



# Situation Report

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## Post-referendum security scenarios for South Sudan

### Introduction

The 9<sup>th</sup> of January 2011 will be a momentous day for all southern Sudanese people. After 22 years of civil conflict between north and south Sudan the country will hold a referendum on the right of south Sudan to secede and form an independent state. This paper outlines the key security challenges facing Sudan regardless of what the outcome of the referendum may be.

The people in south Sudan – represented largely by the political party the Sudan People's Liberation Movement (SPLM) – are predominantly African and follow Christian and animist beliefs. While there are many underlying reasons for the north-south war, one of the main ones has been the pursuit of an Islamic and an openly pro-Arab political agenda by the Sudanese government led by the National Congress Party (NCP). While the fault lines for the political conflict are racial and religious, the economic cause of strife is the concentration of power and privilege within a narrow cohort within NCP. This group of Northern elites is intent on controlling Sudan's wealth through international oil and other industry contracts. Corruption and cronyism are rampant and little of the national wealth is used for development efforts in the South. To complicate issues further, the conflict is not simply between the NCP and the SPLM, but involves other political groups in the Darfur and eastern Sudan (Beija) regions.<sup>1</sup>

To backtrack slightly, the war ended in July 2002 with the signing of the Machakos Protocol. This set the framework for the role of the state, including the status of religion, and acknowledged the right of southern Sudan to self-determination. The signing of the protocol – mediated by retired Kenyan general, Lazaro Sumbeiywo, and sponsored by the Inter-Governmental Authority for Development (IGAD) – concluded the first round of peace talks between the north and south. Progress in power- and wealth-sharing, security matters and the three contested areas (Abyei, Nuba Mountains and southern Kordofan) continued through 2003, and in 2004 the Government of Sudan and the South Sudan Liberation Movement and Army (SPLM/A) signed a declaration committing themselves to conclude a comprehensive peace agreement (CPA). This agreement was formally signed on 9 January 2005 and was witnessed by the international community in the form of the United Nations (UN), the European Union (UN), and the IGAD countries led by Kenya, Ethiopia and Uganda. The IGAD Partners Forum, made up of the United States (US), Norway, Italy and United Kingdom (UK), then offered financial support and technical advice to the entire CPA process.

The CPA seeks to remould the skewed state and promote a political partnership between the NCP and SPLM, while offering the south a clear exit strategy if these terms are not met. It is an ambitious proposal covering an array of arrangements

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and processes to be implemented during a six-year interim period, and it has also been widely criticized. In terms of the agreement, the south can choose to become an independent nation through a referendum. Meanwhile for the north a key goal has been to make unity attractive by giving the south an equitable stake in the state. The tone of a speech by Salva Kiir (President of Southern Sudan and first Vice-President of the Government of Sudan) given at the Congressional Black Caucus Foundation in the US on 18 September 2010, indicated that Africa's largest state will inevitably break up. Notwithstanding several unresolved issues, the south is ready to secede. Typical of the types of statement from people in the villages and towns in Southern Sudan are: 'We need the referendum to get freedom'; 'This referendum will bring stability'; and 'The referendum will bring lasting peace to Sudan as a whole'. Expectations of a breakaway are very high among the southern Sudanese population, for whom independence is assumed to be imminent.<sup>2</sup>

For the NCP there are two approaches. The one approach does not accept any referendum outcome other than maintenance of national unity; hence the vigorous campaign for unity that has recently been set in motion. Despite efforts to make unity attractive, the south considers this approach to be too little too late. The second approach is political brinkmanship and reluctance on the part of Khartoum administration to make meaningful concessions in relation to key outstanding issues such as border demarcation, oil and wealth sharing, and citizenship. This strategy is simply an exercise to save face domestically and to a large extent in the rest of the Arab world if the south does break away. Aware that secession will make them stand accused of an historic failure, the Khartoum administration wants to make the process seem difficult.

Members of the NCP feel that it might be easier to extract concessions from both south Sudan and key Western states such as the US *before* the referendum, so they want to wait until very the last minute. Delays in disbursing funding to the Southern Sudan Referendum Commission (SSRC) and the Southern Sudan Referendum Bureau (SSRB) are examples of this deliberate delaying strategy. In the event that the NCP continues to be a stumbling block to the two referendums (one in southern Sudan and one in Abyei) the South Sudan Legislative Assembly (SSLA) constituted in the interim CPA period can make a unilateral declaration of independence (UDI). However, as stated by President Kiir himself, the south has ruled out UDI because it would be political suicide and leave no room for key post-referendum discussions on issues such as revenue sharing.<sup>3</sup>

This clear stance on UDI offers a glimmer of hope, although one cannot rule out a possible return to war, given the sporadic outbreaks of antagonism between the parties. However, a timely and successful conclusion to the self-determination processes in southern Sudan and the disputed Abyei area could be a vindication for both signatories to the CPA and for its international guarantors. It would open the way to the normalization of relations with Western donor countries and international institutions, and for peaceful relations between the north and south.<sup>4</sup>

