violence and tension in South Sudan, we believe four are of particular importance:

- The hardening of inter- or intra-communal divisions as a result of the way the parties to the conflict mobilized and used ethnic- or tribal-based youth fighters;
- Inter-communal conflicts over land that have been exacerbated by the Government of South Sudan's recent redrawing of the country's map;
- The impunity with which fighting forces in South Sudan have long operated, with the most recent conflict another prime example; and
- The failure to professionalize and reform the country's army, the SPLA, in the pre- and post-independence period.

Throughout the conflict, both sides have relied upon youth fighters to supplement regular armed forces. These fighters have appeared at times to operate within formal chains of command, and at other times in parallel, though with license to target civilians and civilian property.

As one of the most prominent examples, the government and SPLA relied heavily on support of fighters from the Bul Nuer, a Nuer group from Mayom County, during the offensive in Unity State in 2015. A report we released in February shows how these fighters worked closely with the military in attacking other Nuer villages in areas previously controlled by the opposition—killing civilians, committing widespread rape, and burning down homes, crops, and even seeds for future harvests. They also engaged in widespread looting, stealing at least tens of thousands of heads of cattle. Human Rights Watch and the U.N. Office of the High Commissioner for Human Rights have reported similarly.[1] The White Army, a Nuer community self-defense group aligned with the SPLA-IO, committed similar abuses, primarily against Dinka civilians.

Inter-communal violence and cattle raiding are not new phenomena in South Sudan. But what happened during the recent conflict is of a different magnitude and nature. When youth fighters aligned with the SPLA or SPLA-IO attacked villages, they frequently treated all civilians, including women, children, and persons with disabilities, as legitimate targets. Many people we interviewed fled to the swamps, only to be hunted down again. Moreover, the scale of cattle raiding, in particular, has deprived many people of their most important livelihood and fundamentally altered the balance of resources between different tribes.

As a result of the mobilization and targeting along ethnic and tribal lines, the conflict has created and aggravated communal tensions. In many parts of the country, it has also damaged any sense of national identity. In interviews we have undertaken across the conflict-affected regions, civilians from both sides have stressed that, if the government does not handle the immediate post-conflict period well, the likelihood of revenge killings and communal violence is

[1] *Assessment mission by the Office of the United Nations High Commissioner for Human Rights to improve human rights, accountability, reconciliation and capacity in South Sudan: detailed findings*, UN Doc. A/HRC/31/ CRP.6, March 10, 2016; Human Rights Watch, *"They Burned it All": Destruction of Villages, Killings, and Sexual Violence in Unity States South Sudan*, July 2015.

high. The risk is likely to grow further when people return home from displacement and confront a reality in which neighboring communities now control their wealth. Such violence would put civilians at risk of further harm and threaten to unravel the peace process.

Land is a second critical issue driving ongoing conflict and tension. In October 2015, President Salva Kiir passed a decree that redrew the map of South Sudan, creating 28 states where there had been 10. The government came under local and international criticism, culminating in a January 31 request from the Intergovernmental Authority on Development (IGAD) to suspend the decree's implementation. On the ground, however, the government has continued to move forward, including by appointing governors for the new states. The result has been to exacerbate local conflicts in certain parts of the country, including around Pibor and Pochalla in the former Jonglei State; and, most prominently, in the former Upper Nile State.

It is up to South Sudan to decide how it can most effectively be governed, including in the number of states. However, that needs to be done through an **inclusive process** that involves meaningful participation of all of the country's ethnic groups, without favoritism based on loyalty during the conflict. The failure to do so will very likely lead to further inter- and intra-communal violence that could undermine the short- and long-term prospects for peace. As a result, the U.S. should use its leverage to stop the government from continuing to implement the 28-state decree and to ensure, going forward, that any redrawing of the country's map occurs through a transparent and inclusive process.

Third, **the impunity with which armed groups operate will continue to put civilians, and the peace process more generally, at risk**. While the scale of civilian harm has diminished since late 2015, military operations in recent months, particularly in Western Equatoria and Western Bahr el Ghazal, have likewise failed to distinguish civilians from combatants, including through killings, the burning of villages, and the looting of civilian property. The military's tendency to adopt a heavy-handed approach—and to target civilians along ethnic lines—has sown fear and distrust among populations around the country and fueled the rise of local armed groups. There is little reason to expect things will change so long as there are no consequences for those who intentionally harm civilians.

Fourth, and finally, the splintering of the SPLA during the conflict has demonstrated that, despite considerable U.S. investment in the period after the Comprehensive Peace Agreement (CPA), **the military remains less a national institution than a collection of armed groups driven primarily by politico-ethnic concerns and loyalty to a specific commander**. Civilians who share the same grievances and objectives as an armed group are deemed to merit its protection; those on the other side are treated as legitimate targets. Minimizing civilian harm in South Sudan will therefore be as much about fostering a national identity within the military as it will be about training or equipment.

February 17-18 Violence in the Malakal U.N. Protection of Civilians (POC) Site

The continuing risk to civilians posed by inter-communal tensions, land conflict, and SPLA impunity was laid bare in a particularly egregious incident in mid-February. A U.N. base in Malakal, in which around 47,000 displaced persons were sheltered, became the site of violence

that left at least 30 people dead, more than 120 injured—many by gunshots—and around one-third of the camp in ashes. We released a report last week, based on field research in Malakal in March, which documents how the violence unfolded on February 17-18.[2] The incident also shows the **importance of improving the performance of the U.N. Mission in South Sudan (UNMISS)**, which will continue to have a critical role in protecting civilians from harm.

Prior to the violence, there had been rising inter-communal tensions inside the POC site. These were closely linked to the implementation of the decree creating 28 states, as ethnic Shilluk leaders believe that the redrawing of the country's map has taken some of their ancestral land and given it to a new state that will be controlled by the Dinka. Shilluk leaders I interviewed said there would be no peace in the part of the country formerly known as Upper Nile State so long as the current configuration of the 28 states moves forward.

Inter-communal violence erupted within Malakal POC on the night of February 17, pitting the Dinka against the Shilluk and Nuer. The situation deteriorated as firearms that had been smuggled into the camp, including guns and grenades, were used. By the morning of February 18, SPLA soldiers and Dinka fighters entered a cut in the camp's fencing that had been ripped open the day before. Once inside, they proceeded to shoot at and kill civilians and to systematically set ablaze Shilluk and Nuer parts of the camp. A satellite image annexed to the end of this testimony shows the scale of the destruction.

That SPLA soldiers would enter the POC site and take direct part in killing and burning is shocking. These soldiers have again sent the message to civilians that they cannot find refuge anywhere. Throughout the conflict, armed actors have also time and again shown utter disregard for UNMISS, including through frequent violations of the Status of Forces Agreement (SOFA). This incident was not the first attack on a POC site: in April 2014, armed Dinka men attacked the UNMISS base in Bor, killing around 50 people. While the government announced that it would undertake an investigation into the Malakal violence, there is scant reason to believe it will break from previous government investigations that have failed to lead to accountability or reform.

To be sure, UNMISS has played an important role in protecting civilians during the conflict, most notably in sheltering, at its peak, more than 200,000 civilians in six POC sites across the country. But the peacekeepers' response to the Malakal violence was inadequate. UNMISS could have taken quicker, more robust action to deter and deescalate at least some of the killing and destruction. Our report focuses on a number of areas of concern, including the Mission's response to early warning of increasing tensions; its management of camp security; its handling of perimeter breaches; and the willingness of particular UNMISS troop units to respond in accordance with their Chapter 7 mandate to protect civilians under threat of physical violence.

UNMISS POC sites, including the one in Malakal, are likely to shelter IDPs for the foreseeable future—as many civilians in South Sudan still do not feel it is safe to leave, and see the U.N. as their best protection option. It is therefore essential that the Mission learns from what happened in Malakal and addresses any security weaknesses. The U.N. has, encouragingly, established a Board of Inquiry. **We believe that it is critical that the U.N. make public at least a redacted**

[2] Center for Civilians in Conflict, *A Refuge in Flames: The February 17-18 Violence in Malakal POC*, April 22, 2016, http://civiliansinconflict.org/resources/pub/violence-in-malakal-poc.

version of the Board of Inquiry report. U.S. leadership on the Security Council will be crucial in making that happen. In addition, if the Board finds that specific units failed to intervene effectively and protect civilians within the camp, the U.N. Secretariat, with the support of Member States including the U.S., needs to ensure there is accountability.

Last year saw important momentum on peacekeeping reform efforts, with the U.S. providing key leadership. Malakal presents an important test case for whether those reform efforts are influencing decision-making, particularly around performance. Progress would strengthen the vital protection that the U.N., and UNMISS in particular, provide to civilians.

Arms Embargo, Transitional Justice Mechanisms, and Humanitarian Access

Even after the peace agreement's signing, the parties to the conflict have continued to target civilians. There is little reason to believe such abuses will cease simply because the Transitional Government is formed, particularly given that fighting has reached new parts of the country and the structures that initially gave rise to the conflict—including the politico-ethnic divisions, even within the army—have not been addressed. The conditions for further violence remain intact.

Imposing an arms embargo will help protect civilians from future targeting and reduce unlawful attacks. Heavy weapons like attack helicopters and amphibious vehicles have been linked directly to serious abuses against civilians. There are also indications that at least parts of the SPLA-IO continue to acquire arms.

U.S. leadership has unfortunately been lacking on this issue, despite express support for an arms embargo in February from Senegal, Angola, the United Kingdom, and France, among other Security Council members. A study last year in the *Journal of Conflict Resolution* examined internal armed conflicts in Africa and found that the threat of an arms embargo was actually associated with an increase in conflict violence, whereas the imposition of an arms embargo was associated with a reduction in violence.[3] Yet the U.S. has pushed for technical rollovers of the existing sanctions regime, extending any decision about an arms embargo until June.

If the U.S. were to strongly support an arms embargo, it is likely that that position would prevail in the Security Council. In designing the arms embargo, the U.S. and other countries on the Security Council could think creatively, for example by linking a progressive lifting of the arms embargo to military professionalization and accountability measures that would demonstrate the government and military's commitment to reducing unlawful attacks and protecting civilians.

In addition to an arms embargo, **implementation of all of the transitional justice mechanisms outlined under the peace agreement is crucial**. In a report published in February, based on several months of research in South Sudan last fall, we examined civilian perspectives on the conflict and the peace process.[4] Regardless of political or ethnic affiliation, people overwhelmingly identified three critical ingredients for ending cycles of violence:

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[3] Lisa Hultman & Dursun Peksen, "Successful or Counterproductive Coercion? The Effect of International Sanctions on Conflict Intensity," *Journal of Conflict Resolution*, September 2015.
[4] Center for Civilians in Conflict, *"Those Who Could Not Run, Died": Civilian Perspectives on the Conflict in South Sudan*, February 26, 2016.

- **Criminal justice,** in order to hold accountable those who deliberately harmed civilians and to send a message that such targeting is no longer tolerated[5];
- **A reconciliation process that addresses communal divisions and tensions**, in addition to the national dynamics that have spurred conflict; and
- **Assistance or compensation from the parties to the conflict** that responds to communities' urgent needs, including the reconstruction of homes, schools, and clinics destroyed during the conflict; the provision of seeds and other goods to help reestablish livelihoods; and efforts to return or replace stolen cattle.

These priorities map closely the peace agreement's three transitional justice mechanisms: the Hybrid Court for South Sudan; the Commission for Truth, Reconciliation, and Healing; and the Compensation and Reparations Authority. The ultimate success or failure of these institutions will play a decisive role in whether South Sudan falls back into conflict, or begins to address issues of impunity and inter-communal violence.

A core focus of U.S. engagement in South Sudan should be in monitoring and supporting progress for each of these transitional justice mechanisms. While leadership for the hybrid court rests with the African Union, for example, the U.S. should provide needed financial and technical assistance. Each institution responds to a specific, pressing need, and they therefore need to operate in parallel.

Finally, **the parties to the conflict need to immediately guarantee full humanitarian access**. It is simply inexcusable that, on top of targeting civilians, the parties to the conflict have consistently obstructed or undermined the delivery of urgent assistance, including food. Months after the signing of the peace agreement, parties are still routinely blocking humanitarian access to civilians in desperate need. Further violations should result in the U.S., either bilaterally or through the U.N. Security Council, imposing consequences against those who continue to display remarkably little interest in the security and well-being of the civilian population.

Conclusion

Mr. Chairman, I would like to again express my appreciation to this Subcommittee for holding this hearing at a critical moment for South Sudan. The U.S., and this Subcommittee in particular, has an essential role to play in helping South Sudan avoid a slide back into conflict—with the devastating consequences that would provoke.

The peace process has often focused on bringing back together President Kiir and former Vice President Machar, and the armies that have fought for them. U.S. leadership will be critical in ensuring the wider conflict dynamics are addressed. That process cannot wait.

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[5] In addition to our research, the South Sudan Law Society conducted a study in which 93 percent of respondents asserted the importance of prosecuting those responsible for crimes during the conflict. South Sudan Law Society, *Search for a New Beginning: Perceptions of Truth, Justice, Reconciliation and Healing in South Sudan*, June 2015, p. 37.

