Testimony of

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

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

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

I want to emphasize that the progress of the last few days would not have happened without the intensive, personal diplomacy of Ambassador Phee and her team in Juba, as well as Ambassador Haslach and her team in Addis Ababa. They worked tirelessly to overcome last-minute hurdles involving flight clearances and weapons inspections, when intransigence from both the government and the opposition repeatedly threatened to delay Machar's return. It would be difficult to overstate the level of commitment Ambassador Phee has shown in her nine months in Juba to making the peace agreement work.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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