The guarantors to the CPA are collectively responsible for the diplomatic confusion, sluggishness and failings since 2005, which have allowed Khartoum to renege on key implementation benchmarks and have led to the current near-collapse of the agreement. Khartoum has escaped censure over its manipulation of ethnic, political and military tensions throughout Southern Sudan. The African Union (AU) has appointed a high-level panel led by Thabo Mbeki (former president of South Africa), which is supporting talks between the NCP and SPLM on post-referendum issues, including the Abyei referendum. To fortify efforts led by their Special Envoy, Scott Gration, the US has dispatched Senator John Kerry to thwart any form of bloodshed of the type witnessed in the past; and the UN Security Council, during its last field mission, presented a raft of proposals aimed at peaceful implementation of the CPA. All these initiatives offer international buffers against a return to war, but the guarantees are few. IGAD has called Extraordinary Summits in order to be briefed on the implementation of the CPA, which is its

creation. The most recent of these, on 27 November 2010, failed to unlock the referendum stalemate on a number of issues, including border demarcation, oil revenue sharing, citizen rights in the post-referendum period, and the status of the contentious Abyei region.<sup>5</sup>

It is these stumbling blocks and the possibility of a return to war that this paper seeks to assess. Both the NCP and even more so, the Government of Southern Sudan (GoSS), are driven by the belief that a confrontation is likely. This shapes a range of security strategies. The paper appraises the interests, dynamics and efforts posed by national, regional, and international actors in either sustaining or responding to the potential security crisis. Nationally the security situation remains precarious, and regionally the problem is bound to spill over, so political will is needed to sustain the various ongoing diplomatic efforts in the face of the looming threat of a return to war. Specific attention is given to the security implications arising from the dynamics between Sudan's neighbouring countries and from key international relationships. The paper concludes with some concrete recommendations.<sup>6</sup>

Groundwork for the two referenda (in Southern Sudan and Abyei) as per the date specified in the CPA and in the referendum acts is far behind schedule. This is despite statements from the GoSS that non-adherence to this date is non-negotiable. The UN Security Council has underscored the importance of holding the referendums on time and of ensuring adherence to international standards. However, in both referendums the matters of voter eligibility, voter registration procedures, and border demarcation continue to be disputed. In the case of the Abyei referendum, there is also a dispute over the appointment of the referendum commission. At the time of writing (2010) all indications were that the referendum in Abyei would not take place as scheduled on 9 January 2011.

The matter of voter eligibility presents technical challenges that are exacerbated by delays resulting from political disputes between the parties. Although voter registration for the southern Sudan referendum began on 14 November 2010 and is proceeding apace, the physical demarcation of the boundary between north and south Sudan, as prescribed in the CPA has not yet been carried out. However, the CPA does not require demarcation as a precondition for the referendums and the stated position of the SPLM is that this can be postponed until after the vote. At various points, the stated position of NCP officials has been that demarcation must be completed beforehand. If this NCP position on demarcation is accepted it will mean that it will not be technically possible to hold the referendums on the agreed date.

Political stand-offs on CPA implementation and poor technical planning have characterized the relationship between the north and south. For a credible vote to take place and happen on time, the parties need to agree on a modification of the registration and voting arrangements. In practical terms this has already happened. But the two Referendum Commissions now need to act with unprecedented speed. To increase the chances of organizing the referendums in time, the technical and logistical challenges need to be clearly distinguished from the diplomatic challenge of resolving delays caused by disagreements between the parties.

The SSRC, following its establishment in June 2010, has been riddled with disputes despite the referendum's timetable. There are mounting tensions between the NCP and the SPLM due to accusations by the SPLM that the NCP has deployed troops along the north-south border. The problems in Abyei are even greater than those facing the referendum in the south. While the NCP and the SPLM agreed to the findings of the Permanent Court of Arbitration (PCA) on the boundaries of Abyei, the NCP has demanded that the boundaries be physically demarcated before the referendum takes place. The Referendum Act specifies residence in the Abyei Area as the criterion, to include Ngok Dinka and other residents. The NCP demands the inclusion of the Misseriya population, either in its entirety, or the part that spends the dry season in the Abyei Area; the SPLM insists that only the permanently

resident population, almost all Ngok Dinka, be included. Then there is a deadlock on the naming of the members of the Abyei Referendum Commission. Further, the US-led negotiations on Abyei floundered during a meeting in Addis Ababa and have reached political deadlock. The post-referendum talks on citizenship, wealth/oil sharing and other key issues crucial for curtailing a war have taken a back seat as parties are bogged down by referendum negotiations. On the bright side, on 5 December 2010 a framework on the security of the oil fields was agreed upon. It stipulates that oilfields south of the 1956 border will be the responsibility of the Joint Integrated Units, which are part of the CPA's security arrangement and include equal forces from Sudan's Armed Forces (SAF) and the SPLA.<sup>7</sup>

Several factors have catalysed an unprecedented political transformation in the whole of Sudan, irrespective of their individual outcomes and challenges in execution: the Sudan presidential and parliamentary elections on July 2009, the two proposed referenda, and the processes for Popular Consultations in Southern Kordofan and Blue Nile which will facilitate people's perspectives on political arrangements under the CPA.

