

Chapter 9

South Sudan: European Commission and U.S. Approaches to Linking Relief, Rehabilitation and Development—A Case Study

Paul Harvey

South Sudan is a fascinating context in which to scrutinize the links between relief, rehabilitation and development. As one of the world's longest running complex emergencies and largest assistance operations, South Sudan has been a crucible for many of the debates around relief and development and the appropriate interaction between the two approaches over a number of decades. Moreover, the current peace process has led to the introduction of a range of innovative financing mechanisms which have been unusually well evaluated and analyzed. Seen from the perspective of the Raising the Bar research project, South Sudan is a particularly interesting case because funding approaches adopted by the European Commission and the U.S. have significant differences.

The aim of these case studies is to adopt a specifically donor perspective on Linking Relief, Rehabilitation and Development (LRRD), asking: 'to what extent can the European Commission and the U.S., as the most important donors of humanitarian and development assistance, promote good LRRD outcomes at the field-level?'

The underlying premise or hypothesis in the terms of reference was that 'specifically for donors, adopting a LRRD focus, spanning both policy formulation and funding decisions, can increase the effectiveness of donor assistance strategies—in the sense that livelihoods are more effectively protected, are made more resilient to future shocks, and are less and less dependent on foreign assistance.' This case study sets out to examine this hypothesis in the context of South Sudan with a particular focus on European Commission and U.S. donor policies. The main body of this study focuses on donor policies and financing instruments introduced since the signing of the Comprehensive Peace Agreement in 2005. 2008 marks the mid-point of the interim period mapped out by the Comprehensive Peace Agreement and was intended to mark the boundary between the recovery period (2005–07) and a development period. This mid-point makes it an opportune moment for reflection and analysis on the effectiveness of donor policies in promoting peace and development since the signing of the Comprehensive Peace Agreement.

The case study is based on a review of the available published and grey literature and a small number of interviews and correspondence with key European Commission and U.S. officials. A limited budget and therefore time available for the case study means that this is a short, analytical piece, not an in-depth piece of research. There was not scope for any field level research and interviews with South Sudanese government officials, clearly one of the key stakeholders,

were not possible. Fortunately there is a rich, recent literature on financing mechanisms in south Sudan on which to draw.¹

Relief and Development in South Sudan

There is a long history of debates about relief and development in South Sudan during the civil war. Operation Lifeline Sudan was the chief mechanism for delivering assistance and channeling donor financing during the civil war and retained a primary relief focus. However, both within the Operation Lifeline Sudan umbrella and in donor policies, fierce debates raged during the 1990s about the extent to which it was appropriate to fund activities that could be labeled as rehabilitation or development. Donors grappled with the need to maintain humanitarian principles of independence and neutrality whilst facing calls from assistance agencies at field level to support building of local capacity and engage in activities that went beyond 'life-saving' relief. South Sudan was one of the key arenas in which debates about the appropriate divisions between relief and development actors, principles and financing in the context of a protracted crisis played out. There is also a need to frame donor assistance strategies in South Sudan within the overall politics of international relations between Sudan and the donor countries. Strained relations between the government in Khartoum and western governments, concerns about widespread human rights abuses and assistance diversion by both parties to the conflict as well as a strong political lobby especially in the U.S. in favor of the southern rebel movement have all had important influences on assistance policy.

As Murphy² notes, humanitarian assistance instruments during the civil war were often stretched to the limit as development type approaches crept in, including prolonged service provision. USAID, in particular, implemented a development assistance program before the signing of the Comprehensive Peace Agreement for livelihoods, education, agriculture and peace building. The European Commission Humanitarian Plus programme also helped to provide multi-year funding and maintain support for basic services.³

In some senses, the signing of the comprehensive peace agreement has made the challenge of linking relief, rehabilitation and development (LRRD) simpler. There is at least now a clear process of recovery going on, an emerging government structure to engage with and declining levels of insecurity. It has in some ways become a conventional challenge of building governance capacity and supporting the recovery of services and livelihoods following a conflict. In common with many conflicts, the peace process is fragile, security risks remain and renewed conflict may continue to create humanitarian needs as evidenced by recent violence in Abeyi. The concept of the contiguum and the need for simultaneous capacity to engage in relief,

¹ The author wishes to thank the following interview partners: Tiare Cross, USAID/Sudan, OFDA Northern Sudan Program Officer; Mark Douglas, USAID Program Officer; Wendy Fenton, Consultant; Pam Fessenden, OFDA; David Gressley, UNMIS Regional Coordinator, South Sudan; Sureka Khandagle, OFDA; Nicolas Louis, ECHO Representative, Juba; Kurt Low, Supervisory Program Officer for USAID/Sudan; Jennifer Mayer, OFDA; Sara Pantuliano, ODI Researcher; Tom Slaymaker, ODI Researcher; Ken Spear, Sudan Deputy Country Representative, Office of Transition Initiatives, United States Agency for International Development; Marv Koop, Country Director, PADCO, European Commission, Sudan; Paul Symons, European Commission, RELEX Khartoum.

² P. Murphy, "Managing the middle ground in South Sudan's Recovery from War. Basic service delivery during the transition from relief to development," a report commissioned by DFID Sudan and the Joint Donor Team (2007).

³ W. Fenton, "Funding Mechanisms in South Sudan: NGO Perspectives," Draft January 29 2008. Juba NGO Forum.

rehabilitation and development is clearly needed. The situation in Sudan is complicated by the ‘one government, two systems’ approach enshrined in the Comprehensive Peace Agreement meaning that engagement is needed both with the Government of National Unity at a Khartoum level and with the emerging government of South Sudan at a Juba level. There are also huge challenges raised by the sheer scale of the country and of the recovery challenge. Decades of civil war mean that the task is often less one of rebuilding than of starting anew in terms of access to services, meeting key development goals and developing state capacity at local and regional levels. As Médecins Sans Frontières note for the health sector; “it is impossible to apply conventional notions of ‘post conflict’ to South Sudan, which in many ways is starting from scratch. Before the war, the region had a severe lack of general infrastructure and health systems and decades of conflict destroyed what little existed.”⁴

Financing Instruments in South Sudan

Donors to South Sudan have provided assistance for a myriad of complex bilateral and pooled funding mechanisms. Indeed, it has become something of a hotbed for the introduction of new pooled funding approaches and for attempts to find mechanisms to bridge the ‘recovery gap’ between relief and development funding.

There has been particular use of what are labeled as ‘pooled instruments’ which can be defined as vehicles for providing assistance where several donors put funds into one instrument. It is not entirely clear why South Sudan has proved such a hotbed for the use of pooled funds and some argue that it has suffered through being something of a guinea pig for current donor enthusiasm for harmonization. In part it reflects global commitments through both Good Humanitarian Donorship and the Paris Principles to harmonization. The perceived success of the Multi Donor Trust Fund in Afghanistan also seems to have been a factor with the problematic assumption that a similar model could be rolled out in South Sudan. There is an interesting contrast to be drawn with northern Uganda where there is a complete absence of pooled funding instruments for recovery. The reason for this seems to be the presence in Uganda of strongly established donors with development approaches and relationships with the Government of Uganda leading to an assumption that relief can be relatively rapidly phased out and development funding through existing relationships introduced. In South Sudan, by contrast, the length of the war and the difficult political relations between the government in the north and western donors meant that there were little or no development relationships and funding modalities to return to. Arguably these two neighboring countries present two extremes—Sudan with an embarrassment of riches when it comes to recovery funding instruments and Uganda with not enough.

