



FOREIGN AFFAIRS, DEFENCE AND DEVELOPMENT POLICY (SUB-COMMITTEE C)

The EU's Conflict Prevention and Peace-keeping role in Sudan

Oral Evidence with associated Written Evidence

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**Gill Lusk, Sudan Studies Society of UK and Roger Middleton,
Chatham House**

Oral Evidence, 27 January 2011, Q 1-55

EVIDENCE SESSION NO. 1. HEARD IN PUBLIC

Members present

Lord Teverson (Chairman)
Baroness Bonham-Carter of Yarnbury
Lord Jay of Ewelme
Lord Jones
Lord Jopling
Lord Lamont of Lerwick
Lord Radice
Lord Selkirk of Douglas
Lord Sewel
Lord Trimble

Examination of Witnesses

Witnesses: **Gill Lusk**, [Sudan Studies Society of the UK], and **Roger Middleton**, [Consultant Researcher, Africa Programme, Chatham House].

Q1 The Chairman: Can I welcome you to the Sub-Committee C and if I could go through one or two notices first. I need to make it clear that this is a public session. It is being webcast. We will be taking a transcript of the meeting as well, which we will give you copies of and if there are errors in that transcription you are very welcome to correct them. In fact, this is the first witness session we have had for our inquiry on Sudan. Our focus is very much on influencing policy, both at the European level and at the British level, to make sure that, whatever that transition is to—clearly it would appear to be two states—Europe is able to influence that and hopefully in some way help to secure a better outcome. So, thank you very much indeed to both of you for coming along. I think you have had copies of the questions, and I have mentioned to you that we also wish to explore the situation around Darfur a little more and how that affects the southern Sudan question as well.

I expect the session to take no longer than an hour. As I mentioned, both of you don't have to answer all the questions; take the ones you particularly feel that you have a contribution to. If you would like to introduce yourselves to the Committee, I think that would be useful, and if you have a short opening statement—and I emphasise a short one so we can get into dialogue—then that would be fine. I don't know who would like to start. Gill, perhaps you would like to kick off for us.

Gill Lusk: Yes, thank you. Well, my name is Gill Lusk. I see I'm down as Sudan Studies Society of the United Kingdom. I am secretary of that, but my Sudan credentials are more to do with going there in 1975, staying 12 years, working as a journalist, then coming back and working on the newsletter *Africa Confidential* and specialising in Sudan ever since in broadcasting and writing. So briefly, that is who I am on Sudan.

Thank you for asking me here and, no, I don't have an opening statement except to say that the elephant in the room—to use an unfortunate phrase, but it's apt in many ways—is the Sudan Government in Khartoum. This is something that a lot of outsiders, be they Governments, NGO people, journalists, academics, tend to overlook. I would just like to draw attention to that. Thank you.

Roger Middleton: My name is Roger Middleton. I am a consultant researcher with the Africa Programme at Chatham House, and there I specialise in the politics of the Horn of Africa, particularly on Sudan but Somalia as well. I was involved in a project that we ran in Sudan in 2009 looking at preparing both the SPLM and the NCP for separation or unity, or for the result of the referendum anyway.

Like Gill, I have just a few points to make at the beginning. I think it's worth bearing in mind, from the point of view of the European Union and the other guarantors of the CPA, that we might legitimately ask if there has been a missed opportunity on two fronts: one, politically whether the guarantors, including the EU but also the United Kingdom, missed an opportunity to force the implementation of the CPA to its agreed timelines; I'm sure that is something we can discuss later if you want to and that is something we might be concerned about. But also, on the developmental front in southern Sudan, many people in Juba and in the rest of southern Sudan will ask what has happened in these six years with increased donor funding and all the oil money; so, if there has been an opportunity missed there for the European Union and donor partners. Of course, on the other side, we have just had a fairly peacefully conducted referendum, so maybe it is not all bad news.

Q2 Lord Radice: May I ask the witnesses to avoid initials as far as possible. Remember that some of us don't know as much as you two do.

Roger Middleton: Sorry, yes.

Q3 The Chairman: Thank you. It is a good reminder. Perhaps I could start off and ask you how you would characterise the current situation in Sudan. Clearly, we are particularly concerned—as is the rest of the world—about the possibility of armed conflict, and perhaps you could give us the broader picture of what the main causes of conflict are between north and south Sudan; the issues that still need to be resolved, and how much progress is being made in the talks between north and south under the auspices of the African Union High-Level Implementation Panel, which we will have a more detailed question on later on.

I think the Committee and I would also find it useful to particularly understand the Abyei issue and how that fits in, because—certainly from the press side—one gets the impression that this is the thing that could make or break a peaceful transition. We would like to understand whether that might be correct or not or how that might be resolved. Again, whoever wants to start and whoever wants to contribute.

Gill Lusk: Thank you, my Lord Chairman. A general summary of the situation, I think you said, of the war in particular; the war between north and south. There are two main kinds of cause of why there was a war for 50 years. It started in 1955 in its modern form just on the eve of Sudan's independence. One is about relations between north and south, the way that a succession of Governments in Khartoum have treated the south and the way southerners feel when they work in the north. They're treated as second-class citizens very widely; third-class citizens you might say. There is a long story there. There are also additional factors brought in by the current Government in Khartoum, which is an Islamist Government. It took power in 1989 in a coup and it has greatly reinforced the differences between north and south.

The timing of the coup, on 30 June 1989—the actual timing rather than the coup itself—was aimed to block some peace talks that were going on between the previous democratically

elected Government and the rebels—as they were then, now the Government—in the south; the Sudan People’s Liberation Movement. So, that already told you that the Khartoum Government did not want peace in the south. So its reticence now to fulfil all the conditions of the Comprehensive Peace Agreement that was signed in 2005, which Roger referred to—not between the Government and the rebels but between the two political parties, north and south—explains the fact that it is making difficulties now in particular.

The great contradiction is that the southerners, in the form of the Sudan People’s Liberation Movement, want that peace agreement to succeed because they want independence, as has now become very clear with the referendum. They want to run their own country and the Government in Khartoum doesn’t want it to succeed and has been brought to it screaming and kicking, largely because of American, and also Ugandan pressure to some extent. If it thinks that that pressure is decreasing, it is likely to hold back on all the things that are still outstanding, including Abyei as you mentioned. That is how I would summarise it.

Roger Middleton: Just to come in on the risks of a conflict coming up after this resolution of the vote. The fact that the vote has gone smoothly so far—and, of course, we are still waiting until 1 February for the results to be officially announced and then there is a 14 day appeals period, so it will be 14 February before those results are officially stamped and certified—I think the indication is that the vote has gone much more smoothly than the expectation was of many people within Sudan and also in the region. Many of Sudan’s neighbours were very nervous about how this vote would play out and if the people of southern Sudan would be allowed to vote freely, and it seems that they have been able to.

I think there are a number of areas where we can see potential risk of future conflict between north and south. One is, of course, Abyei, which you have mentioned already, my Lord Chairman. Abyei is a small region of southern Kordofan, traditionally inhabited by Dinka people who affiliate predominantly with the south and many of their kinsmen live in the south. But it is also an area that Misseriya nomads—pastoralists—pass through each year for grazing, so there is a strong connection of this region to the south of Sudan and to the north. Both the SPLM, the Government in the south, the governing party in southern Sudan and the National Congress Party, the governing party in northern Sudan, have very strong personal, political and family links to that region. So it does have an importance, not just in terms of territory but also in terms of emotion and culture to both sides of Sudan.

As I am sure you know, the dispute in Abyei is about who is allowed to vote in the referendum deciding the future of this fairly small piece of land. The Comprehensive Peace Agreement of 2005 allowed the residents of Abyei to vote and decide whether they would join southern Sudan or remain part of northern Sudan, but the National Congress Party and SPLM have been unable to agree what constitutes a resident of Abyei. Some in the SPLM side say it should only be permanent residents; on the National Congress Party side they say it should be people who use Abyei and pass through Abyei. At present they are still unable to reach agreement on this.

I think some of the economic incentive for holding on to Abyei has been lessened on both sides since the Permanent Court of Arbitration in The Hague redrew the boundaries of the enclave, making it much smaller and transferring a lot of the oil wealth of Abyei. It is now firmly located in northern Sudan, whatever happens. So the economic motivation for hanging on to it has been lessened.

I think Abyei is likely to be an area where, in some shape or other, the National Congress Party and the Sudan People’s Liberation Movement will be able to come to some kind of accommodation. It may require different modes of government within the region. It may require some kind of shared control of certain parts of the area, but it is certainly something that the African Union High-Level Implementation Panel is working on even now. So there is a danger there, but I don’t think it’s necessarily as big a spark of conflict between the north

and south as has been made out sometimes. I think there are dangers though. Do you want to come in, Gill?