Understandably both the NCP and the SPLM seek reassurances for the future due to the uncertainty about the referendums and various outstanding negotiations. The NCP is concerned that aggrieved political forces in the north might coalesce, and is wary that Juba (the capital city of Southern Sudan) might support one or more of these forces. The party's political future is threatened by economic vulnerability, as it is likely that a majority share of the country's oil – Sudan's most profitable resource – will be lost to an independent south. Darfur rebels continue to present a problem to the government, formerly aligned constituencies feel betrayed, and northern opposition parties are poised to blame the NCP for partition and capitalize accordingly.<sup>8</sup>

For its part, the SPLM wants assurance that the referendum will happen and that Khartoum will both accept the result in good faith and be the first to extend recognition if the vote is for secession. However, internal differences abound within the SPLM movement. Its strategy, which is to talk in concrete terms about internal problems and cooperation with the north only *after* the exercise of the right to self determination on what it hopes might be more equal footing, is affecting the current level of negotiations.

#### *Khartoum*

For the NCP, the prospect of an independent south is likely to increase the rifts between it and other parties in the north. Opposition parties say they will be weakened by secession of the south, which will allow the ruling NCP regime to step up attacks on its critics in Darfur, the Nuba Mountains and beyond, because previously its attacks were directed at the south. The rage against the regime is being channelled through the Broad National Front (BNF), a new opposition coalition, revived in October 2010 after years of inactivity of the National Democratic Alliance which attempted to work with the NCP regime but failed to impress local, Western, Arab or African supporters as a viable alternative. The BNF has support from Darfur groups, including the Justice and Equality Movement, which is also trying to work with the SPLM.<sup>9</sup>

The Broad National Front might be the spearhead of a reinvigorated opposition or it may sink without trace. Whatever the case, the feeling among opposition groups in the north is that the prevailing regime is the cause of all the miseries in Sudan. The most extreme statement of this has come from the BNF's leader, Ali Mahmoud Hassanein, who has openly suggested overthrowing the NCP regime. Frustrations in dealing with the NCP are also echoed in widespread complaints by interlocutors that include the former Prime Minister, El Sadig Sideeg el Mahdi, and United Nations and Western officials, among them US Special Envoy Scott Gration. Currently, the feeling is that neither the NCP nor the BNF will make a change and that the south will become independent. It remains to be seen what impact the exit of the SPLM will mean, and whether the Broad National Front will enjoy

sufficient support to become the new political front in the north.<sup>10</sup>

### *Southern Sudan*

Political differences, dissidents and a delicate security situation have plagued the CPA and continue to be a matter of concern. Violent challenges to the 2009 polls internally within the original SPLM and its affiliates brought the differences between southerners into the open. Prominent among these are the conflict between Lieutenant General Athor and SPLA forces in Jonglei State; and attacks on SPLA units in Pibor area and Fashoda County. However, in a bold move on 6 October 2010, President Kiir issued an executive order pardoning army officers who rebelled or fought against SPLA forces before and after elections, urging them to rejoin army ranks and to move freely in the south.<sup>11</sup> In addition, the latest round of south-south dialogues saw the presence of key SPLM critics: the former minister of foreign affairs and leader of a breakaway party, SPLM-DC, Dr Lam Akol Ajawin, and Bona Malwal Madut, the presidential advisor of the Republic of Sudan, President Bashir. These two men are mistrusted by the SPLM and are perceived to be close to the NCP. Nevertheless the face-to-face meeting they held with the SPLM – the first in a long time – sends positive signals regarding the softening of internal divisions in the south. Despite their differences, southerners are bound by a common vision of self-determination and a commitment to put aside internal differences for the sake of the referendum.<sup>12</sup>

The south Sudanese expect the SPLM to usher in political transformation and commitment to the resolutions made during the south-south dialogue meeting held in October 2011, despite the history of a heavy-handed approach that the party and its security forces have adopted in managing political dissent. Plans of a new constitution and new elections soon after separation – elections that they believe will usher in political pluralism and reflect the will of the people – will need to go ahead. If the SPLM does not meet these expectations for responsible governance, the popular anticipation will quickly be replaced by deep-seated grievances and disappointment. As seen in the aftermath of the 2010 elections, Southern Sudan remains a region susceptible to local uprisings and spontaneous violence. The potential for renewed violence after secession cannot be ruled out.<sup>13</sup>

As the date of the plebiscites on the future of the Southern Sudan and Abyei draws near, both sides are getting jittery. A move by President Kiir on 15 October 2010 seems to have taken the NCP by surprise. As confirmed by the US ambassador to the United Nations, Susan Rice, the UN troops (already in Sudan under the UN Missions in Sudan) form a buffer zone about 15 kilometres wide between the SPLA and the Sudan Armed Forces (SAF). Fears are that troops are moving towards contested areas, and possibilities are strong that UN police and troops will be sent to hotspots along the border. On balance, the north bears the greatest responsibility for the rise in north-south tensions due to numerous acts of omission or bad faith in the implementation of the CPA. This conduct has eroded the fragile goodwill and confidence that propelled the parties into signing the agreement. The SPLM, which is the underdog in the CPA, has been pushed into making a series of costly concessions over the *unimplemented* or controversial aspects of the agreement.<sup>14</sup>

