

Talking Money Matters: Reviewing Government Expenditures on Nutrition and WASH in South Sudan National Budgets.

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By Arop Nusi Arop.*

1. Introduction

“South Sudan remains caught in a web of fragility, economic stagnation, and instability a decade after independence. Poverty is ubiquitous and is being reinforced by ongoing intercommunal conflict, displacement, and external shocks.”

World Bank in South Sudan. Overview.¹

According to the World Bank, South Sudan has a priority of managing conflict and building up its economy. The country remains in a serious humanitarian crisis due to the cumulative effects of years of conflict which worked to destroy people’s livelihoods. Extreme levels of acute food insecurity persist across the country and nearly more than 7.2 million (about half of the population) are facing crisis-level food insecurity, with 1.4 million children under 5 years expected to be acutely malnourished. In 2020 and 2021, communities were hit hard by the triple shock of intensified conflict and sub-national violence, a second consecutive year of major flooding, and the impacts of COVID-19, deepening an already dire humanitarian crisis (World Bank).²

Against this backdrop, the Ministry of Finance and Planning, South Sudan acknowledges that the country is highly dependent on imports for consumption as the country is unable to produce most commodities for itself. Close to half of the food consumption is imported. However, given the availability of high quality farmland, there is a large potential for increasing self-sufficient food and reducing imports.³

This said, raises questions about how the government plans or attempts to address community needs. Balancing economic growth with investment in people’s livelihood in this fragile nation is extremely important for sustainable development of South Sudan. Investing in livelihoods will certainly have a positive effect on economic growth because a healthy nation can contribute in the country’s productivity. Hence this paper seeks to review government’s budget relating to food

¹ The World Bank in South Sudan. Available from <https://www.worldbank.org/en/country/southsudan/overview#1>

² *ibid.*

³ Ministry of Finance and Planning, South Sudan National Budget Plan 2019/20.

security, water, sanitation and hygiene (WASH) in South Sudan. This is important to understand how government programming and budgeting can be used to address malnutrition among children under the age of 5 years, together with their mothers and families.

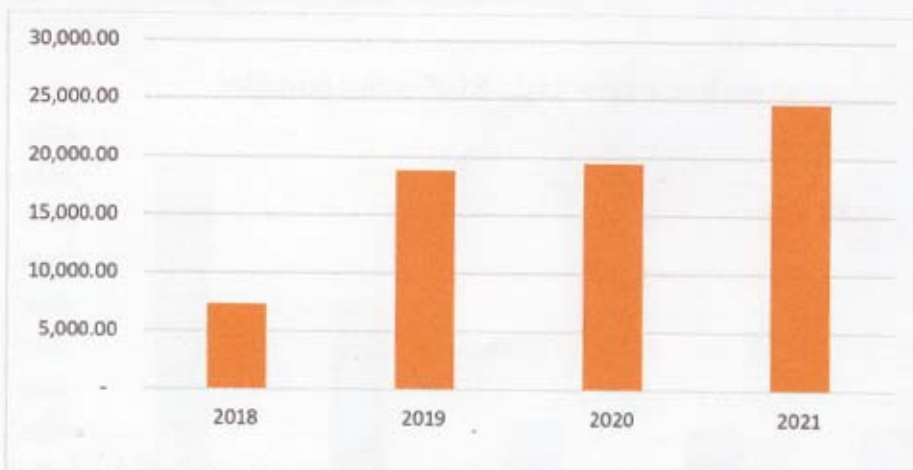
This preliminary review was done using information sourced from the South Sudan government printed and online documents from the Ministry of Finance and Planning. Once extracted, relevant information was captured and analysed using Office Excel. A word search approach was used in line with Scaling Up Nutrition (SUN)⁴ movement recommendations to identify nutrition sensitive and nutrition specific allocations in the budget documents. This was difficult as three of the four budget plans were not available in electronic form so conducting the word search was not possible, requiring more effort from the team to go manual through the years' printed budget statements.