Gill Lusk: I wouldn't mind.

Roger Middleton: Go on.

Gill Lusk: No, please finish.

The Chairman: Well, perhaps, do you want to finish?

Roger Middleton: I think there are some other dangers, which we sometimes forget, and these are the two regions of northern Sudan that have special status: Blue Nile State and southern Kordofan, which are entitled to what is called a popular consultation. It is going on at the moment in Blue Nile State. This is essentially a consultation with the population to say, "Are you happy with the Government arrangements that you have in these states under the Comprehensive Peace Agreement?" Both these states were very important SPLM-supporting areas during the civil war and they still have strong links with the SPLM as a movement; For example, the Governor of Blue Nile State, Malik Agar, is the only SPLM Governor in northern Sudan. I think sometimes there has been a failure of the international community to focus the attention on the potential for these two regions to cause trouble between north and south Sudan, after the conclusion of the referendum process and the Comprehensive Peace Agreement process.

Q4 Lord Trimble: I caught the Blue Nile; what is the name of the other one?

Roger Middleton: Southern Kordofan. I think sometimes there has been such a concentration on the referendum and on Abyei but these two regions do still have large armed populations and very bitter memories of the civil war. We may be missing potential problems coming from these regions.

Q5 The Chairman: Gill Lusk, did you want to make a final comment on that?

Gill Lusk: Thank you, my Lord Chairman. No, I agree strongly with most of what Roger said. It was all accurate; I would just put a slightly different emphasis on Abyei. The original agreement about what was to happen was called the Abyei Protocol in 2004. This has been going on for six years and the Government has been resisting implementing this for six years. It signed that. That was then incorporated in the 2005 peace agreement; it signed that. Then the Permanent Court of Arbitration in The Hague ruled on it at the Government of Sudan's request and it signed that. It agreed to that. Now it's saying, "We don't accept that". This is the central issue to me.

I thought the eligibility thing about who should vote, which has become the great issue, was so clear that those who helped draw up that protocol, who of course were international lawyers—and America, Britain, Norway, all these Governments were involved—thought it was clear at the time. So it is only now that the Khartoum Government is saying that it's not clear and that the pastoralist tribes should vote, whereas it is assumed that they would pass through, therefore are not resident and therefore cannot vote. I think it is essentially the Khartoum Government that is using it as one of many issues it uses ultimately—as southerners fear—to destabilise the south; that this is not a peace that is enshrined, carved in stone or anything like that, and southerners definitely fear that there will be more trouble from Khartoum; probably not immediately.

Q6 The Chairman: Can I just ask for one clarification? Apart from that area of Abyei where, as I understand it, the north appears to be moving back on a pre-agreement, is it otherwise completely clear what is north and what is south, in terms of at least a line on a map if not the difficulty that no doubt there isn't a fence along the area actually on the ground? But are they otherwise agreed what is north and what is south?

Roger Middleton: There is a clear historical line, which you can get from colonial service maps and so on, showing exactly where the border should be between northern and southern Sudan. But what hasn't happened is the demarcation of that border. I think that was meant to happen about six months or a year into the Comprehensive Peace Agreement. Very early in the agreement the border was supposed to have been demarcated with concrete posts, but I think about 25% of the border is still not agreed on where exactly it runs. People who know much more about borders than I do say it is very clear where this line runs, but there has been a reluctance to have that demarcated.

Q7 Lord Jopling: You realise that this inquiry of ours is focused—we have tried to focus it—in a way that excludes an inquiry into the situation in Darfur. But that doesn't mean that we should avoid the question that I am going to ask, which is: to what extent do you think the situation in Darfur can have an influence on the issues that we are inquiring about?

Gill Lusk: The common factor in the conflict, or the situation more broadly in Darfur and in the south, is of course that they are both in Sudan and that is still a sovereign country and also the common factor is the Government in Khartoum. After the peace talks started in earnest in southern Sudan—in roughly the year 2000, I would say—that is when the Government in Khartoum decided to go in and attack Darfur. This is what happened. It is now presented as a sort of a rebellion. There were minor skirmishes and conflicts locally, but essentially the Government in Khartoum saw the opportunity to redeploy its forces, which were no longer needed on the same scale in the south, and clear Darfur. That has been the aim of it. This is why the President is now indicted by the International Criminal Court for genocide because there was an intention to destroy people as such, not just to conduct a war or over-tough counterinsurgency measures as it is sometimes depicted now. That is the common factor.

So, yes, they do impact on each other very much and it obviously depends on what the Government in Khartoum decides to do and its policy. It is also under pressure now from the northern opposition within the north, which is pretty well everybody. This means that its options are a bit more limited in relation to both the south and to Darfur. So it is hard to predict, but its intention would surely be to deal with Darfur as the President recently said. He said, "We will deal with them". Everybody understood that to mean, "We will go in very strongly militarily". So, yes, they are very closely related.¹

Roger Middleton: I think in the past some Darfur groups have used more political rather than military bases in the south, and the SPLM has been involved in some slightly half hearted efforts to bring Darfur rebel groups together so that they have a common negotiating position and a common front for the peace negotiations with the Government in Khartoum. So potentially there is a role that the Government in southern Sudan could play positively, in terms of helping the Darfurians to develop a common position and prevent all these splinter groups. There is something like 30, 40, maybe even 50, groups fighting in Darfur or claiming to fight in Darfur at present. So potentially the Government in southern Sudan does have the chance to bring those together. But that has not happened so far, so we should be a bit wary of that. I think if the Government in Khartoum is distracted again by issues in Darfur,

¹ Since giving evidence, Gill Lusk has also commented that "While divisions are indeed a feature of the Darfur armed opposition groups, which is not surprising in a situation of great poverty and suffering, there are not dozens of groups and certainly not dozens of any size or significance. Such large numbers are put about by the governments of both North and South because it suits each to do so, for different reasons. I would say that there at most six groups. The Khartoum regime has of course worked hard to divide to rule, by offering money and political positions."

or in fact even in the east of Sudan where they have also had serious problems in the past, that may potentially give some breathing room for southern Sudan in the first years of its independence.

Q8 Lord Jones: What is the Union's policy towards Sudan and how closely do you think it reflects our United Kingdom policy? Then in what ways is the Union supporting efforts to prevent conflict and how do you evaluate the United Kingdom's contribution to the EU's efforts? Lastly, could the UK do more to assist the EU and, if so, what could it do?

Roger Middleton: A small number of questions there.

Lord Radice: That is really our report.

Roger Middleton: Yes. We can hand it in later. I think the European Union policy on Sudan—and I think it's worth pointing this out now—is still a whole Sudan policy. So it encompasses the north/south issue, the issue in Darfur and other issues in northern Sudan, including eastern Sudan and the political space, if you like, in northern Sudan, and does include a commitment to full co-operation with the International Criminal Court. So, it encompasses the whole of Sudan policy. I think it is fair to say that, over the last few years, it has been overwhelmingly focused on the north/south issue and on trying to assist in the completion of the Comprehensive Peace Agreement and ensuring that a referendum happened on time; freely and fairly.

In terms of how that matches with the UK Government, I think the UK Government also adopts a whole Sudan strategy. I think the UK Government, as a guarantor of the Comprehensive Peace Agreement, has been very active in its interest in ensuring that the referendum could come about on time and in a peaceful fashion. The UK Government, I think—along with the Norwegians and the United States, making up a troika of states who have been particularly interested in the Comprehensive Peace Agreement in Sudan—has played a very positive role in pushing forward that agenda; and also, in 2006, 2007 and 2008, keeping international attention focused on the north/south issue when there was, very understandably and rightly, a huge attention on the crisis in Darfur. But there did seem to be a danger at some points during that time of forgetting the north/south process. So the UK Government has been important on that.

In terms of the specifics; sorry, I have lost the train of my thought on that long set of questions. Sorry, do you want to come in, Gill?

Lord Jones: May I say I will not have the heart to ask a supplementary.

Q9 The Chairman: I suppose, what we are trying to understand in some ways is to start to get an indication of what levers the EU has. What ones should it use and what sort of impact can the EU look to have within this context? I think that is the crux of Lord Jones' question.

Gill Lusk: I would agree with that, and add that there has always been a humanitarian emphasis. My personal feeling is that the British Government, and any of those in Europe who show a real interest in Sudan—it is not many in Europe but, say, France—try and avoid the politics. As you will have seen, I always emphasise the politics but that is to me the essence of what is going on. Of course it doesn't mean other things aren't important. But we have a Government that is very, very strong; that is based on its security services; that is very strategic in its thinking and does not make policy on the hoof. It doesn't just react to what others do, it plans ahead and it seeks certain reactions and it often gets them. I think it is widely underestimated. It is felt that this isn't the sort of Government you expect in Africa, so it is easily dismissed as just a military, rather brutal—extremely brutal—Government. I think that is an underestimate, and I think that greatly affects the foreign

policy of any country that is interested, be it African, Arab, European, and also China and America and so on.