The economic implications of secession are worrying, as the inter-dependencies between the north and south are complex. Of Sudan's proven 6 billion barrels of oil reserves 75 per cent is found in the south. Transportation, which is done through a pipeline in the north (Port Sudan), and sale of oil is controlled by the north. Ninety-eight per cent of the revenue of the GoSS comes from oil revenue. When and if south Sudan secedes, the Government of Sudan will lose 50 per cent of its oil revenue. The social issues are equally complex. There are 1.5 million southerners with their families living in the north, while six million northern nomads spend eight months in a year in southern Sudan in search of pastures and water for their livestock. Large numbers of south Sudanese regularly travel to the north for medical treatment. There are a large number of northern traders in the south. Northern Sudan needs south Sudanese labour in the construction sector and other productive industries.

Possible return  
to war

At least 50 per cent of the academic staff compliment in southern universities is comprised of northerners.

Although parties have pledged that the referendum process will be peaceful, there are concerns about heightened tensions between the SAF (the national army) and the SPLA along the contested border areas. The SPLA moved 18 tanks from Ethiopia to positions in Blue Nile in July 2008. Several shipments of tanks, heavy weaponry and small arms from Ukraine landed in Mombasa, Kenya and were reportedly moved towards the Sudanese border during late 2007 and 2008. Then several brigades of SAF forces were reportedly moved into southern Kordofan under the pretext of preparing to defend the area from Justice and Equality Movement (JEM) attacks from Darfur, although this claim has been disputed. The NCP is said to have further remobilised the Popular Defence Forces (Islamist militia that supported the National Islamic Front NIF's/NCP rise to power and were used to conduct the civil war in the south) also deploying them to southern Kordofan. In November and December 2010, the SAF conducted aerial bombardments of several locations along the common border in Northern Bahr El Ghazal, Southern Sudan. These 2010 bombings followed a series of attacks by SAF infantry units and militia on SPLA positions in Unity State and Abyei, in a strategy that seemed aimed at provoking a military confrontation with the SPLA. While the SPLA did deploy troops to counter the SAF, it has shown remarkable restraint. This blatant show of muscle by the SAF remains a cause for concern.<sup>15</sup>

There is a high likelihood that the southern referendum will go ahead without the Abyei referendum. The NCP's brinkmanship has continued beyond the 30 November deadline set by Abyei's leaders to resolve outstanding issues: these are mainly about voting rights and the results of an international arbitration process that took place in The Hague in 2009. As a result, tensions are high in and around the Abyei area, and there is a strong possibility of armed conflict. Despite this, it is felt that the larger south and its leadership will not allow the Abyei matter to stand in the way of the Southern Sudan referendum even if the one in Abyei is delayed. Southern Sudan's need for independence is more urgent than resolution of the Abyei negotiations, which can continue into the post-referendum phase. However external intervention and pressure will still be needed to avert a military confrontation in Abyei.<sup>16</sup>

#### *Assessing War Capabilities*

The big question asked by officials, activists, and experts is whether there will be a return to the ongoing civil war that since the 1950s has killed two million Sudanese. There are reasons to be cautiously optimistic here. While the NCP might have to cede a fourth of the nation's territory and three-quarters of its oil reserves, this does not make a return to war inevitable. War would bog down the region with a spill-over effect of refugees, and curtail the economic benefits that some countries in the vicinity, like Kenya, Uganda, Ethiopia and Eritrea, are enjoying. It would involve international partners like the US in another costly and politically damaging international crisis; threaten China's energy security (7 per cent of China's oil imports come from Sudan), and create uncertainty in Cairo regarding upstream cooperation on the Nile, which is the lifeblood of Egypt. It would also imperil major land investments by Arab Gulf-based agribusiness firms and governments that see Sudan as a potential breadbasket.

The fact is that while most of the oil reserves are in the south the key infrastructure (including pipelines and the port) are in the north, so the two sides are locked into mutual dependence. A southern-based pipeline is years and billions of dollars away, if it ever materialises. This reality undermines dangerous moves from both sides. With over 60 per cent of Khartoum's budget and a staggering 98 per cent of Juba's budget tied to oil revenues, neither side can afford to lose the cash cow of oil. Diplomats in Beijing and Cairo, having perceived the likely referendum outcome, have launched charm offensives in Juba, including major new investment initiatives in the south, to safeguard their core energy and water security interests. All this means that it is essential that a fair model for sharing

oil revenue holds for at least the next five or so years. Any shift away from the current 50-50 split that tilts in Juba's favour should be made very gradually. Although losing the south will be a bitter pill for Khartoum to swallow, it is critical for the north to court the south rather than provoke a war.<sup>17</sup> Fortunately at the moment, it would be logistically impossible for Khartoum to conduct a war in the style of yesteryear as it would need a logistical base in the south. The north can neither carry out its former scorched earth policy using Antonov planes, nor can it hurl rockets or missiles from Khartoum for the international community to see, and in violation of the CPA.<sup>18</sup>

The attempted takeover of Khartoum and Omdurman towns in the north by the JEM, a Darfuri ethnic minority rebel group, raises concerns over whether the SAF would be willing to participate in such a war. This 2008 attack alarmed the NCP – apart from the fact that the rebels tried to attack at all, the most surprising aspect was that they succeeded in getting to within a few miles of Khartoum. Although it is claimed that Chad provided support to JEM, it is widely believed that the rank and file composition of the SAF was mainly Darfuri, which made them more 'sympathetic' and thus favouring their entry from across the desert in a phalanx of battered pickup trucks.

