



*Empowered lives.
Resilient nations.*

BUSINESS CASE ASSESSMENT FOR

Accelerating Development Investments in Famine Response and Prevention

CASE STUDY

SOUTH SUDAN





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REPORT PREPARED FOR THE
UNITED NATIONS DEVELOPMENT PROGRAMME

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1. INTRODUCTION: FAMINE AND CONFLICT TRAPS IN SOUTH SUDAN

Following the independence of South Sudan in 2011, nascent state-building and development efforts were reversed catastrophically by a political power struggle within the country’s ruling party (the Sudan People’s Liberation Movement, the “SPLM”) in 2013, which rapidly escalated into a full civil war across ethnic lines and several states.

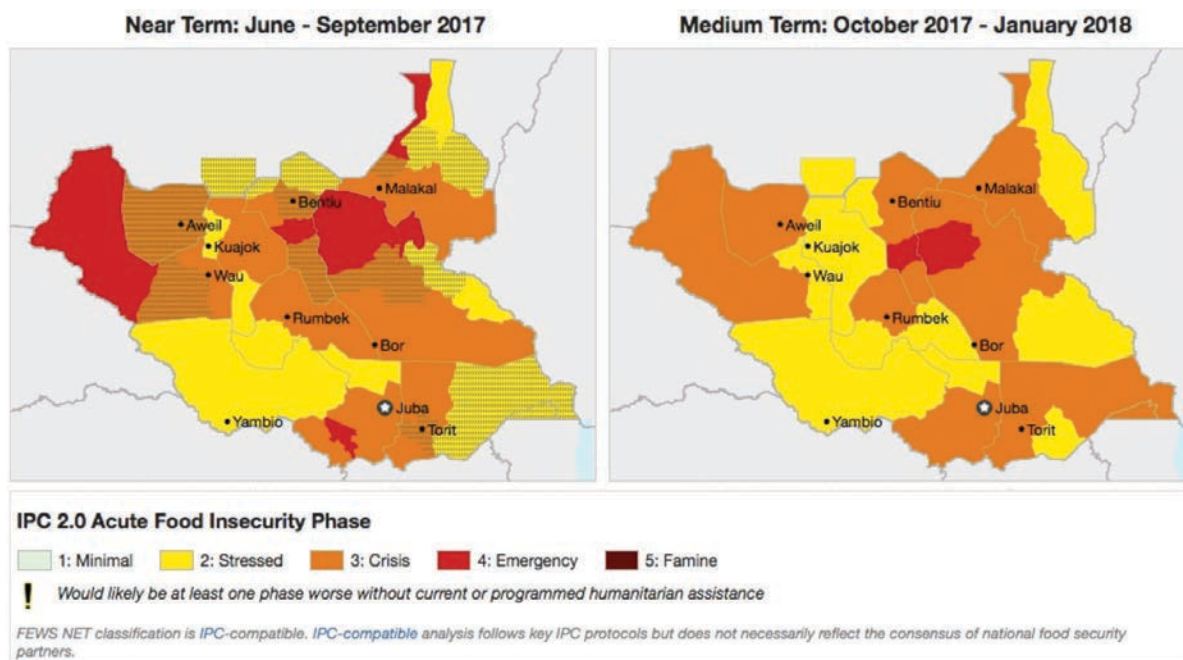
The conflict, which continues today, has devastated the country, resulting in tens of thousands of civilian deaths, and the displacement of 4 million people, 1.9 million of which are internally displaced and another 2 million who fled to neighboring countries.¹ The chaos threatens the world’s youngest country with collapse and regional instability. Armed violence and insecurity have resulted in a near-total breakdown of social services, resulting in increasing rates of disease-related sickness and morbidity, and severely disrupted markets and trade, particularly in the agricultural sector, which 85 percent of the working population relies on for income. Declining oil production and spiraling public deficits have led to a macroeconomic collapse, a significant decline in GDP and have been accompanied by hyperinflation and increased extreme poverty (accounting for 65.9 percent of the population).² As a direct result of conflict, over 6 million people—over half of South Sudan’s population of 11 million—were estimated to be severely food insecure as of June 2017, with 1.7 million in IPC Level 4 (emergency) and approximately 45,000 people in IPC Level 5 (famine).³

Despite high levels of humanitarian assistance, which averted famine conditions from developing in certain areas, the extent and severity of food insecurity has increased between 20-50 percent from 2012-2016 (see figure 2 below).⁴

As in Yemen, Somalia and north-east Nigeria, the current high risk of famine in South Sudan is attributable primarily to the ongoing conflict and the massive population displacement that it has generated. Although the country is richly endowed in natural resources, with abundant rainfall, forests, fertile soils, water availability, irrigable land and significant oil reserves, this potential has historically remained untapped due to decades of recurrent conflict and lack of meaningful investment in institution-building and socioeconomic development.⁵ The fragility of South Sudan’s institutions, infrastructure and socioeconomic systems at independence in 2011 meant that there was very little capacity to withstand the impact of the conflict following 2013, which explains the extent and severity of the impact on the population today.

1 UN Office for the Coordination of Humanitarian Affairs. *2017 South Sudan Humanitarian Needs Overview. 2017*; UN Office for the Coordination of Humanitarian Affairs. *South Sudan: Humanitarian Dashboard. 31 August 2017.*
2 World Bank. *South Sudan Country Overview. 2017.*
3 UN Office for the Coordination of Humanitarian Affairs. *2017 South Sudan Humanitarian Response Plan – Mid-Year Review. 2017.*
4 Joint Policy Analysis Team. *Food Security and Initiatives for Resilience in South Sudan. July 2017.*
5 World Bank. *Systemic Country Diagnostic for South Sudan. October 2015.*

FIGURE 1: CURRENT AND PROJECTED LEVELS OF FOOD INSECURITY IN SOUTH SUDAN (IPC CLASSIFICATION)



Source: FEWSNET. Food Security Outlook Update. August 2017.

South Sudan's deepening food insecurity and track record of atrocities landed it in the No. 1 spot on the 2017 *Fragile States Index* (FSI) out of 178 countries.⁶ In terms of the 2017 *Global Peace Index* (GPI), South Sudan is now the fourth least peaceful country ranking 160 out of 163 countries, posing the risk of deterioration in its external environment as well.⁷ South Sudan's fragility is compounded by excessive militarization, the easy availability of small arms and light weapons among communities, and the inability of the Government to implement Security Sector Reform (SSR) and an effective Disarmament, Demobilization and Reintegration (DDR) programmes. South Sudan's international standing in deepening democratic governance is low across the World Bank's six *Worldwide Governance Indicators* (WGI),⁸ ranking at 191 out of 229 countries.

In terms of access to justice and rule of law, the WGI reflects perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular, the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence. Further, the country ranks 175 out of 176 countries in the 2016 *Corruption Perception Index* (CPI), with a score of 11 out of 100.⁹

While humanitarian assistance is providing a critical buffer and preventing the emergence of full-scale famine, these efforts must be accompanied by meaningful conflict resolution, peacebuilding and large-scale development if South Sudan is to emerge from its current conflict trap. Priorities in this regard include:

6 Funds for Peace. *2017 Fragile States Index*. 2017. <https://reliefweb.int/sites/reliefweb.int/files/resources/951171705-Fragile-States-Index-Annual-Report-2017.pdf>

7 Institute for Economics and Peace. *The Global Peace Index*. 2015. http://economicsandpeace.org/wp-content/uploads/2015/06/Global-Peace-Index-Report-2015_0.pdf; Institute for Economics and Peace. *The Global Peace Index*. 2017. <http://visionofhumanity.org/app/uploads/2017/06/GPI17-Report.pdf>

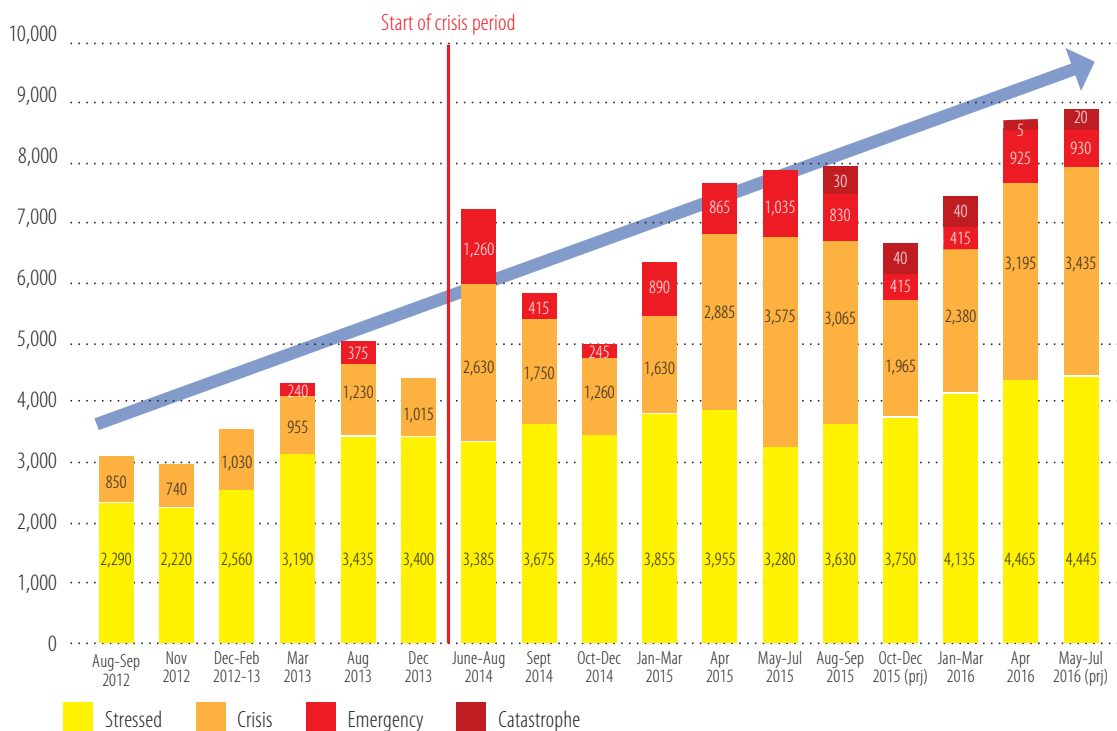
8 World Bank. *Worldwide Governance Indicators*. 2014; World Bank. *Worldwide Governance Indicators*. 2016. The *Worldwide Governance Indicators* (WGI) are aggregate indicators of six broad dimensions of governance: Voice and Accountability; Political Stability and Absence of Violence/Terrorism; Government Effectiveness; Regulatory Quality; Rule of Law; and Control of Corruption.