Annexes

REBECCA *a 29-year-old woman from Panyikang County in Upper Nile*[6]

I was in [my] village… in Panyikang when the [war came], and I fled to Malakal. Little did I know that Malakal was going to be even worse. When the shootings started, together with my husband and children, we hid under the bed…. The government soldiers came and were looking for Nuers; they killed all the Nuers they found. When the [armed opposition] attacked, they killed the Dinkas and other tribes…. The White Army killed my husband in cold blood in front of me and my children. I fell down and thought they would kill me too…. I have a disabled child who is five years old. An old woman came and picked me up [off the ground] and carried my child to UNMISS…. Had it not been for that woman who rescued me with my children, I would have been killed. I [still] don't know who buried my husband.

The population at the UNMISS [base] was increasing and there was no food; many women, when they didn't hear gun shots, thought it was safe to go home to grab what they left behind, in order to feed their children. Many of them never came back.

The UNMISS [POC site] in Malakal was a safe haven for me…. [UNMISS] used to patrol in their cars [before the conflict], but when the crisis became overwhelming, they all retreated to their base…. UNMISS [has been] very good, but they need to have more power to help.

The White Army of Riek Machar and the SPLA of Salva Kiir are both perpetrators…. When the White Army came, they asked for Dinka and from the tribal markings [they could identify you], same when the SPLA came for Nuer. You could only save yourself if you could speak the language of the perpetrator… [and] had no markings.

No one can ever report the White Army in the rebel-held areas, and no one can report the SPLA—they are above the law…. [O]ur dead relatives will never come back. But we need to know [those responsible]. Then we can decide to forgive them or send them to prison. I want to know why they killed innocent civilians, why did they kill our children…. The government must recognize our suffering [and] rebuild our homes. Once [our homes are rebuilt], our children [are back in] school, we have medicine, and the guns have stopped banging in my head, I will have [what I need].

I miss my home, even though [many] people [there] were killed. I want a police that is well trained to give us protection, and the army to move far away from my village…. There should be one army, the SPLA, and not an army for Salva or Riek…. All soldiers who are illiterate must either be demobilized or taken back to school.

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[6] This interview is from Center for Civilians in Conflict, *"Those Who Could Not Run, Died": Civilian Perspectives on the Conflict in South Sudan*, February 26, 2016. Rebecca is not her real name.



Satellite imagery of Malakal POC before and after the February 17-18 violence, courtesy of the International Organization of Migration
http://southsudan.iom.int/media-and-reports/other-reports/malakal-poc-satellite-image-destruction-21-feb-2016

Mr. SMITH. Thank you very much, Mr. Wells.
Dr. Deng.

STATEMENT OF LUKA BIONG DENG KUOL, PH.D., GLOBAL FELLOW, PEACE RESEARCH INSTITUTE OSLO

Mr. DENG KUOL. Yes, first of all, thank you very much, and one is really honored for having this timely opportunity for to make this hearing on South Sudan's prospects for peace and security. But it is also the time that you have a lot of pressure to keep South Sudan in the radar of your focus, I think this is highly appreciated.

Maybe what I would like to share with you what went wrong in South Sudan, are there opportunities or challenges for ensuring peace and security. And third, what needs to be done to make sure that peace and security will be holding in South Sudan.

I think I want to start first with this issue of what went wrong. I think given the fact that United States and international community and indeed the people of South Sudan they wanted to have the independence, hard-won independence, it raises a lot of question why South Sudan has slid to civil war, because better understanding of this, the genesis of this crisis, is critical for us to look at issues of peace and stability.

That so many people have been putting a lot of myth about this conflict, sometimes being described as ethnic politics between Nuer and Dinka, and even sometimes it is a power struggle within the SPLM, or even sometimes it is being described as kleptocracy, as corrupt and then neo-patrimonial system of governance, I think for me this mystification of the bigger picture.

South Sudan is a complex issue. It needs be understood in a very comprehensive way. And I think because not getting it right will—we did some work on these issues about looking at conflict from a different dimension. But I think it is very important also when we are talking about South Sudan to highlight some of the issues, the conditions that resulted in why South Sudan has slid into—this is a country that had simultaneously three transitions.

It transitioned from war to peace. It transitioned from liberation movement to government and you know in most cases could result into a curse of liberation, and then it transitioned from one united Sudan to an independent country. And they had this shock of loss of their leader and also coupled with the fact that they rely on the oil, but which I think and then coupled with the weak institutions, and given the fact also having a bad neighbor like Sudan. Because these are the things that any country subjected to these conditions definitely should slide toward—are there opportunities?

Yes, indeed there are opportunities. One is this peace agreement. For me, this peace agreement, we made analysis in comparison of the CPA. It managed to address most of the root causes of the conflict and it is very important, the fact that although the government raised some concern, the people of South Sudan they see it as only opportunity. And even the Parliament unanimously endorsed this peace agreement. And for me, this is very important for us to focus on this peace agreement and there are some positive developments happening given the fact also the government took some measures especially on issues of investigation about atrocities.

Another important opportunity is the SPLM Reunification Agreement. I think, you know, it is very important for us, the crisis, the genesis of the crisis started from the SPLM. We cannot have democracy without politics. We cannot have politics without political parties. And that is why we believe the reunification of SPLM it is very important. I know the U.S. Government are reluctant to support this reunification of the SPLM, and in a sense that will give SPLM the monopoly of power. I think it is very important to revisit your look at the SPLM.

Then one of these challenges, and now this is a few of these challenges. This agreement despite the good aspect it is elite power sharing agreement. It is addressing the elites. It is not addressing the non-state security actors so there is a very big gap between this agreement and the people on the ground. I think we have to be mindful about that one. Second, the issue of the status of the 28 states, the two parties have irreconcilable positions but should not obstruct the peace agreement.

Third, the security sector arrangement, we need to refocus on it, and then this is a top priority. Third, the final status of Abyei. The Abyei Agreement was actually authored by the United States and they have given the chance for the Bashir to dismantle, to obstruct the Abyei Boundaries Commission, the Abyei International Arbitration, and actually people say the U.S. abandoned the issue of Abyei and has given even Bashir the chance to do. Abyei will be coming a very thorn in the relationship between Sudan and South Sudan.

Third, the unfinish of the CPA. We cannot talk about peace and security without talking about Nuba Mountain and south in Blue Nile. Fourth, the role of Sudan. Sudan will continue to play a negative role in destabilizing, and in actual effect because of its diplomatic relation now it has been to defy its image to the level that now people want to actually to relax their relationship with Sudan.

Sudan is central and it will continue to destabilize South Sudan, and I think even the issue I see to be out of the humanitarian, I mean, human rights abuses have been committed now as we talk in Nuba Mountain and south in Blue Nile and even in Darfur. So we cannot talk about establishing South Sudan without focusing on issues of Sudan. Definitely, Sudan will be quite important. What can be done?

First, I believe making the cost of non-implementation more than the cost of implementation. The parties should be made to believe that by not implementing this peace agreement they will pay the price. And I want to appreciate the stand of the international community, the African Union, but indeed even the threat of sanctions, actually they are actually paying off. But let us mention also the peace is beneficial to the people of South Sudan. Let us focus on agriculture.

Second, sequencing peace and then justice and accountability, I think that as looking at the fact that Government of South Sudan conducted its own investigation about atrocities committed in Juba, let us use this one as the basis for accountability in the Hybrid Court, but equally let us encourage the even the SPLM in a position to conduct their own investigation about these atrocities. Let us make them take to account for this one.

Third, the non-state security actors, let us focus on them, especially the youth and then the issue of defense. And I agree with you, the defense and security sector reform, Abyei, it is very important for the U.S. Government because you are the author of the peace agreement, to renew your commitment so that the people of Abyei actually—because they will not live within any other option except to conduct their own referendum.

And then the last one, a community engagement, let this peace agreement be owned by the people, because these elites they are actually interested in their own political gains. It is when this peace agreement is owned by the people this is where we can be able to.

And lastly, please, South Sudan is so viable, and it is very important let us look at the bright side of it. You invested heavily, and I believe one day these people of South Sudan will rise up to realize their potential. It is an investment that is worth it. And thank you very much.

[The prepared statement of Mr. Deng Kuol follows:]

South Sudan's Prospects for Peace and Security

Statement of:

Luka Biong Deng KUOL, PhD

Global Fellow
Peace Research Institute Oslo (PRIO)

Before:
U.S. House of Representatives
Committee on Foreign Affairs
Subcommittee on Africa, Global Health and Human Rights

Washington, D.C.
April 2016, 2016

1. Introduction:

I am extremely honoured again for this timely opportunity today to make this statement before your committee. Over ten years ago I had the opportunity on 24th January 2007 to brief this same subcommittee on "**The Status of the Implementation of the Comprehensive Peace Agreement ("CPA")**". Also almost near to five years ago I had another opportunity on 4th August 2011 almost one month after the independence of South Sudan on 9th July 2011 to brief the same august committee on "**Southern Kordofan: Ethnic Cleansing and Humanitarian Crisis in Sudan"** during which I shared with the subcommittee the CPA unfinished business of popular consultation for the people of Nuba Mountains and Abyei Referendum, the post-independence arrangements and the need to invest in two viable states, Sudan after secession of South Sudan and the danger of disintegration and radicalism and finally the challenges of building new state of South Sudan. Today 27th April 2016, I am honoured again to make statement before the august subcommittee on "**South Sudan's Prospects for Peace and Security**".

I arrived in the U.S. yesterday not from South Sudan but from Australia as I was unable to continue discharging my full duties as a professor at University of Juba since October 2015 when I organized a public debate on the opportunities and challenges of the creation of 28 states in South Sudan. Despite the fact that I have not been physically in South Sudan since October 2015, I have been following closely the unfolding events in South Sudan, Sudan and the region. On the basis of this knowledge I would like to share with the members of the august subcommittee my own account of how things are unfolding in South Sudan and the prospects for peace and security.

After spending one year at Carr Center for Human Rights Policy at Harvard Kennedy School as a senior resident fellow, I decided to return to South Sudan after the eruption of civil war in December 2013 and to join University of Juba in April 2014. I was appointed in August 2014 as Director of Centre for Peace and Development Studies. My position as a director of the Centre had given me opportunity to become engaged on issues of peace and security through teaching, research, public debates and writing regular op-ed in the local newspapers. Besides being associate professor at University of Juba, I am a Global Fellow at Peace Research Institute Oslo (PRIO) that was founded in 1959 as an independent and multidisciplinary research institution. PRIO focuses its research both on the driving forces as well as the consequences of violent conflict, and on ways with which peace can be built, sustained and spread. PRIO has global fellows who are academics from different all parts of the world and with strong scholarly records and a commitment to research agenda on peace and conflict.

During my academic association with Centre for Peace and Development Studies and Peace Research Institute Oslo, I managed to publish or work on various articles such as The Dilemma of Dinka Youth during Civil Wars: *Cattle, Community or State Protection? (forthcoming),* Paper for the Role of Non-State Security Actors in Conflict and Peace Building, Saferworld, London, UK, "South Sudan: The Nexus between Federalism, Decentralization and Conflict", *Journal of Peace and Development Research. (forthcoming),* "South Sudan: Challenges and Opportunities for Peacebuilding", *Journal of Peace and Development Research (forthcoming),* "South Sudan: The Nexus between Natural Resources, Governance and Conflict", *Journal of Eastern African Studies (forthcoming),* "South Sudan: Oil, Governance, Institutions and Conflict", *IDS*

Discussion Paper (forthcoming), "Confronting Civil War: The Level of Resilience in Abyei Area During Sudan's Civil War in the 1990s", *Journal of Civil Wars* and "Political Violence and the emergence of dispute over Abyei, Sudan, 1950-1983", *Journal of Eastern African Studies*.

Besides these articles, I took part in three major research projects; namely "The Impact of Conflict on Livelihood Sector in South Sudan, FAO-funded Project", "Education Sector Governance, Inequality, Conflict and Peace Building in South Sudan, UNICEF-funded project" and "Assessment of Institutions of Accountability and Oversight in South Sudan, DFID/UK - funded project". Also I have been supervising master degree dissertations related to the context of South Sudan in the field of security and strategic studies at the Centre for Peace and Development Studies such as the role of leadership in security sector reform and its implication for national security, the integration of militias into national army and its implications for national security, the impacts of ethnicity and ethnic conflicts on national security, and the nexus between ministry of defense and national army and its implications for national security.

Besides this academic background, I am on the governing board of Kush, Inc., a not-for-profit organization designed to promote peace, stability and economic and infrastructure development in Africa with an emphasis on Abyei and South Sudan. I worked as the co-chair of Abyei Joint Oversight Committee and served as a Minister in the Office of the President of Southern Sudan and a National Minister of Cabinet Affairs of the Sudan until I resigned in May 2011 after President Bashir of Sudan invaded and committed atrocities in Abyei area, my home area. I also worked as a senior economist for the World Bank and a member of teaching staff of Faculty of Economics and Rural Development at Gezira University, Sudan. I received my PhD from the Institute of Development Studies (IDS) at University of Sussex, UK and earned a Master of Arts in Economics (Distinction) and a Master of Business Administration (Distinction) from the Catholic University of Leuven, Belgium and BSc from Faculty of Economics and Social Studies, University of Khartoum, Sudan. I am Southern Sudenese, born in Abyei and have worked toward stability and peace in the region throughout my entire professional life.