The same may apply for Southern Sudan, considering that the SAF does not contain a majority of Arab fighters in its ranks. Most troops are either from Darfur or the south. The south itself already has around 30 percent largely drawn from the Nuer tribe. Then the Darfuris and other tribes constitute another 30 percent. However, the rapprochement between the SPLM and other army officers like General Tanginye has meant that a large contingent of former SAF members will rejoin the SPLA. Discussions with sources close to the army suggest that although the SAF is a national army, the rank and file may not necessarily support the NCP if it chooses a return to war.<sup>19</sup>

The government in the South is a young one, and may not necessarily be able to fund a war, despite claims that it has been stockpiling arms. During the liberation struggle, southerners received funds and support from countries sympathetic to their cause: Kenya provided refuge, Uganda was ideologically sympathetic, Ethiopia supported the SPLM, and there was support from liberation movements in Zimbabwe and South Africa. The political and security landscape has changed since the signing of the CPA in 2005, which raises the question of whether or not support for the south will resume if a war breaks out over the referendum.

Kenya and Ethiopia, having diplomatic commitments under IGAD, cannot be seen to overtly support a call to war. Uganda and Eritrea have more or a rogue reputation, and have a history of supporting political movements militarily. Uganda did this in the Democratic Republic of Congo (DRC) in 1998 and Eritrea supports dissident groups in Somalia. This suggests that these countries would have fewer qualms in supporting the south if there was a war. Recent comments from President Museveni in Kampala during the UN Security Council fact-finding mission to Sudan in 2010, and a confirmation by Uganda's army spokesman Felix Kulaigye, were indicative of the fact that the Uganda Peoples Defence Forces (UPDF) would support the SPLA in the event of a war. Already, Uganda hosts army battalions in Southern Sudan. Eritrea also boasts good relations with Southern Sudan. The Asmara mission is the biggest of the GoSS's liaison offices and may be willing to extend a hand of support in the event of war.<sup>20</sup>

### *Nationally*

Despite the continued effort to adhere to the terms of the peace agreements, the GoSS's security decision-making continues to be driven by what it perceives to be its unresolved conflict with the north. The Southern Sudan security strategy (2009) identifies failure to demarcate the north-south border a primary threat and most pressing challenge to the CPA. Security, therefore, continues to be understood in terms of the need to prepare for a possible future war, which includes the need to address perceived proxy forces and other destabilising

groups and individuals operating in the south. The SPLA sees the SAF as the biggest threat to its security.<sup>21</sup>

The three major threats are: (1) Khartoum chooses to seize oil fields triggered by a breakdown of security arrangements in Unity State; (2) the Heglig oil fields, Sudan's largest, could become another flashpoint, as each side envisions the Chinese-operated fields as falling firmly within its borders; (3) Khartoum arms proxies to destabilise the southern region in places such as Unity State, Abyei, Jongelia State or Upper Nile State by playing on ethnic or resource-based rivalries. Any of these would invite counter-offensives by southern forces into northern border regions such as South Kordofan, potentially touching off a return to war.

Among other foreign armed groups, the Lord's Resistance Army (LRA) from Uganda has had an on/off relationship with the NCP government, serving as a proxy force in the south. This army first entered Eastern Equatoria in Southern Sudan as far back as 1998. The Ambororo, nomads drawn from the Fulani group in West Africa and Falatah in Sudan, are treated with suspicion for collaborating with the LRA, which suggests that they may have contact with the government in Khartoum.

There are plenty of other risks too. Land disputes between Dinka farming communities and Misserya Arab nomads in Abyei could erupt after the referendum, drawing in the soldiers and militias amassed along both sides of the border. A violent standoff between the SPLA and the SAF in Abyei two years ago nearly undermined the CPA. Despite an international border ruling in 2009 that situated much of the disputed district's oil in the north and its most fertile land in the south, the actual border remains dangerously undemarcated, along with the rest of the 1,800 kilometre border. Another risk is a bitter standoff after the referendum, with Khartoum rejecting the result on the grounds that the process was fatally flawed and therefore not credible. In that case, southerners based in the north would be the first victims of hostility. This will happen less in the south, since most northerners have moved back to the north.<sup>22</sup>

Although the international community is looking for a formula that would satisfy both the south and north, as long as the two remain antagonists, a war situation will place the international community in a complicated and polarising diplomatic conundrum on whether to recognize the south as an independent nation or not. This situation would create internal rifts within the AU, some of whose members are opposed to secession and likewise internal differences in the UN Security Council. However the Arab League would most likely back Khartoum en masse in this scenario. This state of impasse will raise diplomatic tensions between Khartoum's and Juba's allies while leaving the question of southern nationhood unresolved. Countries worried about the precedent being set for secessionist movements in other regions might well side with Khartoum in the dispute.

