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View Point

South Sudan in the Making: Scope for Indian Interface

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A largely-peaceful referendum was held in South Sudan on 9-15 January 2011 setting the stage for the creation of Africa's 54th independent state on 9 July 2011. The referendum was the end result of the 2005 Comprehensive Peace Agreement (CPA) that was signed between the warring North and South Sudan, providing six years at the end of which the latter was to choose between continuing in the unity framework or opting for an independent state.

The CPA was preceded by the Addis Ababa Peace Agreement of 1972, which ended the first civil war between the South Sudan and Khartoum government. Nevertheless, the peace was short-lived, since the civil war recurred in 1983 following the imposition of *Shari'a* (Islamic law) by the Khartoum regime coupled with the American Chevron's oil discovery in Southern Sudan. What adds to the conflict dynamics is the change in regime in 1989 that made Khartoum incur the American/Western hostility, culminating in the imposition of comprehensive trade sanctions by the US on Sudan in 1997.

Sudan consequently found it impossible to sustain its oil production activity through participation by the Western oil firms and gradually facilitated the entry of Asian oil majors (Chinese CNPC, Malaysian Petronas and Indian ONGC) in its oil industry. Asian orientation enabled Sudan in emerging as an upcoming oil producer,

thereby precipitating a tactical change in the US approach towards Sudan. Washington instead started engaging Khartoum, resulting in the signing of the CPA.

Putting an end to the second civil war, the CPA made the way for referendum and consequent bifurcation of the largest state in Africa. What remains the real source of concern is the geographical congruence of the oil industry straddling across undivided Sudan. Nearly 85 percent of its oil production comes from fields in the South, whereas almost all the critical refining, pipeline and export infrastructure are located in the North.

Worse, the location of oil fields in the frontier areas adds to the post-referendum complexities. The oil rich region of Abyei, astride the boundary of North and South Sudan and accounting for roughly 13 percent of country's total oil revenues, constitutes the bone of ongoing contention. Abyei is claimed by a southern group, the Dinka Ngok, and northern nomads, the Misseriya. Due to the absence of any agreement on Misseriya's eligibility to vote, a simultaneous referendum in Abyei to determine its accession, as suggested in the CPA, is indefinitely postponed. Since then a string of clashes followed, including a direct confrontation between the northern and southern armed forces with potential serious ramifications.

Sudan's territorial bifurcation is likely to carry a significant influence on its engagement with India. The holistically growing partnership between the two countries, which is backed by common historical experiences, identical world views and complementarity of interests, reaches a critical juncture on the eve of state formation in South Sudan, where New Delhi also enjoys considerable goodwill. India acknowledged the successful conduct of a largely peaceful independence referendum. Indian Minister of State for External Affairs E. Ahamed was present at the signing of CPA in Nairobi on 9 January 2005. Subsequently, India was amongst the first Asian countries to set up a Consulate General in Juba in October 2007.

Since signing of the CPA, the Government of South Sudan (GoSS) based in Juba has been taking advantage of Indian Technical and Economic Cooperation (ITEC) slots. South Sudanese officials have been receiving training at the Indian Foreign Service Institute; New Delhi and Juba have already had Parliamentary

exchanges. An Indian UN PKO contingent is deployed to ensure peace in Abeyi region. At the non-governmental level, in the health sector, representatives of some of the Indian private hospitals have sent their teams for exploratory talks with the hospitals and health authorities in South Sudan.

Juba seeks New Delhi's support at the UN's General Assembly and other fora for its legal recognition. The GoSS also looks to India for assistance in the development of agriculture, horticulture, animal husbandry, rural development, health, education, technical training, human resource, hydrocarbons, and also in de-mining.

India has attempted to expand its comprehensive partnership, and hydrocarbon interests in the oil-rich South Sudan are of immense concern. ONGC Videsh Limited (OVL) has stakes in oil fields in South Sudan, where its oil share is pegged at 100,000 barrels per day. Meanwhile, Priscilla Joseph Kuch, Special Envoy of the GoSS, during her visit to New Delhi in April 2011, assured India on the oil contracts in South Sudan and an Indian official noted, "OVL has already offered training and to go beyond the current level of engagement."

South Sudan is already engaged with other Asian partners in consolidating its energy cooperation venture. In March 2011, the Energy & Mining Ministry in the GoSS and Malaysian Petronas signed a two-year memorandum of understanding, outlining the overall principles of cooperation in the oil and gas sector for exploiting existing business opportunities in the two regions. In recent years China has also taken steps to safeguard its energy interests in Sudan by engaging Juba in a big way, while at the same time maintaining close relations with the Khartoum government.

Significantly, Juba opens up the space for the American/Western oil firms, which have so far been forbidden to compete for the oil contracts due to the American sanction on Khartoum. Energy & Mining Minister in the GoSS, Garang Diing, had earlier confirmed that South Sudan needed to diversify and acquire 'Western experience, the best technologies and the best practices'. Diing was especially critical of the 'lack of environmental and human rights safeguards' in the contracts signed

with the Chinese, an indication that South Sudan is likely to develop a more stringent national oil policy.

Given the post-referendum complexity, where oil industry straddling across the border between North and South Sudan needs the cooperation of both the governments to sustain its function, the ultimate challenge for India lies in buffering the secession related uncertainty accruing to its strategic interests in South Sudan through consolidation of its parallel relationship with Juba, without simultaneously risking the mutual trust historically cultivated with Khartoum.

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