Pooled funds, however, have not taken the place of bilateral projects whereby individual donor governments directly fund particular projects, agencies or governments. Both the European Commission and the U.S. as donors have retained substantial bilateral program. The U.S. does not support any of the pooled funding mechanisms whereas the European Commission

⁴ Médecins Sans Frontières, “MSF South Sudan Activities Update,” <http://www.doctorswithoutborders.org/sudan> (2008); Médecins Sans Frontières, “Greater Upper Nile, South Sudan: Immediate Health Needs Remain Amid A Precarious Peace,” <http://www.doctorswithoutborders.org/publications/article.cfm?id=3353&cat=special-report>.

supports some of the pooled instruments as well as having a bilateral program. The Government of South Sudan (Government of South Sudan) estimated that there were 26 donors and multilateral agencies operating in South Sudan, funding 169 projects but this relied on self reporting so is likely to be an underestimate.⁵ USAID and the European Commission are the two largest donors in South Sudan.

The range of pooled and bilateral instruments introduced in South Sudan are summarized briefly below, drawing largely from Taylor Brown's 2008 report on The Joint Donor Partnership Instrument Mix (Taylor Brown 2008).

The Multi-Donor Trust Fund for South Sudan which was established as part of the Comprehensive Peace Agreement and was intended to be the cornerstone of the assistance architecture for South Sudan. The Multi-Donor Trust Fund channels donor financing and the Government of South Sudan's oil revenue toward achieving the reconstruction and development needs outlined in the Joint Assessment Mission. The World Bank administers the Fund and the UN plays a key role in implementation. For the period 2005–07, donors pledged a total of US\$356.5 million to the Multi-Donor Trust Fund–South Sudan.

The Common Humanitarian Fund was created in 2006 to deliver early, predictable and coordinated funding to address the humanitarian needs of Sudan. The Common Humanitarian Fund is administered by UNDP, is a national fund and received US\$204 million in contributions in 2007. In practice, the Common Humanitarian Fund has been stretched to provide significant funds for early recovery and transition activities (including basic services) as well as humanitarian activities.

The Capacity Building Trust Fund was established in 2004 in the lead up to the Comprehensive Peace Agreement. The Capacity Building Trust Fund was intended to fund both recurrent costs and build the capacity of the nascent Government of South Sudan. It was also intended to provide funds for quick impact programs in the private sector. Initially, the Capacity Building Trust Fund was expected to bridge the gap until oil revenue and the Multi-Donor Trust Fund could provide more structured funding to Government of South Sudan and early recovery needs. In practice, the Capacity Building Trust Fund funds have been used flexibly to fill a wide range of gaps related to capacity building and recovery. The Capacity Building Trust Fund is administered by UNICEF and has received \$19.4 million in total contributions between 2004 and 2007. The current fund is coming to an end, but the Government of South Sudan and UNICEF have proposed an extension and replenishment.

The Strategic Partnership Arrangement is a UNDP administered framework for supporting the Comprehensive Peace Agreement and Joint Assessment Mission in the areas of governance and rule of law. The Strategic Partnership Arrangement is co-financed by the UK, Denmark and the Netherlands. Sweden plans to contribute funds to the Strategic Partnership Arrangement during the coming year. The Strategic Partnership Arrangement seeks to complement the Multi-Donor Trust Fund by providing flexible and quick support to governance and early recovery projects and programmers. It has provided funding for 24 projects from a pool of \$64 million. The Strategic Partnership Arrangement has recently been extended until March 2009.

⁵ Taylor Brown, "The Joint Donor Partnership Instrument Mix 2008–11: An Options Paper," the IDL Group. 2008.

Other pooled funds in South Sudan include the Emergency Response Fund (providing relatively small funding for rapid onset emergencies) and the Global Fund (for HIV/AIDS, tuberculosis and malaria).

In response to the perceived gap in financing for recovery particularly on the part of the Multi Donor Trust Fund there is a plan to introduce a Sudan Recovery Fund.

The Basic Services Fund is a DFID funded program financing the delivery of basic services (health, education and water) through non-state providers. Initially conceived of as a bridge to the Multi-Donor Trust Fund, the Basic Services Fund has a total budget of \$34 million for the period 2006–2008.

USAID has negotiated a bilateral framework agreement with the Government of South Sudan for all U.S. development (non-humanitarian) assistance that benefits south Sudan for the period of U.S. fiscal years 2008–2012. The framework document is a Regional Assistance Grant Agreement that provides funding for development objectives that are mutually prioritized by the U.S. Government and the Government of South Sudan. While there is no funding ceiling for the Regional Assistance Grant Agreement, funds are incrementally provided as they become available; total obligations as of December 31, 2008 exceed \$200 million. Private-sector entities overwhelmingly implement these resources, although the U.S. and the Government of South Sudan coordinate all U.S. development assistance to South Sudan through the Ministry of Finance’s Budget Sector Working Groups.

This complex mix of instruments has been unusually well documented and evaluated with a flurry of recent reports focused on the performance of the various assistance instruments being used by donors in South Sudan.⁶ This case study draws on this rich literature and on interviews with key European Commission and U.S. officials to highlight the key findings and emerging issues in relation to linking relief and development. These include:

- Difficult dilemmas and trade-offs between the goals of building local and government capacity for service delivery and securing an immediate ‘peace dividend’ via the expansion of service delivery through international assistance actors.
- Whether or not the laudable goals of pooled funding around greater coordination and harmonization have to some extent been prioritized over effectiveness. And linked to that, whether or not there has been too much focus on financing instruments at the expense of broader policy engagement.
- The fragility of the peace and recovery process and the need to maintain the capacity for humanitarian action.

First, however, the paper examines in more detail the funding and approaches of USAID and the European Commission.

⁶ Brown, *Ibid.*; 2008; Fenton, *op. cit.*; Murphy, *op. cit.*; Million Peter and E. LoWilla, “Too big, too many, too much: policies and instruments of the European Union in ‘post-peace agreement’ areas: a coherent contribution to stability, security and development?” Study commissioned by the Association of the World Council of Churches related development organizations in Europe, 2008; ScanTeam, “Review Post Crisis Multi-Donor Trust Funds,” 2007, <http://www.worldbank.org/rmc/cofidr/MDTFReportExecSum.pdf>.

