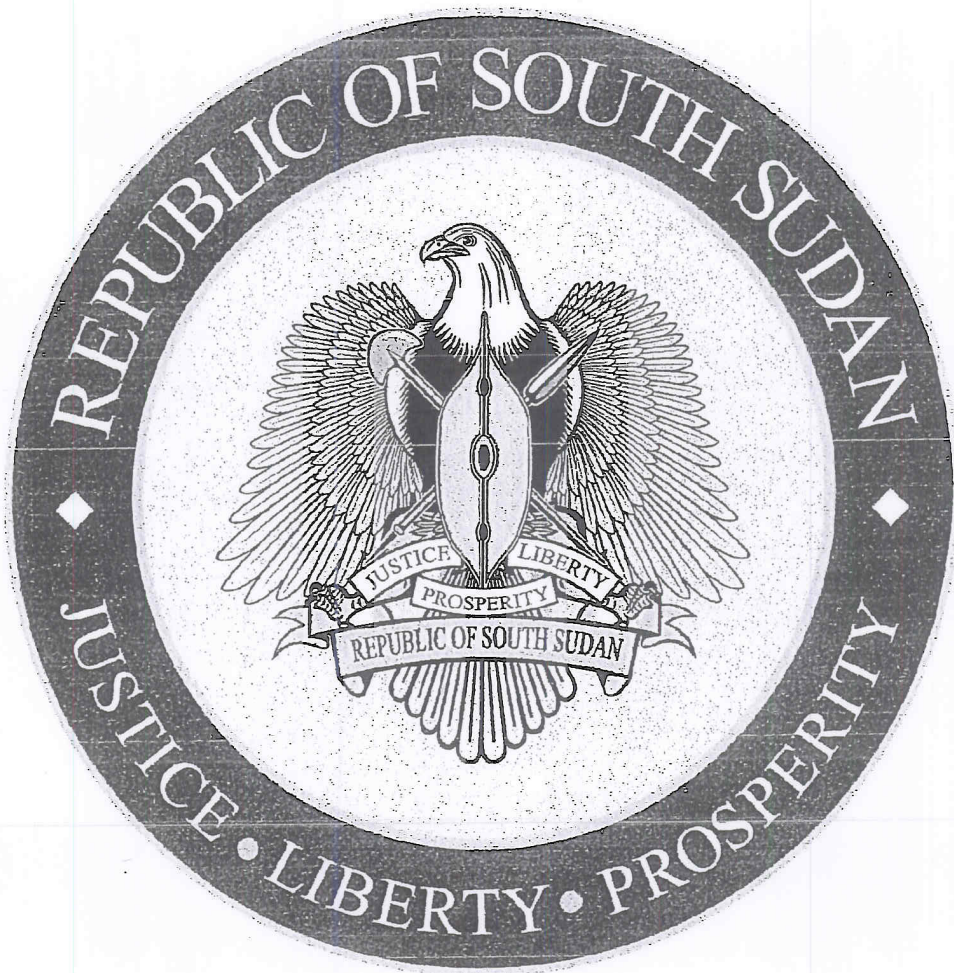


THE SPEECH of

H.E. Gen. Salva Kiir Mayardit

President of the Republic of South Sudan



To the National Legislature

11th of June 2012

Statement by H.E. Salva Kiir Mayardit to the National Legislature

1st Session of 2012/2013

Right Honorable Speaker and

Honorable Members of the National Legislature

Diplomatic Corps,

Ladies and Gentlemen

You are all welcome back from your recess.

When I addressed this august house on January 23, we stood as one, not just as an Assembly, but as a nation, united, we rose up and said, “No more” to the plunder with impunity of our oil resources by the government of Sudan.

The decision to halt production of crude oil was not made in anger. It was made in practical terms to protect the interests of the people and to defend the foundations of independence for which many people have paid with their lives.

We offered almost \$3 billion dollars in assistance for Sudan offset its revenue losses resulting from our independence. We paid all operating fees for oil transport. We offered to negotiate a transit fee above and beyond fair market rates. There was no lack of generosity in our dealings with Khartoum. Even so, Sudan wanted more.

When we didn't give it to them they took it by force. From December 2011 to January 2012 the government of Sudan blocked shipments of oil entitlements and took our oil. As a result, the people of South Sudan lost some 800 million US dollars in revenue.

Having exhausted all efforts of diplomacy with Sudan, we could no longer secure delivery of crude oil to buyers through the territory of Sudan.

Right Honorable Speakers, Honorable Members,

I reject the proposition that the best way to peace with Sudan is through dependence on Sudan. No nation can prosper by surrendering control of its economy to another.