I would like to take this opportunity to appreciate and congratulate the leadership of this subcommittee and its members for keeping South Sudan, Abyei, Nuba Mountains, Blue Nile, Darfur and Sudan as well as strategic areas of concern not only for your own national security interest but indeed for stability and peace in the region and the continent. Despite the increasing pressure to focus on your own pressing domestic challenges, particularly during the election year, your committee opted to organize this timely hearing to demonstrate that the U.S. is equally concerned with its foreign commitments, particularly peace and stability throughout the world and particularly in South Sudan, Abyei, Nuba Mountains, Blue Nile, Darfur and Sudan at large.

I would like in particular to express our profound appreciation to the people of United States of America and their government for their continuous support to South Sudan. I would like also to thank the people of USA and their government for taking the lead in supporting the warring parties and the people of South Sudan to conclude and sign peace agreement in August 2015. Equally important, I would like to appreciate the USG for its continuous humanitarian assistance provided to the people of South Sudan to ameliorate the

suffering their vulnerable people and to avert the unfolding famine and catastrophic humanitarian crisis in South Sudan.

For the purposes of my testimony I would like first to provide you with a brief account of the costs of the current civil war in South Sudan. Then I will discuss the root causes of the current conflict in South Sudan. I will then discuss the opportunities and challenges for peace and security in the context of the peace agreement signed in August 2015. I will conclude with key policy options of engagement and lay forth several urgent steps and actions that can - in my view- be taken on the part of the United States to ensure peace and security in South Sudan.

2. What are the costs of Civil War in South Sudan?

The sustenance of security and peacebuidling process in South Sudan will largely depend on a better understanding of how much damage violent conflict events have inflicted on the people of South Sudan and their livelihoods and social fabric. Assessing such impacts is extremely difficult and complex as human life has many dimensions that cannot be comprehensively captured. On the basis of Food and Agriculture Organization (FAO) research on the impact of conflict on the livestock sector in South Sudan that I was involved, I used counterfactual analysis and opportunity cost as the way of assessing the cost and ramification of violent conflict in South Sudan. These costs are grouped into human costs, economic impacts, social tolls and political instability.

(i) Human Costs

Since the eruption of violent conflict in December 2013, it is believed that thousands of civilians have been killed and some agencies estimate the death toll as 50,000 or even double that if true figures are obtained. It is believed that tens of thousand of civil population are feared to have died from diseases or even hunger in isolated villages, swamps and bushes beyond the reach of aid agencies. The fact of the matter is that nobody knows how many people perished in South Sudan and such failure to count the dead is a scandal and a dishonour to the victims.

The conflict-related fatalities started increasing considerably after the independence of South Sudan in 2011 and reached the highest level with about 5,000 reported fatalities in 2014 after the eruption of civil war in 2013. Since the signing of CPA in 2005, there has been dramatic increase in the activities of communal militias that resulted in significant fatalities that put South Sudan the third country with the highest communal violence fatalities on the continent and with average fatalities per communal violence event of 13.9 compared to continental average of 5.8.

Besides these human fatalities, as of August 2015, about 1.6 million people had been internally displaced and over 615,000 had fled and took refuge in the neighbouring countries. In September 2014, FAO projected food security outlook for 2015 as of great concern with 2.5 million projected to be in crisis or emergency phase from January-March 2015 with global acute malnutrition remaining above emergency thresholds of more than 15 per cent as defined by World Health Organization.

The food security situation deteriorated drastically in 2014 after the eruption of conflict in December 2013 with 2.402 million and 1.123 million were categorized in phase of crisis and emergency respectively in May 2014 and the food security situation improved considerably in September 2014 with humanitarian assistance. However in 2015, 3.1 million people projected to be in crisis phase, 830,000 in emergency phase and extreme concerns are 30,000 people estimated to be in catastrophic phase with risk of famine occurring during October and December 2015 if urgent humanitarian assistance is not accessed and provided. In 2016, there are now clear signs of imminent famine with at least 500 persons a day fleeing from the Greater Bahr el Ghazal Region to Darfur region in Sudan simple because of lack of food.

On the basis of counterfactual and opportunity cost analysis, it was estimated that the human costs of conflict in terms of death, hunger and disease will have significant longer-term economic impacts with the effects of hunger alone on labour productivity could mean a further $6 billion in lost gross domestic product (GDP) if the conflict were to last another five years (Frontier Economics, 2015). Also, it was estimated in terms of trade, investment, security concerns and influx of refugees that the five neighbouring countries could between them save up to $53 billion if the conflict were resolved within a year, rather than allowed it to last for five years. Also, if the conflict ended within one year rather than five, the international community could save an estimated $30 billion by reducing expenditure on peacekeeping and humanitarian assistance.

(ii) Economic Impacts

Besides the death toll and displacement of people, the human costs of civil war have other far-reaching economic impacts. On the basis of counterfactual analysis and findings of various researches on estimation of costs of civil war in terms of destruction, disruption, diversion and dissaving as economic damage channels, it is estimated that the violent conflict will cost South Sudan between US$22.3 billion and US$28.2 billion as the lost real GDP if conflict continues for another 1 to 5 years. As civil war persisted for almost two years, the real lost GPD could be estimated to be between US$8.92 billion and US$11.28 billion. For example the military expenditure in South Sudan could have increased during the last two years of civil war by a further $0.88 billion. If the conflict were resolved within a year, the savings in military spending would allow South Sudan to meet the internationally recommended target of allocating 20% of spending to education.

In addition to the diversion of resources to security, the recent violent conflict caused enormous destruction of infrastructure such as health, education, transportation and communications, the loss of private assets, and the flight of financial capital abroad. Many of these economic effects are long-term even after the conclusion of peace agreement. These economic impacts may be even greater when indirect costs are added, including lost investment, productivity declines, diminished employment opportunities, and increased crimes.

(iii) Social Tolls

Besides human costs and the economic impacts of violent conflict, the people of South Sudan have experienced as well the feeling of despair and disappointment for their shattered dreams of new nation, decay in social capital, loss of trust among and between members of household, communities and ethnic groups and intensification of inter and intra-community

conflicts. One of the ways of assessing the social tolls caused by violent conflict is the presence of Post-Traumatic Stress Disorder (PTSD) and exposure to trauma. On the basis of perception survey recently conducted, the level of PTSD in South Sudan was found to be about 41 per cent, which is comparable to the levels documented in the worst conflict zones and after the genocides in Rwanda and Cambodia (UNDP, 2015).

(iii) Political Instability:

One of the serious impacts of any civil war is the political instability that is manifested in terms of fragility, violations of human rights, weak institutions and susceptibility to corruption and potential for authoritarian regimes. Since its independence in 2011, South Sudan was not only among the tens most fragile countries in the world but it was ranked fourth in terms of fragility in 2012. After then its fragility scores started deteriorating, particularly after violent conflict erupted in 2013 when it became the most fragile country in the world and displaced Somalia that has been dominating this position.

Besides its increasing fragility, South Sudan has become increasingly susceptible to corruption since its independence in 2011 and particularly after the eruption of the civil war in 2013. Given the low demand for accountability on public expenditures dominated by military and security priorities during civil war, South Sudan remains among the ten most corrupt countries in the world and ranked the fifth most corrupt country in 2013 and 2014.

On the basis of indices provided by Freedom House to assess the status of freedom in the world, the status of freedom in South Sudan has been deteriorating, particularly after eruption of civil war in 2013. Since the eruption of civil war in 2013, South Sudan has been categorized as "not free" country and it became almost the least free country in 2015 when its freedom status score deteriorated to 6.5 points. With increased armed conflict in 2014, the civil liberty rating declined from 5 to 6 points. Also with intensification of civil war in 2015, the political rights rating deteriorated from 6 points to the worst points of 7.

South Sudan became so susceptible to increased fragility, rampant corruption and shrinking of freedom space largely because of governmental structures, economic systems, and societal institutions that have been weakened by the civil war. On the basis of the Country Policy and Institutional Assessment (CPIA), the overall CPIA score of South Sudan since independence in 2011 has been low but also with deteriorating trend particularly after the eruption of civil war in 2013.

Since 2012, the CPIA scores have been below the average scores of the poorest Sub-Sahara African countries eligible for borrowing from the fund of International Development Association (IDA) and the Fragile Sub-Saharan Africa. Interestingly, while the CPIA scores of Fragile Sub-Saharan Africa improved slightly in 2014, the CPIA score of South Sudan declined from 2.1 in 2013 to 2.0 in 2014. The deteriorating and weakening governmental institutions, policies and structures constitute enormous long-term costs that will haunt the recovery of South Sudan from the ramifications of the current civil war.

3. Why Violent Conflict again in South Sudan?

The eruption of violent conflict in South Sudan after it has achieved its hard-won independence in 2011 and with enormous support from international community, raises the fundamental question about what went wrong? Some narrowly attributed this war to ethnic war between Nuer and Dinka, power struggle within the ruling party, the Sudan People's Liberation Movement (SPLM), crisis within the national army, Sudan People's Liberation Army (SPLA), rent-seeking behaviour in terms of kleptocracy or militarized and corrupt neo-patrimonial system of governance. The violent conflict is a complex phenomenon that cannot be analysed through one lens but rather by analysing it holistically by assessing vertically at different and interconnected producing factors of conflict at community, national, regional and international levels and horizontally at pre-war condition and reproduction factors of conflict during war.

Although the current crisis was triggered by the conflict and demand for democratic reform within the SPLM, the ruling party, the grievances, unemployment of youth, legacy of past wars and poverty at community level exacerbated the conflict to become a national crisis. At the national level, the "curse" of oil and "curse" of liberation caused by weak institutions and poor policies were the primary production factors of the current war in South Sudan.

At the regional level, bad neighbours such as Sudan with narrow national security interest coupled with politics of the Nile Water, and politics of alternative pipeline for the oil of South Sudan all contributed indirectly in igniting the current crisis and to take the regional dimension. At the global level, the politics of oil, post-Cold War politics and extractive operations of oil by multi-national corporations have contributed indirectly in triggering the conflict in South Sudan.

After the eruption and during civil war, the greed at all levels has become the primary reproduction factor in sustaining and intensifying the conflict in South Sudan. Reproduction factors such as supply of arms at global and regional level, narrow security and economic interests of the neighbouring countries, use of ethnicity by the warring parties as effective tool for mobilizing youth (white army and gelweng/titweng) and other non-state security actors to support their war efforts and privatization of violence at community level were employed to sustain and fuel the current civil war in South Sudan.

Besides the production and reproduction factors of conflict at different levels, South Sudan faced the following challenges and shocks:

- Transition from war (1982-2005) to peace (2005-2011)
- Transition from liberation movement (1982-2005) to government (2005-2011) that made it susceptible to the curse of liberation
- Transition from one united Sudan (2005-2011) to an independent country (2011)
- Sudden and untimely death of the leader of the SPLM, Dr John Garang in 2005
- Heavy reliance on oil revenue that made it susceptible to the curse of oil
- Post-conflict weak institutions and decay of social capital
- Bad neighbours such as Sudan with a clear and strategic and security interest of seeing South Sudan failing.

The challenges of these three transitions happened at the same time and coupled with the serious shock of loss of its leader at the beginning of these transitions, reliance on oil and weak institutions, one would understand and appreciate the precarious circumstances that led South Sudan to slide again to the violent conflict. As such South Sudan did not slide to violent conflict not because of ethnic conflict or rent-seeking behaviour in terms of kleptocracy but because of various conflict production factors at various levels that were exacerbated by the challenges of various and simultaneous transitions and shocks faced by the people of South Sudan. One could even argue that if you subject any other nation in the world to these conditions faced by the people of South Sudan, it would not avoid violent conflict.

4. Are there opportunities for peace and security in South Sudan?

During my statement before this august subcommittee on 4th August 2011, I stated that the new South Sudan would face and have the following challenges and opportunities:

- Consolidating peace and security will be the top priority of the new state. The current efforts to address security sector reform, modernization and transformation of the SPLA, embarking on effective Disarmament, Demobilization, and Reintegration (DDR) programs and affecting the reconciliation commitment of President Salva will provide opportunity for building a secure and peaceful South Sudan.
- The political stability of the new State will rest on the leadership of the SPLM as the ruling party through democratic reform within itself and providing space and conducive environment for other political parties, civil society organizations and media. In the short term, democracy will require that the SPLM-dominant Government provide the legal framework and environment for a multi-party system, but all must recognize that in this short term, even with elections in the next few years, the foundation for the country's democracy must first be seen and practiced internally by the SPLM itself as it will continue to be the majority and dominant party for a number of years yet to come.
- Economic challenges and symptoms of over reliance on oil, and scarcity of resources will be a real challenge for the new state. Effective fiscal discipline coupled with sound monetary policy and a strong and credible central bank will help in fighting mismanagement of public resources and ensuring transparency. Reforms in the oil sector, good faith negotiations with the Government of Sudan and foreign oil companies operating in the South, and responsible and professional review of existing oil contracts is crucial for effective management of oil resources. This will also require the need to review the current US sanctions to ensure that they will not adversely affect the economy of the new State, discourage cooperation between the North and South to promote economic viability and mutual security, or discourage the foreign direct investment in this sector which currently is monopolized by Asian companies that do not possess all the technology the South desires to increase oil reserve outputs and maximize environmental responsibility.