USAID

The U.S. Government is the largest international donor to Sudan, and USAID has a range of large projects covering humanitarian, recovery and development objectives. According to its 2008 financial year budget (money to be spent in 2009), USAID will be allocating non-humanitarian assistance of \$272 million in these priority development sectors: \$115 million to the support of ‘just and democratic governance’ (most of which is targeted to South Sudan); \$58 million to basic services (health, education, and water and sanitation); and US\$96 million for economic growth activities, including activities for infrastructure, agriculture, private sector competitiveness, microfinance, property rights and policy, and environment. USAID’s humanitarian assistance funding, including food assistance and transition initiatives, is estimated to be more than \$660 million in fiscal year 2008, of which \$483 million will be spent in Darfur. USAID is a critical donor in many public-service sectors. For example, Fenton estimates that USAID supported 81% of donor supported health facilities in South Sudan from 2005-2007, the majority from USAID/OFDA funding.⁷

Sudan is the highest priority country in Africa for the U.S. Government and USAID/Sudan is committed to supporting the implementation of the Comprehensive Peace Agreement; providing relief and reduction of suffering in Darfur; promoting a viable and lasting peace process in Darfur; and supporting the democratization of accountable governance throughout the entire country. USAID activities seek to buttress the Comprehensive Peace Agreement with tangible peace dividends through support to governance, social service delivery, livelihood diversification, IDPs and returnees, and infrastructure improvement.⁸

The most recent call for proposals is focused on building responsibility for the delivery of government services (through a program entitled ‘BRIDGE’), which aims to help the South Sudanese government at state and county levels with the transition from existing relief programs to more sustainable methods of government-managed service provision.⁹ This is currently going through a competitive solicitation process for proposals and is seen as an innovative way of linking relief and development. The geographic focus of the program also lends itself well to supporting the transition from humanitarian assistance-based, NGO-led interventions to more sustainable, locally-driven development, as the areas where this development assistance program will be implemented are in states that border the North and of Abyei, Southern Kordofan and Blue Nile (the so-called Three Areas), where USAID has predominantly program mainly humanitarian assistance up to now. USAID’s 2006-8 strategy noted that, “humanitarian and development assistance programs will work in tandem to achieve results.”¹⁰

⁷ Fenton, *op. cit.*

⁸ USAID, “Sudan—Complex Emergency, Situation Report #1, Fiscal Year 2008.” http://www.usassistance.gov/our_work/humanitarian_assistance/disaster_assistance/countries/sudan/template/fs_sr/fy2009/sudan_ce_sr01_10-03-2008.pdf.

⁹ USAID, “Annual Program Statement for Building Responsibility for the Delivery of Government Services (BRIDGE) Program,” 2008, http://www.usassistance.gov/locations/sub-saharan_africa/countries/sudan/docs/aps_sudan_jul08.pdf.

¹⁰ USAID Sudan, “Strategy Statement 2006-08,” http://www.usassistance.gov/locations/sub_saharan_africa/countries/sudan/docs/sudan_strategy.pdf.

USAID funding for South Sudan has come from four main sources: Development Assistance from the Africa Bureau; and through three offices of the Democracy, Conflict, and Humanitarian Assistance Bureau: the Office of U.S. Foreign Disaster Assistance (OFDA), the Office for Transition Initiatives and the Office of Food for Peace (FFP). These interconnected programs provide a theoretical transition from relief to development within U.S. Government funding, as OFDA, FFP (emergency food assistance programming) and Office for Transition Initiatives projects phase out as longer term development assistance comes on line. In November 2007, OFDA anticipated that a more favorable environment for long-term assistance measures would enable a significant reduction in humanitarian funding.¹¹

OFDA funding provides support in the areas of health, water, food security and livelihoods. Supporting the provision of health services has been one of the main focuses for OFDA and is the biggest sector for its support with \$28 million of funding in 2008 for the south and \$16 million in the Three Areas. In 2006, OFDA was providing support to 332 health facilities. This number has gradually been declining and by the end of 2008 was down to 209, with facilities being handed over to the Government of South Sudan and long term development donors. Progress is being made on handing over facilities but there is a difficult balance to be drawn between a decline in the quality in services following hand-over and the continuation of unsustainable parallel systems implemented by NGOs.

The Three Areas is a high priority area for U.S. funding in general, with Office for Transition Initiatives and OFDA support in these areas seen as critical to the success of the peace process. There is a focus on civil service integration and on linking SPLA systems into governance structures at state level and on partners who can assist in civil service integration whilst providing support to services. Areas of high return are a particular priority for investment.

In South Sudan, OFDA works largely through international NGO partners with which OFDA has had a longstanding relationship and partnership. OFDA prefers not to put funds into the UN workplan but rather work through NGOs that it feels are more flexible and better at reaching remote and hard to reach populations, have a stronger on the ground presence and are more cost effective. USAID remains the largest donor to the World Food Program, although there are concerns about its ability to make an effective transition from relief to more recovery orientated programming.

OFDA traditionally will only provide funding for a 12 month period, leaving NGOs with little to no predictability on what their OFDA supported budget will be from year to year as OFDA budgets are uncertain from year to year. This is recognized as one of OFDA's biggest drawbacks and makes investments in some types of activities difficult, such as haffirs (water catchments) which take more than 12 months to effectively implement. On the other hand, the speed and flexibility of OFDA and Office for Transition Initiatives funding were seen as major advantages, particularly compared to pooled instruments or, to a lesser degree, to USAID's longer term development assistance funding instruments.

¹¹ OFDA, "OFDA Sudan (excluding Darfur) public guidance for potential partners 2008 program approach and priorities," 2007, http://www.usassistance.gov/our_work/humanitarian_assistance/disaster_assistance/resources/pdf/OFDA_Sudan_2008_Public_Guidance.pdf.

Office for Transition Initiatives in the south worked through a NGO called PACT and later through a private sector actor called Development Alternatives Incorporated (DAI). Its programming is now focused on the Three Areas, implemented by PADCO, another private sector actor. The approach is to provide quick, flexible and small grants to a range of local government and civil society actors in ways that demonstrate immediate peace dividends. The implementing agencies have considerable locally delegated authority and the ability to move quickly and take risks. The aim is to fund catalytic, foundational activities which can be built upon by longer term development actors. A particular strength of the small grants mechanism is seen as its ability to deliver funding directly to Sudanese Government and civil society entities with relatively little bureaucracy. Another perceived strength of Office for Transition Initiatives is its flexibility, which allows funding for activities and purchases that other donors are not necessarily able to support, such as supporting Government offices in terms of buildings, furniture and equipment. Such support addresses an urgent and appropriate need of the Government of South Sudan, considering its low starting point of basic infrastructure.