So, the humanitarian emphasis is safe ground and the countries in the European Union that are particularly interested are the Netherlands and Italy; there is another one—well, France—yes, I mentioned France already. Apart from Britain, I would say those are the only countries that have shown any active interest. But it does tend to be humanitarian and there is a danger now that they will split. People will focus on the south, which is absolutely necessary, and will forget about the north, including Darfur but not only Darfur.

The Chairman: Did you want to come back?

Roger Middleton: Just to emphasise this point that when it comes to Sudan policy, I think that Member States, particularly the United Kingdom, and then non-EU Member States, Norway and the United States, on the political side I think have had a bigger role to play than the EU. It's not that the EU hasn't wanted to play that role, but these states have been much more effective than the European Union at pushing themselves into those places. I think that is partially what Gill is talking about, this concentration on developmental and humanitarian aid from the EU side. So perhaps it has been easier for Member States to do the politics.

Q10 Lord Radice: Can you just explain how Norway got involved in all this?

Roger Middleton: Gill might have a better idea of the history of it, but Norway has been involved in the Comprehensive Peace Agreement from the beginning. There has been a long history of Norwegian engagement in this part of Africa, and Norway is now particularly involved, in terms of the Comprehensive Peace Agreement, in assistance on oil issues. So Norway was very instrumental in designing the wealth sharing agreement between northern and southern Sudan, and has been very busy trying to help make sure that that agreement is adhered to during the Comprehensive Peace Agreement and trying to prepare the southern Sudanese with ideas around sovereign wealth funds.

Q11 The Chairman: You made a very interesting comment that the EU is probably one of the least influential of the key players, although it was at the top table. Perhaps I could ask what one might see as the \$64 question: is it not so important because it decided not to be and concentrated on the less glamorous areas of economic development and aid, or is it because it failed to fulfil the role that it would like to have fulfilled and why?

Roger Middleton: My feeling, my Lord Chairman, is that for the European Union it is harder for the Special Representatives to operate in a leadership role in a state where Member States have a strong interest. So I think the United Kingdom particularly has a very strong interest in Sudan—in the peace process in Sudan—so is likely to push its primacy in terms of the meetings it has and how it organises things. I think that has meant that the EU has not been able to take such a strong leadership role in this.

Also, it's true that for other European states—perhaps France included—the interest in the politics of Sudan is less than it would be in the UK. So perhaps, in terms of what the Special Representative is tasked to do, they are not getting that same push from Brussels, whereas for the United Kingdom it has been a big priority for the last 10 years at least.

Q12 Lord Lamont of Lerwick: Could you just enlarge on that? Could I just follow up there because it was rather interesting but rather elliptical in a way? Britain has an historical interest. But if a country has an historical long-standing interest, why should that be an impediment—just because it knows more and has more connections—to the formation of a common approach?

Roger Middleton: In theory, you are right. That should be a benefit for the European Union. But I don't think we should underestimate the power of the Sudan lobby; Sudan as an issue that people campaign on, that people are prepared to go out on the street and wave placards about. That is much stronger in the United Kingdom, I think, than it is in other European countries, certainly than it is in other major European countries. So it becomes—not in anything like the same way that Zimbabwe is—slightly a domestic issue for UK politicians. It's something that they are asked about in Parliament; it's something that their constituents might ask about; it's protests outside Downing Street, and so on. That is not really the case in other European countries.

Q13 Lord Lamont of Lerwick: But Britain has no different interest from anyone else, does it?

Gill Lusk: Well, that is a very big question. I'm no expert on the EU, as you may have noticed, but with 27 countries it is quite hard to have a common foreign policy when that policy needs to be quite strong, which it did over the Comprehensive Peace Agreement, and some people would argue needs to be stronger in terms of confronting, shall we say, the Khartoum Government. That is not an easy thing for something like the European Union to do, I would have thought.

The Chairman: I have two other Members that want to come in on this part of the question, Lord Jay and then Baroness Bonham-Carter.

Q14 Lord Jay of Ewelme: Thank you. Do you see a conflict between what the UK says it is trying to do and what the EU is trying to do, or is it just that they are both trying to do more or less the same thing but the EU has less impact because the UK has an historical interest as a Member State?

Roger Middleton: I think that is a very good way of describing it. Also, the UK—

Lord Radice: What, the second?

Roger Middleton: The second point, yes, the UK's role as a Security Council member. I think the UK's relationship with the United States has been very important on this as well. One of the driving forces for foreign engagement during the Comprehensive Peace Agreement has traditionally been the troika between the United States, Norway and the United Kingdom. Obviously, two of those members are not EU Members. So I think that has been very strong and has given the UK, perhaps, a bigger interest and a stronger say in Sudan affairs than has been the case for the European Union as a whole.

The Chairman: Baroness Bonham-Carter.

Baroness Bonham-Carter of Yarnbury: Lord Jay asked the question I was going to ask.

Q15 The Chairman: Okay. But can I follow on a little bit more of that? Because of that—and I can understand entirely, because of the Security Council membership because of its relationship with the other two main players—has the EU, therefore, willingly said the UK should take that lead and the EU as a whole should be slightly behind us? Has that been a comfortable position within the CFSP?

Roger Middleton: The evidence I have for it is what is in the public domain, but I think if we look at what EU priorities have been those are not at all dissimilar to what UK priorities have been. I think there has been pretty good co-operation between our Special Representatives and the EU.

Q16 The Chairman: That's fine. I just want to ask one other question in this broader area before we get into more detail. That is, Gill Lusk, you mentioned particularly about the Government of Sudan being clearly the big issue within this. I want to ask: for this settlement

is the Government of Sudan expecting payback from the international partners for co-operating with a transfer of power; is there that payback that is expected from, among others, the EU in terms of how relationships with northern Sudan continue afterwards; is that a factor in this whole thing? For instance, if that payback isn't there then things get tough in terms of relationships later on?

Gill Lusk: I think that is a very good question, my Lord Chairman. Yes, it would expect a payback but that wouldn't be its main motivation I would say. If it gets it, it's pleased. It's pleased if it gets debt relief; it's pleased especially if it gets terrorist list de-listing by the United States Government.² All those things would be helpful because they all add in. It is a cumulative thing at the United Nations; it's more votes here, it's more money there. It's all that. But if the Government of Khartoum—the northern Government—had to seriously change its policy or its nature in order to achieve those things, it would not do them. This makes leverage very difficult. So I would say the payback is not the first priority. It is doing this because it has to, basically.

Back to the previous issue, Roger mentioned the United States. I think the weight of the United States is extremely important in the lack of weight of anyone else, including the European Union but not only. The United States Government is the only one that the Khartoum Government fears because it fears that it will drop another bomb as it did in 1998, and that is where there is real pressure. I am not saying there are no other forms of pressure, of course there are, but that is the centre of it and the others don't really count.

The Chairman: Thank you very much, that's fine.

Q17 Lord Trimble: You have seen question two, and most of it has already been covered in the supplementaries, but I just want to take up a couple of points that are in three. Then I have my own supplementaries on the general area, one for each of you. That is taking up what are really the supplementaries in three: do the EU institutions have a good understanding of the conflict and do they have access to adequate intelligence?

Gill Lusk: I'm not sure I'm in a position to answer on whether they have adequate intelligence. They could have if they look for it. I do wonder if they do look for it. I don't just mean the European Union, I am talking more generally there about western and Arab and African Governments. You often have the sense that they just don't want to know too much. I'm constantly getting that in my dealings with people; that they don't want the sort of detail you are asking for now, so it's very nice to be asked for it, "We don't want to know too much. Then we won't have to do anything". That sense is around as far as I'm concerned. It is a very broad thing; I'm certainly not talking only about the EU there.

Roger Middleton: Just on that same point, I think one thing worth bearing in mind is that the EU Special Representative is based in Brussels, not in Khartoum. That puts Rosalind Marsden in a very different position than, for example, her counterpart, the EU Special Representative to the African Union, Koen Vervaeke, who is based in Addis so is on the ground and able to talk to people as and when he needs. I know Rosalind Marsden goes to Sudan frequently and her predecessor also went to Sudan frequently, but there is a difference being in Brussels than being in Khartoum or in Juba full time.

² Since giving evidence, Gill Lusk has also commented that "It [the Government of Sudan] also badly wants the International Criminal Court warrants for President Omer Hossan Ahmed el Beshir to be cancelled or at least deferred by the UN Council."

Q18 Lord Trimble: Mr Middleton, I have a follow-up question to something you said earlier. You said—with regard to the EU and the UK—that they have a whole Sudan policy. What do you mean by that?