This is a preliminary review with the aim of identifying available budget information and gaps, and to initiate discussions to improve investments and services for food security and WASH with all governmental and non-governmental stakeholders investing and working on nutrition and WASH.

2. Review of government expenditure from 2018 to 2021

The total South Sudan government budget has grown by 63% on average from financial year (FY) 2019 to FY2021. However, the budget saw massive increase in FY2019 alone of 159%. This is commendable given that the budget was very low at SSP 80.5 billion in FY2018 which grew to SSP 208 billion in FY2019. The World Bank indicated that the economy had picked up strongly before the COVID-19 pandemic, with gross domestic product (GDP) growth reaching 9.5 percent in FY2019.⁵ Such growth in budget allocations is commendable, but does not indicate the actual amount received, spent and when.

Figure 1: Total Government Budget in South Sudan (SSP)2018 - 2021



Source: Ministry of Finance and Planning National Budget Plan 2019/20 – 2021/22. Authors' calculations.

Consequently, the increase in total government budgets has more than tripled per capital (or per person) spending, from SSP 7, 327 in FY2019 to SSP 24,652 in FY2021. Such increases are

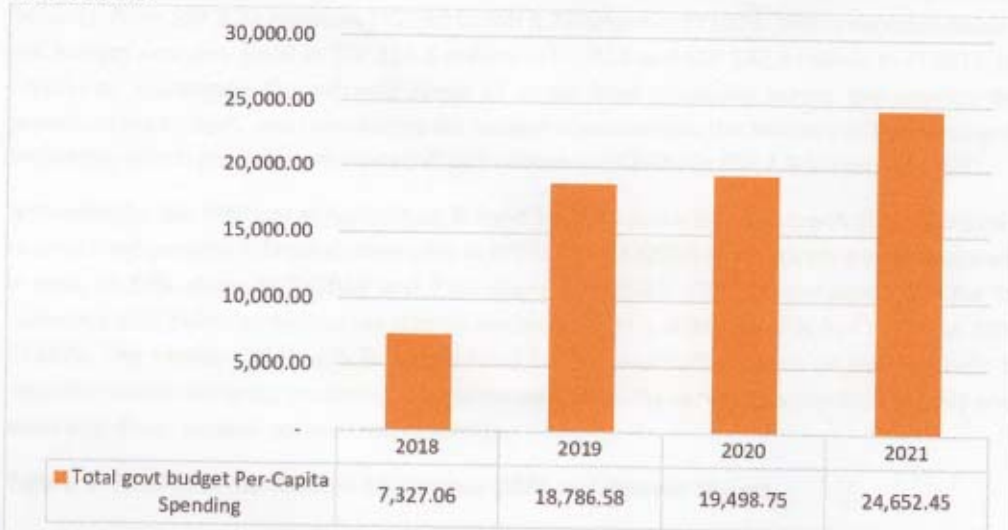
⁴ Scaling Up Nutrition. Available from <https://scalingupnutrition.org/>

⁵ The World Bank in South Sudan. Available from <https://www.worldbank.org/en/country/southsudan/overview#1>

commendable, but there is still a need to ascertain that the budget is sufficient to cover the ever-increasing public needs. Figure 2 below shows this trend.