The opportunities and challenges I narrated in August 2011 may paint the prospects for peace and security in South Sudan. The IGAD-mediated peace agreement that was signed by the warring parties in August 2015 and the SPLM Reunification Agreement that was signed by the three factions of the SPLM in January 2015, will provide golden opportunity for addressing the root causes of the violent conflict that erupted in December 2013. While the peace agreement will provide mechanisms for addressing the curse of oil, weak institutions and poor policies, the SPLM Reunification Agreement will address the curse of liberation and to transform SPLM into a democratic political party. If these two agreements are fully implemented, South Sudan stands a better chance of putting itself on the path of sustainable peace and prosperity.

The Peace Agreement, August 2015:

Unlike the CPA, the Agreement on the Resolution of Conflict in the Republic of South Sudan (ACRSS) that was signed in August 2015 involved other actors besides the two warring parties such as other political parties, civil society, women, faith-based leaders and eminent personalities. Interestingly, while the warring parties signed this peace agreement and with government raising a number of reservations about some provisions of the agreement, the overwhelming majority of people of South Sudan welcomed this peace agreement as the only option for ending violent conflict in the country. The national parliament also unanimously passed the peace agreement without the reservations raised by the government.

Besides the acceptance of people of South Sudan to the peace agreement, the agreement is comprehensive and provides detailed mechanisms for:

- Reforming and establishing the existing and new institutions as well as providing basis for checks and balance with no party having the monopoly in decision-making and the ministerial portfolios and to create as well a conducive and competitive environment for the conduct of the general elections.
- Holistic defence and security review with the aim of transforming security sector to create environment for respect of rule of law and stability.
- Institutional and policies reviews and reforms in the economic sector with the aim of making South Sudan able to diversify its economy, improve its appalling records on corruption, and to use oil revenues for the best interest of its citizens, not only in terms of improving their living conditions but also in terms of good and sound economic governance.
- Dealing with transitional justice, accountability, healing and reconciliation by establishing Truth, Reconciliation and Healing Commission, Hybrid Court, and Compensation and Reparation Authority with the aim making South Sudan to exit from the culture of impunity to a new phase of justice and accountability as a basis for sustainable reconciliation and healing.
- Permanent constitution-making process with clear parameters of the permanent constitution including the recognition of federal system as the popular demand of the people of South Sudan.

After the signing of the peace agreement in August 2015, there has been a considerable decline in the incidents of violent conflict and human fatalities. There are also signs of various communities interacting and nurturing peace through trade, sports such as traditional wrestling, women peace network and church and civil society peace outreach programmes. Also the government has taken its own initiative of investigating the atrocities committed in Juba by establishing various investigation committees such as Police Investigation Committee, SPLA Investigation Committee, Ministry of Justice Investigation Committee and the Presidential Investigation Committee. Although the reports of these various committees are not made public, they provide a basis for national efforts for achieving justice as well as providing valuable evidence for the Hybrid Court. Also, the leadership of the Joint Monitoring and Evaluation Commission (JEMC) has made the Commission as platform for building consensus and dialogue between and among the parties to resolve the contentious issues rather than making it a court of last resort.

Also, the return of Dr Riek Machar, the leader of the SPLM-IO to Juba despite the delay and the formation of the Transitional Government of National Unity are positive development towards the full implementation of the peace agreement. Importantly, the positive and encouraging stance of Gen. Paul Malong, the Chief of General Staff of SPLA, over the return of Dr Riek Machar to Juba and his hospitable reception of the SPLA-IO advanced forces are positive gestures of his acceptance of peace agreement. Also the UN sanctions threats and unified stance of the region and international community behind the peace agreement have been effective in encouraging the parties to commit themselves to the implementation of peace agreement.

The SPLM Reunification Agreement in Arusha, January 2015

While the reforms provided for in the Peace Agreement are necessary but not sufficient to putting South Sudan on the path of diversified economy and mature democracy, the reform within the SPLM as the ruling political party will be absolutely necessary for effective implementation of the peace agreement. It is a common fact that you cannot have democracy without politics and you cannot have politics without political parties and subsequently political parties are one of the pillars of any democratic system.

Given the fact that one of the root causes of the violent conflict that erupted in December 2013 is the political dispute within the SPLM that was largely caused by the demand for reform, addressing the crisis within the SPLM is important for the prospects of peace and security in South Sudan. The Agreement on the Reunification of the SPLM signed in January 2015 by the three functions of the SPLM; SPLM-In-Government, SPLM-In-Opposition and SPLM-Former Detainees, and the witness and guarantor, the Tanzanian ruling party, Chama Cha Mapinduzi (CCM), provides detailed mechanisms for transforming SPLM to become a democratic political party.

This Agreement addresses the political, organizational, and political issues that led to the political dispute in the SPLM that became a national crisis. In the Preamble of the Agreement, the three factions of the SPLM recognized and attributed the root causes to the crisis within the party to the failure to institutionalize and democratize the exercise of power in the party and the loss of ideological direction and lack of clarity of the vision by its leaders.

On political issues, the three factions of the SPLM agree to offer a public apology to the people of South Sudan for what has happened to the country since December 2013. The parties also commit themselves to reunify the SPLM and to develop a comprehensive programme for national unity, peace, reconciliation, healing and promotion of harmony among the people of South Sudan. Also the parties agree to undertake and implement comprehensive democratic reforms, reorganization and transformation of the party and redefine and implement the vision of state and nation building with the aim of achieving a peaceful, democratic, just, prosperous and democratic development state. The parties also commit themselves to combat corruption and to support the establishment of a comprehensive system of transitional justice.

On organizational issues, the parties agree to ensure internal democracy by reviewing and revisiting the contentious provisions in the draft constitution of the party such as the mode of voting, the size of national convention and the powers of the chairperson of the party that led to the political dispute in December 2013. On leadership issues, the parties agreed to the democratic election of party's leadership at all levels in transparent and fair manner. The parties also agreed to limit the term of national and state chairpersons to two terms of five (5) years each and to consolidate democracy within the party by adhering and enhancing collective leadership decision-making process in the party.

If the provisions of this Agreement are fully implemented, then the SPLM will be able to transform itself and to cure itself of the "curse" of liberation and to provide a vision with which it can facilitate and encourage economic diversification and provide political restraints and checks and balances. Given the dominance and monopoly of the SPLM of the affairs of state in South Sudan, focus should be on checks and balances rather than electoral competition that may not necessary produce good and democratic governance for the effective management of natural resources. It has been found that political restraints in terms of checks and balance are more important than electoral competition in promoting growth in the resource rich countries. Also the political credibility and stability of South Sudan will largely depend on transforming SPLM to become a democratic political party with a vision for democratic governance and economic stability and accountability.

Although no much progress has been made in the implementation of this agreement, the SPLM National Liberation Council reinstated Mr Pagan Amum to his position as the Secretary General of the SPLM. Also the SPLM-in-Government called for extra-ordinary meeting of the SPLM Convention that incorporated all the provisions of the SPLM Reunification Agreement into the newly passed SPLM Constitution. It remains to be seen whether the SPLM with its all three factions will recommit themselves to the full implementation of the Arusha SPLM Reunification Agreement.

Although there is a strong feeling among some members of Troika including USG to seeing SPLM disintegrated into different parties as the only way to promoting democracy through effective and credible opposition, such trend may nurture and cement political patronage along ethnic lines that have been politicized during the current civil war. Ethiopia is a good example of a country that promotes ethnic political parties and ethnic federalism but it has succeeded only by having strong and centralized national political party that binds together different nationalities and regions of Ethiopia. Supporting the reunification of the SPLM as

well as other political parties and civil society is prerequisite for nurturing democracy, peace and security in South Sudan.

5. What are challenges for peace and security in South Sudan?

Despite the aforementioned opportunities for peace and security in South Sudan, the peace agreement and particularly its implementation matrix is unrealistic, too ambitious and too expensive to be implemented. Besides being too ambitious, the implementation of the peace agreement may face enormous challenges including the following:

*1. **Elites Power-sharing agreement and the Non-state security actors:*** Like other peace agreements, the ACRISS only addressed the political interests of elites at national level through power-sharing arrangements with the assumption that these elites at national level share the same grievances and interests of communities at the grass-root level. The dynamics of conflict and grievances at community level are in most cases not only different from the grievances of elites at national level but are hardly addressed in most peace agreements. As grievances of citizens are structural, built through history, mutating on social, political and economic axis, the elites power-sharing peace settlements can hardly address these local grievances nor nurture vertical and horizontal social cohesion and lead in most cases to eruption of new violent conflict. As CPA failed to address the root causes of conflict and dynamics of conflict at community level such as the emergence of non-state security actors such as *gelweng/titweng* and *Nuer White Army*, the violent conflict erupted again and spread rapidly at community level where old grievances were not addressed.

The ACRISS exhibits similar features of CPA as an elites power-sharing settlement with less involvement of the non-state security actors such as *gelweng/titweng* and *Nuer White Armies* who are assumed to have full allegiance to their elites at the national level. In comparing the two peace agreements in relation to non-state security actors, the actual provisions related to the non-state security actors are provided below:

1. Agreement on the Resolution of the Conflict in South Sudan states in Section 1.6 of Chapter II on Permanent Ceasefire and Transitional Security Arrangements states that:

"The warring parties agreed that all non-state security actors including, but not limited to the Sudanese Revolutionary Forces (SPLM-North, JEM, SLA-Minawi, SLA-Abdulwahid) to be disarmed, demobilized and repatriated by the state actors with whom they have been supporting within the Pre-Transitional period".

2. The CPA, on the other hand, in Section 7 of Chapter VI on Security Arrangements states that:

a. *No armed group allied to either party shall be allowed to operate outside the two forces.*
b. *The Parties agree that those mentioned in 7(a) who have the desire and qualify shall be incorporated into the organized forces of either Party (Army, Police, Prisons and Wildlife forces), while the rest shall be reintegrated into the civil service and civil society institutions.*
c. *The parties agree to address the status of other armed groups in the country with the view of achieving comprehensive peace and stability in the country and to realize full inclusiveness in the transition process.*

Both peace agreements did not make specific reference to the other non-state security actors such as *gelweng/titweng* and *Nuer White Army* despite their pivotal role in the dynamics of

conflict in South Sudan. Unlike CPA and without learning from the previous experience of comprehensive civilian disarmament programme, the ACRISS refers only to disarmament and demobilization of non-state security actors without reference to incorporation, reintegration or even reconciliation.

In comparison to CPA, the ARCISS may pose enormous challenges for the government to discharge its core function of monopoly of violence at the community level if the role of the non-state security actors such as *gelweng, titweng, Nuer White Army* and *other ethnic group militias* is not adequately addressed. Given the level of violence, mistrust and proliferation of small arms as well as mushrooming of ethnic militias, the government will be unable to easily reach all parts of South Sudan and subsequently the non-state security actors will continue to provide protection to their communities. Also the provisions of ARCISS of disarming and demobilizing the non-state security actors within three months have clearly underestimated the magnitude of the problem as well as misdiagnosing the problem without learning from the experience of CPA period. It is extremely important that these non-state security actors to be involved during the implementation of the peace agreement.

2. The status of 28 states: The creation of 28 states will pose a real threat to the implementation of the ACRISS as the parties hold rather irreconcilable positions. While SPLM-IO, other political parties including SPLM-FDs and civil society stand with 10 states as provided for in the peace agreement, the government insists on 28 states on the basis that it is the popular demand of the people of South Sudan. Apparently, the SPLM-IO initially favoured the creation of 21 states instead of 10 states and appointed governors for the newly created states but eventually agreed to 10 states as provided for in the ACRISS. The IGAD and JEMC agreed to allow parties to discuss and agree on the boundaries of 28 states and in-lieu of reaching agreement; the 10 states shall be adopted as per the provisions of the peace agreement.

Apparently, the implementation of 28 states faces enormous challenges in terms of boundaries, resources, number of counties, location of state capitals, naming of states, allocation of ministerial portfolios and members of state parliament to various communities. Given the fact that expectations have been raised with the 28 states, it would be appropriate if JEMC should encourage the parties to agree to establish an independent technical committee to study and review the 28 states and come up with recommendations that shall be final and binding on the parties.

3. Security Arrangements and Security Sector Reform: The security arrangements will pose a real challenge to the implementation of the peace agreement. The size of the forces of SPLM-IO has not been agreed upon nor the size of the national army for South Sudan. Given such ambiguity in the peace agreement, the region and international community to put more focus on security sector reform. There are wealth of experiences from other countries of how to establish a national army that will reflect the ethnic diversity. At least the parties should be encouraged to agree on the starting size of the national army for effective security reform such as the size of SPLA that existed before the eruption of civil war on 15th December 2013.