Roger Middleton: A whole Sudan policy means simply trying to address all of the problems in Sudan. So that includes the big overriding issues of north/south Sudan and the problem of Darfur, but also the problem in the east of Sudan where there are people who feel historically that they have been marginalised and in the past have taken up arms. There is now an Eastern Sudan Peace Agreement as well, which is more or less holding. So it is to address those issues; with one person or one policy to try and address all of those rather than having separate approaches.

Q19 Lord Trimble: It doesn't imply a bias in favour of maintaining a whole Sudan rather than seeing the southern Sudan develop in a different direction?

Roger Middleton: No, that's correct. At the moment the approach is to deal with all of Sudan's problems but, as you say, it doesn't imply a bias against southern Sudan.

Q20 Lord Trimble: Ms Lusk, you made clear the significance you attach to the Sudanese Government and saying that they are frequently underestimated. So I wonder: what do you perceive as being the long term policy of the Sudanese Government? What are their ultimate objectives, if any?

Gill Lusk: To establish its version of Islamic rule, which most Muslims would not call Islamic rule of course. That is not a value judgement on my part of that kind. I mean it's not an Islamophobic judgement; absolutely not. This is why most northern Sudanese who are Muslims oppose the Government, because they feel that it abuses their religion.

I would say it is firstly to survive; that is its short term thing, which is a bit of a struggle at the moment in some respects. But in the longer term it is to establish its version of Islamic rule, Islamist rule over the whole country and then more widely. It is easy to forget now that in the early years of the 1990s after it took power that is when Osama bin Laden lived for five years in Sudan. He didn't just live there as a businessman, which is what they would have us believe now. He was part and parcel of the whole system and it was a very internationalist Islamist system. It didn't only include terrorist training, which it certainly did, but there was involvement in the 1993 attack on the World Trade Centre; there was involvement in the assassination attempt on President Hosni Mubarak of Egypt in 1995. All this is documented at least by the US Government. So all those kind of things were going on. I see no reason at all to believe that those sorts of aims have been renounced; the Government has drawn into itself. There is an expression in Islam for that.

Q21 Lord Trimble: They are hunkering down under the pressure?

Gill Lusk: Yes, exactly.

Lord Trimble: When they get the opportunity they will then return to their—

Gill Lusk: Yes. That would be my theory.

Q22 Lord Lamont of Lerwick: Can I ask a question to enlarge on that? You used the word "Islamist", but if you take the Islamist spectrum what is the main inspiration of this "Islamism"? Is it Wahabi or is it the Muslim Brotherhood or what?

Gill Lusk: Historically it was the Muslim Brotherhood and the ruling party was founded in Sudan, pretty well in the late 1940s, early 1950s, with people returning from Egypt, which of course was the country where the Muslim Brotherhood was founded. Wahabism is not a word you hear much in Sudan, although I suspect you would hear it more now than 20 years ago.

Lord Lamont of Lerwick: Well, you would hear it with bin Laden, yes.

Gill Lusk: Yes, exactly. In theory they broke with the Egyptian Muslim Brotherhood but in practice one never knows. These relationships are rather complex, and where the ultimate aims are very similar you always have the feeling that these conflicts are not necessarily eternal. So they would fit in, in that way, and they spent 13 or 14 years preparing to take power. This is why I say it's a very complex party and Government. They infiltrated the system very slowly, very patiently. They had read their Lenin. It was a real exercise in entryism and every kind of technique that you can think for taking and then holding power, which is what they have done of course. They have been there 21 years.

The Chairman: Thank you. Perhaps we should move on from that.

Q23 Lord Jay of Ewelme: Just going back a little bit to what you were saying about Rosalind Marsden, I think it is worth pointing out she was British Ambassador in Khartoum for some years. Indeed, I met her in Juba a couple of years ago. So that combination of having been British Ambassador there and now being the EU representative based in Brussels isn't actually a bad one; it seems to be rather a good one.

I wanted to ask a question about the African Union High-Level Implementation Panel; two things, really. I have been personally quite encouraged by the way in which the African Union has been trying to get more involved—as we have seen recently in Côte d'Ivoire, for example—in some of the more difficult African conflicts in other areas. So the first question is: do you see its role as being positive and useful in Sudan; and, secondly, do you have the sense that the EU is engaging effectively with it? Is something useful coming out of EU African Union engagement, or are they both below the radar screen as far as a real influence on what is happening there is concerned?

Gill Lusk: Yes, I will just say something briefly. I think Roger probably has more to say than I would. But all I can say is that I talk to an awful lot of Sudanese—north and south and right across the political spectrum, particularly in the north where there is a whole range of political parties that go back for many years—and nobody has a good word for the African Union at all. That is a bit of a generalisation, but they don't because they feel that it has been far too engaged with the Khartoum Government, that its support for President Omar al-Bashir in the ICC—International Criminal Court—indictment, they say is unacceptable. They normally—

Q24 Lord Radice: Sorry, could you just explain that last point?

Gill Lusk: About what?

Lord Radice: You said "support", that the African Union support—

Gill Lusk: I'm sorry, yes, I see. The African Union has said that the indictment by the International Criminal Court, which was in 2009, is interfering with the peace process between north and south. They didn't quite say it was an international plot against Africa but that was the kind of implication of the language, that it would disturb the peace process and that the court should have waited and not indicted him. I haven't met a Sudanese who agrees with that, north or south.

Lord Jay of Ewelme: Sudanese in the north or Sudanese—

Gill Lusk: No, in the north or south; all the people I have talked to support the International Criminal Court indictments. They are also critical of the African Union because they feel it has been very soft; in particular, certain individuals within the African Union have come in for a lot of criticism.

Q25 Lord Jay of Ewelme: So would you say it is that particular view that they have taken on the International Criminal Court that reduces whatever impact they may have had, or even without that would they have had any real impact, do you think?

Gill Lusk: I would say even without that.

Lord Jay of Ewelme: They would not have had?

Gill Lusk: Yes.

Q26 Lord Lamont of Lerwick: But on the International Criminal Court—and without taking a view—from what I have read, some of the aid organisations were very critical of the decision to indict President al-Bashir and did feel that at that particular moment it made the situation worse, in terms of moving forward. I am not saying it was right or wrong, I have no idea. But it wasn't just the African Union, it was westerners in the Sudan who said, "This is not helpful, this indictment".

Gill Lusk: Oh, yes. Many people have—

The Chairman: Just before you answer that, I know Lord Jopling wants to make a comment about this area. Perhaps we could tie that up and then come back on a combined question.

Q27 Lord Jopling: My Lord Chairman, I am thinking of this issue of future disputes that may happen, and one would be over oil reserves. We have been given a map of the oil fields, refineries, pipelines, and so on. It does seem to me that one of the major, potential future disputes would be because the north would appear to have a whip hand over the south, with regard to the access to those pipelines going to the Red Sea. To what extent do you think that is a future hazard that could give rise to a major conflict? One thinks of an example of what the Russians have been doing with their hydrocarbon things in regard to Eastern Europe; and second, I see that there is a proposed pipeline from Joburg down to Kenya, but it seems to start an awful long way from where the oil is. Could you just say something about this as to—

The Chairman: Lord Jopling, I think that is probably covered in question 8, Lord Radice's question.

Lord Radice: Don't worry about it.

The Chairman: No, I am anxious to just complete Lord Lamont's question—if the Committee doesn't mind me trying to order this a little—on the International Criminal Court, and the effect that that has and whether it was right or wrong; a brief report on that. Then, yes, we can take the energy question now, if Lord Radice is happy to do that. But let us complete the International Criminal Court, and then we will move on to the energy sector.

Lord Jopling: I did put a mark against number 8, but I thought that number 4 was more appropriate.

The Chairman: Anyway, I will make sure we cover all of them. But I'm aware that we do need to make some progress, so International Criminal Court.

Gill Lusk: Yes, thank you, my Lord Chairman. Lord Lamont is quite correct about the NGOs, and also privately Government officials of many Governments have also opposed it on those grounds, and you can see the logic. But to that I would respond—and I think a lot of Sudanese would respond, because that's where I'm getting my ideas and information from—there is never going to be a right time, because this is what the Government in Khartoum is so good at, is manipulating, looking ahead; it plans, it is strategic in its thinking and there would never be a right time for that.

Obviously, from their point of view, there wouldn't. But there would always be a time when they could use it to say, "But we're just about to make peace". This is a tactic they have

been using for 20 years, “We’re just about to solve the problem you’ve presented us with”. So that is what I would say on that.