In South Sudan, USAID/FFP is currently supporting the UN World Food Program as well as NGOs to provide food assistance to address food insecurity in nearly all of the ten states. USAID/FFP's strategy has been to encourage its partners to phase out of direct distribution of free food assistance to all but the most vulnerable populations, such as newly returning populations from the North and refugee camps in neighboring countries. FFP has funded activities such as food-for-work, food-for-training, and emergency school feeding to its partners, with the understanding that these activities are intended to address food insecurity of populations in a more sustainable, recovery-oriented manner. In September 2007, USAID/FFP funded a field-study to look at the current food programming and recommend ways in which food assistance could be targeted and program in a more sustainable ways.¹² USAID/FFP's budget is divided between emergency and non-emergency funds; the Sudan FFP program is still funded exclusively with emergency funds. There are limitations on how these funds can be used—recovery is the current focus, not exclusively food assistance. USAID/Sudan is very interested to integrate non-emergency food assistance into its development assistance programs in the future. Development assistance through the Africa Bureau is starting to provide support to the Government of South Sudan through budget sector working groups in ways that support the Paris Principles around alignment. This provides more stable and multi-year funding streams.

U.S. donor representatives interviewed for the study felt that the three offices (Office for Transition Initiatives, FFP and OFDA) within the Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA) worked well together based on strong personal relationships and years of experience both in the south and Darfur. International coordination with USAID development assistance was also generally seen as strong, although more challenging due to different approaches, focus and priorities.

European Commission

European Commission assistance to South Sudan falls into three broad categories. The European Commission is the largest donor to the Multi-Donor Trust Fund after the Joint Donor

¹² T. Frankenberger, et al., "Sudan Food Assistance Strategy, FANTA project" (USAID and TANGO, 2007).

Partnership (JDP) which consists of the governments of Canada, Denmark, the Netherlands, Norway, Sweden and the UK. The development program focuses on education, rule of law and rural livelihoods. In particular, the European Commission funds the Sudan Post-Conflict, Community Based Recovery and Rehabilitation Program, which is a rural livelihoods focused program that also provides support to basic services and building the capacity of local government. The Recovery and Rehabilitation Program is administered by the UNDP and implemented by a consortium of 48 NGOs in ten states (Five Northern and five Southern, affected by the North/South conflict. For the time being Darfur has been excluded from this initiative. The European Commission committed €50 million to the Recovery and Rehabilitation Program, evenly divided between the Northern and Southern components of what is, a national Program. Humanitarian assistance is managed by the European Commission Humanitarian Office (ECHO). ECHO funding is expected to be maintained or increase in the coming two to three years. As with OFDA, in practice much ECHO funding goes to the provision of basic services.

In the two first years following the peace agreement, ECHO allocated over €30 million through its implementing partners for humanitarian projects in South Sudan. In 2007 to support returns and early recovery programs ECHO increased its assistance to €29 million. Currently ECHO is in the process of planning additional funding for 2008.

Additional funding from the donors who finance the projects over a longer time frame will ensure the continuation of some of ECHO's emergency projects. Some of these longer-term funding mechanisms are the European Commission's Recovery and Rehabilitation Program, Humanitarian Plus Program, Food Security Thematic Program and the Water Facility. The latter two have already started funding some of ECHO's food security and water projects.

Key Themes

Strategy, Terminology and Approaches to Linking Relief and Development

It is easy to get trapped in a confusing and often unproductive debate about terminology in transitional contexts and this has clearly been an issue in South Sudan. As Murphy notes, the assistance community has been struggling with transition and has been “getting bogged down in ascertaining whether an activity should be humanitarian, recovery or development-like—instead of creating the rationale (through evidence based analysis) for improving the alignment and mix of assistance instruments and programs with the context at hand.”¹³

A recurring issue was the lack of any overall strategic framework for the recovery process. As Chandran et al argue, here is a strategic gap in early recovery and little evidence of strategy that encompasses political, security, development and humanitarian tools across bilateral and multi-lateral actors. Several of those interviewed noted that the Joint Assessment Mission could have formed the foundation of an operational strategy to guide the recovery process but that it has “faded as a living document.”¹⁴ As Murphy argues, the absence of a consolidated

¹³ Murphy, op. cit.

¹⁴ R. Chandran et al., “Recovering from War: Gaps in Early Action, City,” A report by the NYU Center on International Cooperation for the UK Department for International Development. 2008.

Box 1. Main European Commission Recovery and Development Programs

The European Commission is funding several large recovery and development programs in Sudan. Its policy is very much one-country, two systems. Most of its programming is therefore national with both a northern and Southern component, with the funding evenly divided between the two. As part of these national programs, the main programs supported in South Sudan are detailed below:

1. Recovery & Rehabilitation Program

Recovery and Rehabilitation Program is a national ‘quick-start’ intervention targeting livelihoods recovery within rural communities. The program is €54 million over four years and is targeting five conflict affected areas in each of North and South Sudan, which are now more stable and where there is potential for recovery interventions. The main elements of the program are 1) Institutional Capacity Building at county and state level 2) Livelihoods 3) Basic Services.

2. Sudan Productive Capacity Recovery Program (SPCRP)

This national program has two objectives; a) to promote rural livelihoods through direct support for projects and, b) to support institutional capacity building at different levels and different stakeholders in the area of food security. The financing for the program is €80 million over four years, evenly divided between the northern and Southern components. The program is implemented by the Ministry of Agriculture and Forestry and Ministry of Animal Resources and Fisheries, in collaboration with implementing agencies such as the UN Food and Agriculture Organization and various NGOs.

3. Food Security Information for Action

The objectives are: To strengthen capacity for generation, management and analysis of food security data and, to support decision making and planning in food security policies. The national programs financing is €20 million over four years, evenly divided between the northern and southern components. Food Security Information for Action is implemented through a partnership between key Government of National Unity and Government of South Sudan institutions in the food security sector.

4. Multi Donor Trust Fund (South)) (Multi Donor Trust Fund–South Sudan)—the European Commission has not contributed to the Multi-Donor Trust Fund (N)

European Commission financing for the Multi-Donor Trust Fund–South Sudan is €48 million, €24 million of which was specifically given for the WFP road rehabilitation program. European Commission shares its permanent seat on the Oversight Committee with another EU member state, Germany. Within the Multi-Donor Trust Fund sectoral programs, the European Commission and Germany have agreed to provide follow up and support to the education and rural development programs (water, agriculture, livestock projects). European Commission has also provided technical assistance to the Multi-Donor Trust Fund Technical Secretariat. European Commission coordinates the follow up Multi-Donor Trust Fund programs with the Joint Donor Team and other major Multi-Donor Trust Fund donors.

5. Rule of Law, Human Rights & Good Governance

The main objective of European Commission support is to ‘promote peace, recovery and development through institutional capacity building and confidence building between civil society and institutions’. The main financing decisions are:

Rule of Law—€6 million (infrastructure and capacity building for Ministry of Legal Affairs, Judiciary, Comprehensive Peace Agreement Dissemination)

—Security Sector - €22 million (de-mining and the D.D.R program)

—Media €1 million (support to the rehabilitation of Juba Printing Press)

—Technical assistance—€1 million—Government of South Sudan ministries in Rule of Law sector

6. Capacity Building Trust Fund

The European Commission has provided €2 million to the Capacity Building Trust Fund which is a ‘pooled fund’ managed by its main donors and the Ministry of Finance and Economic Planning. UNICEF is the custodian of the fund while KPMG is the financial manager. The Capacity Building Trust Fund is now providing support to ‘public finance management’ training at the Government of South Sudan and state level. A ‘Government of South Sudan training fund’ has been piloted and is supporting coordinated training programs for civil servants over 10 different Government of South Sudan ministries. The fund is also supporting Government of South Sudan capacity to run ‘in-country’ training and capacity building programs for civil servants through support of the Government Accountancy Training Centre (GATC) in Juba.