9 Transparency International. *South Sudan*. 2017. <https://www.transparency.org/country/SSD>

- **Continuing to ensure the provision of humanitarian life-saving assistance.** In the face of the magnitude of losses and destitution caused by conflict-induced population displacement and income/productivity losses, continued large-scale humanitarian efforts will be needed to avert acute malnutrition and increased morbidity until there is a meaningful reduction in levels of conflict and violence;
- **At the same time, life-saving assistance needs to be balanced with increased development-oriented investments to protect livelihoods and facilitate economic recovery where possible.** The geography of conflict in South Sudan is volatile and shifting, and populations in some relatively stable areas are trying to resume or protect their livelihoods. In these areas, and areas where conflict has subsided, strengthening productive systems, ensuring availability of agricultural inputs including tools, seeds and irrigation facilities, rehabilitating economic infrastructure and restoring access to services are critical to prevent and recover from food insecurity;

- **Resolving conflicts and improving security is essential for the sustainability of all resilience-strengthening interventions.** Since 2013, the conflict has mutated into a number of localized and inter-locking conflicts, driven in part by inter-communal and ethnic disputes and competition over resources. While political and diplomatic efforts to reach a comprehensive peace continue, parallel efforts to promote cessation of hostilities and resolve conflicts at local level are critical. These need to be combined with more pro-active attempts, including through the UN Mission in South Sudan (UNMISS) to improve security and protect civilians in economically strategic and most-affected areas;
- **Efforts to address core structural constraints to development must be prioritized.** Although conditions for long-term and sustainable development do not currently exist in South Sudan, measures to improve economic productivity and build an inclusive framework for governance and state institutions are essential to strengthen systemic resilience, reduce poverty and promote peacebuilding over the longer term.

FIGURE 2: PREVALENCE OF FOOD INSECURITY BY IPC PHASE



Source: IPC, 2016.

2. UNDERSTANDING FAMINE CAUSATION IN SOUTH SUDAN

While the ongoing conflict is the key driver of acute famine risk in South Sudan today, the severity and scale of its impact are influenced by a number of different factors, all of which must be addressed through a comprehensive approach combining humanitarian, development and political/peacebuilding measures to help the country break out of its current ‘conflict trap’ and place it on a path to long-term resilience, recovery and development.

Based on the ‘complex emergencies’ model of famine causation outlined in chapter 1, several levels of drivers and variables can be identified in this regard, which are illustrated in figure 3 and described in detail below.

PRIMARY DRIVERS (STRESSES AND STRUCTURAL CAUSES)

In South Sudan, the combination of primary drivers (the dynamics of conflict since 2013 and pre-existing structural constraints) explains the nature, magnitude and severity of the disruptions and losses to livelihoods, economic productivity and food security.

Conflict dynamics (2013 to present). The immediate trigger for the 2013 conflict was a dispute between factions within the government that led to armed opposition, which reflected the failure of South Sudan’s post-2011 political settlement in accommodating and reconciling different interests and historical grievances.¹⁰ As violence spread throughout the country, the conflict metastasized, with opposing factions fragmenting and dynamics becoming more localized in nature, and new conflicts—driven by historical communal, ethnic and tribal grievances and

competition over natural resources—emerging.¹¹ In this context, the signing of a peace agreement in 2015 (Agreement on the Resolution of the Conflict in the Republic of South Sudan, ARCSS) was insufficient to end what had by then become a multi-centered and multi-level conflict. Moreover, the direct targeting of civilian populations owing to ethnic and tribal affiliations and the association of their productive assets with those of armed factions—has compounded the already significant disruptive impacts of the conflict on the economy.¹²

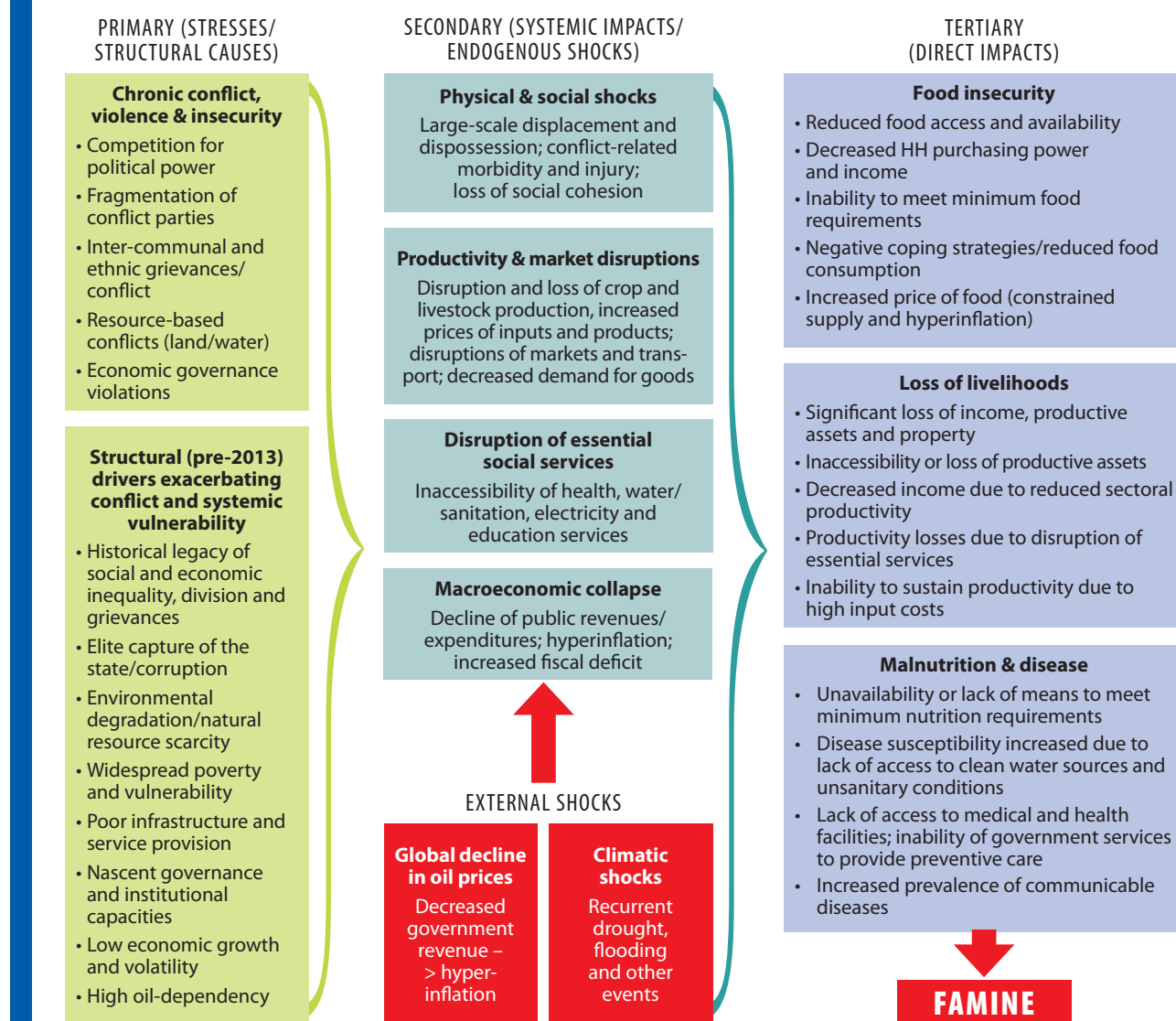
At present, localized conflicts are occurring through much of the territory of South Sudan, affecting most of the population. The post-ARCSS conflict dynamic is unique since the country is immersed in mutually-reinforcing conflict involving several new actors beyond the two key principal players of the August 2015 peace accord. Despite the signing of the peace accord in August 2015, the disputes continue to evolve, with opposition groups simultaneously factionalizing and localizing. The ambiguous and unresolved inclusion of the armed groups in the ARCSS—or their exclusion from it—continues to drive the conflict. In the aftermath of the peace deal,

10 World Bank. October 2015.

11 International Crisis Group. *Instruments of Pain (II): Conflict and Famine in South Sudan*. April 2017.

12 Food and Agricultural Organization of the UN. *The Impact of Conflict on the Livestock Sector in South Sudan*. February 2016. A good example is the targeting of pastoralists for their livestock and cattle, which constitute both valuable resources and a way for armed groups to undermine the strength of their opponents.