I want to assure you that, we will resolve this impasse. We will do so in a way that respects fully the sovereignty of the Republic of South Sudan and protects the wealth that is the rightful inheritance of our people.

With our partners and allies, and we have many, we will do so in a way that guarantees security of transit and delivery of the oil to the rightful owners. We will do so in a way that builds productive economic relationships with our neighbors. And **yes**, we will do so in a way that leaves the door open for good relations with Sudan.

Indeed, our hope for independence was one of friendship with the people of Sudan.

It remains our hope that our people will be free to trade, move and prosper together. We believed then, and we believe now, that the time for peace has come. We will stop at nothing short of a lasting peace between our two countries.

Right Honorable Speakers, Honorable Members,

Considering the current budget shortfall we must be decisive in cutting costs. The Austerity Measures Committee has recommended cutting monthly spending to 500 million South Sudan pounds in the budget 2012-2013 that will be presented to you soon. That's half of what we spent from January to May. We fully support these cuts and necessary measures to ensure continued government operations and to ensure defense of the Republic. In doing so we must prioritize getting food, medicines and fuel to our communities.

We are also aware that our people who were in the Sudan are returning. This will increase the pressure on already existing scarcity of food that is being experienced. I would therefore want to stress the following:

Currently 36 million US dollars in medicines and supplies are being deployed to more than 1000 clinics and hospitals across South Sudan. We still face tremendous challenges in staffing clinics and in providing healthcare in rural areas, but through focus on priority needs such as anti-malarial, antibiotics and care for expecting mothers, we can save lives and help people stay healthy.

Right Honorable Speakers, Honorable Members,

On the matter of defense and sovereignty of South Sudan, I should say this: Good fences make good neighbors. Defined and respected borders are the basis of national security. Yet, almost a year into independence, we still struggle with security issues with Sudan because our borders are undefined.

We are committed to defining borders based on legal and historical facts. There is no basis for deciding borders by force. There is no basis for deciding borders by propaganda and inflammatory claims.

The government of South Sudan has consistently maintained that the January 1, 1956 line of demarcation, established upon Sudan's independence and as referenced by the Comprehensive Peace Agreement (2005), is the basis for any discussion.

We have never relinquished claims to any lands, territories or assets south of this border. South Sudan has never relinquished claims to Panthou, homeland of the Panaru Dinka.

So the record is clear, we also unequivocally claim Magenes-Joda, Kafia Kingi, Hafra Nahas, Kaka Tijariya, Wheatly Monroe Strip and all territories south of the 1956 border.

We have repeatedly told Sudan to resolve borders between our two nations. The government of Sudan has not been willing to do so. It is clear that their intentions were to occupy our territory and plunder our resources.

Considering the urgency of the matter and considering how little progress has been made since signing of the CPA, should negotiations in Addis Abba fail, South Sudan proposes arbitration of borders by the Permanent Court of Arbitration in The Hague. We are confident of our position. We are prepared to subject our claims to scrutiny. I have now written to the members of the African Union Peace and Security Council to consider this position.

It seems Khartoum is again playing games and is not willing to resolve the border issue through dialogue.

It would be unfortunate for Khartoum to use force to assert her claims. Should that happen, we reserve the right to self-defense under terms of the United Nations charter.

Right Honorable Speakers, Honorable Members,

You will realize that while you were on recess, the conflict between Sudan and South Sudan attracted a communiqué from the African Union Peace and Security Council. The communiqué was adopted by the United Nations Security Council through its resolution 2046 (2012).

It required both parties to pull their forces out of Abyei, to stop hostilities immediately and to resume negotiation in Addis Ababa without preconditions. In compliance with the resolution, our negotiating team was in Addis Ababa last week engaged in the negotiations. To reduce the possibility of conflict, and to prevent consolidation of claims by occupation instead of negotiation, we proposed that both sides withdraw our armed forces ten kilometers from the 1956 border. Sudan did not agree to this. Discussions broke off last Thursday with little progress. We have agreed to resume discussions later this month.

The UN Security Council resolution calls for the negotiation to be completed within three months. In the event an agreement is not reached, the African Union High Implementation Panel will impose a binding solution to the outstanding issues.

It is therefore our wish to reach an agreement before that happens. Our position is clear, particularly about the borders. In the event there is no agreement it should be referred for arbitration.

At this time Honorable members, the mandate of the United Nations Mission in South Sudan is coming to an end on July 9th, and is being discussed for renewal. My office under the leadership of the Vice President Dr. Riek Machar has spearheaded a review and reached conclusions. After careful study, we have submitted official recommendation to the UN Security Council on how we would like the mandate to be refocused upon its renewal, including a serious review of the Chapter Seven mandate. In that letter we urged that the conditions for which Chapter Seven mandate was approved have changed, and it is not appropriate to renew the United Nations Mission in South Sudan with the same mandate.