4. Working relationship between the President and his First Vice President: Given the history of rather bitter political relations between President Salva Kiir and Dr Riek Machar

and the power-sharing arrangements that give the First Vice President the veto power on some issues related to the peace agreement as well as their incompatible political aspirations for the next elections, it is likely that the working relations between the two leaders will be acrimonious that may undermine the implementation of the peace agreement. There is a need for the region and international community to encourage creation of informal forum consisting of individuals with positive and reconciliatory attitudes from the church leaders, SPLM-FDs, SPLM-IG, the chairperson of SPLM-DC and eminent personalities to nurture good working relations between the President and his First Vice President.

5. The final status of Abyei area: The final status of Abyei is one of the pending issues of the CPA that threatens peace and security between Sudan and South Sudan. Apparently Abyei Protocol is the only protocol of the CPA that is based on the US Proposal entitled "Principles for Agreement on Abyei" that was carefully prepared by the US State Department and presented to the Vice President Ali Osman and Dr John Garang Senator John Danforth on March 19, 2004 in Naivasha, Kenya. President Bashir deliberately obstructed the implementation of Abyei Protocol by rejected the final and binding report of Abyei Boundaries Commission (ABC), the final and binding award of the Abyei International Court of Arbitration (ICA) that defines the areas of the nine Ngok Chiefdoms transferred to Northern Sudan from South Sudan in 1905 as well as the final and binding the proposal of African Union High-Level Implementation Panel on the resolution of Abyei conflict and the conduct Abyei referendum under supervision of AU in October 2013 with clear definition of those eligible to vote to include members of Ngok Dinka and other residents but not Arab nomads. President Bashir did not only obstruct the implementation of Abyei Protocol but also invaded and committed atrocities in Abyei area in 2008 and 2011.

The failure of President Bashir to implement a very clear protocol after the award of Abyei International Court of Arbitration has been attributed as well to American officials. Douglas Johnson, a highly respected historian on two Sudans, wrote on May 30, 2011 in the *New York Times* that "….American officials have unwittingly encouraged the Bashir regime to take hard line by supporting successive compromise proposals rather than insisting that Khartoum adhere to the peace agreement and abide by the court ruling". Specifically, Mansur Khalid, a respected Sudanese scholar and writer on two Sudans, wrote in his book titled "The Paradox of Two Sudans", 2015:pp 264-265 that "As South Sudan came close to the referendum, the United States started a process of high-level mediation. Senator John Kerry, chair of the US Senate Committee on Foreign Relations, and General Scott Gration, the presidential envoy to Sudan, intervened on behalf of their government, not to push for implementation of the ABC report or the ICA award, but to find a solution outside the protocol."

Khalid further continues to state that "It is ironic that the Abyei question, which was assumed after the conclusion of the CPA to be the most manageable problem, turned out to be the most vexatious as a result of the constant shifting of goal poles by the National Congress Party (NCP) and Misseriya spokesman. Elements within that group also appeared to be blatantly acquisitive: the more they got, the more they wanted. Twice did the parties agree on the final and binding agreement- the ABC report and ICA award- and twice did they renege on their undertakings. In this regard, the position taken by international observers, especially the United States who authored the Abyei Protocol, was defeatist."

Even when AU High-Level Implementation Panel for Sudan headed by President Mbaki, the former president of South Africa, came with the final and binding proposal titled "Proposal on the Final Status of Abyei Area, September 21, 2012" (see attached) that was adopted and endorsed by AU Peace and Security Council and forwarded to the UN Security Council to be implemented under Chapter IV of the UN Charter. The AU proposal was watered down by Russia with no effective role played by US in the UN Security Council in defending AU Proposal on the final status of Abyei area. Left with no any other option, the people of Abyei Area conducted their own community referendum in accordance to the criteria, time and provisions provided for in the final and binding AU Proposal on the Final Status of Abyei Area, with overwhelming majority of voters (99.8%) chose to be part of South Sudan. Following the Abyei community referendum, the people of Crimea of Ukraine and without any agreement between Ukraine and Russia conducted their own referendum and voted overwhelmingly to be part of Russia. The outcome of this referendum was not only accepted by Russia but effect it immediately by declaring Crimea to be part of the territory of Russia. Interestingly, Sudan supported and recognized the outcome of the Crimean community referendum and the decision of Russia to annex Crimea to the territory of Russia. Paradoxically, Sudan and Russia failed not only to recognize the outcome of Abyei community referendum but also rejected the final and binding AU Proposal on the Final Status of Abyei Area.

Apparently, there is a positive development between the community of Abyei area and their neighbouring Misseriyia community to revive their traditional relations based on mutual benefits and regardless of the final status of Abyei area. Such development needs to be supported. Also the U.S. has a moral obligation as the author of Abyei Protocol to encourage South Sudan and Sudan to recognize the outcome of Abyei community referendum and to use its diplomatic outreach to convince Russia and China to work on Sudan to recognize the Abyei community referendum or to agree to implement the final and binding AU Proposal on the Final Status of Abyei Area. The resolution of the final status of Abyei Area will greatly contribute to cementing good relations between Sudan and South Sudan that will contribute as well to peace and security in both countries.

6. The CPA Unfinished Business: Southern Kordofan and Blue Nile: As I mentioned in my testimony in 2007, the sustainable peace in the Sudan will primarily hinge on the stability in the transitional areas of Abyei, Nuba Mountains, Blue Nile, Eastern Sudan and Darfur as these areas represent the majority of the marginalized rural Sudanese. Indeed, the extent to which Khartoum can continue to commit and in fact build upon these CPA principles going forward will be a yardstick by which it will be able to measure the peace that it can secure internally. I mentioned in my statement before this committee on 24th January 2007 that "In case the implementation of the CPA fails to provide a meaningful self-rule in Nuba Mountains and Blue Nile, then the chance that war will erupt again is most likely in these transitional areas."

The resolution of the conflict in Southern Kordofan and Blue Nile is the unfinished business of the CPA. The current conflict in the two areas is virtually imposed by Sudan on the people of the two areas who accepted CPA with their own self-rule to be improved upon through the popular consultation provided for in the CPA. The instability and conflict in the two areas will continue to be a dagger in the relations between Sudan and South Sudan with far negative consequences to the peace and security in the two countries. Sudan will continue

to accuse South Sudan in supporting militarily the SPLM-North even when South Sudan may not have capacity or even political will to do so. Also South Sudan needs to be seen taking a proactive and active role in mediating between Sudan and SPLM-North in finding a lasting peace in the two areas that will have profound positive impact on peace and security in the two areas.

*7. **The Role of Sudan:*** Sudan will continue to play a critical role in peace and security in South Sudan. In recent years Sudan has been successful in asserting itself diplomatically in the region and in Islamic and Arab world. Its strategic stance in support of Ethiopia on Renaissance Dam has placed Sudan in the good books of Ethiopia and US indirectly because of their strategic relations. The opportunistic engagement of Sudan in the Yemen civil war by siding with Saudi Arabia and its rather surprising move to stand with Saudi Arabia over its diplomatic wrangling with Iran by severing and cutting diplomatic relations with Iran elevates its diplomatic status among the Arab countries as well as sending positive signal to the Western countries, particularly US. Also its military involvement in Libya made Sudan a key and unavoidable player and partner in ending civil war in Libya.

This diplomatic success of Sudan conceals the real colour of Sudan as a wolf in sheep's clothing. In South Sudan, Sudan pursued aggressive and effective policy of strangulating South Sudan politically, economically and diplomatically and to show to the Western countries and USG that their political project of the secession of South Sudan from Sudan is a total failure. Besides its cancerous role in destroying South Sudan, Sudan pursues annihilation and ethnic cleansing of the African ethnic groups in Nuba Mountains and Blue Nile as it did in Darfur. There is growing evidence that shows Sudan has strong link with Islamic terrorist organizations in West Africa, Central Africa, East Africa, Egypt, Libya, Middle East and Somalia. While the Western countries and US may consider softening its relations with Sudan, the revival of ICC indictment of President Bashir; particularly in the light of more atrocities committed in Abyei and are being committed in Darfur, Nuba Mountains and Blue Nile will be critical for ensuring justice and accountability in Sudan.

There is no doubt that Sudan is important for peace and security in South Sudan and it should be engaged to take a positive role in supporting the current peace agreement. The Cooperation Agreement between Sudan and South Sudan and particularly the oil export agreement should be negotiated in a realistic manner as it will not be economically viable in the near future with such low oil prices for South Sudan to pursue building an alternative pipeline. South Sudan should also adopt a more proactive foreign policy of building sincere good relations with Sudan with mutual interests and benefits that will rest on the stability, peace and democracy in the two countries.

7. Conclusion: Urgent Steps and Actions

- *Making the Cost of Non-Implementation More Than the Cost of Implementation*: The option for implementing the peace agreement should be the top priority and it should be given all possible attention to succeed at all possible costs. Given the fact that there are forces anti-peace, the region and international community as well as the people of South Sudan should make the non-implementation of the peace agreement very unattractive and to make its implementation more attractive. Some of ways of

making the cost of non-implementation extremely high is to continue with the threats of sanctions; particularly against those who will continue to obstruct the peace agreement. Also the implementation of peace agreement must be made attractive by showing to the people of South Sudan that peace will eventually be a win-win situation. This can only be realized by availing more investment in provision of basic services and infrastructure and investing in the Comprehensive Agriculture Master Plan (CAMP) and Irrigation Development Plan currently initiated by the government as the most important pathways to sustain peace and development as well creating employments opportunities for the marginalized rural areas and youth.

- *Sequencing Peace, Justice Accountability:* While peace agreement has provided mechanisms for transitional justice. It is important that efforts should be made not to jeopardize the process of achieving justice and accountability by rushing to them without creating conducive environment. Peace is a prerequisite and one of the conditions for creating conducive environment for achieving effective justice. There are good lessons to be learned from the Kenyan experience by starting with peace while initiating simultaneous healthy process of laying solid basis for pursuing justice. Also the evidence collected by the government through various investigation committees must be made available to the Hybrid Court and the SPLM-IO must be encouraged to conduct their own investigation about atrocities committed in their areas. While focus of transitional justice is at the national level, local process for transitional justice; particularly local investigation and trial of atrocities committed in the local and grass-root level should be supported. Besides atrocities committed, the accountability for the economic crimes should be considered as well. The information being gathered by UN South Sudan Panel of Experts on Sanctions about economics crimes will be valuable to achieve economic justice accountability through the existing Anti-Corruption Commission or through special courts to be established.

- *The Non-state Security Actors and Defense and Security Sector Reform:* The successful implementation of the peace agreement will largely rest on the security sector reform and how to deal with non-state actors who have not been involved or their grievances have not been addressed by the elites power-sharing agreement. More thorough study review must be initiated and carried out to provide the solid basis for effective defense and security sector reform.

- *The Status of 28 states:* The parties to be encouraged to agree on forming an independent technical committee to review the decision related to the establishment of the 28 states in terms of opportunities and challenges and to come up with recommendations that will be final and binding to the parties of the peace agreement.

- *The Final Status of Abyei Area:* The issue of Abyei will continue to be a thorn in the relations between Sudan and South Sudan if it is not resolved. Given the fact that the people of Abyei area have conducted their referendum on the basis of the final and binding AU Proposal on the Final Status of Abyei Area, the U.S. has a moral ground as the author of Abyei Protocol not to standby or be a defeatist as described by

Mansur Khalid but to take a proactive role in finding the final resolution to the status of Abyei area. The current engagement between the Ngok Dinka of Abyei area and their neighbours, the Misseriya on normalizing their traditional peaceful relations should be supported with development programs; particularly in areas of education, health, veterinary services, water, sports, trading and access to information through FM radio and internet access.

- *Community Engagement:* Given the fragility of peace agreement, the only way to ensure its effective implementation is to make communities of South Sudan to own this agreement through civic education by making them to understand the content of the peace agreement in their own local languages through local FM radios and to know as well their responsibilities and the status and challenges facing its implementation.

- *The Centrality of the SPLM:* Although there are strong arguments for dismantling SPLM and formed new parties as the basis for promoting effective multi-parties democratic system of governance, contemporary experiences of overhauling the entire system did not produce good results. The SPLM is not different from other liberation movements that entered into difficult process of transition to an effective political party. Nurturing the democratic reform within the SPLM as provided for in the Arusha SPLM Reunification Agreement as well as supporting other political parties and civil society and media, will all contribute to laying down pillars for democratic system in South Sudan.

- *Scenarios Analysis:* On the basis of the enormous challenges that may be encountered in the implementation of peace agreement and given the anti-peace attitudes exhibited so far by some influential individuals in key positions in the government and SPLM-IO, the likelihood that the peace agreement may fail is considerably high or there would be a situation of no-war and no-peace. While the focus will be on the full implementation of the peace agreement, it would be appropriate if a thorough scenarios analysis and study to be conducted earlier and to provide the basis for the possible options for proactively addressing such scenarios.