FIGURE 3: OVERVIEW OF FAMINE CAUSATION IN SOUTH SUDAN



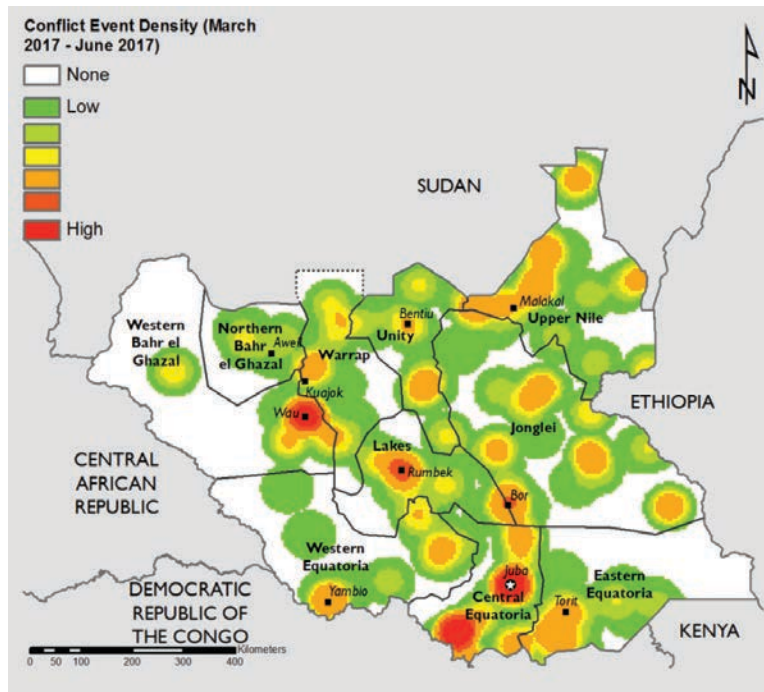
some relatively peaceful state turned into a stage for contesting the new disposition of power in the country and the conflict must be understood in the context of the new power framework created by the ARCSS.¹³ Given the uncertainty of the wider peace implementation, political alliances remain unstable and this development gives subnational elites room for improvisation and shifting of alliances, exacerbating the unpredictability of South Sudanese

politics.¹⁴ As a result, inter-communal infighting reached unprecedented levels in the first part of 2017 in South Sudan. Over January-May 2017, there were nearly 1.5 times more conflict events involving communal/ethnic militias than over the corresponding period in 2016, which had already represented a peak in South Sudan's history. There was also a marked rise in civilian targeting in the context of this violence. These South Sudanese

13 Human Security Baseline Assessment for Sudan and South Sudan. Conflict in Western Equatoria. 2016. <http://www.smallarmssurveysudan.org/fileadmin/docs/facts-figures/HSBA-Conflict-in-WES-July-2016.pdf>

14 Rolandsen, Oystein H. "Another civil war in South Sudan: the failure of Guerrilla Government?" *Journal of Eastern Africa Studies* 9, no. 1 (January 2, 2015)

FIGURE 4: DISTRIBUTION AND DENSITY OF CONFLICT EVENTS, MARCH 1 TO JUNE 30, 2017



Source: FEWS NET map based on ACLED data

militias are now among the most active on the African continent.¹⁵ (See figure 4).

Pre-existing structural constraints and deficiencies. South Sudan is a politically contested space with no unified South Sudanese identity. From its independence in 2011, South Sudan was confronted with a number of deep structural and systemic constraints to viable peace, stable governance and economic recovery and development including SPLM's failure to transform itself from a guerrilla movement to a political party. The resulting fragility and lack of resilience in the South Sudanese economy and its institutions have directly exacerbated both the nature of the conflict and its devastating impact on the population. These conditions constitute a 'conflict trap' whereby

political, social and economic constraints fuel and shape conflict, which in turn lead to further deterioration of the former. For the purposes of explaining current causes of food insecurity and elevated famine risk, the following non-exhaustive list of constraints can be identified:

- Historical legacies of deep social and economic inequality in resource distribution and political representation, and grievances and societal cleavages across ethnic, tribal and communal lines;
- Insufficiency of the post-2011 political settlement to accommodate and manage grievances and conflicts among political elites, and to enable a unitary vision for inclusive recovery and development;¹⁶

15 Armed Conflict Location & Event Data Project. 2017. <http://www.acleddata.com/research-and-publications/conflict-trends-reports/>

16 At the heart of the ongoing famine and complex humanitarian crisis lies a failure of governance manifested in the incapacity and disinclination of the ruling political elites to overcome internal divisions and external challenges; unwillingness of the SPLM to transform itself into a democratic political party that leads a government with public policy responsibility; and the failure to deal with the general and growing frustrations of the South Sudanese people. The onset of violent conflict in December 2013 emphasized the fragility of political governance, and laid bare ethnic fault lines and the underlying lack of effective governance institutions that can respond to political and/or violent crisis through constitutional means. The various state institutions, specifically those expected to serve as 'shock absorbers' during such a crisis, like the judiciary, the parliament, the military, and traditional institutions are either partisan and part of the crisis, or are seriously impotent to deal with such a problem which led the country to famine.

- Widespread poverty due to historically low levels of economic productivity, growth and sectoral development exacerbated by repeated conflicts and lack of investment;¹⁷
- Low human development (illiteracy, high endemic disease and mortality) among the population due to poor availability and access to social services;
- Low social cohesion and collective coping capabilities due to legacies of past conflict and forced displacement;
- Poor governance, pervasive corruption, nepotism and patronage, and tribalism;
- Very low levels of capacity within state institutions at all levels;
- Undeveloped and poor-quality national infrastructure (roads, power, water);¹⁸
- Oil-dependent national economy (accounting for almost the totality of exports and 60% of GDP).¹⁹

SECONDARY DRIVERS

The two primary drivers have directly impacted the functioning of economic and social systems, causing destruction, disruption and instability, which in turn have had a direct 'knock-on' effect on individual, household and community welfare. These secondary drivers include the following systemic shocks:

Conflict related displacement, morbidity and loss of social cohesion. One of the most immediate impacts of conflict on the population has been forced displacement due to violence and insecurity, often accompanied with the killing of civilians and the looting and destruction of physical property and productive assets. To date, successive waves

of conflict have displaced over 4 million people, 1.9 million of which are internally displaced, and 2 million refugees in neighboring countries. Of the 1.9 million IDPs, approximately 400,000 are living in camps and informal settlements, with the rest living in host communities, further adding to the burdens experienced by the latter.²⁰ Many people have been displaced repeatedly, after conditions in return areas deteriorated due to renewed violence. Displacement has resulted in widespread loss of property, productive assets, income and access to services, leaving people with no coping ability and reliant on humanitarian assistance for survival. This has resulted in acute vulnerability, which in some areas (particularly urban centers and camps) has been exacerbated by social marginalization and exposure to abuse, exploitation and sexual and gender-based violence.²¹ The social cost of South Sudan's continued conflict manifests itself in increased child and adult mortality rates, reduced life expectancy, increased physical and mental health problems; destruction of health and education systems, and spread of infectious diseases. According to Amnesty International, South Sudan is a "traumatized nation"²² due to decades of conflict.

Productivity and market disruptions. The conflict has caused significant disruptions to productivity in the agricultural sector, which 85 percent of the population rely on for livelihoods, and which generates most of the country's food requirements, in addition to imports.²³ The entire agricultural value chain has been disrupted. In terms of production, over 50 percent of all harvests have been lost in areas affected by violence since 2013 due to inaccessibility or loss of productive assets (farmland and livestock), non-availability of essential inputs and the destruction of agricultural

17 Despite the significant potential of the agricultural sector, with 70 percent of South Sudan's land area favorable for crop production, only 4 percent has been cultivated due to lack of development in the sector. South Sudan's domestic production is sufficient to meet only two-thirds of needs, forcing reliance on humanitarian assistance and imports to fill the consumption gap. (World Bank, 2017; FAO. *South Sudan Resilience Strategy*. 2016-2018).

18 Intergovernmental Authority on Development. *Resilience Context Analysis*. November 2015.

19 World Bank. 2017.

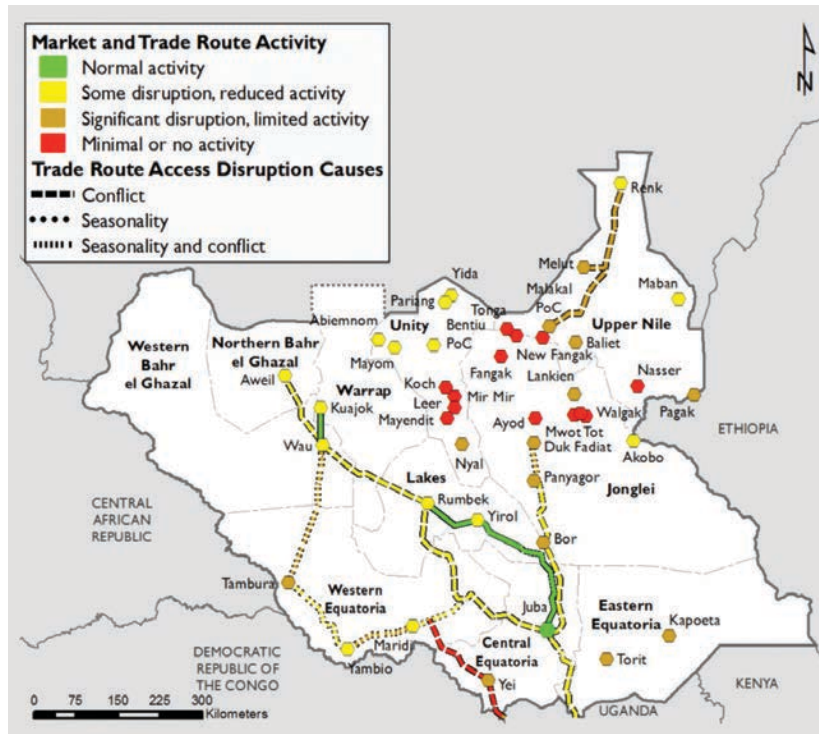
20 United Nations. 2016.