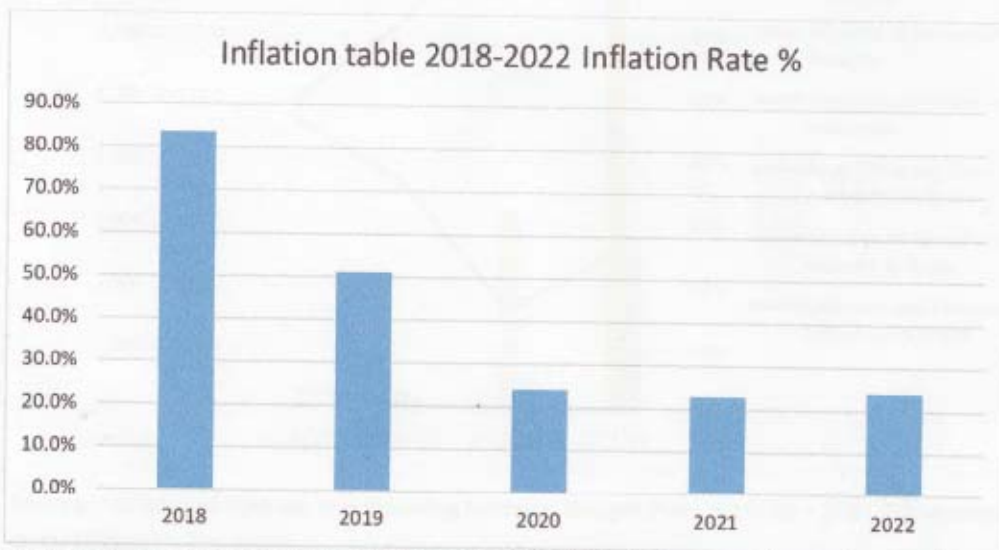
Figure 2: Total Government Per Capita Spending (SSP) FY2018 – FY2021

Source: Ministry of Finance and Planning National Budget Plan 2019/20 – 2021/22. Authors' calculations.



Source: Ministry of Finance and Planning National Budget Plan 2019/20 – 2021/22. Authors' calculations.

Figure 2.1: Showing Inflation Rates from 2018-2022



Source: <https://www.statista.com/statistics/727347/inflation-rate-in-south-sudan/>

3. Review of Food Security and WASH related allocations in the South Sudanese national budget

Three ministries have been identified in the country's national budget plans to contain food security related budget information. These are the Ministry of Health (MoH) Drug and Food Control Authority; the Ministry of Agriculture & Food Security, and; the Livestock and Fisheries Industries Ministry. WASH

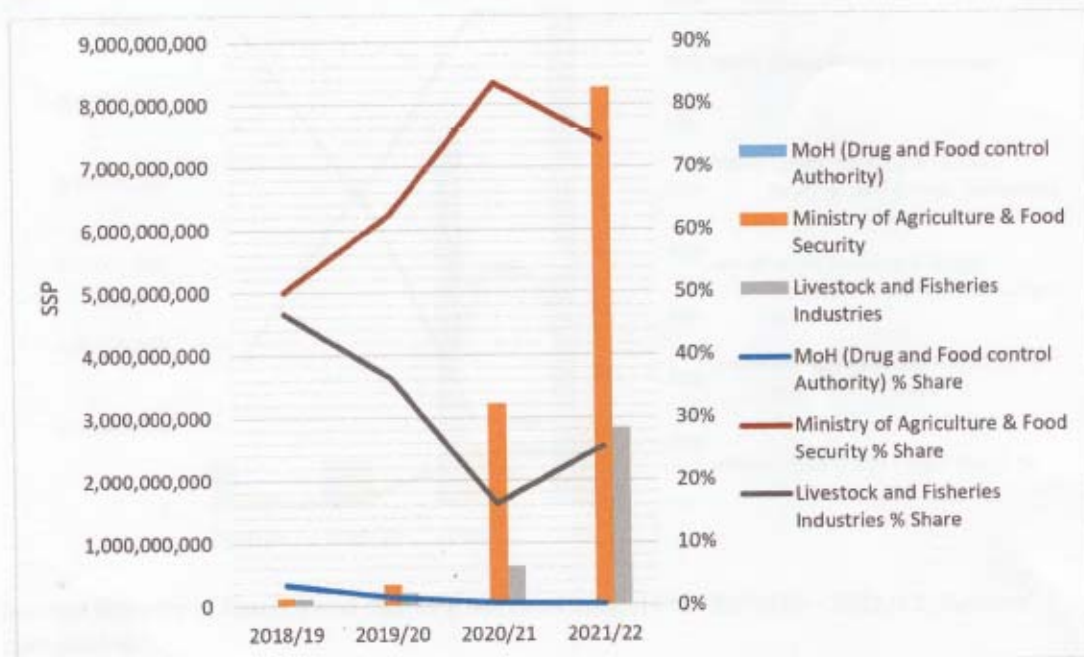
related budget information is also contained in government administrations, namely the Ministry of Water Resources & Irrigation; Urban Water Corporation, and; Lands, Housing & Urban Development (Urban Sanitation).

