

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

SOUTH SUDAN

Africa East

Dialogue | Trust | Partnership

office@lordwaverley.com

www.lordwaverley.com

WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Juba	Capital and oil-revenue administrative hub	Banking, oil-revenue administration, trade services
Upper Nile and Unity State oil fields	Primary oil production zone	Crude oil production, oilfield services
Export pipeline corridor via Sudan to Port Sudan	Oil export logistics corridor; sole current export route for a landlocked producer	Pipeline transport, oil logistics
Bentiu / Unity State frontier blocks	Oil and gas expansion frontier	Exploration, production expansion
Equatoria region (Yei, Nzara)	Agriculture and food-security investment	Agriculture, agro-processing
Border crossings and river corridors (Nimule, Renk)	Cross-border trade and logistics	Trade logistics, customs facilitation
Pastoral and rural livestock belt	Livestock and agribusiness	Livestock, agribusiness

INVESTOR ENTRY ROUTES

- **SOUTH SUDAN INVESTMENT AUTHORITY REGISTRATION:** The formal route under the Investment Promotion Act framework
- **PETROLEUM PRODUCTION-SHARING AGREEMENT (PSA):** Via the Ministry of Petroleum, typically as a joint venture alongside existing operators such as CNPC and ONGC
- **AGRICULTURE / AGRIBUSINESS LAND-LEASE INVESTMENT:** Via the Ministry of Agriculture, for food-security-aligned projects
- **CROSS-BORDER TRADE AND LOGISTICS LICENSING:** For the Nimule and Renk trade corridors
- **DONOR- AND HUMANITARIAN-PROGRAMME-ADJACENT COMMERCIAL CONTRACTS:** Logistics, construction and services tied to UN and NGO programming, a significant commercial channel in an aid-dependent economy
- **DIASPORA AND DEVELOPMENT-FINANCE CO-INVESTMENT:** Blended finance via IFC, World Bank and AfDB vehicles designed for fragile-state risk

MARKET-ENTRY OBSERVATION

South Sudan's economy remains a story of extreme oil-driven volatility. Real GDP contracted 27.6% in 2023/2024 after fighting in Sudan damaged the export pipeline, exports resumed in January 2025 after a roughly ten-month disruption, and the African Development Bank now projects growth could reach as much as 12.1% in 2026, up from an estimated 4.0% in 2025, provided oil production stays steady and stability supports agricultural productivity. Inflation, however, has remained extreme throughout - 65.6% in 2023/2024 and projected at around 65.0% for 2024/2025 - tied to sharp depreciation of the South Sudanese pound.

Oil accounts for more than half of GDP, roughly 80-90% of exports, and over 90% of public revenue, leaving the economy acutely exposed to external shocks. An IMF staff-monitored program has supported the government with conditions including clearing civil-servant salary arrears and strengthening oil-revenue governance, but the Fund has noted that Juba has resisted fully disclosing its oil production agreements - a transparency gap investors should weigh carefully.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Active political crisis: Riek Machar's detention since March 2025 and a strained 2018 peace agreement	Risk of renewed conflict, breakdown of the transitional power-sharing arrangement, and operational or security disruption	Monitor peace-process developments closely; avoid high-exposure commitments pending greater clarity
December 2026 election uncertainty	Potential for election-related unrest or further term extensions, given no general election has been held since 2011 independence	Build political-risk contingencies into any multi-year commitment; monitor electoral-commission readiness
Extreme oil-export dependency on a single pipeline corridor through Sudan	Recurring disruptions (as in 2023-2025) can collapse GDP by double digits; as a landlocked producer, South Sudan currently has no alternative export route	Factor pipeline and cross-border security risk explicitly into any oil-linked investment
Hyperinflation and currency depreciation (around 65% in recent years)	Severe erosion of local-currency revenue and purchasing power	Structure contracts and revenues in hard currency wherever possible
Weak fiscal transparency and oil-revenue governance gaps	IMF-flagged resistance to disclosing oil production agreements raises due-diligence and reputational risk	Conduct enhanced, transparency-focused due diligence on any oil-sector counterparty
Severe humanitarian situation and infrastructure deficits	Limited roads, power and basic infrastructure raise operating costs; a large displaced and food-insecure population constrains the domestic market	Budget for self-sufficient infrastructure and target sectors not reliant on domestic consumer demand
Civil-servant salary arrears and central-bank deficit financing	Signals fiscal stress that could affect the reliability of government counterparties as payers	Avoid reliance on government payment streams; prefer donor- or DFI-backed or private-sector counterparties

INVESTOR RISK NOTE

The dominant risk for any investor is political. Riek Machar, the suspended First Vice President, has now been detained for over a year following a March 2025 arrest linked to the Nasir incident, and his SPLM-IO movement describes the 2018 revitalized peace agreement as badly strained, citing arrests of opposition figures, attacks on agreed military sites, and disputed power-sharing positions. The government maintains its commitment to the agreement and to December 2026 elections, but South Sudan has not held a general election since independence in 2011, and a previous vote planned for 2015 was postponed by civil war. Investors should treat the election date as a real but genuinely uncertain milestone rather than a settled fact.

A second, closely linked risk is South Sudan's total dependence on a single oil-export corridor running through Sudan. The pipeline disruption that triggered a 27.6% GDP contraction in 2023/2024 is a direct illustration of how quickly instability in a neighbouring country can translate into economic collapse at home; any oil-linked investment should be structured with that correlated risk explicitly in mind.