Roger Middleton: I’d just say on the ICC issue, certainly the timing seemed unfortunate. The time it came out was a very sensitive time in the negotiations, talking about post-CPA—post-Comprehensive Peace Agreement—arrangements, talking about the conduct of the referendum. But one thing that does strike me as remarkable is how little effect this has had in practice on getting the referendum process through. It hasn’t even had a huge amount of impact on President al-Bashir’s travel plans. For example, he has still been able to visit Kenya; he has been to some Gulf States. So he has even been able to carry on his international engagements as well. I think it is remarkable how little impact it has had on President al-Bashir and on Sudan. That is probably a natural consequence of indicting a serving head of state, these things will carry on. Certainly, it is something that the Sudanese Government would always want to talk about and always bring up again, that they feel themselves being persecuted; he is a head of state and this is a Western plot, and so on. But again, as I said, it is amazing how much they have been able to carry on and how much progress there has been in Sudan, despite this.

Q28 Lord Lamont of Lerwick: But President al-Bashir has made very dovish noises about the south. Is that influenced by the prospect of possibly being before the International Criminal Court, or is this a sign that maybe all that will be dropped?

Lord Jay of Ewelme: Could I follow up on the second part of that question: who is he saying this for and does he mean it, or is this just a kind of temporary reaction because it is a sensible thing to do following the referendum, and his long term goal is still to make certain that separation doesn’t happen?

Gill Lusk: I would say that one of his roles is to be the angry face of the Government, the very reactive face of the Government. It isn’t him who makes the decisions. It is the party that makes the decisions, and certain leaders within that. That is absolutely crucial. He has always been there. He is useful because it makes it look like a military Government. It is not really a military Government. It is a civilian Government run by the security services. That is not quite the same thing, but he keeps the military onside and so he’s there for that. Then along come the men in the suits, with their PhDs from many countries, and they say, “Oh, it’s all right, he’s just a soldier. We are the reasonable people. You can deal with us”. One of them was here last week doing exactly this; you know, reasonable, reasonable. So it’s partly a tactic. It’s partly because he’s a genuinely angry man as well, I would say.

Q29 Lord Radice: No, but the question was that he is behaving dovishly now. He wasn’t behaving angrily. What is he up to?

Lord Jay of Ewelme: Is he trying to sabotage the—

The Chairman: Can we let Mr Middleton perhaps answer that question and then I do want to move on, because we’re not going to get through the rest of the questions otherwise.

Roger Middleton: I certainly think there is an expectation within the NCP that there is a payback owed to them for behaving well over the referendum. How important that is to them, I’m not sure, but certainly they expect some kind of payback. Whether that is a postponement of the indictment on President al-Bashir; whether it’s the lifting of the sponsor of terrorism and the sanctions in the United States, but there is an expectation of some kind of payback.

I don’t think that at this stage northern Sudan, President al-Bashir, can realistically expect to stop secession. I don’t think—and I hope I’m not wrong—that is the plan either. I think the National Congress Party—the governing party in Khartoum—has internalised, has accepted

that southern Sudan is going to secede, and they accepted this probably a long time before they starting saying it in public. I don't think President al-Bashir, or any parts of the northern Sudanese establishment, is going to try and stop that. What they do afterwards is another question, but I think the actual secession is not something they would be trying to—

Q30 The Chairman: Thank you. Okay, perhaps then we could move on to what Lord Jopling asked, which is around the energy situation. But also combining that with what commercial interests the EU generally has in Sudan; taking those two that we were going to discuss later.

Roger Middleton: On the oil reserves, as a future source of dispute, I think one of the remarkable things about oil in Sudan is that in many ways—and there are problems with it—in terms of the big-scale picture between northern and southern Sudan, it has been a means for cementing peace. The revenue-sharing agreement, which at present under the transitional arrangements gives the Government of southern Sudan 48% of the money generated by the oil, the Government of Sudan 48% and 2% for local states, has been the thing that has made a return to war economically disastrous. The Government of southern Sudan is 95% to 99% dependent on oil revenue for all of its revenue, mainly to pay salaries for the SPLA. The Government of northern Sudan, the Government in Sudan in total, is dependent—something in the region of 30% to 40%, depending again on oil price—on oil revenue, from oil that is coming from southern Sudan, for its overall expenditure. So neither the Government in southern Sudan, absolutely not, nor the Government in northern Sudan can afford to lose this revenue. Certainly it is true there are other wells, other fields to be explored in northern Sudan potentially in the future. But at present if they want to carry on functioning in anything like the way they function now, they have to keep this oil flowing. So they need to reach agreement on it.

Q31 Lord Trimble: What would be the position of secession with regard to the sharing of revenues?

Roger Middleton: The earlier question about the AU panel, the negotiations between the SPLM in the south and the NCP in the north on post-referendum arrangements cover issues like citizenship, but also the oil sharing. Those aren't public yet, what the agreement will be. But I think the most likely scenario is that it goes from being a revenue-sharing agreement, 50/50, to being an agreement whereby the charge for using the pipeline through northern Sudan is such and such. Probably the Government in Khartoum will get slightly less money than they get now, but they will still get a very significant amount of money. So that is likely to be how it is arranged.

Q32 The Chairman: Could I just follow up on the broader EU commercial interests in Sudan perhaps. Are there any obvious ones or is it really a no-go area for the EU otherwise?

Roger Middleton: The only EU company that still has oil interests in Sudan is Total of France. They have the rights to a very large block, which I think is mainly in southern Sudan but also partially in the north, but they haven't done any drilling there since the early 1980s. There are no other EU companies with interests in Sudan.

Gill Lusk: They are talking of starting next week.

Roger Middleton: Drilling again, yes. The biggest oil interests in Sudan are China, India, Malaysia and then an assortment of smaller companies and smaller nations.

The Chairman: I think we will come on to some of the other international players later on.

Q33 Lord Lamont of Lerwick: My questions I think have been opened up a bit before. But to go through them, you might like to add to them about: one, the effectiveness of contributing to the avoidance of conflict and maximising the opportunity for peace-building. Perhaps the most important part of these three questions is what assistance is being provided to reintegration initiatives and disarmament, and is this proving successful? Then the third part is about engagement and co-ordination with other EU Member States, the UK, and international donors, the overlap of aid. It is really a tripartite question.

Gill Lusk: Britain is particularly active in southern Sudan in military and security matters, so are American and, to some extent, South African and some other companies. It's not entirely, but of course it's mostly privatised these days, so you get these private military companies or private security companies doing training; doing stabilisation programmes as they are called. They are often quite ill-defined and it's not very easy to get information on them. Sometimes they have Government funding; sometimes they don't, usually through DFID—the Department for International Development—rather than the Foreign Office, which of course has the big budget these days on that kind of thing. There is quite a lot going on in that way. I am not aware of other countries in the European Union being involved, but that doesn't mean they're not.

Lord Lamont, you mentioned reintegration. One of the contradictions here is that the former rebels in the south, the Sudan People's Liberation Army, is now the national army of the south. So at one time they were cutting back on the number of soldiers, partly to save money on salaries, but at the same time they need to train people. So both these things are happening simultaneously, and there is, to say the least, some confusion. There is a lack of co-ordination, of course. That is a big feature of foreign aid in southern Sudan. There is something called the Multi-Donor Trust Fund, but this demands permission and okays from several capitals—I don't think they're entirely European Union—to go ahead. People who are doing these programmes complain a lot that an emergency has become an absolute crisis by the time the okays have gone through all the bureaucracy. So there are all kinds of problems involved in that and there is a lack of co-ordination of aid, between Governments of different countries and between different non-governmental organisations.

Roger Middleton: Of course that is not unique to Sudan. It is a problem in many places. I'd say one thing on the effectiveness of EU aid—and to come back to the point I made earlier on the political side—it is interesting that in southern Sudan, the highest profile aid organisation is the Joint Donor Team, which was set up by the United Kingdom, Denmark, Canada, Norway, Sweden and the Netherlands. So, it includes EU Member States but not the EU itself. At the moment it is the main body in Juba for distributing funds and administering things like this Multi-Donor Trust Fund that Gill talked about. So it's remarkable that despite all of the money the EU put in—and it is quite a lot of money, as I understand it—they're not at the forefront of this.

Of course the EU has a problem in terms of delivering development assistance; not humanitarian assistance but development assistance to Sudan, because Sudan has not ratified the Cotonou Agreement that requires states to accept their own statute in the International Criminal Court. Because Sudan hasn't ratified that, it means that money from the tenth European Development Fund is not available to be spent in Sudan. So the EU does have workarounds for this. They're able to use money from previous allocations, from other funds like the Stabilisation Fund, and so on. But on the big pot of European development money—the current allocation—it's not possible to make that allocation to Sudan at the present.

Q34 The Chairman: So who distributes the money, because it is quite a major spend, isn't it, EU spend? So who distributes that?

Roger Middleton: A lot goes through the World Bank, some to the United Nations, UNICEF and those kinds of organisations, some directly to NGOs, but it's mainly distributed as donations. My understanding is it is donations to other multinational organisations.

Q35 The Chairman: Does some of it go through that grouping that you said practically worked there?