21 World Bank. 2016; UNDP. *South Sudan National Human Development Report*. 2015.

22 Amnesty International. *'Our Hearts have gone Dark: The Mental Health Impact of South Sudan's Conflict'*. 2016

23 World Bank. 2017.

FIGURE 5: MARKET AND TRADE ROUTE ACTIVITY



Source: FEWS NET

infrastructure and equipment including storage and warehousing facilities.²⁴ Insecurity and conflict has caused significant disruptions in the transportation of goods, including both imports and local production, due to the frequent closure of key roads and obstructions to river traffic. In addition, economic governance violations, in the form of access restrictions, informal levies, and seizure/theft of goods, have also constituted impediments to trade. This has impacted the availability of goods and disrupted the functioning of key markets (see figure 5).²⁵ The combination of triple digit inflation, steep depreciation of the local currency vis-à-vis international currencies including US\$ and production and trade constraints has resulted in continuously rising staple food prices: in May 2017, sorghum was priced at 88.57 South Sudanese Pounds

per kilo—343 percent above 2016 and 10 times the 5-year average.²⁶

Disruption of essential services: The conflict has significantly impacted the provision of essential public and social services through the deliberate targeting and destruction of infrastructure, facilities and equipment. At present, only 43 percent of the country's health facilities remain operational, while the destruction of schools combined with displacement has left 1.17 million children without access to education.²⁷ Water and sanitation services have also been disrupted, exacerbating a situation that even prior to the crisis was extreme.²⁸ At present, 7 percent of people have access to improved sanitation, and 41 percent have access to safe water due to damage and deterioration of boreholes and

24 In Greater Equatoria, which is responsible for over half the national production of cereal, a deficit of over 50 percent took place in 2016, and is expected to increase in 2017. (United Nations. 2016.)

25 JPAT. 2016.

26 Famine Early Warning Systems Network. August 2017.

27 United Nations. 2016.

28 According to 2010 data, only 55 percent of the population had access to safe drinking water, and 80 percent had no access to toilet facilities. (Intergovernmental Authority on Development. 2015.)

pumping machinery.²⁹ Displaced populations suffer the most due to the disruption of these services, given competition for access to limited services in areas of displacement, and their inadequate availability in IDP camps. While humanitarian assistance is addressing some of the gaps in services, needs continue to surpass available resources.

Macroeconomic collapse: As a result of the conflict, macroeconomic conditions have significantly deteriorated. Government revenues have collapsed due to the disruption of oil production, which accounted for over 90 percent of receipts, as well as decreases in global crude oil prices, resulting in the depreciation of the South Sudanese Pound. This has created strong inflationary pressures; according to the World Bank, annual inflation increased by 661.3 percent from July 2015 to July 2016, and 730 percent from August 2015 to August 2016, while the annual consumer price index (CPI) increased by 154.6 percent between July 2016 to July 2017.³⁰ As a result of declines in oil production and agricultural productivity, GDP is estimated to have contracted by 6.3 percent between 2015-2016, and by 13.1 percent in 2016, a downward trend expected to continue in 2017. The net impact on the population has been primarily in the form of a significant decline in household purchasing power, preventing many from being able to afford minimum food requirements due to exorbitant prices for domestically produced and imported food, and a sharp increase in the incidence of poverty from 44.7 percent in 2011 to 65.9 percent in 2015.³¹

EXOGENOUS SHOCKS

Drought and flooding: the disruptions to economic and social systems and the ensuing losses have been compounded and further exacerbated by climatic shocks, including periodic droughts and floods. Owing to the dependence of South Sudan's rural

population on climate-sensitive agricultural practices and natural resources, these shocks have further contributed to a loss of production and the disruption of transportation due to flooding (an estimated 60 percent of roads during the rainy season).³²

Decline in global oil prices: Due to the economy's dependence on oil production, it is extremely vulnerable to fluctuations in global prices for oil. The decrease in global prices from US\$ 110 in 2014 to US\$ 46.25 in June 2017 further contributed to the decline in government revenues, with subsequent knock-on effects on currency depreciation.³³

TERTIARY DRIVERS (DIRECT IMPACTS)

The conflict and its impacts on the economy and public service provision have combined to create a complex array of factors that are directly causing or contributing to acute food insecurity, widespread loss of livelihoods, and emergency-levels in the incidence of malnutrition and disease. In a context where years of conflict have exhausted the coping ability of individuals and households, continued conflict and associated disruption could rapidly escalate current levels of food insecurity, malnutrition and disease to famine levels.

Food insecurity: As of September 2017, over 6 million people—over half of South Sudan's population of 11 million—are currently estimated to be severely food insecure, with 1.7 million in IPC Level 4 (emergency) and approximately 50,000 people in IPC Level 5 (famine).³⁴ Despite high levels of humanitarian assistance, which have been able to avert famine conditions from developing in certain areas, the extent and severity of food insecurity has increased between 20-50 percent between 2012-2016.³⁵ Direct causes of food insecurity vary according to region, and include a combination of low food production and availability, reduced

29 United Nations. 2016.

30 World Bank. *Republic of South Sudan, National Bureau of Statistics*. 2017. <http://www.ssnbss.org/node/77>.

31 World Bank. 2017.

32 Intergovernmental Authority on Development. 2015.

33 Famine Early Warning Systems Network. June 2017.

34 United Nations Office for the Coordination of Humanitarian Affairs. *2017 South Sudan Humanitarian Response Plan – Mid-Year Review*. 2017.

35 Joint Policy Analysis Team. *Food Security and Initiatives for Resilience in South Sudan*. July 2016.

purchasing power due to declining incomes, sky-rocketing food prices, and the exhaustion of household coping capacities after multiple years of sustained conflict and insecurity.³⁶ Higher food insecurity has also led to the rise of negative coping strategies, including distress sales of productive assets and poor food utilization (reducing the number or dietary composition of meals).³⁷ The most acutely affected include displaced populations, who are unable to access productive assets and obliged to compete with host communities for access to food. While significant levels of humanitarian assistance have helped offset acute insecurity, harvests in late 2017 are not expected to significantly ameliorate the situation, and further deterioration in food security is expected in 2018.³⁸

Loss of livelihoods: Years of conflict have progressively eroded the livelihoods of millions of South Sudanese, leaving many destitute and dependent on humanitarian assistance. Years of conflict and insecurity have resulted in the destruction of crops and livestock, loss of access to productive assets due to insecurity and displacement, and increased production costs as a result of high inflation and economic governance violations. This has resulted in a decline in production of almost 50 percent, with significant variations occurring between states. With most farmers and pastoralists producing at subsistence level prior to the conflict, this decline in sources of income and means of household sustenance have contributed significantly to food

insecurity and poverty.³⁹ In the absence of insufficient crop and livestock production—which constitute the main source of income in South Sudan—many people have resorted to negative livelihood strategies to meet subsistence needs, including distress sales of seeds and livestock, and the sale of natural resources, including charcoal, grass and firewood—which contribute to environmental degradation and are vulnerable to climatic shocks.⁴⁰ Dispossession (loss or seizure of productive assets) due to displacement has compounded livelihood losses, leading to protracted displacement for many.⁴¹

Malnutrition & disease: During the current conflict, exposure to malnutrition and disease increased significantly due to worsening food insecurity and the destruction and inaccessibility of essential health and water/sanitation services. This has resulted in increasing levels of morbidity, which due to the incidence of disease have reached famine levels in some regions. Over 5 million people are estimated to be in need of humanitarian healthcare services due to outbreaks of malaria (with 2 million cases and 500 deaths reported for 2016 alone)⁴² as well as cholera (with 5,000 cases and 163 deaths reported since the start of 2017).⁴³ Acute food insecurity and lack of access to healthcare has also led to acute malnutrition as a public health emergency, with over 1 million children and over 340,000 pregnant and lactating women estimated to be acutely malnourished at present, and a Global Acute Malnutrition (GAM) prevalence of 15 percent (above the emergency threshold) in areas across the country.⁴⁴

36 United Nations. 2017.

37 Intergovernmental Authority on Development. 2015.

38 Famine Early Warning Systems Network. June 2017.

39 World Bank. 2017.

40 Intergovernmental Authority on Development. 2015.

41 World Bank. 2015.

42 United Nations. 2016.

43 Famine Early Warning Systems Network. June 2017.

44 UN Office for the Coordination of Humanitarian Affairs. *2017 South Sudan Humanitarian Response Plan – Mid-Year Review*. 2017; Famine Early Warning Systems Network. August 2017.

3. ELEMENTS OF A COMPREHENSIVE APPROACH FOR MITIGATING FAMINE RISK IN SOUTH SUDAN

As outlined in the preceding section, the conflict in South Sudan has functioned as a key stress on political governance, social and economic structures which, due to pre-crisis structural constraints and weaknesses, have effectively collapsed resulting in acute vulnerability, the breakdown of coping capabilities, and the loss of household, social and economic capital among a large part of the population.