3.1 Food Security Related financing

There was a very clear increase in actual budget allocations to the Ministry of Agriculture & Food Security, from SSP 3.22 billion in FY2020 to SSP 8.27 billion in FY2021. This is commendable given that the budget was very small at SSP 116,8 million in FY2018 and SSP 342,9 million in FY2019. It would be helpful to investigate the extreme levels of acute food insecurity across the country despite this growth in the budget, also considering the budget allocations to the Ministry of Livestock and Fisheries Industries which grew sharply from SSP 627 million in FY2020 to SSP 2.8 billion in FY2021.

Interestingly, the Ministry of Agriculture & Food Security saw a steady growth of 50% to 62% as a share in total food security related expenditure in FY2018 and FY2019 respectively and dramatically reached a peak of 83% share in FY2020 and 74% share in FY2021. The percent share for the Ministry of Livestock and Fisheries Industries slightly declined from a share of 47% in FY2018 to 16% share in FY2020. The Ministry of Health Drug and Food Control Authority spends on average only 1% of food security related budgets, presumably because this authority serves as a regulatory body and does not have any direct service delivery responsibility.

Figure 3: Food Security Related Allocations (SSP) and Percent Shares



Source: Ministry of Finance and Planning National Budget Plan 2019/20 – 2021/22. Authors' calculations.

Nominally, the Ministry of Agriculture & Food Security budget saw a growth of 194% in FY2019 and a massive further growth of 840% in FY2020 and a further modest growth of 157% in FY2021, recording an annual average nominal growth rate of 397% in the medium term (FY2019 – FY2021). Livestock and Fisheries Industries growth rate rose by 84% in FY2019, 215% in FY2020 and significantly went up again by 351% in FY2021, with an annual average nominal growth of 217%. MoH (Drug and Food

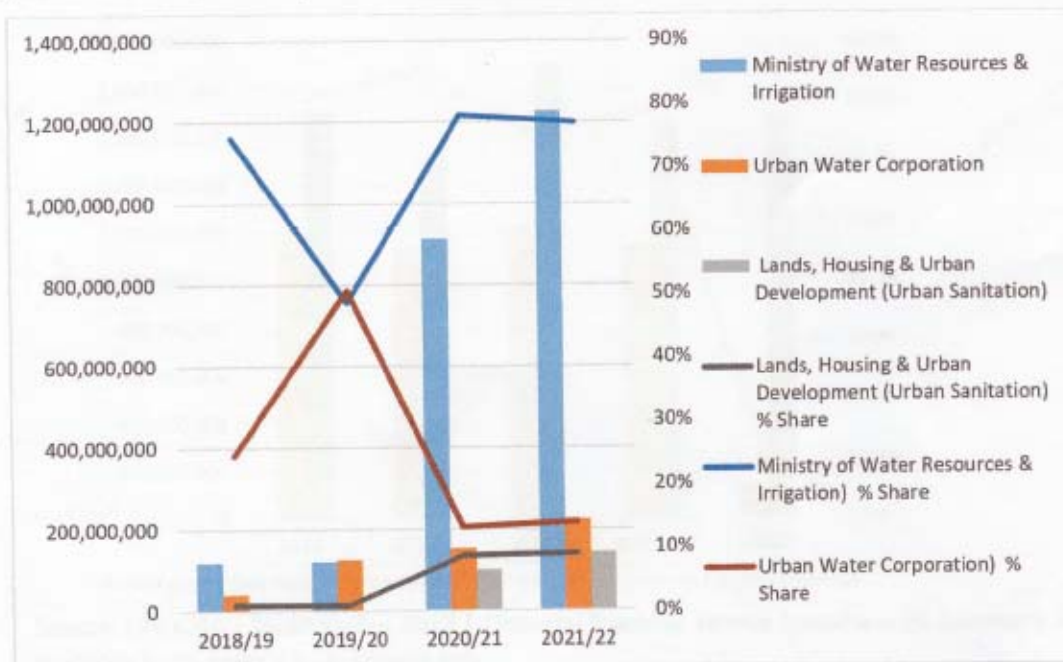
Control Authority) budget growth fluctuated from FY2019 to FY2021, recording a decline of 7% in FY2019 and a growth of 46% in FY2021, with an annual average nominal growth rate of 50%.