7. EU Water facility

The European Commission provides approximately €8 million in support of the rural water sector in South Sudan, channeled through UNICEF. The European Commission also supports a substantial water project (€2.15 million) in the northern part of Terakeka County, through the international NGO, ACORD.

8. Food Security Budget Line (FSBL), which changed to the Food Security Thematic Program (FSTP) in 2008

The European Commission supports 12 ongoing projects in South Sudan to a value of €15 million. These projects focus on agriculture, alternative livelihoods, water and natural resource management and environment. The FSTP, which will consider further projects this year, is much more focused on longer term LRRD than the now ended FSBL, which tended to address more “urgent” food security issues that are more the mandate of ECHO.

9. Livestock Epidemio-Surveillance Project

The European Commission has assigned €3.55 million of a €6 million national project in South Sudan. This is a major follow-up project to the long running regional PACE program for the eradication of Rinderpest and the monitoring of other livestock diseases.

10. De-mining

The European Commission has provided €5 million for de-mining activities by the UN Mine Action Service in South Sudan and a further €1.5 million for de-mining in two Southern states.

11. Non-State Actors development

The European Commission is providing €3 million nationally, evenly divided between Northern and South Sudan for the development of the capacity of Non-State Actors to manage project design and implementation in wide ranging, poverty reduction strategies.

Box 2. The Recovery and Rehabilitation Program

Following the signing of the Comprehensive Peace Agreement in January 2005, the European Commission re-launched its development cooperation with Sudan with a €54.575 million Recovery and Rehabilitation Program, which includes UNDP co-financing of €4.575 million, the bulk being funded with €50 million of STABEX funds. As such, it should be recognized as a Government program to provide an early peace dividend of the Comprehensive Peace Agreement. Thus, the Recovery and Rehabilitation Program is a five year initiative (2005–2009), managed by UNDP, on behalf of the Government of National Unity and the Government of South Sudan.

The program was first envisaged in early 2003, following the North/South ceasefire, in recognition of a real possibility of a final peace agreement. The program design resulted from detailed and frequent consultation with the Government of Sudan in Khartoum and the Sudan Peoples' Liberation Movement in Nairobi. Thus, its management arrangements and its implementation modalities are peculiar to the circumstances of the time and the capacities, or lack of them, of the contractual parties and beneficiary communities and local administration.

The Recovery and Rehabilitation Program is the largest and most comprehensive recovery program in Sudan, serving up to 800,000 Sudanese. A total of 48 national and international NGOs are working together in ten consortia of NGOs in ten states across the country to build water points, health care units, schools, and sanitation systems, design projects that provide income generation for poor households, improve the local administration's capacity, and respond to other priority needs as defined by the communities themselves.

The purpose of this program is to provide immediate peace dividends to war-affected communities. It aims at reducing the prevalence and severity of poverty and increasing food security amongst conflict affected rural households across Sudan. One of its specific goals is to link relief, rehabilitation and development. The Program commenced in January 2005 and is scheduled to run for a period of five years, ending on 31st December 2009.

Source: COWI Consortium Sudan Post-Conflict Community Based Recovery and Rehabilitation Program (Recovery and Rehabilitation Program), Mid Term Review, City: Prepared by WS Atkins International Ltd, The COWI Consortium. 2008

strategy around the recovery process remains a major impediment to greater coherence.¹⁵ European Commission in-country representatives, before and after the Comprehensive Peace Agreement, have been calling for the development of a 'Marshall Plan' for Sudan and especially the Southern states (personal communication). This lack of strategic leadership was also a problem of too many conflicting voices and the World Bank, UN and donors all attempting to play leadership roles without sufficient coordination.

Both the European Commission and the U.S. have, however, arguably been relatively effective at maintaining flexibility between relief and development instruments and encouraging transitions from relief to longer term funding. OFDA in its 2007 guidance for partners in relation to health care called for the inclusion of clear and measurable plans for transitions from relief to long-term funding and for complete relief to development checklists for each facility

¹⁵ Murphy, op. cit.

Box 3. EU Humanitarian Plus Program

The EU Humanitarian Plus Program was launched in 2002 and will come to an end in 2008. It was designed as a one-off program designed to revive development cooperation between Sudan and the European Commission in the absence of a valid country agreement. It took a longer term view of addressing immediate needs by supporting the rehabilitation of systems and services and enhancing local capacities. The second phase of HPP was launched in 2004 and particular emphasis was placed on linking relief, rehabilitation and development in the priority sectors of food security, education, health care and water and sanitation. Fenton notes that the program played an important role in providing continuous support to service delivery. It benefited from strong management by a private company, Euroconsult Mott Macdonald, who kept the same team members over the life of the program, traveled frequently to the field and had a good understanding of the context and relationships with implementing partners.

Source: Fenton, op. cit.

to be supported. It called for all health programs to include strong capacity building components.¹⁶ The European Commission has increasingly shared proposals between ECHO and those responsible for development financing and aimed to support transitions from ECHO to longer term funding. Sudan was also one of the countries where a LRRD analysis framework was tested although at the field level it was perceived as desk analysis and more of an imposition than a useful analytical tool. What several of the interviewees argued, however, was that both the European Commission and the U.S. have perhaps remained too focused on their own particular projects and funding instruments and have failed to take a more strategic and coordinated approach to wider issues relating to recovery and linking relief and development.

Funding Mechanisms

South Sudan has turned into something of a test case for pooled funding approaches with an extraordinary array of financing instruments. Advocates of pooled funding arrangements argue that they can enable donors to meet commitments to harmonization and alignment, cut transaction costs for both receiving and donating governments and enable better coordination of both policies and activities at field level. However, there are large question marks over how effectively they function in practice and whether these potential benefits are being realized, particularly in the context of South Sudan. Ironically, given that greater harmonization is one of the rationales for pooled funding, the multiplication of mechanisms and their complexity has made coordination difficult.

There are also interesting contrasts in donor approaches to pooled funding. The EU is the second largest donor to the Multi Donor Trust Fund - South Sudan but has also maintained a range of bilateral funding arrangements. DFID has been a major supporter of pooled funding arrangements but still introduced its own Basic Services Fund in response to the limitations of the Multi-Donor Trust Fund—South Sudan. The U.S. has not supported any of the various

¹⁶ OFDA 2007, op. cit.

pooled funding arrangements, both because of legislative constraints and because it remains unconvinced of their effectiveness.