The six-month transition period between the referendum and the formal birth of the nation could, however, create time to allow for workable compromises that will help both sides and the international community. The good news is that serious talks are underway with key parties. For instance the US has delivered a package of proposals designed to break the logjam that has brought the north and south to a dangerous crossroads. The proposal stresses the need to hold the referendum on time and fully implement whatever is decided; reach a mutually satisfactory agreement on Abyei; craft a multi-year revenue sharing agreement; demarcate 80 per cent of the border and refer the demarcation of the outstanding 20 per cent to international arbitration; and to create meaningful protections for minority groups with consideration for joint citizenship for certain populations backed by significant consequences if southerners in the north are attacked or vice versa. In return, should the referendum go smoothly, the US has promised financial support to the south while sanctions on the north will be lifted, such as its removal from the list of states that sponsor terrorism.<sup>23</sup>



### *Regionally*

In the event of a war, the spill-over effects will mean an influx of refugees into neighbouring countries. Although IGAD members cannot be seen to overtly support a call to war, all Sudan's neighbours are positioning themselves for the eventual secession of Southern Sudan in 2011 and considering how best to cope with a worst case scenario of war. Already those southerners who are more capable and who previously had bases in Kenya and Uganda are making plans to settle their families in those countries so as to avoid possible negative fallout in the referendum.

Thrown into the mix are the security and political implications of the referendum: a high-level gathering of the IGAD summit in Addis Ababa was convened to discuss referendum issues, after two cancellations to accommodate Sudan's President Bashir, who has an International Criminal Court (ICC) indictment that restricts his movement. The fact that Kenya had been criticized earlier in the year for flouting international law has also made Southern Sudan uncomfortable. Likewise Uganda's continued fight against the LRA rebels led by Joseph Kony has brought damning allegations that the forces have moved to the Darfur region of Sudan, heightening fears that they may be used as a proxy force for the north to cause problems during the referendum.<sup>24</sup>

### *Kenya*

Kenya maintains good relations with Southern Sudan and was instrumental in midwifing the CPA. Whichever way the referendum goes, Kenya is bound to 'benefit'. A full-blown war will inevitably mean a return to its 'Operation Lifeline Sudan' days of the 1990s when it served as a launch pad for Sudanese and international NGOs for the delivery of humanitarian aid and services. Lokichoggio, a small town in northern Kenya, now deserted, was lively during the wartime and will see a revival. In the case of independence, Kenya will benefit even more because it is the south's preferred trading partner. Most businesses have set up bases, despite incidents of hostility from southerners. Small traders and big businesses alike are waiting to reap the benefits of a new and open market in the south.

A major security challenge is the Ilemi triangle: a disputed area claimed by Sudan, Kenya and Ethiopia over which Kenya currently has de facto control. For now, the position with the GoSS is to avoid inflaming the situation and focus on the referendum with a view to revisiting the Ilemi issue once it is independent and stronger diplomatically and militarily. The big fear is that some parties in the south could adopt an aggressive stance and become provocative over the issue. A lackadaisical attitude from Nairobi towards the more remote Turkana area, where this disputed area sits, might relegate this potentially volatile situation to a localised pastoralist issue, whereas in fact it is more than that. The area is said to have large oil deposits, and if not dealt with urgently and diplomatically the availability of this resource is bound to be a major issue in future. A spirit of solidarity and good neighbourliness needs to be cultivated amongst the countries involved and among the surrounding communities of Didinga, Toposa, Merille, Nyangatom and Turkana, in order to avoid future security problems. In the event of separation, Khartoum could revamp its proxy relations with the Toposa group, including supplying them with arms, which will increase insecurity in eastern Equatoria and northern Kenya. The Toposa have a history of receiving arms from successive governments in the north aimed at dividing political players in the south.<sup>25</sup>

### *Uganda*

Uganda has perhaps benefited the most in the post-CPA period. Proximity is one factor in this. Entry by road to the big southern towns of Juba and Yei is through Uganda, making it the chief supplier of food and other domestic items. Since the CPA was signed, Uganda has controlled the telephone gateway (code + 256) that

is used in the south. However, an independent south will mean it gets its own telephone gateway, so Uganda will lose out. There are also big plans by the south to embark on large-scale mechanized farming because it has fertile soils and plenty of potential. This will mean that in the near future Uganda may also lose its some of its supply market of food to the south. These changes in trans-boundary trade could induce hostility if not carefully managed.<sup>26</sup>

Then there is the complicated problem of the LRA. So far there have been two major operations, Iron Fist in 2002 and Lightning Thunder in 2008, which allowed the Ugandan government entry into Sudan to pursue the LRA. The heavy presence of the UPDF, as result of this, has created complications despite the fact that the Uganda government/NRM and SPLM share similar ideologies and have a long history of working together on the cause of an independent south. Evidence points to close ties between the LRA and some leaders in Southern Sudan. For instance, it is an open secret that Riek Machar, the current Vice-President of Southern Sudan introduced the LRA to the NCP government around 1995, at the height of the internal differences between the SPLA and South Sudan Independence Movement (SSIM) led by Machar.