Per capita spending assists us to understand the equitable spread of resources based on population size, looking at how much is allocated per person. It is important to consider government investment on a per capita basis and to consider inflation levels in the country, to ensure that the budget process is proactive in considering inflation and the increasing public needs. Food security related per capita spending grew from SSP 21 in FY2018 to SSP 995 in FY2021. Such growth in per-person allocations is commendable, but does not assure us if the increased amounts are sufficient to cover all nutrition needs of the nation.

3.2 WASH related financing

The Ministry of Water Resources & Irrigation's budget allocation saw an increase from SSP 912 million in FY2020 to SSP 1.22 billion FY2021, with the highest percent share of 78% in WASH related allocations. Nevertheless, it would be helpful to understand why the public still does not have access to running water in the city and towns given this growth in the budget.

Figure 4: WASH Related Budget Allocations (SSP) and Percent Shares (%), 2018 - 2021



Source: Ministry of Finance and Planning National Budget Plan 2019/20 – 2021/22. Authors' calculations.

Similarly, the Urban Water Corporation's budget steadily grew from SSP 38 million in FY2018 to SSP 222 million in FY2021, with a 51% rise of its percent share in the total WASH related budget in FY2020, which declined to 13% of the total in FY2021. See Figure 4 for details below.

The nominal growth rate for WASH related allocations through the Ministry of Water Resources & Irrigation dramatically increased by 661% in FY2020, and a further increase of 232% in FY2021. The Urban Water Corporation recorded a 222% growth in FY2019, keeping a positive trend even in FY2021 with 45% nominal growth. The Urban Sanitation programme of Lands, Housing & Urban Development

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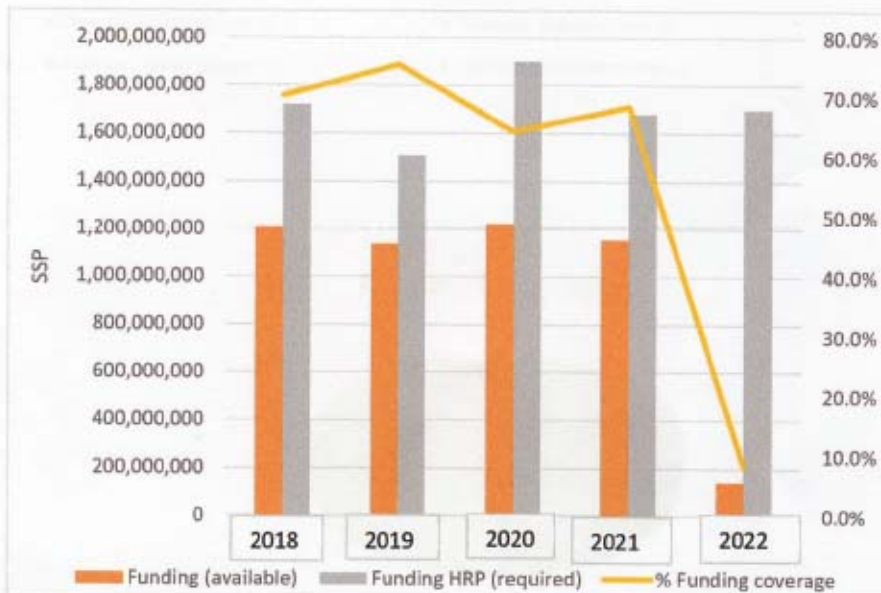
saw a budget growth of 40% in FY2019 which further increased massively by 4844% in FY2020, recording an annual average nominal growth rate of 1642% between FY2019 and FY2021.