Roger Middleton: There is a European Commission contribution to the Multi-Donor Trust Fund that Gill was talking about, along with the UK, Iceland, the whole selection of countries. So there is a donation to that and that is a fund of some, I think, around \$408 million. How much is it? \$500 million, that Multi-Donor Trust Fund. So there is an EU contribution to that, but also bilateral contributions from EU Member States as well.

Q36 The Chairman: Yes, I have a question: what currency are we talking about?

Roger Middleton: US dollars, sorry.

The Chairman: US dollars. Okay, thank you.

Roger Middleton: One of the EU priorities, in terms of their spending, is supposed to be on this disarmament and reintegration as well. The EU does support some smaller projects to do with community-to-community peace-building, and there is a very good project being run along the border of north and south Sudan, which is funded with EU money. So there are some smaller scale things like that. I think that particular project is having a good impact.

Q37 Lord Selkirk of Douglas: May I ask, how successful has the EU's policy been of upholding the principles of accountability, justice and reconciliation as part of its peace-building efforts? You have already said a considerable amount around the subject of the International Criminal Court, but could I ask—and in asking my question focus on a specific point—do you feel that the International Criminal Court's actions have strengthened or weakened its ability to play a conflict prevention role and has it been counter-productive or not?

Gill Lusk: Sorry, I didn't quite catch the last part of the last question.

Lord Selkirk of Douglas: I was wondering if the policy of the EU, in supporting the International Criminal Court's involvement, has been counter-productive overall or not.

Gill Lusk: My personal view is that it has been extremely productive and France and Britain are seen as the two Governments pressing for the International Criminal Court in particular. That has certainly been to their credit among Sudanese in general. Obviously the Khartoum Government wouldn't agree with that. But I don't think it has been counter-productive, no. I think it has drawn badly needed attention. You mentioned the word "accountability". That is a word I would like to write in big letters on anything to do with Sudan, because basically there is none in the north and there isn't enough in the south. These now have to be seen as two separate areas.

Q38 Lord Selkirk of Douglas: What you are saying is extremely interesting. Am I correct in thinking that it has been productive because it has focused on correct facts?

Gill Lusk: I would say so, yes.

Q39 Lord Selkirk of Douglas: Not just the allegations, but facts and that bringing these to the fore has been of great embarrassment to the Sudanese Government?

Gill Lusk: Well, "embarrassment" is not really a word the Sudanese Government uses. It doesn't get embarrassed. It doesn't play by the normal diplomatic rules. If you can imagine the average way that Governments behave, it is outside that. It is obviously affected by what

happens internationally but it doesn't mind being embarrassed. It doesn't do embarrassment, really.

Roger Middleton: Briefly on the issue that you raised on reconciliation—and this is something I think that has not been properly addressed in southern Sudan—of course, during the civil war in Sudan there was also a civil war within the south, between the various factions in the south, and it was only recently that the final groups were accommodated within the broader SPLA structure.

Gill Lusk: It was about two weeks ago.

Roger Middleton: Yes, it's an ongoing process.

Gill Lusk: Theoretically.

Roger Middleton: But it is my impression that process has been very much driven by paying salaries for former armed combatants, a little bit on disarmament. In terms of reconciliation, and moving away from what are some really bitter memories of south/south conflict in southern Sudan, there really have not been any significant moves in that direction. So I think money spent on bringing people into the SPLA—giving them pensions, making sure they don't go back to war—is probably well spent. But if there isn't a wider reconciliation process in southern Sudan there will be problems, not two years down the line but five or 10 years down the line, when people feel, "We fought and we've never had our payback yet".

Gill Lusk: I would like to add there, if I may, that this is where civil society needs to be looked at because the Government would be part of the problem in the south in terms of reconciliation for some people, for those who think that it is the wrong tribe and the wrong people, and that people have been very active. There isn't much of a civil society developed yet, but the churches are very active. The churches in Sudan work together; Anglican, Catholic and Presbyterian mainly, and they work very closely together. There are no conflicts there worth mentioning at all. They have played a big role in reconciliation and of course it would be worth looking at them and other groups.

The Chairman: Thank you. If we could move on then to Baroness Bonham Carter, we move into the more international area and maybe some areas that we haven't covered.

Q40 Baroness Bonham-Carter of Yarnbury: Again, we have spoken earlier about part of my question, which was the influence of the UK and the EU and so on, but what other states? We have covered the United States; we have covered the UK and Norway. What other states play an influential role? And a supplementary, picking up on the reconciliation point and the south/south conflict. Looking at the map, particularly the south is surrounded by some pretty unstable African states. What effect have they had on the south and what effect do you think they are likely to have in the future when it is hopefully an independent country? So it's two questions. Why don't you start, Roger?

Roger Middleton: Okay, I'll start. It is really interesting and I think excellent that you raised this issue of the south's new neighbourhood. I think one of the issues, which we haven't touched on yet today, is the role that is played by not just the neighbours of the south but the neighbours of Sudan, in the peace process and in the future in southern Sudan and northern Sudan. If we think just for a moment of southern Sudan, almost all the food, goods, any mechanical goods and so on, are generally imported not so much from northern Sudan, but predominantly through Uganda or through Kenya. So the Ugandans and the Kenyans have a huge amount invested in southern Sudan and a huge amount of interest in southern Sudan. Likewise, Ethiopia will share a border with both southern Sudan and northern Sudan. Ethiopia has communities on both ends of the border who live in Ethiopia and in Sudan. They share resources on the Nile with northern Sudan. Ethiopia exports about 200 MW of

electricity to Sudan. Now, Ethiopia buys something like 85% of its refined petroleum products from Sudan, so there is a huge role for the regional states to play.

A more negative example, and I think the real fear for southern Sudan, is the example of Central African Republic; another landlocked state; another very poorly developed state and perhaps one of the least governed places in the world; a place where the Lord's Resistance Army are able to operate with impunity, which they also operate sometimes in Sudan as well. So there are some real regional challenges.

I think in terms of positives for the region, the East African community, which is at the moment Kenya, Uganda, Tanzania, Burundi and Rwanda, and perhaps the most well-functioning of Africa's economic regional communities, southern Sudan's ability to tap into that market, to be a resource for that market and also to benefit from it, is something that in the future might well stand them in very good stead.

Then just briefly on other actors: of course, India and China are very big actors. To put it in perspective, Sudan's imports from the United Kingdom are worth US\$210.95 million in 2009; and from China—these are imports into Sudan—that is US\$1,875.85 million. So China, in terms of imports into Sudan, has a huge value there. Also about half of Sudan's oil exports go to China. But also a significant player, and not one that we talk about very often, is Japan; a very significant end user of Sudanese oil. So, certainly in the oil sector, there are a lot of other international actors.

Q41 Baroness Bonham-Carter of Yarnbury: I suppose for our inquiry, the central question is to what degree there is any interrelationship between the EU and both the neighbouring states and the international states?

Roger Middleton: The EU and the African Union are developing quite good relations on these things intermittently, and those are relations that are getting better on a political level and more effective. They do share some common objectives in how they would like these things to turn out. The EU supports the African Union High-Level Implementation Panel financially and in provision of experts for that panel, so that is a relationship that is developing. EU Member States' relations with Ethiopia and with Kenya and Uganda, some of them are quite good; not always brilliant but certainly better than they are with Khartoum. So there is a potential there to work with that. But I do think that has not been explored enough or concentrated on enough. The ability for Ethiopia, particularly, to play a really positive role in Sudan: Ethiopia is perhaps the only state that has a big stake in southern Sudan and a big stake in northern Sudan, and Ethiopians do seem a little bit happy to let other people sort the problems out. But I think Ethiopia does have the capacity to make a positive difference, and I'm not sure that is being used to its full extent.

Q42 Baroness Bonham-Carter of Yarnbury: One final question. You talk about Japan and China, but is there influence in southern and northern Sudan or do they tend to concentrate on northern?

Roger Middleton: I think Japan is an end user and my impression is their on-the-ground influence is not that significant. China has a long history of relations with Khartoum and the Government there, but increasingly very good relations with southern Sudan as well. Salva Kiir, the President of southern Sudan, has been to Beijing; Chinese ministers have been to southern Sudan. If you go to southern Sudan, there is a huge amount of Chinese investment in things, like hotels, restaurants and roads, so it is a relationship. I think the Chinese have consciously been trying to develop this relationship with southern Sudan as well.

The Chairman: Lord Sewel, you have a supplementary on that and then perhaps move on to your own questions.

Q43 Lord Sewel: If we move towards secession, is that going to be accompanied by large-scale population movements, and are refugees going to be generated on a significant scale, and is that going to spill over into other neighbouring countries, particularly Ethiopia?