While high levels of humanitarian assistance since 2013 have provided a critical buffer in preventing a slide into full-scale famine, these efforts do not address conflict and the panoply of structural factors that continue to drive food insecurity and deepening vulnerability. As in Yemen, Somalia, and north-east Nigeria, effective famine prevention and response require a holistic approach that integrates humanitarian with political, peacebuilding and development efforts.

In the context of South Sudan, this is a particular challenge, given the complexity of conflict and the depth of the country's structural constraints and deficiencies. Breaking out of the 'conflict trap' entails going beyond linear sequencing of interventions (the classic relief to development and peace to recovery and development continuums), to a more nuanced model based on the principles of:

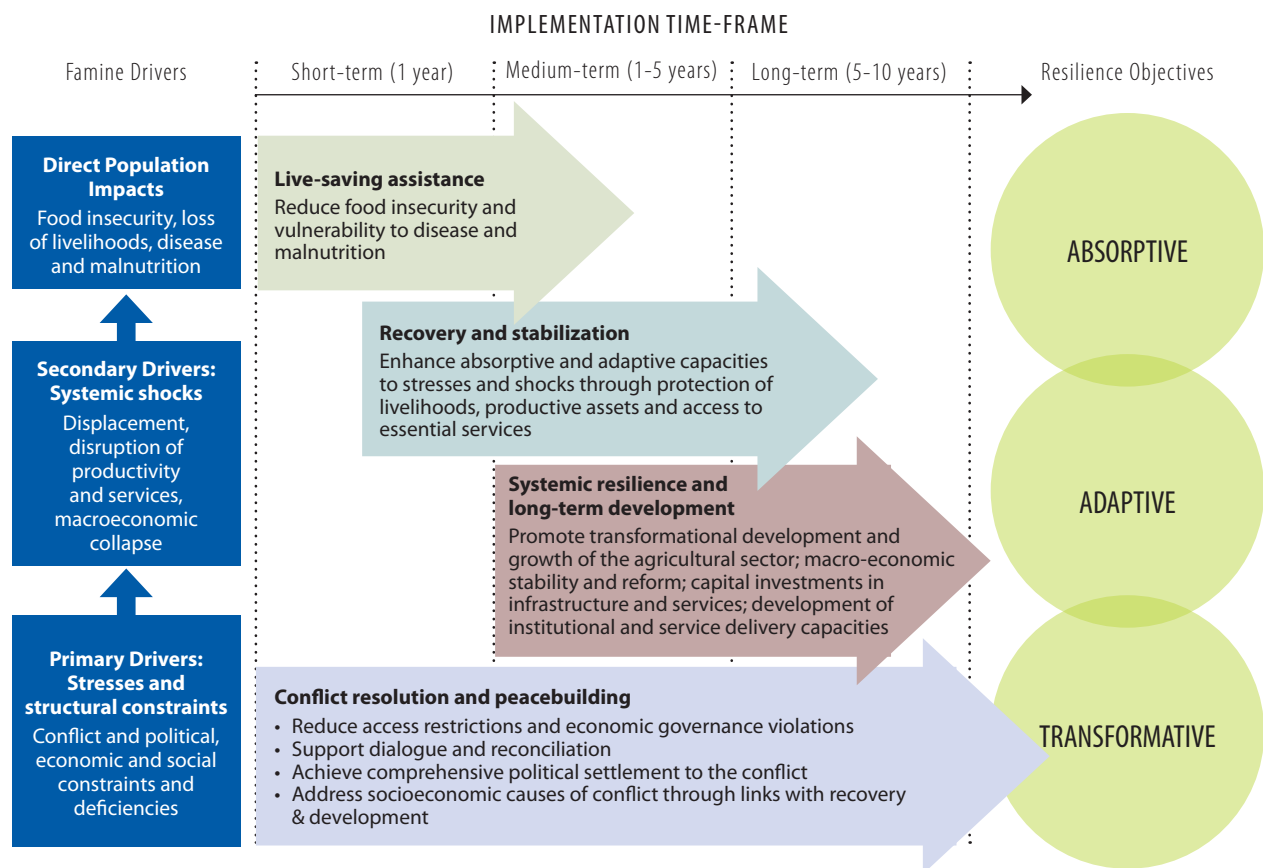
- **Simultaneity** - recognizing that humanitarian, peacebuilding and development interventions must be implemented concurrently;
- **Differentiation of targeting** - focusing humanitarian assistance in areas where needs are most urgent, and development assistance where a relative stability prevails;

- **Adaptivity of responses** - being able to change the type or scale of assistance rapidly in response to changes in circumstances and needs;⁴⁵
- **Integration of interventions** – recognition of the need for a multi-disciplinary approach to address the multi-faceted dimensions of food insecurity.

In the context of South Sudan, the focus of efforts needs to be prioritized. For this, the three levels of resilience are proposed as a framework for focusing and prioritizing assistance across humanitarian, recovery, development and peacebuilding areas of intervention. Based on FAO's classification, these consist of:

- **Capacity to absorb shocks** – the ability to minimize exposure to shocks and stresses through preventive measures and appropriate coping strategies to avoid permanent, negative impacts;
- **Capacity to adapt to a changing environment** – making proactive and informed choices about alternative livelihood strategies based on an understanding of changing conditions; and

45 With respect to programmatic differentiation and adaptivity, FAO has developed a targeting system for humanitarian and resilience interventions based on two central criteria—structural humanitarian needs and relative stability/security of the targeted area—which determines which type of assistance is required, and/or how it should be modified in the context of changes to these criteria. (Food and Agriculture Organization of the United Nations. 2016).



■ **Transformative capacity** of an enabling institutional environment – the governance mechanisms, policies/regulations, infrastructure, community networks, and formal and informal social protection mechanisms that constitute the enabling environment for systemic change.

Based on the famine causality dynamics and the above tenets of an integrated approach, the following four response levels can be identified, understood as distinct but temporally overlapping and programmatically interlinked sets of interventions:

1. **Level 1 Response: Humanitarian life-saving assistance.** In view of the complexity of the South Sudanese conflict, a comprehensive resolution is unlikely in the near future. Emergency humanitarian needs associated with near-total collapse of livelihoods and coping strategies are likely to persist for some time, thus necessitating continuity in the provision of life-saving assistance in order to mitigate food insecurity and reduce vulnerability to disease and

malnutrition. This corresponds to the first level of resilience, with the aim of assistance being to decrease vulnerability to shocks in the near term, and prevent negative coping strategies. The primary targets for provision of life-saving assistance include IDPs and refugees (both currently displaced and returnees), in particular those deprived of all access to livelihoods and social services, as well as populations (primarily rural) directly and severely impacted by localized disruptions in food production and availability due to conflict and insecurity.

2. **Level 2 Response: Recovery and stabilization.** Life-saving assistance alone is insufficient to achieve sustainable reductions in food insecurity or protect productive assets and income from systemic disruptions. This requires additional measures aimed at strengthening the resilience (defined in terms of both absorptive and adaptive capacities) of both individuals/households and socioeconomic system through measures to protect and support livelihoods (including

productive assets and income), local production value chains, economic infrastructure and services.⁴⁶ In the context of South Sudan, the scope and nature of such interventions can be differentiated depending on the presence of appropriate enabling environments:⁴⁷

- **Strengthening individual and household resilience:** In volatile and insecure contexts, where risk of disruption is high, the focus could be placed on complementing life-saving assistance with support for individual and household-based resilience, targeting areas that are relatively stable. Activities in this regard would focus on enabling adaptation to adverse conditions in the immediate short-term, and could include livelihood diversification (expanding the range of livelihood and income streams), protecting and restoring access to productive assets (land and livestock), improving agricultural practices, income generation through short-term employment, and provision of social safety nets.
- **Strengthening systemic resilience:** In areas that are or have achieved a certain degree of stability, a focus on strengthening systemic resilience at the local or community level can help prevent future destabilization (including for instance, conflict dynamics emerging due to competition over scarce resources) or prevent the re-occurrence of conflict. This can include assistance for local economic infrastructure (roads, water management systems, etc.) and strengthening local social service provision, stabilization of local markets (including through improvement of security to facilitate trade), and strengthening community organizational and planning capacities. A special focus should be placed on supporting the durable return and social and economic reintegration of IDPs and refugees.