The various reviews have clearly illustrated the limitations of pooled funding arrangements and, particularly, the failure of the Multi Donor Trust Fund - South Sudan to deliver quickly enough in the crucial first years following the signing of the Comprehensive Peace Agreement. As Chandran et al note, the Multi Donor Trust Fund - South Sudan suffered from a Catch 22: “World Bank officials explain that they had no ability to expend from the Multi Donor Trust Fund - South Sudan in the absence of government officials themselves setting the priorities, approving expenditures etc.—but the government officials in question had next to no human resources, and the purpose of the Multi-Donor Trust Fund was precisely to help build that capacity.”¹⁷ USAID officials interviewed noted a concern with the Common Humanitarian Fund in that it led to a proliferation of small projects from a wider range of agencies and reduced funding for some of the larger agencies, such as the World Food Program.

There is clearly a need to balance the desirable objectives of pooled funding with a concern for immediate effectiveness and the ability to disburse funding rapidly and flexibly. This suggests that a mix of instruments is probably needed as argued by Murphy, who notes that “a plurality of funding mechanisms should not be seen as indicative of weak or fragmented planning, but rather a response to the multifarious stakeholders, timeframes, sector and programmatic approaches that need to coexist in South (sic) Sudan.”¹⁸ Fenton similarly argues for a mix of flexible approaches and instruments, which together meet immediate service delivery and longer term, state building needs.¹⁹ It is, however, hard to avoid the conclusion that the proliferation of financing mechanisms may be creating confusion and that there has been something of an over-focus on the ways in which money is moved that may have distracted attention from how effectively it is being spent at field level.

Too often donors are still making judgments on financing mechanisms in terms of their success in allocating money. It was also noted that huge amounts of time were spent on deciding allocations of who gets what in pooled funding mechanisms such as the Common Humanitarian Fund, which perhaps distracted attention from what is being done with the money. Several of those interviewed felt that there was a need for a greater focus on questions around assistance effectiveness and monitoring what is actually happening on the ground in terms of project implementation and impact. Too little attention is also given to the question of whether or not people actually are recovering their livelihoods, the shifting strategies being employed in building new livelihoods and ways in which these could be better supported. There is a real need for stronger livelihoods analysis which examines issues around policies, institutions and processes as well as key livelihood assets.

The European Commission and U.S. bilateral funding arrangements have been important in enabling funds to continue to flow immediately following the peace agreement whilst joint funding arrangements became established and continue to play an important role given the ongoing limitations of joint funding.

¹⁷ Chandran, et al., op. cit.

¹⁸ Murphy, op. cit.

¹⁹ Fenton, op. cit.

Time Frame and Preparedness

The timeframe for linking relief and development was a recurring theme in the literature and in interviews. The Comprehensive Peace Agreement has imposed something of an artificial six year time-frame around recovery and a fairly linear assumption that it will be possible to move from relief to recovery to development. As Murphy argues, “rather than a passing phenomenon between a humanitarian crisis and conditions for supporting longer term development, transition in South Sudan is the context to address over the medium to longer term.”²⁰ However, the need for this longer term perspective has not necessarily been reflected in donor funding mechanisms or strategies. U.S. OFDA funding for NGOs is on an annual basis causing uncertainty and lack of continuity as policy shifts.

There have been attempts to move towards a slightly longer-term perspective within particular funding windows. The Recovery and Rehabilitation Program for instance provides three-year funding. Many of the financing instruments available, however, have remained relatively short-term and the various uncertainties about what funding was available from which instrument has meant that funding has often been unpredictable making longer term strategic planning and investments in capacity difficult.

Another recurring theme was the lack of preparedness to gear up support to recovery after the signing of the peace deal. The protracted peace negotiations meant that the peace deal was hardly a surprise and yet there were still significant delays in getting key funding instruments, organizational capacities and policies in place. An example was the lack of a framework agreement between the World Bank and the UN, which created at least a year of significant delays for important instruments.

Coordination

Several of the people interviewed for the study noted the good cooperation on linking relief and development issues within the different parts of European Commission and U.S. assistance to South Sudan. The European Commission Juba sub-office has played a part in this, as have strong individuals with long experience in Sudan, employed by both the European Commission and the U.S. Proposals received from NGOs are shared between ECHO and other DGs of the European Commission and the transition of particular projects between ECHO and longer term funding supported. Similarly, the U.S. encourages transitions from OFDA to development support.

Coordination between the European Commission and the U.S. was seen by various interviewees as more problematic. In the early years after the signing of the Comprehensive Peace Agreement this wasn't helped by the fact that the European Commission was largely based in Khartoum and the U.S. in Nairobi. This lack of a robust Juba presence in the early stages of the peace process was a constraint to participation in strategic level planning and one interviewee noted that, “their absence was felt.” There was one senior level diplomatic EU post in Juba but this had nothing to do with programming European Commission funds. The European Commission did have one representative in Juba from about October 2005 to the present but

²⁰ Murphy, *op. cit.*

at a relatively junior level. Peter and Lo Willa argue that this severely affected day to day business and relations with the Government of South Sudan.²¹

Some of those interviewed, however, did note the good coordination at field level between the European Commission and the U.S. particularly between ECHO and OFDA in the humanitarian sphere. Again, this often rested on strong individuals with good contextual experience. An interviewee described ECHO and OFDA coordination as “easy and efficient” with a good exchange of information, swapping of proposals and co-funding where appropriate. Coordination with the Office of Transition Initiatives was seen as more difficult. Several people interviewed noted the tendency of USAID to work in relative isolation and that they were more difficult to coordinate with both because of this isolation and due to a tendency to jump from initiative to initiative. USAID officials stressed that they were committed to coordination and to participating in the various pooled funding mechanisms as observers.

Perhaps the most ambitious attempt at donor coordination was the Joint Donor Office established in Juba, but this is widely seen to have been a failure, having been invested with too little authority to be effective. It was established in Juba in May 2006 by Denmark, Netherlands, Norway, Sweden and the UK with Canada joining in 2007.

Relations with the State

A key distinction between relief and development is how donors and assistance agencies relate to the state. Development assistance is generally premised on working with and through state institutions whereas humanitarian assistance often works around state authorities. As Murphy notes, the critical question of how donors, assistance agencies and their mechanisms best relate to and invest in South Sudan’s emerging state has often been lost in debates over contending relief and development priorities.²²

Various interviewees noted that NGOs were slow to make a shift from direct implementation to a greater focus on state level capacity building and that this has constrained the achievements of programs like the European Commission Recovery and Rehabilitation Program. As the mid-term review of the Recovery and Rehabilitation Program notes institutional development of local government is not “an area where NGOs have expertise or are comfortable” and they found the transition from humanitarian assistance delivery to participatory development difficult.²³ The question for donors is whether or not they could have done more to encourage and support NGOs in making the necessary shifts.