Gill Lusk: Well, it is already under way. Tens of thousands of southern Sudanese went back to vote for the referendum. Others went back, but missed the vote because they were afraid they'd be attacked in northern Sudan. It's very easy for the Government to stir up that kind of attack and there is huge movement now, people are waiting at the border, just living destitute by the roadside. Yes, I think it's a major problem and I would think it's a problem that the international community—and donors in particular—should be looking at, in terms of funding. There could be hundreds of thousands of people who are now moving. They're expecting, I think, 2 million to move to southern Sudan. There is no land for them; there is no housing; there are no jobs; there is no food. I mean, it is a major problem.

Lord Radice: Moving from northern Sudan?

Gill Lusk: Moving from northern Sudan, but also from neighbouring countries, where they have been in refugee camps, particularly Kenya and Uganda. Of course, coming back from Australia, Britain and America as well in smaller numbers, and less likely to be destitute, because they are often educated and they have access to work, and in fact they are most needed. But a lot of the other people have no qualifications, no anything, no possessions even, and so it's a major humanitarian problem.

Q44 Lord Sewel: What is being done?

Gill Lusk: Not a lot. The United Nations High Commissioner for Refugees is rapidly trying to do something, but of course they never have the budget to do what they want to do, and I don't think a lot else is being done. The southern Sudan Government is doing its best, but it doesn't have a lot of money or it doesn't have the logistics, the skills.

Lord Sewel: That strikes me as having all the ingredients of a catastrophe.

Gill Lusk: Yes, it does. Thousands of people could die just of hunger, I mean, not of war.

Q45 Lord Trimble: These are people who have been previously been displaced from southern Sudan by the conflict?

Gill Lusk: Yes, by the conflict.

Roger Middleton: Of course sometimes the land they used to live on, other people are living there now and farming it, and so on. So there are all those kind of disputes. There is a problem already in some of the states of southern Sudan with inter-ethnic violence over land resources, over cattle raiding, and so on. So, of course, it is possible that big returns of former refugees or IDPs could exacerbate that, so it is a real worry.

Gill Lusk: Yes, it is.

The Chairman: Okay, I think that is something that we need to come back to.

Q46 Lord Sewel: Three precise questions on arms: which countries are exporting arms to Sudan? Is the EU taking steps to stop the import of arms into Sudan, and how effective is the EU in addressing the problems of small arms and light weapons?

Roger Middleton: In 2008 there were five countries exporting arms, recorded by SIPRI—the Swedish Institute of Peace Research—and those countries were: Belarus, China, Iran, Russia and Ukraine.

Lord Sewel: What a nice bunch.

Roger Middleton: Yes. Then, over the last nine years, only one EU state has been recorded as transferring arms to Sudan. That is Slovakia in 2007, a sum of \$6 million-worth. I'm afraid I don't know exactly what that was for. Over the last 10 years the biggest exporter of arms to Sudan has been Russia, by quite some distance, much more than China, or certainly that is

recorded and in the public domain; not always the same thing, of course. But we know there are also arms going to southern Sudan. This is not only about arms going to northern Sudan although, given their financial resources, most of it is likely to go there.

I'm sure you will all remember the case of the Faina, the ship that was hijacked off the Kenyan coast with tanks that were destined for southern Sudan—those tanks are now there—and it is a worrying trend that during the CPA, the interim period before southern secession, both northern Sudan and southern Sudan had been investing quite heavily in improving their military technology, improving their hardware and making sure that they are prepared for this. I don't know if Gill has more to add on arms.

Gill Lusk: Yes, I would agree with all that. I would add that Iran has been very active in northern Sudan, not only in exporting but it has a lot of people in Sudan in military factories. They have even made unmanned aerial vehicles—drones—now that have been used in Darfur, and so on, which are being made with Iranian help. Iran is Khartoum's big ally. It is the only country it could really, we would say, trust.

Q47 The Chairman: That is very interesting. In a minute I am going to ask Lord Jopling to ask a final question, but there is one thing leading on from Lord Sewel's point I want to get some impression of. Even if, say, happy days, the referendum result is confirmed; that northern Sudan is as helpful as it can be in the transfer of power, is southern Sudan—as it is then left—bound to be a failed state? On the other level, will it be a shiny example in Africa of a modern, liberal democracy? What do you see? Briefly, what is the challenge there, even under the best scenario of the split of that state? I want to understand a little bit of that.

Gill Lusk: Well, I would err on the optimistic side, but I can see the challenges. A lot of southerners I have talked to have been very upset that the Western media have been predicting this failed state quite so avidly over the last few months, but it is true that there is everything to do in terms of practicalities: there is no real infrastructure; there are no hard-topped roads at all between towns in southern Sudan and in some areas you can't travel for six months of the year because of the rains. I think it is 800,000 square kilometres; it's a huge, huge area and it has almost nothing.

But southerners are used to having very little and the spirit that is there at the moment—of hope for a new nation—is so great that if they had the right sort of support from donors, aid agencies and so on, I think there is a real chance of success. They have a big ally in Uganda in terms of neighbours. Uganda is particularly the main one, and Uganda has said it will defend southern Sudan. It then denied that it said this, but it had said it; meaning against Khartoum. So that is the scenario there.

Q48 Lord Trimble: You say, "If they have the right sort of support". Do they have the right sort of leadership?

Gill Lusk: Broadly, yes, but with a lot of caveats on that. Corruption is a huge issue. I think it is one that donors could do a lot to attempt to tackle; not only by not bribing people, obviously, but also by talking about accountability, by drawing attention to that. It is a sore point among southerners and they will notice at the moment if it's mentioned. There are a lot of companies in there that are finding it quite a struggle because they say they are expected to bribe too much, I am told.

Q49 Lord Jay of Ewelme: Would they apply to join the Commonwealth?

Gill Lusk: I think they would like to be invited to join the Commonwealth, yes. I think they would very much like that.

Roger Middleton: Not to be the depressing voice after Gill's optimism, but I think it is important that the challenges southern Sudan faces are not underestimated. If we remember

in 1993 with Eritrean independence, there was a huge feeling that it was exciting; a new country, long war, people had fought very hard and their country was going to be free and independent. I think the international community shared the same feeling. We saw how that ended with the disastrous border war with Ethiopia, and Eritrea now becoming a very closed state and not a particularly nice place to live.

Southern Sudan isn't destined, I don't think, to be a failed state. But if you look at the issue of human capacity, certainly there are Ministers in most of the Ministries who are very competent, have an idea of what they want to achieve, and they have First Secretaries who are also competent. But in terms of basic things, like organising meetings, keeping accounts, any level below the First Secretaries, there is—not an empty space—a real dearth of skills and experience there. So they face massive challenges.

Even if the citizenship issue with northern Sudan is agreed amicably; if the border is demarcated; if they split the oil fairly; if their neighbours are very helpful; if the EU and others give them all kinds of useful aid, even in the best circumstances the challenges they face are enormous. So I think it is very important that international partners for southern Sudan are constantly aware of that and realise that 9 July, when—if they become independent—they will become independent, it is not the end. It is the start of a very big project.

Gill Lusk: And that is what didn't happen—

Q50 Lord Trimble: You mentioned earlier that there are going to be a small number of people coming back from Europe, and other people with an education. Will they be in sufficient numbers to fill the gap that you have just identified?

Gill Lusk: No.

Roger Middleton: I would not have thought so, even if they all came back. Many people of course have been in the UK or America for a long time and they have their lives there and their children at school there, so they might not want to go back. To go back to a place with no roads, and so on, is quite tough.

The Chairman: Okay. Perhaps I could ask Lord Jopling to complete our session.

Q51 Lord Jopling: Yes, just one comment, I remember years ago when the Ford Foundation was looking at the possibility of developing land there being told that southern Sudan is among the most fertile places in the world. They have that potential. It is just a case of making use of it. Now the question I want to ask is this: first of all, is there anything we haven't talked about that you think we ought to hear from you? That is the first thing. And the second, if each of you were put into a magical situation that you were each of you a combination of David Cameron and Cathy Ashton, what two things would you set about doing with regard to Sudan?

The Chairman: Don't rush.

Gill Lusk: Thank you. What hasn't been said? There is a fear that there will be a coup in northern Sudan and probably a false coup engineered by the Government, which will appear to be a coup to get rid of the nasty Government but which will replace it with some of the same people. A replacement theory has been used before when Hassan al-Turabi, the Islamist leader, has gone in and out of prison. He has just been released again, I believe, but that—

Q52 Lord Jay of Ewelme: What effect would that have on the south?