- *South Sudan Viability:* Despite the gloomy picture being painted about South Sudan, it is important to remember the bright face of South Sudan. These are the people who stood firmly in defending their identity and beliefs and fighting the political Islam agenda in Sudan including Osama Bin Laden, the founder of al-Gaeda. The people of South Sudan have been in a constant struggle for their survival through centuries and they are peace loving and believe strongly in freedom. South Sudan is well-endowed with enormous untapped resources and if utilized and managed efficiently, South Sudan can easily emerge with one of the strongest economies in the region. U.S. has invested heavily to seeing South Sudan successful and prosperous, despite the shortfalls still there is a brighter future that can be realized by the people of South Sudan with support from their friends such as United States of America

Thank you for allowing me to share with you my optimism and concerns about the prospects of peace and security in South Sudan. I strong believe that the people of South Sudan will one day rise up to their expectations and God-given potentials and to put their

country on the path of peace and prosperity with the usual support of their friends; the people of the United States of American and their government.

Mr. SMITH. Dr. Deng, thank you very much for your testimony and for your insights.

I would like to now, Dr. Mayai.

STATEMENT OF AUGUSTINO TING MAYAI, PH.D., DIRECTOR OF RESEARCH, THE SUDD INSTITUTE

Mr. MAYAI. Thank you very much, Mr. Chairman. Thank you, Ranking Member Bass. I am delighted to be here and be given the opportunity to present before you on the current affairs of South Sudan, my country. I just returned from there about a month ago. My contribution today focuses on the role of youth and engendering and sustaining peace and prosperity in South Sudan.

This is particularly essential in the nation where well over 60 percent of the total population constitutes persons age 30 years or younger. And this nation as known to many in the world, South Sudan is basically a country of youth who are rarely involved in its most important affairs such as governance.

Although a relatively large population of youth, it is good for development, as labor economists suggest, it could also be a source of tragedy, especially in the absence of strategic engagement of this group in productive economic activities. This situation is worsened by the fact that South Sudan's literacy rate is lower than 30 percent. This means that the human capital, it is really low and that affects the country.

Lack of educational opportunities, high unemployment rate, and political subjugation, as is the case in present-day South Sudan make youth a liability for a sustainable peace and development. As we know, it has been the South Sudanese youth who have actually been fighting on both sides of the just concluded civil war and prior wars of liberation.

This seems to be a common experience in most contexts, developing contexts, and not age reflected highly in South Sudan. As South Sudan returns to normalcy now that Dr. Riek has returned for peace to be implemented, how to turn this large population of youth into an opportunity will be a tremendous test. With properly targeted investment in this group, both locally and internationally with the U.S. Government being involved, South Sudan could be on its way to prosperity, joining the rest of the productive democracies.

When given opportunity the youths make an incredible difference. A perfect example in our context concerned that of the Lost Boys and Girls of Sudan who came to the United States 15 years ago, displaced by a brutal civil war in the early 1990s as unaccompanied minors, this community that faced a hopeless future at the time lived in various refugee camps both in South Sudan and the neighboring eastern African nations before coming to the U.S., going to Canada, and Australia. Prior to resettlement opportunities, thousands of older boys joined the war of liberation, with the majority being either killed or wounded in action. Between 2000 and 2004, the U.S. Government took the initiative to resettle over 4,000 Lost Boys and Girls in the U.S.

Being in a conducive environment and armed with adequate economic opportunities to better themselves, the Lost Boys and Girls quickly made an indelible mark here in the U.S. and back home.

In a few years, this group acquired quality education from world-class institutions and gained remarkable work experience including serving in the U.S. Armed Forces.

A generation committed to matters of stability back home, the group takes education as instruments for personal and societal fortification very seriously with as many as 20 members of this group obtaining doctorates in medicine and philosophy, many of them have now returned to South Sudan to support peace and development.

Although confronted with challenges of South Sudan's political instability and personal economic opportunity responsibilities, the Lost Boys and Girls in their limited ways are currently making important contributions back home through, for example, the Valentino Achak Deng Foundation, John Dau Foundation, School of Public Service at the University of Juba, the SUDD Institute and Marol Academy and many other initiatives. Likewise, four of the Lost Boys that obtained their degrees between 2013 and 2015 returned to South Sudan to teach and provide services for the people of South Sudan, earning less than $500 a month.

Benjamin Machar, a colleague of mine, defended his dissertation a week ago, he is now on his way to South Sudan to support development there. With sustainable peace and increased support from the U.S. Government and South Sudan and its other partners, the Lost Boys and Girls can continue to significantly impact lives in South Sudan.

As the agreement on the resolution of conflict in South Sudan gets implemented in the next few years, there will be need to support the Government of South Sudan in skills development and strategic allocation of those skills across different sectors. With support from the U.S. Government, the Lost Boys and Girls who have already acquired both necessary academic skills and sufficient work experience in the U.S. could mightily assist in this endeavor. In particular, the U.S. Government should rejuvenate the skill transfer program instituted in 2006. That taps into the skilled Lost Boys and Girls community to augment institutional and peace building programming in South Sudan.

Gladly, a former U.S. Representative, Frank Wolf of Virginia, was one of the first U.S. officials to recognize this necessity, introducing the return of the Lost Boys and Girls of Sudan Act in the House in 2007. Revisiting this program is timely if the U.S. is to institute a speedy and sustainable impact in South Sudan.

This initiative not only fosters institutional strength and stability for an incredibly distressed nation, it also paves ways for healthy leadership successions, encourages the youth to have a voice in subnational and national policy dialogues, and amplifies young people's involvement in local development and peace programming. It places young people at the center of highly desired progress, subsequently creating a sense of responsibility and ownership of their future.

What is more assuring that many of the Lost Boys and Girls are ready to return home in pursuit of peace and prosperity, but their return is not without economic hurdles as many now have families to cater to and educational loans to repay. Therefore, a project

similar to the Yes Youth Can in Kenya that was financed by the U.S. Government could be replicated in South Sudan.

In a nutshell, Mr. Chairman, as peace partner the U.S. Government may wish to consider an increased strategic investment in skill transfer programs and the greater involvement of youth and institutional initiatives, building initiatives in South Sudan. The U.S. Government may also wish to extend more support through educational and policy institutions such as School of Public Service at the University of Juba, the SUDD Institute, Center for Peace and Development Studies, and Ebony Center for Strategic Studies. With these few remarks, thank you very much.

[Mr. Mayai did not submit a prepared statement.]

Mr. SMITH. Thank you so very much for your testimony, for your recommendations and suggestions, and for referencing one, an idea that was proffered by Congressman Frank Wolf who is a good friend of mine and certainly a great friend of Africa.

Let me just ask a couple of questions. Before I do, I just want to recognize that David Abramowitz is here. David has been a longtime champion of human rights, combating trafficking, he is the managing director of Humanity United, and I want to thank him for his lifelong commitment and for being here today and for, as he always does, offering very valid recommendations to all of us on how do we proceed on these important issues. He was chief counsel to the Democratic side of the Committee on Foreign Affairs for about more than 10 years, so thank you, David, for being here.

I would like to ask a few questions and then yield to my good friend and colleague from California.

Mr. Prendergast, you talked about the one factor not being addressed. I raised it with both Ambassador Booth earlier today as well as with Mr. Leavitt, and that is this unchecked greed. And I think, you know, and all of you might want to speak to this. You used multiple synonyms, each one, with varying degrees of intensity, certainly looting frenzy, violent kleptocracy, looting and killing with impunity. And I think, you know, human nature being what it is, we find in countries all around the world very often at the core root besides just an attraction to power there is often this unbridled wealth that certain people are able to accumulate when they abuse power.

If you could speak to how well or poorly the administration is doing. You made very specific recommendations including FinCEN, the access to financial institutions in terms of money laundering and the like, you might want to elaborate on that. I asked Ambassador Booth earlier about your program whether or not they were plugging in, how well or poorly has that occurred in your opinion? Are they looking to you for recommendations? Because it seems to me you take out the financial incentive, the ill begotten gains from abuse financially, it certainly might lead to a better governance. Maybe not great governance, but a better governance.

Secondly, Mr. Wells, you mentioned criminal justice, and you might want to elaborate how that might proceed since so many acts, barbaric acts have occurred. There are so many victims. The case study you cited, which I repeated in part in my opening, I mean she said, and I thought it was interesting, Rebecca, that she is not sure if she wants them prosecuted but she wants to know

who they are. And then you do go into the idea of a reconciliation process. Perhaps all of you might want to elaborate on what that might look like. Of course the wounds are still fresh, so justice certainly is something that is on the minds of many people, so if you could on that.

Dr. Deng, you made a very excellent point about the cost of non-implementation must be higher than implementation. If you might want to elaborate on what that cost entails, to whom? Are you talking about individuals, to the government itself? And you also made an excellent point about ensuring ownership of the peace agreement by the people themselves. How exactly does that occur? How do you bring the people who are, do they need to be the beneficiaries or as they have been of recent the date, the victims of bad governance and certainly this violence, how do you bring them into that equation?

And all of you, if you might want to, because I asked the question earlier of Mr. Leavitt, the whole issue of the health and well being of the Sudanese people. It seems to me that I was a little disturbed that Mr. Leavitt couldn't say chapter and verse this is what the vaccination program looks like, we are doing this despite the difficulties, there is a commitment here to vaccinate children against childhood killers, because we all remember the child survival revolution. One of the key pillars, one of them was oral rehydration therapy, and he did give an example of a young child who seems to have gotten that because of the huge dehydration issues.

But vaccinations are one of the wonders of the world, and if we don't adequately pay attention to that—and again with deep respect to Mr. Leavitt, he will get back to us I am sure—that should have just rolled off his lips that this is what they are doing on childhood vaccinations. And in like manner, since Sudan is part of the scaling up program for the first 1,000 days, that is to me the most transformational program ever for reducing maternal mortality in those places where women got the nutrition and the food as well as their unborn children and then their newly born children, maternal mortality has dropped like a rock.

So it needs to be prioritized and I am not sure now whether or not it is, perhaps you have some insights on that as well. I have other questions, but I will yield to Ms. Bass after those questions are fielded. Thank you.

Mr. PRENDERGAST. Thank you very much, Mr. Chairman. I think the first point I would make is that kleptocracy, the idea that a system of government—in our country, in many countries around the world we expect government to secure the rule of law, to deliver social services and all of the things that people expect. In a number of countries around the world, where corruption is no longer an aberration but is actually the purpose and point of the system, unless there is an alteration of the calculations of those that are in power in some way—and it is hard to make those alterations and calculations purely from internal efforts.

People work assiduously like the two folks on the panel here from South Sudan, to my left, who have with many, many of their colleagues worked for so long for human rights and peace and democracy and transparency in South Sudan, but they need help

from the outside as well. And I think that accountability, basic accountability is what so many, when all of us spend time in South Sudan, so many people are screaming for, accountability for the commission of war crimes and accountability for the financial crimes that have left a country that is one of the most fabulously wealthy in natural resources completely and totally impoverished. Everything that wasn't nailed down has been externalized, offshored by the leaders of these two factions in a variety of, whether in bank accounts or in opulent houses and all the other kinds of things that you do when you have that kind of money.

So here is the problem, and I think that Ambassador Booth sort of put his finger on it unwittingly. They always talk about the importance of reining in corruption, they always talk about the importance of accountability, but when it is time to act, when it is time to vote for the arms embargo, when it is time to impose a targeted, biting, enforced sanctions on higher-level officials, when it is time to begin to investigate banks for money laundering for some of these institutions and individuals in South Sudan and their international collaborators, when it is time to do that, other competing priorities emerge and people say, well, wait a minute, we don't want to upset the apple cart. Riek is about to come back to Juba. We have got to do this, we have got to do that. There is always something else that takes just a little higher priority than taking the action.

Well, you do that long enough and suddenly, or over time, the parties act like they expect us not to do anything. They no longer take our threats seriously. We become the paper tiger that is written about so many times throughout history. And I think that is where we are right now in South Sudan, frankly, is we are the paper tiger. Threatening to do this, threatening to do that but never imposing.

And then when we actually impose sanctions on a few mid-level officers, we don't enforce them, so they are traveling around the region banking, doing whatever they want to do with no consequence. Our inaction emboldens these folks to continue to commit atrocities on the ground. Violence is still occurring in a number of the states throughout South Sudan irregardless of the machinations politically in Juba. People need to be held accountable for that.

So the only way, in sum, the only way to reverse that dynamic is for us to start acting, to choose certain high profile, important actions that we can take that can begin to introduce a sense of accountability, to begin to chip away at the impunity that these folks feel in Juba that they can do anything they want to do, they can take anything they want to take, and they can kill anyone who they want to kill with absolutely no consequence.

Mr. WELLS. Thank you, Mr. Chairman.

On criminal justice and accountability, I think the positive thing is that the peace agreement in many ways gives us the foundation to address these issues through calling for the establishment of three mechanisms in particular, the Hybrid Court, the Truth and Reconciliation Commission, and the Compensation and Reparation Authority. So the foundation is there. What is key now is starting progress, to get these institutions set up and working.