We're confident that the Security Council will consider our views with full respect for the sovereignty of South Sudan.

Right Honorable Speakers, Honorable Members,

As a way to improve transparency and accountability, in all state ministries of finance we have installed a modern Financial Management Information System.

Computers in all ten state capitals are now able to record and report transactions electronically to the Ministry of Finance. The system allows for expenditures to be recorded and aligned with the budget even before the money goes out. That includes all line ministries of the central government. We can track exactly how much money goes out, who gets it, who spends it, and where the money goes. The system is now operational. The Financial Management Information System will discourage fraud, waste and abuse. It will help ensure that our revenues go where they're supposed to.

Such initiatives, with trained staff using the right technology, are central to our long term anticorruption efforts.

Right Honorable Speakers, Honorable Members,

In the affairs of legislature, we focus on problems and how to solve them. That's fitting and it's our job, but sometimes it's good to look back on the work we've done.

I would like to commend this august House for responsibly passing more than twenty foundational laws since independence.

When a mother pays for a kilo of maize at the market, she deserves to get a kilo of maize. When someone pays for a liter of petrol from a pump, they deserve to have confidence that a full liter goes into the tank. This year you passed the Weights and Measures Act. It establishes uniform standards for measuring things we use in everyday life. The act keeps businesses honest and gives consumers confidence that they get what they pay for.

You also passed the Public Finance Management & Accountability Act, 2011. This provides sound guidance for all government spending. The Act will improve accountability and reduce waste. It will ensure budgets reflect public need and are developed openly. It also ensures that spending is accomplished against achievable plans, and not according to the whims of bureaucracy or short-sighted urgency.

In December of last year, you amended the Tax Act of 2009, and in doing so defined a range of taxable rates. The new rates help spare smaller companies from being overburdened and overall the act helps lower the cost of doing business. The amendment also assured large businesses of some of the lowest, most competitive rates in East Africa.

As a result, we've seen soaring compliance and a 500 percent increase in non-oil revenues since last year. Over time, fair and sensible tax laws mean more affordable, more abundant goods and services for our people. The House and the Ministry of Finance are to be commended for finding ways to improve the Tax Act through amendment.

You passed the Diplomatic and Consular Service Act, and as a result the people of South Sudan will now be represented in twenty-two world capitals. We are gaining a stronger diplomatic voice. That will be critical as we seek to resolve outstanding CPA issues and attract investment to South Sudan.

In this session, Honorable Members, you should forge forward. We must establish a Peace and Reconciliation Commission whose role will be the pursuit of peace in our communities.

The Advocacy Bill is another one. It will create the framework for the development of an affordable, competent and accessible legal profession in South Sudan.

Democracy only works when people have the information they need to participate in government. I call upon the House to pass a set of Media Bills that will provide clear, easy-to-follow guidance on what types of information will be made available by the government and how the information should be released.

The bills should protect the rights of journalists and media houses to perform their work in an open and favorable atmosphere. I urge this Assembly to pass a General Education Bill that will establish a high-quality system of primary and secondary education across the land.

We must ensure that even in this time of economic hardship, we do not forget our duty to educate this brave generation.

We must account for the money entrusted to us and we must do so in a way that can stand up to public scrutiny. I call upon this House to send me a Public Procurement Law that is characterized by clarity of direction, ease of compliance and with sound oversight over spending.

It is public that I have written to government officials to return stolen money to an account created for this purpose. All these measures are necessary to stem out this cancer called corruption.

I encourage this House to send me a labor law. Workers deserve to know their rights. Employers deserve clear guidance on how to set fair, safe working conditions. A good labor law can encourage investment and create conditions for businesses to grow. That means more opportunities for our people to earn a living. It also means more revenues for the budget.

Right Honorable Speakers, Honorable Members,

I want you to take note that the fundamental work of this government remains unchanged during this legislative session.

to ensure safety and security along our borders,

to educate our children,

to enable our communities to live in peace,

to provide basic healthcare facilities in our communities and especially to provide care for expectant mothers to reduce the

infant mortality rate,

to become self-sufficient in food by 2014,

to provide our people with an opportunity to support themselves and their families,

to inform, enlighten and give citizens a voice in government, and

to invest our limited oil wealth in building a sustainable economy that fully reflects our national sovereignty.

I therefore urge you to spend this critical time by passing the laws that are in front of you. The people of South Sudan are watching you and they need their lives improved. You hold the key to the laws that improve their lives, and I have enumerated some.

It is therefore an obligation and responsibility for our electorates that we fulfill what is expected of us.

I hereby declare this august House open.

Thank you and may God bless you all.