MARKET ACCESS

The South Sudan Investment Authority provides the formal registration channel, but in practice market access for oil and gas runs through direct engagement with the Ministry of Petroleum and the established international operators - principally China National Petroleum Corporation and India's ONGC - already active in the sector.

Given the scale of the humanitarian response, UN agencies and international NGOs represent a parallel, substantial commercial channel for logistics, construction and services providers, offering a route to revenue that is less directly exposed to the volatility of government payment streams.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
South Sudan Investment Authority	Investment promotion and registration	Primary facilitation contact for new entrants
Ministry of Petroleum	Oil-sector licensing and PSA negotiation	Route for upstream oil engagement; verify transparency and governance standing of any counterparty

Actor	Why It Matters	Waverley Engagement Angle
Bank of South Sudan (central bank)	Monetary policy and foreign exchange	Confirm FX and banking access amid ongoing currency volatility
Ministry of Finance and Planning	Fiscal policy and IMF staff-monitored program coordination	Monitor program conditions and salary-arrears clearance progress
National Transitional Committee / peace-process bodies	Oversight of the 2018 revitalized peace agreement's implementation	Monitor developments closely before committing to politically exposed projects
National Elections Commission	Organising the December 2026 elections	Monitor electoral preparedness and credibility signals
UN Mission in South Sudan (UNMISS) and the donor community	Security coordination and humanitarian programming	Useful channel for security-situation monitoring and donor-linked commercial opportunities

CURRENT INTERNATIONAL BUSINESS CHANNELS

China remains the dominant commercial partner through China National Petroleum Corporation's major stake in the oil sector and broader infrastructure financing, while India's ONGC holds a significant oil interest of its own. South Sudan's economic fate is deeply intertwined with Sudan's, given shared pipeline and export infrastructure, and the African Union, IGAD and the United Nations remain central to the peace-mediation process. The United States, European Union and United Kingdom have historically been the largest humanitarian and development donors.

INVESTOR PROFILE BEST SUITED

South Sudan is suited to specialised frontier and fragile-state investors in oil and gas, typically through joint ventures with established partners such as CNPC or ONGC; donor- or DFI-backed agribusiness and food-security projects; and logistics or trade-corridor operators serving the humanitarian response. Blended-finance and DFI-backed structures should be the default rather than the exception.

It is not suited to investors requiring currency stability, predictable governance, or scale tied to domestic consumer demand, given the current political crisis, hyperinflation, and extremely limited infrastructure.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Confirm the Sector and Entry Vehicle

Determine whether an oil PSA, an agribusiness land lease, or a trade/logistics licence fits the investment objective.

STEP 2: Engage the Investment Authority and Sector Ministry Early

Open parallel conversations with the South Sudan Investment Authority and the Ministry of Petroleum or Agriculture as relevant.

STEP 3: Conduct an Enhanced Political and Security Risk Assessment

Monitor the peace-process and election timeline closely before committing capital.

STEP 4: Structure Through DFI or Blended Finance Where Possible

Reduce exposure by routing capital through IFC, World Bank or AfDB-backed vehicles.

STEP 5: Launch with Hard-Currency and Contingency Planning

Structure contracts to mitigate currency and inflation risk, and build in security contingencies from the outset.

WAVERLEY'S ROLE

- Independent due-diligence and structuring advisory for oil, agribusiness and logistics entry routes
- Introductions to the South Sudan Investment Authority, Ministry of Petroleum and donor-coordination counterparts
- Ongoing monitoring of the peace-process timeline, pipeline-corridor security, and the December 2026 election process
- Coordination with DFI and blended-finance structuring partners to reduce fragile-state exposure

INVESTOR CALL TO ACTION

Investors with a genuine frontier and fragile-state mandate - in oil and gas joint ventures, donor-backed agribusiness, or trade-corridor logistics - are invited to engage Waverley for a confidential, risk-calibrated structuring consultation.

INTELLIGENCE → RISK ASSESSMENT → STRUCTURING → MARKET ENTRY

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Current pipeline items Waverley is tracking include the post-resumption oil production ramp-up following the 2025 pipeline restart; the AfDB-identified growth opportunity tied to steady oil output and improved regional stability; donor-backed agribusiness and food-security programming across Equatoria; and the implementation trajectory of the 2018 peace agreement ahead of the scheduled December 2026 elections, which international partners view as essential to any durable improvement in the investment climate.

POSITIONING

Waverley approaches South Sudan as one of the most fragile operating environments in its coverage, where genuine resource wealth sits alongside acute, currently unresolved political risk.

Our role is to help investors engage only through structures - DFI co-investment, hard-currency contracting, rigorous counterparty due diligence - built for that reality, rather than treating South Sudan as a conventional frontier market.

SELECTED SOURCES

- African Development Bank, via Radio Yei, "AfDB Forecasts 12% Growth for South Sudan's Economy in 2026"
- Eye Radio, "South Sudan's Macroeconomic Reforms Slip Over Inflation - IMF"
- DabaFinance, "Crude Exports from South Sudan Resume After 10-Month Force Majeure"
- Sudans Post, "Machar Marks One Year in Detention as SPLM-IO Renews Call for Release"
- Eye Radio, "Lomuro: Peace Deal Unshaken, 2026 Elections Will Proceed as Planned"