3. **Level 3 Response: Systemic resilience and long-term development.** While level 2 interventions can help strengthen the resilience of local economies and institutional capacities, these will not be sustainable over the long-term without a focus on core underlying structural constraints and deficiencies. Long-term systemic resilience strengthening and development interventions are thus essential for transformational changes and enhancements in productivity, livelihoods, and reducing vulnerabilities to food insecurity.⁴⁸ However, these will not be effective in the absence of a resolution of the current conflict and progress in establishing a lasting political settlement and stable governance framework in South Sudan. At the same time, efforts to establish the bases for long-term development, including policy dialogue, development of master plans, and foundational investments in core systems and infrastructure should proceed concurrently with other levels of intervention. For some development priorities, notably infrastructure and services, a ‘multi-track’ approach could be considered focusing on short-term strengthening of existing infrastructure and ‘fast-tracking’ of priority investments; medium-term strengthening of national regulatory and institutional frameworks; and long-term investments for complete service delivery systems.⁴⁹ In terms of priorities, emphasis should be placed on:

- Promoting transformational growth in the agricultural (farming and livestock) sector in line with its economic potential, including through the diversification and expansion of value chains; the enhancement of productivity and achievement of positive agricultural surplus through improved technologies and practices; establishment of legal and regulatory frameworks for land tenure management, including arrangements for the transhumance of pastoral communities; access to business support and financing services; and labor market development;⁵⁰

46 Intergovernmental Authority on Development. 2015; World Bank, 2015.

47 United Nations. *South Sudan Stabilization and Recovery Programme (3SRP)*. 2016.

48 Intergovernmental Authority on Development. 2015.

49 World Bank. 2015.

50 World Bank. 2015.



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- Provision of policy and financial assistance to facilitate macro-economic stability, while undertaking longer-term macro-economic reforms, including transparent management of oil revenues, to enhance national capacities for fiscally-sound planning, management, implementation and oversight of development policies and programme;
- Addressing governance deficits through extensive reforms within the key functions of the state, including in: (1) political governance and the constitution; (2) macroeconomic reform and transparency in public finances; (3) security-sector reform; and (4) justice and reconciliation.
- Capital investments in and expansion of key national infrastructure and services such as telecommunications, transport, and energy with higher resilience to shocks, high revenue generation capability and potential for enhancing sectoral productivity, market functionality and trade.⁵¹
- Strengthen and expand essential of essential social service delivery systems, including health, education, social protection, water and sanitation, with a focus on ensuring full national coverage and equitable access, as well as provision of adequate and high-quality services. Priority investments include rehabilitation and construction of facilities and training of service providers.⁵²

51 Ibid.

52 United Nations. *Interim Cooperation Framework for South Sudan*. 2017.

4. **Level 4 Response: Conflict resolution and peacebuilding.** The most critical priority for mitigating famine risk, and a critical enabler for all three levels of interventions outlined above, is a cessation of conflict and violence. Removal of this stressor will immediately lead to improvements due to the reopening of roads, resumption of productivity, markets and trade, and service provision, and the return of displaced populations—all of which are critical for mitigating current levels of food insecurity. It will also allow for unhindered provision of humanitarian assistance and the start of recovery and development programming⁵³, including reducing the cycle of dependency. That said, achieving a full cessation of conflict and violence will be complicated and take considerable time, with an uneven and protracted trajectory to stabilization being the most likely scenario. Key priorities in this regard include:

- In the short term, reducing access restrictions by reopening roads and markets, and ending economic governance violations through negotiation as well as the interpositioning of UN peacekeeping assets;

- Promoting a permanent solution to the conflict and the development of a comprehensive political settlement that lays a foundation for equitable, accountable, responsive and effective governance and sustainable development through constitutional instruments.
- Promoting political and social dialogue (for example the National Dialogue process), reconciliation and peacebuilding at communal, ethnic and tribal levels, linked to a vision of equitable development and resource distribution;
- Integrating conflict prevention and conflict resolution principles in recovery and stabilization programming and rebuilding local governance systems to address key social and economic causes of conflict, including marginalization/exclusion and competition over livelihoods and natural resources;
- Improving law and order through the bold reform and strengthening the democratic oversight security and justice institutions and services, as well as programmes to promote alternatives to conflict-based livelihoods for high-risk groups (e.g. youth).

53 JPAT. 2016.

4. OVERVIEW OF PREVIOUS AND CURRENT FAMINE RESPONSE EFFORTS IN SOUTH SUDAN

South Sudan's independence in 2011 was accompanied by a significant scaling up of international assistance to address security, state-building, development and continuing humanitarian needs. A key framework in this regard was the launch of the South Sudan Development Plan (SSDP) in 2011, which provided a vision for long-term recovery and development.

The outbreak of the conflict in 2013 however, weakened the focus on development planning and assistance, with donors prioritizing humanitarian assistance in the face of life-saving needs and reduced development opportunities.⁵⁴ Since 2013, the international community's response has focused primarily on provision of humanitarian assistance, with a dual focus on life-saving and short-term resilience strengthening measures. In recognition of the need for a more comprehensive and sustainable solution to the crisis, the UN in 2017 adopted an *Interim Cooperation Framework*, covering the period 2016-2017, which aims at strengthening livelihoods and community resilience, stabilizing political, social and economic conditions, and establishing the foundations for long-term development. This section provides an overview of developments in international assistance since 2013, including how the various components of a holistic approach as outlined in section 3 are coalescing.

HUMANITARIAN ASSISTANCE

The widespread disruption and direct impact of the conflict since 2013 on South Sudan's population has generated an acute protracted humanitarian emergency characterized by high prevalence of food

security and levels of morbidity that in certain areas surpass famine levels. In response, the international community has provided significant amounts of humanitarian assistance, which has targeted areas most affected by conflict and acute food insecurity, notably the 6 million people currently in IPC levels 3 to 5. From 2014 to the present, US\$ 6.1 billion has been allocated towards humanitarian assistance, against a total appealed amount of US\$ 6.4 billion – representing a 96 percent funding rate.⁵⁵ This high level of financing has prevented the crisis from escalating into a full-blown famine, but it has not been sufficient to check the continuing increase in rates of conflict-induced food insecurity, malnutrition and disease due to the continuation and further spread of conflict and armed violence. As a result, the 2017 HRP was revised mid-year to reflect an increase in the total population affected (which increased from 5.8 million people at the end of 2016 to 6.2 million in mid-2017).⁵⁶

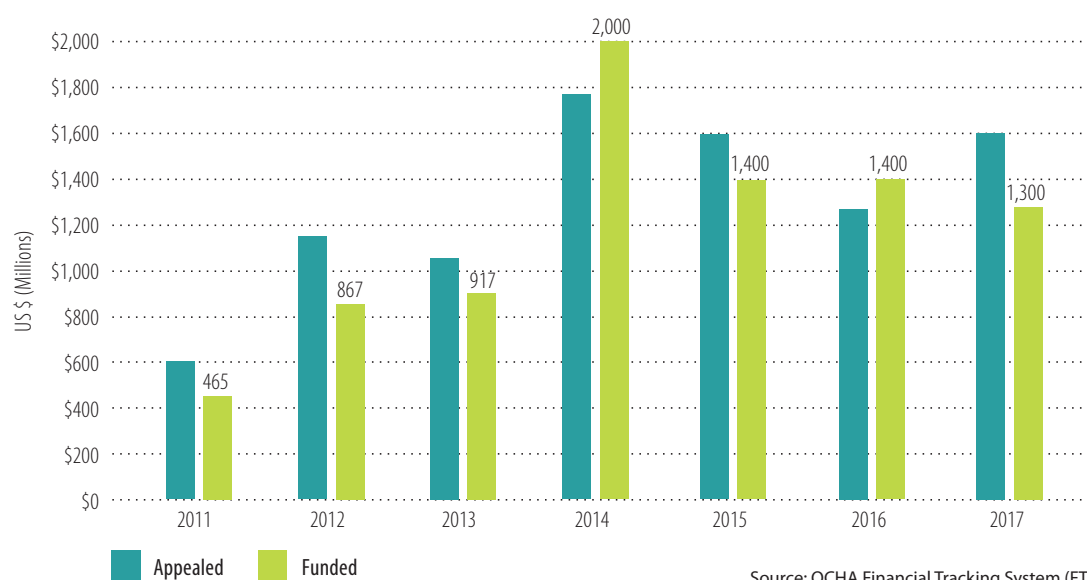
Since the beginning of the crisis, the humanitarian response has acknowledged the importance of combining life-saving assistance with measures to protect livelihoods and productive assets and strengthen service delivery mechanisms. This was explicitly acknowledged in the 2015 *Inter-Agency*

54 World Bank. 2015.

55 UN Office for the Coordination of Humanitarian Affairs Financial Tracking System (FTS). 2017. <https://fts.unocha.org/countries/211/summary/2017>.

56 United Nations. July 2017.

FIGURE 6: LEVELS OF INTERNATIONAL HUMANITARIAN ASSISTANCE (APPEALED AND FUNDED): 2011-2017



Humanitarian Evaluation of the Response to the Crisis in South Sudan. The evaluation highlighted the insufficiency of life-saving assistance alone and called for a ‘new response paradigm’ that combined life-saving with resilience enhancing interventions while preserving flexibility to switch operations flexibly across the relief-continuum depending on the evolution of the situation and needs.⁵⁷ This dual focus is reflected in all subsequent HRP across the sectors relevant for famine prevention, notably food security, nutrition, health, and water and sanitation, which prioritize both sets of activities with a focus on responding to urgent needs while also enhancing the abilities of at-risk populations to manage conflict-induced disruptions in food production/availability and service provision. For instance, in the area of food security, the revised 2017 humanitarian-development-peacebuilding nexus targets 5.4 million people with emergency livelihoods support (including

agricultural inputs and conditional transfers), and 3.6 million people with food assistance (in-kind and cash transfers).⁵⁸ At the same time, support for resilience within the humanitarian framework is deliberately narrowly framed and bounded, and intended to complement more structural forms of resilience strengthening in development programming.⁵⁹

Within the overall humanitarian framework, several UN agencies have developed programmes to enhance the resilience of individuals and households to conflict-induced shocks. These notably include the World Food Programme’s Protracted Relief and Recovery Programme (PRRO), which features components on restoration of livelihoods and community and household resilience, enhancing access to education, and supporting farmers to improve productivity and market access.⁶⁰ Likewise, the FAO is currently implementing a Resilience

57 UN Office for the Coordination of Humanitarian Affairs. *Report of the Inter-Agency Humanitarian Evaluation (IAHE) of the Response to the Crisis in South Sudan.* November 2015.