If independence for the south comes about, there is bound to be a shift in the political and security dynamics and on the UPDF's presence, as well as the modes for tackling the LRA. Some southern leaders, Vice President Riek Machar and the Speaker of the National Assembly, James Wani Igga, have expressed concerns about the UPDF presence and its impact on the autonomy of the south's army. Other southerners are mildly suspicious, and this can be traced back to the death in a plane crash of former SPLM/A leader and chief broker of the CPA, John Garang. At the time Garang was in a Ugandan government helicopter returning from a visit to Kampala.<sup>27</sup>

While relations with Uganda are very close, Uganda remains cautious. If an exit of the UPDF is recommended by components of the GoSS, there might be a security vacuum, particularly along the borders with Uganda, the Central Africa Republic and the Democratic Republic of Congo (DRC) where the rebels are said to be present. Also, the LRA problem will need to be tackled either through negotiations or militarily. It is indeed Southern Sudan that brokered the best attempts so far to peacefully resolve the LRA crisis. Juba was host to a two-year process of negotiations between the Ugandan government and the LRA rebels, which ended in a stalemate. The arming by the GoSS of vigilante groups in western Equatoria in response to LRA attacks will need careful monitoring to avoid abuse. The Arrow Boys in Uganda and the Mai Mai in the DRC all started as vigilante movements, which later became uncontrollable militia preying on the very population they aimed to protect.<sup>28</sup>

### *Ethiopia and Eritrea*

Over time, Ethiopia's ruling party, the Ethiopian People's Revolutionary Democratic Front (EPRDF), has developed close ties and economic interests with the NCP government. When Ethiopia normalized its relations with Khartoum, it significantly scaled back assistance to the SPLA. It will now supply electricity to Sudan in return for reduced concessions on oil. Ethiopia's government under Meles, although it has diplomatically expressed full support for the CPA in Sudan, is not as close to the SPLA as it was during the Mengistu regime. However, like Eritrea, Ethiopian businesses have benefited enormously from business operations in the south, with numbers of Ethiopian restaurants and small businesses increasing annually. Remittances play a big role here, and many Ethiopians are able to support their families through working in Juba. It is therefore not clear where Ethiopia stands. It is indebted to the north due to the economic concessions it has received, but it has to be seen as a fair broker and it will also need to engage with the south in the border area of Dhamazin, particularly in parts like Gambella, Asosa and Bensaghur. Whichever way the referendum goes, Ethiopia is concerned about a possible refugee influx and security relations along the border.

For Eritrea, Eastern Sudan is most significant. Eritrea encouraged and even bankrolled a mediation effort between the NCP and the Eastern Front Rebels. This was largely because of its own security issues and also politically strategic, since a positive outcome would improve its pariah state standing internationally, particularly with the US. However there are questions about Eritrea's neutrality. In the past, it allowed the Eastern Front's rebels to live and train within its borders. For this reason, its foreign policy with Sudan has been strained: in fact in 2002, relations between the two countries were suspended. Thus the Eastern Sudan mediation effort has renewed relations with the NCP government. This in turn makes Ethiopia uncomfortable, but it remains unclear how this will affect the referendum. The positions of Ethiopia and Eritrea towards an independent South or a united Sudan are tipped against economic benefits and regional stability. Both countries have made huge investments in the South and/or have signed oil and energy agreements with the North and they need stability in Sudan so as to avoid spill over effects even for Eritrea, shares the view of the international community in wanting a peaceful process in which both parties will be satisfied by the outcome.<sup>29</sup>

### *Egypt*

For Egypt, the importance of the River Nile cannot be overstated. Ninety-five per cent of Egyptians live in the Nile Valley and depend on the river for virtually all their fresh water. Egypt is not being alarmist when it says that Nile water is a life or death issue for the country. But the Nile is also crucial for Sudan: 77 per cent of Sudan's fresh water comes from outside its borders, most of it via the Nile system. The 1929 agreement, as designed by the British colonisers, gave Egypt a virtual veto over any activity in the Nile Basin. No country upstream was allowed to undertake any irrigation activity or project without the prior consent of Egypt. The 1959 agreement was signed between Sudan and Egypt only. Egypt does not need to consult, hence its construction of the Aswan High Dam without consulting either Sudan or Ethiopia. Recently, in relation to the Nile Basin Initiative, upstream countries like Burundi and the DRC have been looking to change the terms of these previous agreements in their favour. An independent Southern Sudan will most likely join forces with the upstream countries. The openness witnessed in these discussions over the past five years demonstrates that there are more reasons for Egypt, Sudan and Ethiopia to cooperate on the use of Nile water than to engage in conflict, since conflict over water may be a less important factor. Egypt has voiced its preference for a united Sudan, but it remains to be seen how an independent Southern Sudan, traversed by both the Blue Nile and White Nile, will act on the Nile water agreement.<sup>30</sup>

### *China*

Beijing has recently invested billions of dollars in the expanding oil industry in Southern Sudan, so its economic interests mean that it would rather have peace in the south. If the north-south war were to re-ignite, China's oil assets would be the first target of the Southern Sudanese army. Buttressed by a weapons-buying spree believed to have been carried out over the past five years, this army would pose a serious threat to Chinese-financed oil infrastructure.