WASH related per capita spending is very low compared to food security investments per person. WASH recorded a per capita spending of SSP 14 in FY2018 which grew to SSP 142 in FY2021. These figures look very low despite the clear growth seen in these figures. Further investments are needed to increase allocations.

Donor funding from Humanitarians Response Plan – HRP 2018 -2022

South Sudan has been receiving funding from HRP. In 2018, the donor actual funding was \$ 1.2 billion which decreased to 1.13 billion in 2019 and in 2020 the budget moderately increased to 1.22 billion. Again, in 2021 the budget dropped to 1.15 billion, and in 2022 funding is still coming however, there’s already 141 million. It is clear that available funding falls short of resource needs, as can be seen in Figure 5 below.

Figure 5: Donor funding status, comparing available resources with total resource needs, FY2018 – FY2022, SSP.

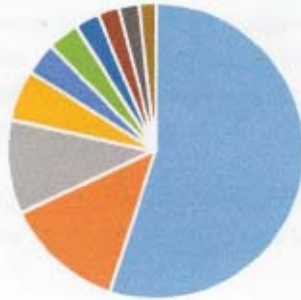


Source: UNOCHA - South Sudan 2022 | Financial Tracking Service (unocha.org). Summary also available from <https://hum-insight.info>

Additional detail from UNOCHA

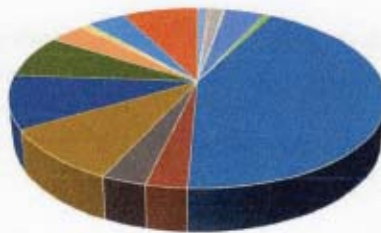
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Funding by Source



- United States of America, Government of
- United Kingdom, Government of
- Germany, Government of
- European Commission
- African Development Bank
- Netherlands, Government of
- Canada, Government of
- Sweden, Government of
- Norway, Government of
- Denmark, Government of

Funding by Sector



- Agriculture
- Camp Coordination / Management
- Coordination and support services
- Early Recovery
- Education
- Emergency Shelter and NFI
- Food Security
- Health
- Logistics
- Multi-sector
- Not specified
- Nutrition
- Other
- Protection
- Protection - Child Protection
- Protection - Gender-Based Violence
- Protection - Housing, Land and Property
- Protection - Mine Action
- Water Sanitation Hygiene
- Multiple Sectors (shared)

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4. Recommendations and conclusion

To address issues of malnutrition and WASH affecting children under 5 years of age South Sudan needs joint commitment from both governmental and non-governmental stakeholders given the inadequacy of financial resources in the public purse. However, this analysis recommends more efforts to improve transparency in government budgeting and to make the national budget documents more available for public scrutiny and future analyses. Improved transparency will definitely improve public participation in government budget processes and provide space for communities and interest groups to track nutrition and WASH related expenditures and interventions.

It is highly recommended that the budget documents provide a clear breakdown of food security and WASH related allocations for easier tracking, and to show the priority given to these spending areas.

Additional analyses of other financial resources from other sources such as foreign aid and multi-national organisation need to be conducted, (1) to see contributions from elsewhere and (2) to gauge how sustainable the public budget is, looking at the levels of dependency on foreign sources of funding.

This analysis has shown us what available budget information is in the national budget plans, but it is not clear if other information records are missing, giving that food security and WASH could be crosscutting issues in various ministries. All ministries delivering on food security and WASH related goals need to be identified, and have their budgets scrutinised to see if there are specific budget line-items for tracking and the objectives they seek to achieve as part of government's strategy to eliminate food insecurity and WASH shortages.

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