On the Hybrid Court, you know, and criminal accountability in particular, there was a great study done by the South Sudan Law Society last year that showed that 93 percent of people that they interviewed in a large study favored criminal prosecutions for crimes that had been committed. There is an overwhelming desire amongst the South Sudanese to see criminal accountability. And the African Union has taken a notable and important leading role to that end. They will be in charge of helping set up the Hybrid Court.

What is critical to see from the U.S. is support for that—technical assistance, financial assistance—so that the Hybrid Court can begin to do its work. And right now what we really need to see is the collection and preservation of evidence. Each day that goes by we are losing the ability to access much of the evidence that is needed. So right now it can't happen fast enough to get the process started for collecting and preserving evidence.

On the reconciliation point, you know, in interviews that we have done around the country, the key thing that people say is that this has to happen both at the national level and at the local level. It is not enough to set up a Truth and Reconciliation Commission that sits in Juba and focuses on the elite. We need a process that engages people around the country that addresses not only the national conflict dynamics that my fellow panelists have talked about, but also many of the local factors that are driving inter- and intracommunal violence.

And the third thing is the Compensation and Reparation Authority that is often forgotten about. We talk a lot about criminal accountability, we talk a lot about reconciliation, but we don't talk about this issue of compensation and reparations. And for many people, getting some sort of immediate assistance given the fact that their villages have been burned, their schools have been destroyed, their clinics have been destroyed, many of them have had their crops destroyed, their seeds for future harvests destroyed, and so there is an urgent need to allow people to begin rebuilding their lives.

There is a lot of discussion around how to best set up this Compensation and Reparation Authority, and I think it needs to ultimately follow two tracks. One that longer term perhaps addresses individual reparations, but that more immediately focuses on collective issues, how to help villages begin to rebuild their lives, and how to address issues like the huge amount of cattle that have been stolen throughout the conflict and that will inevitably drive violence going forward.

Mr. SMITH. Well, can I just ask you before going to Dr. Deng, on the Hybrid Court did you just say that the U.S. is not providing money?

Mr. WELLS. No, I am saying they need to provide money. There has been, I think, a statement of $5 million, I think, they expressed last year that they would provide for the Court. Financial assistance is incredibly important. We also need to see from the U.S., given how many people here have experience with hybrid courts or international criminal justice more generally, the provision of technical assistance to help work on things like again the collection and preservation of evidence, how to best protect judges and investiga-

tors and prosecutors that would be involved in this, how to set up a witness protection program because ultimately people who come forward will face retaliation, so how can we set up witness protection. I think the U.S. has a critical role to play in working with the AU on all of those issues.

Mr. SMITH. But, you know, there are people, and we have had David Crane testify several times before this subcommittee about the Special Court for Sierra Leone, which did magnificent things and Charles Taylor is now serving 50 years because of that court.

If there is something more that we need to be doing, Ms. Bass and I were just talking, perhaps we need to do a letter or to be in touch again with the administration about making sure that money does flow, because you are right. As time goes on, witnesses are lost, information, memories fade, and then the fear of retaliation without the right kinds of checks, including for prosecutors and judges, you know, I am not sure myself what the parameters are in terms of how many potential people would be prosecuted.

How high up do you go and how low, I should say, on the people who have killed, maimed, do you actually go? But we will follow up and we will do it in a totally bipartisan way because we are on one accord, right. I think that is——

Mr. WELLS. Thank you.

Mr. SMITH. Thank you.

Dr. Deng.

Mr. DENG KUOL. Yes. Thank you very much, Mr. Chair, for raising these issues. I think this is your non-implementation to be more expensive than implementation. I think this is very critical. One, it is very important to focus on the implementation of peace agreement. This is the desire of the people of South Sudan.

And the leaders have been entered into this agreement lukewarmly but not fully with all calculation. And I think that it is very important that we should make sure for them to fill, to implement this agreement they have to pay the price. And the good thing that we have tools available already. For instance, I think the very fact that the African Union and IGAD, together with the international communities through the United Nations, they have agreed to make this the choice of international community which is accurately reflecting the will of the people of South Sudan. That by itself is a very important tool that we should capitalize on.

Second, I think the parties they know that they have committed crimes and these crimes are documented, and it is very important to focus on this African Union Commission of Inquiry. It is a very important document that could be used to make them believe that non-implementation this is the consequence. So even without, even with implementation.

And third, you have this the United Nations experts panel, they have been collecting very good information about some of them including the economic crimes. And as we talk now, the people of South Sudan, they know in details who did what, and these are the things that we should continue documenting them and to be available.

We were talking about human rights abuses, but I think the issue of economic crimes, it may not be necessary to add the Anti-Corruption Commission, but even we can focus on having a special

court for these crimes. The other one, the very fact that the Government of South Sudan collected some information for the atrocities, we have seen as a positive thing.

But this information, information about atrocities, they have not released this information and this should be made public. And actually, from the information we have there is SPLA, they did their own investigation. The police did investigation, the Minister of Justice, and also the President himself. But these documents are not made available and these are the homegrown initiative in order to achieve justice. Because those factors, I think these are the tools that we can use in all that.

But importantly, and I think this is something I did not mention. Let us make also scenario analysis. What if the peace agreement fails? Because we should not be taken by surprise. They cancel that peace—that this peace agreement may fail is quite high. Should we be active or should we stop learning as of now? Because site plans are very important, this analysis is very important for the parties to know the consequence of non-implementation.

The other side of it is making the peace agreement attractive, and this is where I believe that we should learn a lot of things. The Government of South Sudan, for example, they are involved in what is called Comprehensive Agricultural Development Plan. This actually is, I think, supported by JICA, by—and this is an area that we need to look. When you talk about the youth, especially the large population, it's about the whole of agriculture, creating opportunities. And this is an area that we should make peace agreement attractive.

We may need to invest also in the two leaders, I mean, Salva and his Vice President, how to work with them; the way that they enter into this initial relationship is going to be very fragile, and we need to invest in making them, make sure that they are working for the good of the people of South Sudan. If you go for the view of some it is strategy, that they want to isolate each other, it is by the end of day the people of South Sudan will pay.

So this is what I meant by making non-implementation more expensive than the—let me come also the issue that you raise about the issue of community engagement. There is an organization called CEPO, Community Empowerment for Progress Organization. When I was in the Center for Peace and Development we started having what can we do in order to make the engagement of the people in this peace agreement; let them accept the information, but importantly for them to know even their responsibilities.

And actually, when we said the non-implementation to be more expensive, it is when the people themselves take it upon themselves and to let these people to be accountable. What do we mean, for example, one of the things that we need to be done for this peace agreement, let the public know that this what it means for them and for them to follow who is not implementing. Because these elites are relying on these people, but these people are equipped—so this is one of the problems, quite complex, a problem of community empowerment problem by this organization.

That is, actually I am working with them, advising them also on this issue of—on the transition of justice, I think I talked about this sequencing, and it is very important not to rush for account-

ability and justice who we don't have the good platform. The process should start slowly while we are creating environment for justice and otherwise will be—we have learned from the experience of Kenya.

What should be done—here is an issue that these people, they commit themselves to peace. And this is going to be a good foundation for issues of justice and accountability. But in the process also, we should start immediately documenting, documenting the information about the atrocities committed and especially what John said about economic crimes. For me these are the things, these are, you can really get the people. Get with those one, and the other one actually come slowly.

So let the—and then the most important thing is when you come for election. For me, election is a recipe for another crisis in South Sudan. Those are the sources really for election that we are invested. Let us invest in making sure they are laying the foundation for justice and accountability, but do it slowly in a way not to spoil the very fact that we need to focus on the—let me stop here.

Mr. MAYAI. Thank you again, Mr. Chairman. Glad that you raised a question related to health. South Sudan, for some that might not be aware of its health statistics, has the highest mortality rates in the world. And we are talking of statistics that were collected at post-conflict time. Think of it now that the conflict has been going on for the last 2 years and so many people affected across the board. We think that the situation has worsened. Many people have died as a result of this conflict adding to the prevailing conditions, poor health conditions.

But I also want to bring you to the attention that even with peace, health conditions remain to not be changing much. I conducted a study. I am a demographer in training, and I conducted a study that looked at the relationship between health and spending, the public spending.

JP, I think you should know this. What we found with that there was no relationship in South Sudan. The more money you invest in health, basically did not make much of a difference. What this means is that the money that gets invested in health doesn't really get spent on health. It goes somewhere else. So that is the relationship between corruption and health.

What is it that is going on now, UNICEF. The U.N. is still spearheading providing services in this area. UNICEF recently was campaigning for vaccination for children. They were claiming to be pursuing over 300,000 children which is a big deal, and hopefully they are undergoing that.

But again this leads us back to this, you have the U.N. You have the U.S. coming there temporarily, but how do you sustain all these activities down the road, 5 years, 10 years down the road? That brings us back to the idea of capacity that the return to the Lost Boys and the Lost Girls is called for; that they should go back and be doctors and be the administrators in different capacities. Thank you.

Ms. BASS. Since you just finished on that note, Dr. Mayai, and it was very nice to meet you in South Sudan and then to see you here as well. You know, in the last panel I raised the question about the lost men and women going back, and part of the reaction

was, well, that could create some problems because the existing leadership would not take too kindly to that. But I would like to know your opinion of that.

You mentioned doctors, you mentioned administrators. It just seemed to me, but, you know, obviously I was only there for a couple of days, it didn't seem like there was an abundance of folks on that level, so that is why it didn't seem to me like it would create more tension. But I would like, you know, to know your thoughts on that.

And then while you are thinking about that, Mr. Prendergast, you started talking about, which I want more information about, the company that you mentioned and their involvement on the negative side. And, you know, I mean that is one of the benefits of our country, right, I mean, we can hold people accountable. And so I want more information about that. Now I have your full testimony. I know what you gave was abbreviated. If it is here, you know, I will look at it, but I wanted you to talk more about that.

You also talked about the wealth, and I guess that wealth is overseas because I don't know that it is there. I have always been leery about sanctions and especially targeted sanctions, because to me it is just difficult to see how they have any muscle behind them, but then, you know, you talk about the wealth, so I guess the wealth is being hidden overseas.

But, you know, sanctioning somebody to tell them that they can't come to the United States, it is hard for me to understand how that really, you know, has some punch behind it. So I would just like to ask those two questions right now, and then I know they are going to pull us away again for our last votes.

Mr. MAYAI. Thank you very much, Ranking Member Bass. This is an important question, and it would have been great if Ambassador Booth was here while I respond to this question. Before I get into more details into this I want to reference an effort made by Dr. Luka Biong in 2011 to return about 11 Lost Boys from here to provide support for an analysis that was conducted in the Office of the President. Eleven of the Lost Boys that went, eight remained. They were supported for a year by the Office of the President with Dr. Luka Biong advising the team, and eight of the Lost Boys decided to stay. So that speaks to something.

But let me say this. There is no question of challenges in terms of reception, but those questions are not related to what Ambassador Booth really raised earlier and that is the question of resistance. The question of resistance should be looked at from this perspective. South Sudan does not have sufficient economic resources to hire highly qualified individuals, people with families abroad, people basically that have loans to pay. South Sudan does not have that, but that does not translate into South Sudan not wanting these people to work in different arenas.

I just made a reference to the 11 members of my group that went back, I also would like to make a reference to the group that was recruited in 2006 on the skills transfer program. Majority of these people did not come back. Some of them became ministers and GGs in the government. That also shows the commitment of the government to integrate those individuals.

The problem is that the few that returning and get integrated are not enough to exert that effort that is needed to change the system. So I think we should not be too pessimistic about the government actually trying to——

Ms. BASS. Well, how is that viewed from the other side? I mean, you know, that is great what you just said, but then are they viewed as taking sides? How does the other faction view?

Mr. MAYAI. The other faction as in which?

Ms. BASS. Oh, Machar. I mean, you know, the folks that split from the government.

Mr. MAYAI. Each political group has its own opinion.

Ms. BASS. I am sorry?

Mr. MAYAI. I mean, each political group has its own opinion. And I think——

Ms. BASS. So at this point in time, if people were to go back when the government is being reformed, restructured, and both sides are there, would the folks that go back be viewed as taking Kiir's side?

Mr. MAYAI. I don't see that because both sides have members here.

Ms. BASS. Oh, okay. Okay.

Mr. MAYAI. And across the board here and Australia and Canada, and the recruitment should be fair enough to include all the qualified individuals to be able to go back and work. I don't think that would be a problem.

Ms. BASS. Okay. Thank you. And I know that they have called votes now, so we have just a couple more minutes.

Mr. PRENDERGAST. Thanks. Okay, four very, very quick points. First, on the Frontier Services Group, we will give you all the information we have——

Ms. BASS. Thank you.

Mr. PRENDERGAST [continuing]. So both of you can have that.

Number two, The Sentry, which is this new initiative we have begun, George Clooney and I have hired a team of financial forensic investigators and they are following the money all throughout east and central Africa but into the international system. Not to try and blame folks on the ground, because it takes two to tango in corruption.

Ms. BASS. Right.