More generally, Chandran et al’s argument that capacity building programs need to be able to take risks to build national capacity in the absence of clear national direction rings very true for South Sudan. They note the risk of paralysis in waiting for government to have the capacity to lead. In the early years of the Comprehensive Peace Agreement donors seem to have had an unrealistic expectation of how quickly Government could build capacity and some of the basic

²¹ Peter and Lo Willa, op. cit.

²² Murphy, op. cit.

²³ COWI Consortium Sudan Post-Conflict Community Based Recovery and Rehabilitation Program (Recovery and Rehabilitation Program), Mid Term Review, City: Prepared by WS Atkins International Ltd, The COWI Consortium, 2008

measures that would be needed to do so. Just implementing the measures contained in the Comprehensive Peace Agreement and the Joint Assessment Mission placed extraordinary burdens on the government of South Sudan. They note that in Sudan, “the peace agreements and needs assessment together mandated the creation of over 250 commissions and councils—all to be implemented under the aegis of a new Vice President with next to no human or financial resources. There was no recognition of the scale of this task, and therefore no rapid mobilization of resources to achieve this.”²⁴ USAID’s support just to build functioning Government offices in Juba is an example of the sort of basic support that is still needed to enable Government to start fulfilling basic functions.

There was a particular lack of consistent support in key sectors that form the foundations of building an effective state. There has been an ongoing lack of holistic support to security sector transformation and instead a hodge-podge of initiatives which mean it remains a problem area. There were also key missed opportunities to provide stronger support in the fundamental area of support to the management of public finances. A combination of insufficient attention and institutional competition led to a failure to put in place an independent procurement agent for 2 years after the Comprehensive Peace Agreement and there were also key failures to put in place strong systems of payroll management for public sector staff. As one interviewee put it these failures to focus on key foundational elements and the tendency of donors to focus on bits and pieces has led to a ragged recovery.

Role of International NGOs, UN Agencies and Other Actors

International NGOs played a critical role in maintaining some limited access to basic services and relief during the civil war. The signing of the Comprehensive Peace Agreement has seen an understandable desire on the part of donors to move towards greater government ownership and away from direct NGO service delivery. However, there were unrealistic expectations about how quickly this was likely to take place. In the process, funding for NGOs dried up during a particularly critical two year period after the signing of the Comprehensive Peace Agreement and valuable skills and capacities were lost.

Responsibility for this loss of capacity needs to be shared between donors and NGOs. It was partly a result of a lack of responsive and flexible funding to maintain basic services and focus on actual delivery at field level. But it was also related to NGOs’ slowness to react to the changed circumstances following the Comprehensive Peace Agreement and engage more strategically with government, emerging pooled funding mechanisms and with new development actors. As Murphy notes, many agencies want to engage in longer term horizons but struggle with how to relate to newly forming and only partly functioning local Government authorities.²⁵ There are also insufficient incentives for NGOs to change ways of operating because of the widespread continuation of short term planning cycles and funding.

Part of the problem is arguably with the way that questions around the respective roles of international NGOs, Government and local actors get framed. Too often, this is presented in

²⁴ Chandran et al, op. cit., p. 29.

²⁵ Murphy, op. cit.

either/or terms—in the sense that there is a need to move from funding NGOs to more direct funding to Government, for instance. However, given nascent government capacities in South Sudan, and the need to maintain and expand service delivery and assistance with recovery processes, what was needed was not a switch from one provider to another, but an ‘all hands on deck approach’. Both emerging government institutions and NGOs with existing programs and capacity needed additional funding to capitalize on the opportunities presented by the peace process.

This is clearly described in relation to the health sector by MSF (2008)²⁶ who note that sustained financial commitment to short and long term health services is essential but that emergency donors are reducing their presence, significantly cutting the resources devoted to health needs. They note that there are few development organizations on the ground to run development projects and argue that it is vital that emergency health care programs continue to be funded even as longer term projects begin. Despite rhetorical and policy commitments to the simultaneous need for relief and development it still seems that in practice donors often reduce relief funding before development mechanisms are realistically able to deliver key services.

NGOs continue to play a critical role in the delivery of services. For example, in the health sector it is estimated that NGOs provide 86 percent of health services in South Sudan and pay around 75 percent of health worker salaries, with much of the funding still coming from OFDA and ECHO.²⁷

An important, negative feature of the majority of the financing mechanisms has been that they have tended to exclude local civil society and national NGOs. The Recovery and Rehabilitation Program has been an important exception with support to national partners encouraged through the consortium approach. The Office for Transition Initiatives small grants mechanism has also been able to transfer funds relatively efficiently to Sudanese local government and civil society institutions.

An interesting contrast between the European Commission and the U.S. has been the U.S. Government’s greater use of private sector contractors for implementing programmes, particularly those funded by OFDA, Office for Transition Initiatives and USAID’s Africa Bureau, the latter for longer term development programs. The European Commission would normally use private sector consultancy companies for implementing programs via normal European Development Fund tendering procedures. However, in the immediate aftermath of the Comprehensive Peace Agreement, the Government of South Sudan had no experience of European Commission systems and the Northern Government had had no practice for 14 years. This meant that the skills needed to conclude such contracts were not available. Likewise, the European Commission wished to take advantage of the experience of all NGOs on the ground, which meant that the European Commission rules of origin could not be applied. This necessitated going through an international organization (UN, World Bank and the Red Cross) for both management and procurement.²⁸

²⁶ MSF 2008, *op. cit.*

²⁷ Fenton, *op. cit.*

²⁸ Personal communication.

Box 4. U.S. Funding for Private Sector Companies

In 2005, PADCO was the first American private company to be granted an Office of Foreign Asset Control License by the U.S. Treasury Department to provide technical support directly to the new Government of South Sudan (Government of South Sudan). PADCO is providing technical assistance in preparation of urban master plans for the 10 state capital towns in South Sudan, in rehabilitation of physical infrastructure of Juba town so that it can serve as the capital city of the new government, and in preparation of the South Sudan Housing Sector Development Policy Study, which shall guide Government of South Sudan as it seeks to provide housing for its citizens.

Source: <http://www.aecominterdev.com/Resources/42/97/index.jsp>

For all donors, there have been issues with the quality of management from the United Nations. This ranges from specific problems, such as the quality of management of the Recovery and Rehabilitation Program by UNDP, to a more general feeling of a lack of strategic direction and strong coordinating role from the United Nations. As Chandran et al found in their review of recovery gaps, “No known staff members have praised the human resources system of any United Nations entity.”²⁹ Nonetheless, there has been widespread praise for the skills of the current South Sudan UN regional coordinator, who is seen as having played an important role in coordination and developing more strategic approaches. Views on this differ, of course, from the other side of the fence, with some interviewees pointing to the lack of a donor presence in Juba and contrasting that with the substantive, on-the-ground UN presence.