China is Khartoum's largest international ally and trading partner by far. It owns a significant portion of Sudanese state-run and private oil-concessions, and exports over 60 per cent of Sudan's oil for its ever-increasing domestic consumption. China has exclusive rights to nearly all Sudan's known oil reserves: it prospects for Sudanese oil, pumps it, refines it, and ships it via Chinese-made infrastructure and investments. The Chinese Import-Export Bank provides Sudan with millions in 'development' loans on favourable terms, and supplies Khartoum with up to 90 per cent of its small arms. In addition, China has been vocal in the UN in support of the al Bashir regime, defying Western powers on sanctions, arms embargoes and peacekeeping matters. China therefore has a vested interest in peace and

stability in Sudan. Although the process is sure to be a challenging one, the US is wasting a huge opportunity for leverage by not working more closely with China to promote common interests in Sudan.<sup>31</sup>

The lack of vision for the form of future relationships between north and south post-2011, casts enormous shadows of uncertainty over both their futures, and makes it hard to plan. This affects government bureaucrats particularly, as they are required to make vital decisions in the present whose impacts will go beyond January 2011. Securing a peaceful referendum is the top priority, but neglecting the groundwork for positive post-referendum relations is a recipe for renewed conflict. Therefore both parties in Sudan need to complete key outstanding tasks under the CPA as the surest way to guarantee a peaceful transition in the near term and a stable relationship in the long run. In the south, the commitments to the resolution made during the occasion of the south-south dialogues need to be followed through so as to build a positive spirit in the process of making Southern Sudan a state.

The US has historically had a policy of support and solidarity with the people of Southern Sudan, and this often unnerves the NCP. US support for the south was a major point of influence in striking the CPA. At the same time, its special relationship with the south and the large scale aid packages it provides to Southern Sudan has given the US government influence in southern affairs. This should be used to prevent backsliding on the part of the GoSS and to ensure that a war is averted in the referendum. In order to maximize leverage, the US should provide unequivocal support for a credible referendum. It should take an impartial position, ignoring its history of support for the south and reaching out to the NCP, which currently desires legitimacy and normalization of relations with the US.

Despite its influence, there is need for the US to take a more harmonized approach in collaborating with the UN and AU in order to ensure more diplomatic efforts on the ground and across the board. Currently there is a serious constraint to engaging directly with President Bashir and the governor of South Kordofan because of ICC warrants against them, which complicates discussions. While parties cannot be seen to be flouting ICC regulations, there is need to politically engage with these individuals for the benefit of a smooth referendum process. Although the cause of justice needs to be respected, a minimum level of cooperation is required.

UN involvement in the referendums has until recently been confined to technical and logistical assistance – and a less than effective security presence. But the October 2010 appointment by the UN Secretary-General of a high-level panel on Sudan to monitor the process, opens the way for a bigger UN role in addressing the current crisis. It is therefore liable to be the arbiter of international endorsement of the results and should prepare for this.

The AU High Level Implementation Panel on Sudan (AUHIP) has worked to negotiate a Framework Document within which it would address and resolve various outstanding matters relating to the implementation of the CPA and conduct further detailed discussion of the post-referendum arrangements. Outstanding CPA issues include the resolution of the Abyei question, the north-south border, popular consultations in the Blue Nile and South Kordofan States, and security arrangements between the north and south. The post-referendum issues include citizenship, oil, water resources, assets and liabilities, currency and economic cooperation. The 'Framework for Resolving Outstanding Issues Relating to the Implementation of the Comprehensive Peace Agreement and the Future Relations of North and South Sudan' agreed upon under facilitation by this panel needs full support from AU member states.

Certainly, the European Union (EU) is and will be a key player in Southern Sudan. The EU has contributed €6million to referendum-related issues. Following the signature of the CPA in 2005, an amount of €665million was provided by the EU in development aid and €779million has been provided in humanitarian aid

since 2003. So the EU remains a key stakeholder in Sudan processes. For the referendum, the EU Election Observer Missions (EU EOM), who have a recognized role in ensuring that electoral processes are in accordance with international standards for democratic elections and a country's own domestic legislation, have already deployed in Sudan. The first wave of experts and long-term observers arrived in November 2010 to observe the voter registration exercise – the first time the EU has assessed this part of the process. More analysts, long-term observers and a delegation of Members of the European Parliament have also joined this mission. The EU EOM will operate in a challenging electoral, security and logistical context, but they need to recognise that their referendum report will provide crucial feedback on the credibility and overall success of the process and offer useful recommendations for next steps, and will therefore be heavily relied upon by both Sudan and the international community at large. It is important that the EU continues to be engaged in the management of post-referendum challenges as well.

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