Mr. PRENDERGAST. So we are looking at the banks, the mining companies, the oil companies, arms dealers, logistics companies, anyone who is facilitating or profiting from human misery. That is the agenda.

Ms. BASS. I am assuming this is our money too, right? This is our money, meaning U.S. taxpayers' money?

Mr. PRENDERGAST. Oh, that is being taken? Yes.

Ms. BASS. Yes.

Mr. PRENDERGAST. So there are lots of different ways that these guys make money. Most of it is through the looting of the natural resource wealth.

Ms. BASS. Oh, okay.

Mr. PRENDERGAST. So that the vast preponderance of the money that is being stolen from east and central Africa is gold, oil, diamonds, all the rest of it. But then they steal anything that isn't

like—so the aid money that comes in. Contracting is a major thing, especially military contracting, you know, all that kind of stuff.

So we have been sharing information with Treasury, Justice, and State, and other governments that can potentially act. We will, in about 2 months, begin to come up here and start briefing you guys on the dossiers that we are building on a number of these networks, and then we will go public later on in the year.

Third, where did the wealth go? It is not millions, it is billions. I mean, the money just poured in. Remember, before independence there was a 6-year period when there was an interim administration. When that interim administration was stood up in 2006, the oil wealth sharing deal went into effect.

So literally billions of dollars began to come into the coffers of a new administration that was administering the South Sudanese territory with no checks and balances. Of course most of it disappeared. None of it went into services, none of it went into infrastructure. It, as you said, somebody said in this thing, human nature. It is not surprising. It has happened all over the world. This is not a uniquely South Sudanese or African or any other thing. This is normal. If you don't have the institutions then you don't have the oversight. It is going to happen.

So slowly, steadily, and these guys have talked about the very, very important parts of this peace deal that create these oversight mechanisms, that will begin to help. But in the meantime, and this goes to your point about why do you use targeted sanctions. Well, one has to assume that if there are no consequences for stealing millions, in fact billions, of dollars, it is going to continue. So if you apply very specifically targeted sanctions on folks that have benefited dramatically from the ill-gotten gains, the money that was meant for the people of South——

Ms. BASS. Like freezing the money.

Mr. PRENDERGAST. Freezing that money, seizing it——

Ms. BASS. Okay. That makes sense, right.

Mr. PRENDERGAST [continuing]. And returning it. That is the ultimate objective.

Ms. BASS. Yes. Sure.

Mr. PRENDERGAST. Return it to the people of South Sudan, at least some percentage of it. You could fund the entire development budget of South Sudan for the next decade with some of the money that was—some of it. So I think that is a really important, and that is fundamental to our theory of change.

If you create those consequences for corruption, if you create those consequences for mass atrocities you begin to affect the calculations of people. That is the beginning, and I think that is our role as outsiders. And we can support folks on the inside, Augustino and Luka and all of their allies and organizations, but on the front lines of working on these problems at least the thing we could do is to make sure that when that money goes outside the country we can grab it——

Ms. BASS. Right.

Mr. PRENDERGAST [continuing]. And say no, it has got to go back. It is not fair that people are living in houses with swimming pools all over the world, some small group of those people, and their kids

are going to the best schools around the world, and there is a famine in the country from which they came.

Ms. BASS. Right.

Mr. PRENDERGAST. That is just ultimately unacceptable.

Ms. BASS. Thank you. Thank you.

Mr. SMITH. I think we are out of time, but please. You know, you do want to answer? Sure. I apologize deeply. Thank you for your insights, counsel, any additional things you would like to provide to us, anything that prompted, you know, like a further answer to that question posed by Ms. Bass?

Thank you. The hearing is adjourned.

[Whereupon, at 5:10 p.m., the subcommittee adjourned.]

APPENDIX

Material Submitted for the Record

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128

Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations
Christopher H. Smith (R-NJ), Chairman

April 27, 2016

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held by the Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations in Room 2200 of the Rayburn House Office Building (and available live on the Committee website at http://www.ForeignAffairs.house.gov):

DATE: Wednesday, April 27, 2016

TIME: 2:00 p.m.

SUBJECT: South Sudan's Prospects for Peace and Security

WITNESSES: Panel I
The Honorable Donald Booth
Special Envoy to Sudan and South Sudan
U.S. Department of State

Mr. Bob Leavitt
Deputy Assistant Administrator
Bureau for Democracy, Conflict, and Humanitarian Assistance
U.S. Agency for International Development

Panel II
Mr. John Prendergast
Founding Director
Enough Project

Mr. Matt Wells
Program Officer
Center for Civilians in Conflict

Luka Biong Deng Kuol, Ph.D.
Global Fellow
Peace Research Institute Oslo

Augustino Ting Mayai, Ph.D.
Director of Research
The Sudd Institute

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON *Africa, Global Health, Global Human Rights, and International Organizations* HEARING

Day *Wednesday* Date *April 27, 2016* Room *2200 Rayburn HOB*

Starting Time *2:02 p.m.* Ending Time *5:10 p.m.*

Recesses [*1*] (*3:18* to *4:05*) (____ to ____) (____ to ____) (____ to ____) (____ to ____) (____ to ____)

Presiding Member(s)

Rep. Chris Smith

Check all of the following that apply:

Open Session [✓]
Executive (closed) Session [ ]
Televised [✓]

Electronically Recorded (taped) [✓]
Stenographic Record [✓]

TITLE OF HEARING:

South Sudan's Prospects for Peace and Security

SUBCOMMITTEE MEMBERS PRESENT:

Rep. Daniel Donovan, Rep. Karen Bass, Rep. David Cicilline

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not members of full committee.)*

Rep. Eliot Engel, Rep. Michael Capuano*, Rep. Tom Rooney*, Rep. Ed Royce

HEARING WITNESSES: Same as meeting notice attached? Yes [✓] No [ ]
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

Information on the Frontier Security Group, submitted by Mr. John Prendergast

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *5:10 p.m.*

Gregory B. Simpkins
Subcommittee Staff Director

MATERIAL SUBMITTED FOR THE RECORD BY MR. JOHN PRENDERGAST, FOUNDING DIRECTOR, ENOUGH PROJECT

THE SENTRY
DISMANTLING THE FINANCING OF AFRICA'S DEADLIEST CONFLICTS

FACT SHEET
RE: THE SENTRY'S REVELATIONS ON FRONTIER SERVICES GROUP ACTIVITY IN SOUTH SUDAN
April 27, 2016

Official testimony by John Prendergast to HFA Subcommittee on Africa 04/27/16 (Excerpt):

It is not only South Sudan's kleptocrats that are making a fortune from the country's brutal civil war. A host of mercenaries and war profiteers have turned up in South Sudan, eager to make profit from the country's misery. Take Erik Prince, the founder of Blackwater, for example. When Prince's firm, Frontier Services Group (FSG), began operating in South Sudan, he was explicit about one thing: FSG was dealing solely with the Ministry of Petroleum and Mining, not the military. Prince and FSG indeed have significant business interests in South Sudan's oil sector, including a contract to build and operate a diesel refinery and a $23.3 million contract "to transport supplies and perform maintenance on production facilities at the oil fields." However, providing services to South Sudan's security forces would require a special license from the State Department in order to comply with the U.S. Arms Export Control Act and the International Traffic in Arms Regulations (ITAR). In fact, Prince's Blackwater company had been fined for operating without such licenses several times, including once in 2006 for offering its services to southern Sudanese rebels prior to independence.

Although Prince's associates stressed that they were not doing business with South Sudan's military, an investigation by the online investigative news site *The Intercept* found that Prince's company had attempted to provide attack aircraft to the Government of South Sudan in addition to other defense-related services. When crafting another pitch to South Sudan's government for an operation that, according to the report, would entail "oil field security training, security intervention and protection support services to the government" for a cost of some $300 million, *The Intercept* found that Prince and his associates "explicitly plotted a business structure for the contract that would expose no traceable connection to them" which they believed "would enable them to hide violations of U.S. and international defense regulations." Documents obtained by The Sentry appear to confirm some key findings of this investigation. Records obtained through our investigation indicate that Frontier Logistics Consultancy DMCC, a subsidiary of FSG, also had a $5.6 million contract to provide "logistical support" to the Sudanese People's Liberation Army. **The U.S. Department of State and Department of Justice should thoroughly examine whether or not Prince and his associates have violated U.S. laws and trade restrictions.**

The Sentry's evidence:

1. The Sentry has documentation appearing to show a payment transfer agreement in the amount of $5.9 million from 29 September 2015;
2. The payment transfer is with Frontier Logistics Consultancy DMCC, an FSG subsidiary, and the South Sudanese Ministry of Petroleum that suggests logistics services would be provided to the SPLA and other security forces in South Sudan by Frontier Logistics Consultancy DMCC;
3. Public documents filed by FSG confirm that Frontier Logistics Consultancy DMCC is a subsidiary of FSG;
4. The Sentry has reached out to FSG for comment, but have received none.
5. It is the expectation of The Sentry that the U.S. government will be able to verify some of The Sentry's information on transactions that may involve U.S. banks through its own information and/or information gathering powers;
6. The U.S. Department of State and Department of Justice should thoroughly examine whether or not Prince and his associates have violated U.S. laws and trade restrictions.

The Arms Export Control Act and International Trafficking in Arms Regulations (ITAR):

The State Department's Directorate of Defense Trade Controls (DDTC) regulates the temporary import and the permanent and temporary export of "defense articles" and "defense services," including brokering, involving items on the U.S. Munitions List (USML); this regulation is governed by the Arms Export Control Act and International Trafficking in Arms Regulations (ITAR).

The USML generally covers items specially designed or modified for military applications. The scope of items on the USML is similar to the control lists of most other significant arms exporting countries, although the USML contains some items that other countries do not generally control as defense articles. The ITAR more broadly covers not only the export of hardware but also technical data and defense services. Under the ITAR, an "export" includes not only physically taking a defense article out of the United States but also "disclosing or transferring technical data" or performing a defense service "on behalf of, or for the benefit of, a foreign person, whether in the United States or abroad."

Any U.S. person involved in the manufacture, export, or brokering of U.S. defense articles or services is required to register with DDTC and pay a fee of $1,750 per year. Registration also helps DDTC determine if a U.S. person is eligible to export, as certain parties are prohibited from participating in defense trade. For example, persons indicted of violating the AECA or certain other U.S. laws are ineligible to export, and persons convicted of such violations are formally debarred. Registration (as well as all license applications) requires the applicant to certify that the corporate officers are eligible under the regulations to participate in defense trade.

Only a registered party may apply for an export authorization (a "license" or "agreement") from DDTC. With few exceptions defined in the ITAR, all transfers of U.S. defense articles or services to foreign persons require case-by-case review and authorization by DDTC. Defense services are usually authorized through a Technical Assistance Agreement (TAA) or a Manufacturing License Agreement (MLA). Defense services include:

- Furnishing assistance (including training) to a foreign person, whether in the United States or abroad, in the design, development, engineering, manufacture, production, assembly, testing, repair, maintenance, modification, operation, demilitarization, destruction, processing or use of defense articles.
- Furnishing any technical data controlled under the ITAR to a foreign person, whether in the United States or abroad.
- Military training of foreign units or forces, including formal or informal instruction of foreign persons in the United States or abroad.

The AECA and ITAR provide for civil penalties of up to $500,000 per violation as well as other administrative measures, such as debarment from exports. Criminal penalties can range up to $1,000,000 or 20 years in prison per violation.

Selected backgrounder readings on Frontier Services Group:

1. The Intercept: Inside Erik Prince's Treacherous Drive to Build a Private Air Force
2. The Intercept: Blackwater's Founder Is Under Investigation for Money Laundering,Ties to Chinese Intel, and Brokering Mercenary Services
3. Bloomberg: South Sudan Hires Ex-Blackwater Chief to Restore War-Hit Oil
4. Reuters: Beyond Blackwater: Prince looks to resources in Africa
5. Bloomberg: Blackwater Founder Turns White Collar Boss, Helps China

About THE SENTRY

The Sentry seeks to dismantle the networks of perpetrators, facilitators, and enablers who fund and profit from Africa's deadliest conflicts. Our investigations follow the money from conflict zones and into global economic centers, using open source data collection, field research, and state-of-the-art network analysis technology. The Sentry provides information and analysis that engages civil society and media, supports regulatory action and prosecutions, and provides policymakers with the information they require to take effective action. Co-founded by George Clooney and John Prendergast, The Sentry is an initiative of the Enough Project, with its supporting partners C4ADS and Not On Our Watch (NOOW). Learn more at TheSentry.org

About THE ENOUGH PROJECT

The Enough Project, an atrocity prevention policy group, seeks to build leverage for peace and justice in Africa by helping to create real consequences for the perpetrators and facilitators of genocide and other mass atrocities. Enough aims to counter rights-abusing armed groups and violent kleptocratic regimes that are fueled by grand corruption, transnational crime and terror, and the pillaging and trafficking of minerals, ivory, diamonds, and other natural resources. Enough conducts field research in conflict zones, develops and advocates for policy recommendations, supports social movements in affected countries, and mobilizes public campaigns. Learn more – and join us – at www.EnoughProject.org