It is clear that for all of the international actors involved the situation in Darfur absorbed huge amounts of time, attention, capacity and funding.³⁰ The recovery challenge in South Sudan deserved the A team of both donors and assistance agencies, but Darfur and other huge emergencies (notably the tsunami) stretched capacity at critical times. In general, there was a perceived failure to ensure good, senior staff were both recruited and stayed for long enough to provide an element of continuity. This is an issue that is far from unique to South Sudan and the international system badly needs to review the support systems that it provides to enable people to work and remain for long enough periods in challenging work environments like South Sudan.

Donors’ own capacity is often becoming increasingly stretched with a trend towards systemic cuts in funding and staffing and what Chandran et al describe as “a lack of internal capacity that is deployed in-country to engage with other actors, monitor and manage portfolios, and to facilitate dynamic response to changed circumstances.”³¹ Given these general trends, the European Commission and the U.S. were seen by most of those interviewed to have done a relatively good job of deploying staff with good experience and knowledge of the Sudanese context and a willingness to get out to field level to monitor projects. The European

²⁹ Chandran et al., op. cit.

³⁰ Peter and Lo Willa, op. cit.

³¹ Chandran et al., op. cit.

Commission has had what one interviewee described as an “amazing consistency of team” that has “been here from the beginning and seen it through.” A particular current concern for the European Commission is changing regulations about technical experts, with a new language test leading to huge losses of expertise and experienced personnel.

Scale of Support

In the complex debate about the appropriate mix of financing instruments and balance between pooled and bilateral funding it has been easy to lose sight of the more basic question of whether or not overall funding to support the process of recovery in South Sudan has been sufficient. It seems clear that in many respects the answer is an unequivocal no. For instance, Pantuliano et al clearly portray the basic inadequacy of the assistance available to assist returning IDPs in processes of reintegration:

Where investment has been made in the provision of services or in community development and recovery processes, returnees and resident communities have stressed the important role that these interventions have played in sustaining the socio-economic reintegration of returnees. However, recovery assistance appears to be very patchy, uncoordinated and often limited to areas which are easier to access. There does not seem to be a strategic framework to guide recovery efforts in the states, and assistance ends up being fragmented and limited in scope and impact. The crisis in Darfur was blamed for diverting attention away from the recovery assistance needed to underpin the implementation of the Comprehensive Peace Agreement.³²

There has been a general failure to provide sufficient assistance given the huge scale of the return process, conservatively estimated at 1.6 million people over the last three years. The basic under-investment in recovery processes is not peculiar to South Sudan as noted by Chandran et al. in a recent report on gaps in support to post conflict recovery, nor is it peculiar to the European Commission and the U.S. who have been some of the most generous donors. A fundamental issue remains that levels of support are just too small to realistically enable people to build stronger and more resilient livelihoods. Chandran et al note a lack of attention to general issues of livelihoods and mechanisms for employment and income generation, which certainly seems to be the case in South Sudan.³³

There are also issues around the ongoing need for commitments to humanitarian assistance, given the risk of both natural disasters and renewed conflict. In 2008 there were abrupt reductions in funding for humanitarian assistance, with ECHO as the only agency not reducing its humanitarian portfolio.

³² S. Pantuliano, et al., “The long road home: Opportunities and obstacles to the reintegration of IDPs and refugees returning to South Sudan and the Three Areas,” HPG Commissioned Report for DFID, Overseas Development Institute, 2007.

³³ Chandran et al., op. cit.

Box 5. Ongoing Humanitarian Needs

Following fighting in mid May 2008, over 70,000 people were affected by the crisis in Abyei, including IDPs and host communities. Allocations were made from the OCHA Central Emergency Response Fund and the Sudan Common Humanitarian Fund and a response covering water, sanitation, food assistance, livelihoods, shelter, protection and other sectors was mounted by UN agencies and NGOs.

Médecins Sans Frontières deployed a team of 11 people to support the displaced bringing surgical tools, first assistance and water purification materials. In Turalei and Agok, where people had fled to, they treated 140 wounded people and assembled emergency medical structures.

The Abyei Recovery and Rehabilitation Program lost its compound in Abyei but retreated to Agok. It immediately converted the community centre into a reception centre and the Recovery and Rehabilitation Program personnel and structures to switched to a humanitarian mode, using humanitarian funds. The response was immediate and effective. The Recovery and Rehabilitation Program is now back in 50% of the areas of development and is demonstrating the LRRD contiguum. This same facility of switching had been used by the Recovery and Rehabilitation Program Renk, Upper Nile, to respond to the Flooding in 2007.

Sources: OCHA, "South Sudan—Abyei Displacement, OCHA Situation Report No. 18, Reporting Period 28 June–04 July 2008," Office for Coordination of Humanitarian Affairs; personal communication; Médecins Sans Frontières, "South Sudan Activities Update," <http://www.doctorswithoutborders.org/sudan>; Médecins Sans Frontières, "Greater Upper Nile, South Sudan: Immediate Health Needs Remain Amid A Precarious Peace," <http://www.doctorswithoutborders.org/publications/article.cfm?id=3353&cat=special-report>

Conclusions

The European Commission and the U.S., in common with all major donors, increasingly have in place policy commitments to linking relief and development, although the terminology used continues to shift. What the Sudan case study demonstrates is the contextual complexity of putting these commitments into practice and the ease with which bureaucratic and administrative constraints relating to different categories of funding can continue to undermine assistance strategies.

In the light of the well documented initial failings of the various pooled funding mechanisms, particularly the Multi Donor Trust Fund - South Sudan, both the European Commission and the U.S. have played an important role in maintaining other bilateral forms of funding, which have helped to provide the flexibility and responsiveness that Chandran et al call for in recovery contexts.³⁴ A key part of this apparent relative success has been that both donors have maintained an in-country presence with offices staffed with experienced personnel. This has helped to provide flexibility, responsiveness, the ability to monitor programs at field level and improved coordination. This stands in some contrast to the tendency of many other donors to devolve responsibility to the UN and multilateral donors and attempt to increase funding levels with reduced staff. Individual expertise is often critical and the South Sudan example shows the importance of investments in recruiting and keeping strong individuals.

³⁴ Chandran et al., op. cit.

The broader picture of where South Sudan lies at a critical moment in the implementation of the Comprehensive Peace Agreement and recovery process, however, suggests that this ‘success’ is highly relative and has taken place in a context of wider failures to successfully link relief and development. The strategic, financing and capacity gaps identified by Chandran et al in post-conflict recovery³⁵ are much in evidence in South Sudan. The underlying premise of this case study, that adopting a LRRD focus can increase the effectiveness of donor assistance strategies and lead to improved livelihoods, still remains largely unrealized. Too few people in South Sudan are receiving support in terms of access to basic services or in building stronger and more resilient livelihoods. The European Commission and the U.S. have done better than others in enabling some assistance to keep flowing, but much more is needed. As we argued earlier, relief and development transitions are still too often seen in terms of either support to government or support to NGOs when, particularly in the early stages, what is needed is an ‘all hands on deck’ approach in which both emerging government institutions and national and international NGOs are supported to scale-up and capitalize on emerging opportunities presented by the peace process.

³⁵ Chandran et al., *op. cit.*