58 United Nations. *South Sudan 2017 HRP Mid-Year Review: Operational Response Plans.* July 2017.

59 As an example of this approach, the third strategic objective of the 2017 HRP states that: “the objective is circumspect, finite and focused on promoting concrete actions that humanitarians can take to help communities cope, including through the use of innovative modalities in hard-to-reach areas and encouraging community-based contingency planning. Recognising that the humanitarian contribution is bounded, humanitarian partners will engage intensively with authorities and development actors to promote resilience-building and the restoration of basic services across South Sudan, particularly through the *Interim Cooperation Framework*.” (United Nations. *South Sudan Humanitarian Response Plan for 2017.* December 2016).

60 WFP. *Food and Nutrition Assistance for Relief and Recovery: Supporting Transition and Enhancing Capabilities to Ensure Sustainable Hunger Solutions in South Sudan.* 2015.

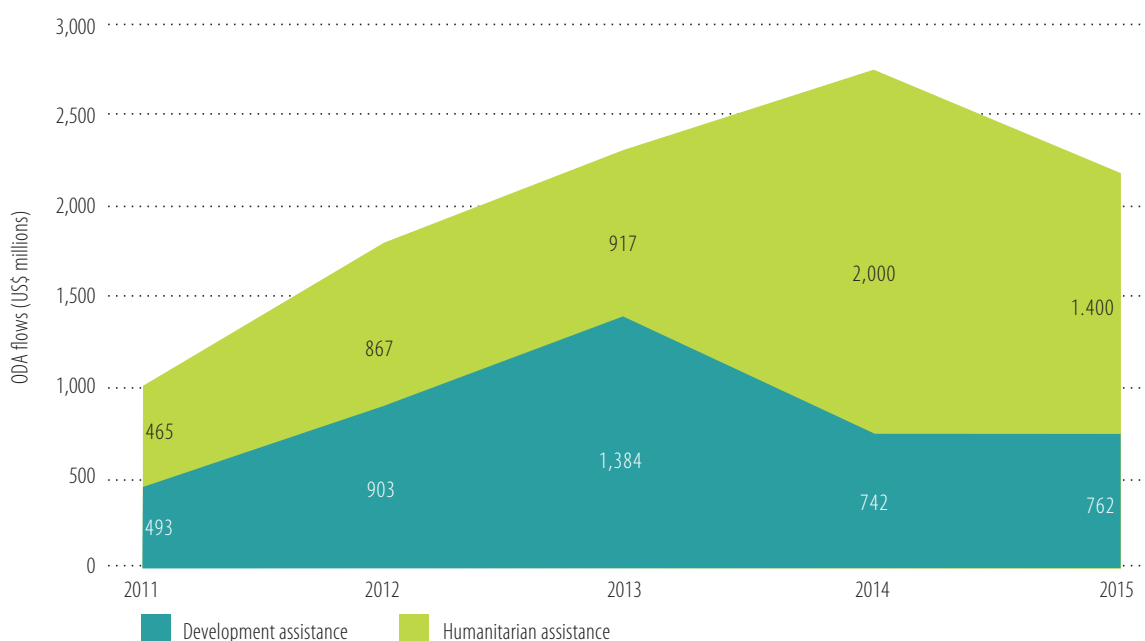
Strategy for 2016-2018 to enhance individual, household and systemic-level resilience through improved natural resource management, enhanced food production, provision of emergency livelihood support to highest-risk populations, and improving productivity through enhanced access to services and new techniques.⁶¹ During 2017, this programme is expected to expand to three additional areas with a total budget of US\$ 60 million, of which US\$ 8.2 million has been mobilized.⁶²

RECOVERY AND DEVELOPMENT ASSISTANCE

The 2013 crisis resulted in an important loss of momentum in international development assistance for South Sudan due to the suspension of key development policy and planning processes and reprioritization of assistance to immediate humanitarian needs. During the transitional period following the signature of the Sudan Comprehensive Peace Agreement (CPA) that ended the Sudanese

conflict and laid the groundwork for South Sudanese independence, over US\$ 4 billion in ODA (development assistance alone) was provided. Relatively high levels of development financing continued after independence in 2011, but following the conflict, this diminished while humanitarian financing increased (see figure 7 below). This is in part due to re-prioritising resources to address urgent humanitarian needs. Another reason was the suspension of key development policy dialogue and planning processes, including the South Sudan Development Plan (which in 2013 had just been extended to 2016) and the 'Compact for Somalia', developed within the framework of the international New Deal process which would formalize agreements between the government and international community to support a number of peace and state-building goals.⁶³ The decline in development financing relative to humanitarian financing is illustrated in figure 7, below.

FIGURE 7: OVERVIEW OF INTERNATIONAL HUMANITARIAN AND FINANCIAL FUNDING TO SOUTH SUDAN, 2011-2015



Source: OECD, *Geographical Distribution of Financial Flows to Developing Countries* 2017, 2017.

61 Food and Agriculture Organization of the United Nations. 2016.

62 United Nations Country Team for South Sudan. *Collective Action by humanitarian, development and peacebuilding actors: key UN interventions in South Sudan, note prepared for the IASC Standing Committee*. 2017.

63 World Bank. 2015.

Beyond the relative decline in development financing, there have been concerns regarding the overall effectiveness of development aid in South Sudan. Development assistance between 2005 and 2011 has been criticized for being ill-adapted to the realities of South Sudan, approaching challenges from a technical-administrative perspective and not taking into account the political and historical dimensions of development constraints. Effectiveness of support for institution-building and service delivery has also been assessed as mixed due to a lack of results in building effective national capacities, achieving meaningful progress in expanding access to core services, and mitigating inequity and marginalization. Finally, development assistance has also been criticized as being inefficient, with inadequate aid coordination structures and a proliferation of financing systems ill-adapted to government absorptive capacity and implementation time-frames.⁶⁴

Following 2011, development partners began to address these challenges through the SSDP and bilateral and multilateral planning processes, but these were interrupted by the 2013 conflict. At present, key development partners, including the World Bank and the UN, are operating on the basis of interim country programming frameworks, pending resolution of the conflict and achievement of progress of currently nascent policy dialogue on national development priorities.⁶⁵ At the same time, considerable development financing has been allocated in a number of sectors, namely social infrastructure and services (health, education, water/sanitation), transportation (roads), and economic productivity (notably agriculture)—but it is unclear what rate of implementation has been achieved due to the current dysfunction within the government and ongoing insecurity across the country.⁶⁶

TOWARD AN INTEGRATED APPROACH TO ADDRESSING FAMINE RISK IN SOUTH SUDAN

The United Nations is currently leading efforts to develop a holistic and integrated approach to the crisis in South Sudan combining humanitarian, development and peacebuilding support. This approach, which is articulated in the ICF for South Sudan for the 2016-2017 period, is founded on the recognition that a sustainable exit from South Sudan's 'conflict trap' requires life-saving assistance to be complemented by concurrent efforts to secure and consolidate peace and transform economic and social systems to sustainably improve livelihoods and reduce poverty. As a two-year strategy operationalized through a number of joint UN programmes, the focus of the ICF is to complement the humanitarian response by supporting the establishment of key foundations for peacebuilding and development. These include the strengthening of key strategic capacities within state, local and social institutions, the start of policy dialogue on peace and development priorities, and the rapid strengthening of core services, economic (productive) capacities, and social cohesion to withstand shocks. Within this framework, the activities of the UN system will be focused on achieving four main strategic outcomes:

1. **Enhancing the resilience of communities** through strengthening their absorptive, adaptive and transformative capacities, with a focus on enhancing economic productivity and livelihoods, improving disaster risk monitoring and response, and strengthening social protection;
2. **Strengthening social services for the most vulnerable** by helping expand access to and the quality of essential services (health, education, social protection and water/sanitation); and addressing the core institutional constraints to the provision of high quality services;

64 Bennet et al., *Aiding the Peace: A Multi-Donor Evaluation of Support to Conflict Prevention and Peacebuilding Activities in Southern Sudan, 2005-2010*, 2010.

65 The World Bank is currently operating on the basis of its Interim Strategy Note (ISN), and the UN has developed an Interim Cooperation Framework (ICF), both of which are being used as a basis for continuing institutional engagement and support during the crisis period.

66 Organization for Economic Cooperation and Development. *Geographical Distribution of Financial Flows to Developing Countries*. 2017.

3. **Strengthening peace and governance** by supporting strengthening of institutions, systems and processes to enhance good governance; facilitating measures to strengthen state-society relations; supporting demilitarization and supporting transitional justice processes;
4. **Reinvigorating the local economy** through the promotion of economic diversification and recovery; employment creation and livelihoods; and management of natural resources, with the expectation that this will establish foundations for growth.⁶⁷

Within this framework, a number of joint programmes are currently being implemented or under development. One major intervention in this regard is the South Sudan Recovery and Stabilisation Programme (3SRP) implemented by UNDP, UNICEF, FAO and WFP. This intervention is premised on the

need for development interventions to complement humanitarian assistance in order to build resilience and promote economic recovery, both to consolidate gains in areas that have emerged from conflict and prevent the destabilization of unaffected but fragile areas. In a context where a linear transition from conflict to peace is unlikely in the near future, the programme also recognizes the importance of development programming to strengthen individual and community resilience to shocks and creating conditions for the peaceful resolution of conflicts. The 3SRP envisions a geographically-phased and integrated area-based approach to strengthening resilience beginning with North Bahr el Ghazal, which will include support for strengthening local productive systems, ensuring delivery of basic services to reduce malnutrition, enhance local governance systems and access to justice and rule of law, strengthening peacebuilding and social cohesion, and promoting local economic recovery and income generation.⁶⁸

67 United Nations. *Interim Cooperation Framework of the United Nations Country Team in South Sudan 2016-2017: Recovery, Resilience and Reaching the Most Vulnerable*. 2016.

68 UNDP, WFP, UNICEF and FAO. *South Sudan Recovery and Stabilization Programme*. April 2017.

5. COSTS AND BENEFITS OF RESILIENCE AND DEVELOPMENT INTERVENTIONS

As outlined in the sections above, the resolution of the conflict and improvements in security are fundamental conditions for decreasing famine risk, creating sustainable livelihood opportunities and enabling transformational development outcomes in South Sudan.

In the likely scenario that peace will not be achieved in the immediate future, international partners will continue to confront difficult decisions on how to prioritize scarce resources to address current needs. This section examines the costs and benefits of resilience strengthening against an understanding of the overall economic costs of the current conflict, with the aim of highlighting the economic value of the former.

THE COSTS OF THE SOUTH SUDAN CONFLICT

As outlined earlier, the conflict has had a significant negative impact on economic growth, reflected in 6.9 percent reduction in GDP in 2015, and a projected 11 to 13 percent reduction in GDP in 2016,⁶⁹ attributable to the decline in the production of oil, collapse of government revenue generation, disruption of productivity in agriculture and other sectors, and other macro-economic impacts. Based on the analysis undertaken by the research group Frontier Economics, the economic and financial cost of the conflict can be estimated as a function of its impact on GDP (understood as the difference between potential growth minus current levels under

conflict conditions), the direct costs associated with addressing the impacts of the conflict (e.g. security and humanitarian spending), and indirect costs associated with social disruption and food insecurity.⁷⁰

Based on this analysis, the cost of the South Sudanese conflict, were it to continue to the end of 2019 at currently prevailing levels, is estimated at US\$ 14.9 billion. This has been calculated as follows:

- According to Frontier Economics, the Net Present Value of lost real GDP would amount to US\$ 7.7 billion over a five-year period (2015-2020).⁷¹ This loss is in relation to estimated GDP growth in accordance with the pre-conflict baseline. Assuming this loss (including the destruction of infrastructure and foregone economic opportunities) impacts future economic growth, the cumulative losses (or foregone growth) would amount to over US\$ 38 billion over a 20 year period;⁷²
- The costs of international assistance must be added, notably in the areas of security and humanitarian assistance. Taking the annual cost of the UN peacekeeping operation UNMISS as a

69 International Monetary Fund. *South Sudan IMF Country Report No. 17/73*. March 2017.

70 Frontier Economics. *South Sudan: The Cost of War - an Estimation of the Economic and Financial Costs of Ongoing Conflict*. 2015.

71 As these costs were calculated based on data collected between 2013-2015, it is likely that these estimates under-represent the actual scale of loss, which has continued since 2015.

72 Ibid.

baseline (US\$ 1 billion) and the average amount of humanitarian financing mobilized between 2014 and today (approximately US\$ 1.4 billion per year), this amounts to a total of US\$ 7.2 billion over the course of three years (2018-2020).⁷³

- In addition, the impact of food insecurity must also be taken into account, understood in terms of loss of workforce productivity due to hunger as well as long-term effects of malnutrition (stunting). Based on a rate of a GDP loss of 6-10 percent, this amounts to a time-deferred loss of between US\$ 4-6 billion from 2025 to 2035.⁷⁴

In addition to the quantifiable costs of the conflict as measured against economic losses, the cost of international assistance and foregone productivity, additional human and systemic costs must also be factored in. These include:

- **The human costs of conflict:** Violence related morbidity, trauma and displacement have significant longer-term impacts on social capital, primarily related to the ability of individuals to engage in normal lives, realize their social and economic potential, and participate in social and economic life; as well as the ability of families and communities to collectively organize and cope with challenges.
- **Political cost of conflict:** The conflict in South Sudan has deepened the governance crisis, creating a fertile ground for widespread corruption, human rights violations, and diminished prospects for accountable, representative and inclusive governance.
- **The social cost of conflict:** The social cost of conflict manifests itself in increased child and adult mortality rates, reduced life expectancy, increased physical and mental health problems, unrealized economic potential due to lack of education, and increased susceptibility to infectious diseases. All of these contribute to losses in economic and social productivity in the long-run.

The costs and benefits of resilience interventions.

Against the above estimates of the total cost of the conflict in South Sudan, the costs and benefits of development-oriented interventions can be considered both in the context of prevention (benefits in reducing food insecurity/livelihood losses during conflict) and recovery (benefits in contributing to economic recovery and growth). In general terms, the benefits associated with development-oriented measures to enhance food insecurity through improved livelihoods include:

- **Productivity gains and economic multipliers** resulting from improved access to productive assets, increased production due to better agricultural practices, and enhanced access to markets and services.
- **Avoided losses of productive assets,** including through the closure of businesses and negative coping strategies (eg. distress sales), through the preservation of livelihoods and productive capacities.
- **Long-term productivity and development gains by avoiding health and education-related losses.** The reduction in food insecurity over time would be expected to decrease the exposure and incidence of malnutrition and disease and their long-term impacts, including stunting and morbidity, and also facilitate acquisition of productive skills through access to education.
- **Avoided costs of humanitarian assistance.** Over time and where conditions permit, a transition from life-saving to resilience and development interventions would also result in considerable savings in international financial assistance, given the significantly lower costs entailed.
- **Prevention of conflict,** particularly at the community and inter-ethnic levels, by decreasing and preventing competition over income sources, food and natural resources.

73 UN Office for the Coordination of Humanitarian Affairs; *UNMISS Facts and Figures*. 2017. <http://www.un.org/en/peacekeeping/missions/unmiss/facts.shtml>.

74 Ibid.



The estimates of economic benefits for measures to enhance resilience in the short term used in both scenarios are calculated on the basis of the model of economic returns utilised by the World Bank for evaluating the impact of activities to protect and enhance agricultural productivity. The South Sudan Emergency Food and Nutrition Security Project includes support to farmers affected by food scarcity to improve agricultural productivity through the provision of agricultural inputs (tools and seeds), enhancing assets for postharvest handling and food storage, and the provision of extension services to improve production techniques.⁷⁵ Based on an analysis of profitability of different crop types, these types of activities can be expected to generate a return on investment of approximately 50 percent (or a Benefit-Cost-Ratio of 1.5). For a total cost of US\$ 8.7 million (which includes both project operating and investment expenditures), a positive net benefit of US\$ 2.1 million is expected in year one (which includes a 6 percent discount rate), or US\$ 98 per farmer for a total of 22,500 beneficiaries.

Projecting the net benefits to 15 years, the net present value of the investment is estimated at US\$ 32 million. If the project investment was to be scaled up to US\$ 250 million (which represents half of the current food security costs in 2017 as outlined in the HRP), a projected economic benefit on the overall investment of US\$ 69 million would accrue in the first year, US\$ 226 million within three years, and US\$ 913 million within 15 years—assuming favorable conditions for agricultural growth exist. This scale of financing would benefit 656,000 farmers, or 3.9 million household members (assuming a household size of 6 people)—covering 65 percent of the population that is currently facing acute food insecurity. This demonstrates that resilience-focused programming has the potential to significantly offset humanitarian expenditures by strengthening economic self-sufficiency, while also generating important revenues that could support the overall strengthening of the productive sector and mitigate the overall impact of the conflict on national economic growth (GDP).

75 World Bank. *South Sudan Emergency Food and Nutrition Project (P163559)*. 2017. For the details on the methodology and underlying assumptions used in the model, refer to the economic analysis contained in the annex of the World Bank project.

6. COUNTRY-SPECIFIC RECOMMENDATIONS ON BETTER INTEGRATING HUMANITARIAN, DEVELOPMENT AND PEACE INTERVENTIONS TO PREVENT, MITIGATE AND ADDRESSING FAMINE RISK

Based on the analysis of famine drivers in South Sudan and ongoing efforts to promote greater integration across humanitarian, development and peacebuilding efforts, the following observations and recommendations can be made:

- Additional development financing is urgently needed to complement humanitarian life-saving interventions. While critical, humanitarian life-saving interventions alone are not sufficient to strengthen individual, household and systemic resilience and capacities in the context of protracted conflict. Current development financing needs to be scaled up to achieve meaningful results and better coordinated with humanitarian interventions, including through frameworks like the ICF.
- In order to better understand the effectiveness and impact of ongoing resilience programming, and better tailor future interventions, there is a need for more robust data collection, information management and analytical capacities to inform project design, targeting and financing decisions.
- Despite the current absence of policy dialogue on long-term recovery and development priorities, there is a need for a medium-term strategy, building on the ICF, which links investments in longer-term systemic resilience with local peacebuilding and conflict resolution efforts, and is coordinated with actions at the political and diplomatic levels to reach a comprehensive solution to the current conflict.
- Development partners should be encouraged to think outside the conventions of traditional development assistance in South Sudan, and create a new paradigm for programming and financing that allows for an earlier and more flexible and responsive provision of development assistance to complement humanitarian support, interventions from the short to long-term calibrated to needs and conditions, and an overall long-term strategy to address core structural drivers underlying conflict, food insecurity, and low economic growth.
- Given the mandate of UNMISS (which includes stabilization, restoration of state authority and protection of civilians), a more robust use of and coordination with peacekeeping assets should be encouraged to improve security in critical economic strategic areas and hubs to promote returns and facilitate stabilization and economic recovery efforts.



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