Gill Lusk: Probably not very much immediate effect. But in terms of determination, I'm convinced that the Government in Khartoum would like to destabilise the south. It's not easy to give up part of your country and it is a sign of failure to the Government in

Khartoum. So I think that is a danger. It is one we should be aware of, that if there is a coup in northern Sudan it is not necessarily a good coup. It could be a bad coup. It could be the same people again. In fact, it almost certainly would be because no one else is in a position to make it. But there could also be civilian activity, such as we have seen in Tunisia. The people in Sudan are talking about this in the north again. They have overthrown military Governments twice with civilian uprisings in northern Sudan, and people are beginning to say it. They had stopped saying it for 10 years. Now they're mentioning it again. So we don't know. It's a very fluid situation.

In the south, what hasn't been said? I would think most of the main issues have been covered; some of them are very critical, particularly about the help that is needed. What didn't happen in Eritrea was any Western—or foreign at all, including African—presence, because this wasn't the line of President Isaias' party. They were very much self-sufficient. But self-sufficient has now become dictatorial politics.

What would I like to do? I would like to see peace and democracy in Sudan. I do feel that the international community, not only Governments but also the UN organisations and NGOs, could do a lot more in highlighting human rights abuses; failures most of the time of anything you would call justice, transparency, all the key words. They are all lacking.

Q53 The Chairman: What can we do to make sure that isn't reflected in the south post-independence, presuming that independence happens?

Gill Lusk: What isn't reflected, sorry?

The Chairman: Well, those problems.

Gill Lusk: I was talking about the north then probably.

The Chairman: Yes, I was trying to think: what would you like to bestow on the south in terms of something practical that would come out?

Gill Lusk: Practical help along the lines that Roger mentioned; he drew attention to all the issues there. There is a feeling that people need support. They don't need taking over. They don't want taking over. They certainly don't want anything that looks like interference, but they do welcome support and it shouldn't just be financial, because that is prone to lack of accountability.

Roger Middleton: I would say one thing I think, which we have touched on at times during this session, that perhaps I think is in danger of disappearing a little bit—not just here but in other places—that we talk a lot about the dangers for southern Sudan; what happens in southern Sudan and all the challenges they will face on independence. But northern Sudan also—or Sudan, I suppose—will also face huge challenges, not least the challenge of having lost 20% of the population and a large chunk of their territory.

Those challenges are political, certainly the challenges to the regime in Khartoum. That could be a bad thing or a good thing and, who knows, we will see. But challenges in Darfur, in Eastern Sudan, what happens to armed groups in northern Sudan? Do they see the success of the SPLA as a model that they can follow in the north? Alternatively, does the loss of the SPLM, as a big political balance in the whole of Sudan, mean that the National Congress Party is unfettered and able to carry out an agenda that they were last strongly following back in the 1990s? So do we see a return to that?

I think sometimes there is a danger of thinking, "Well, northern Sudan will carry on the same. Those problems will remain the same", but that is not necessarily true. Of course there will be changes in the political and demographic dynamics of northern Sudan, which if we ignore we are potentially storing up problems for the future.

In terms of two things that I would like David Cameron or Cathy Ashton to do going forward, one lesson from Eritrea is that new states take time to bed in; they take time to develop their relations with their neighbours, especially neighbours that they fought against

for a long time. The international community needs to be aware of that. The kind of attention that has been focused on the north/south process in Sudan for the last 10 years since the beginning of the negotiations on the Comprehensive Peace Agreement, right up through their signing and through the moves up to the referendum, that level of attention needs to remain on southern Sudan and its relations with northern Sudan, and its relations with its other neighbours. Otherwise we will wake up in five years' time and go, "Oh, we didn't see that coming". So I think that kind of attention, the kind of pressure, the shuttle diplomacy, which the Americans and others have been prepared to engage in to get past problems and road blocks in Sudan, that needs to continue at least while it is in the first decades of independence.

Then one other thing; it is not a recommendation, but it is about democracy in southern Sudan. Again it's perhaps a lesson from the 1960s and the 1980s of African liberation movements, which have fought for independence, delivered independence, and then perhaps had more problems once they were in Government. I am not saying that is how the SPLM will end up, and there are certainly many people that are very committed to a pluralistic democracy but we shouldn't ignore the lessons of history, of what happens sometimes when liberation movements become Governments.

Q54 Baroness Bonham-Carter of Yarnbury: Throughout this session, you've talked about eastern Sudan and the potential problems there. Which bit is that?

Roger Middleton: It is along the border with Eritrea and it is where the Beja people live.

Q55 Baroness Bonham-Carter of Yarnbury: Is it an ethnic thing?

Gill Lusk: Eastern Sudan is the area that includes Port Sudan, which is the country's only seaport, so it is crucial for that reason as well. It also borders Egypt in the northern part, so that is strategic too, and the Red Sea, of course. That was the area where the northern opposition used to have armed movements in the 1990s. They used to be in that area. So it's not only about the local ethnic groups, which it is also. There is a peace agreement. It is holding, but there is a lot of unhappiness because the local people felt excluded.

The Chairman: Thank you very much for that clarification. I just want to thank both of you for what has been a long session, but one that everybody has very readily participated in. Certainly, from my own point of view, from having known something but not very much about the detail of Sudan, it has been a very useful session and one that I think has shown the challenges of the rest of our inquiry. I thank you very much indeed for everything that you have contributed today, which will be of great use to us as we look forward to seeing how we can assist this process through to a difficult but successful conclusion. Thank you very much indeed.

Sara Pantuliano, Overseas Development Institute (ODI) and Paul Murphy, Saferworld

Oral Evidence, 10 February 2011, Q 56-96

EVIDENCE SESSION NO. 2. HEARD IN PUBLIC

Lord Teverson (Chairman)
Baroness Bonham-Carter of Yarnbury
Lord Inge
Lord Jones
Lord Lamont of Lerwick
Lord Selkirk of Douglas
Lord Sewel
Lord Trimble
Lord Williams of Elvel

Examination of Witnesses

Witnesses: **Sara Pantuliano**, [Head of Programmes, Overseas Development Institute], and **Paul Murphy**, [Director of Programmes, Saferworld].

Q56 The Chairman: Sara Pantuliano and Paul Murphy, I welcome you to this meeting of EU Sub-Committee C on Foreign Affairs and Defence. Briefly, this is a public hearing, which is being webcast and recorded. We will send you a transcript and, if you feel that there are any errors in the transcript, those can be corrected.

This is our second hearing looking at the Sudan situation after the referendum, particularly from the European dimension, and is one of many hearings that the committee will have. As neither of you wish to make an opening statement and you are both keen to go into questions, I will just ask you to introduce yourselves first. I should stress that both of you do not have to answer every question—it is certainly easier if at least one of you does—so we will leave it to you to decide who answers which questions. If you would like briefly to introduce yourselves to the committee, we will then move into questions.

Sara Pantuliano: I am Sara Pantuliano. I am Head of the Humanitarian Policy Group of the Overseas Development Institute. I guess I am here because I have been working on the Sudan for about 20 years. A key thing I should say is that I was observer for the Italian Government at the IGAD peace talks and I was the resource person for the Three Areas committee.

Mr Paul Murphy: My name is Paul Murphy. I am director of programmes with an organisation called Saferworld. I have a similar track record in Sudan. My first time in Sudan was in 1989 before the coup and the present regime in Khartoum. I have stayed engaged since then, and I have spent many years both in the north and, mostly, in the south of Sudan. It is a pleasure to be here.

The Chairman: Good. I have mentioned to you the sorts of questions that we are likely to ask, but Lord Lamont was quite keen to ask a more general question. It might be easier to have that first.

Q57 Lord Lamont of Lerwick: I have two questions about the politics of Sudan in order that we can understand the situation with which we are dealing before we look at questions of how aid is effectively and efficiently deployed. The first is about the nature of the Government. We had evidence from Gill Lusk, whom you may know, who said that the Government has the appearance of a military Government, but it is really a civilian Government that is run, in a way, by the security services. Her opinion was that the decisions were made not by Mr Bashir but by people behind him—as she put it, “the men in suits, with their PhDs from many countries”, who use President Bashir and say, “Oh, it’s all right, he’s just a soldier. We are the reasonable people. You can deal with us”. I find this all rather confusing as a description of the nature of the Government. Can you comment on that?

Sara Pantuliano: The key thing in understanding how the Sudanese Government operates is to remember that it is not monolithic. There are very different perspectives in the Government. President Bashir has demonstrated to be more than a front figure. He does take decisions himself. It is true that there is a group behind him, which has been pivotal over the past 20 years in taking Sudan forward to where it is today. It is also true that there are different groups that have had tensions at different points over the last two decades. They are traditionally referred to as the doves and the hawks, and they have had ups and downs throughout the transition to the Comprehensive Peace Agreement. However, with the indictment of President Bashir, we have seen a more direct engagement of the President in the politics of Sudan and more decision-making coming directly from him and not just from the people behind.

Mr Paul Murphy: I echo that. In some senses, the politics in the north is probably more analogous to that of Arabic cultures, in that the colour grey is more appropriate than black and white. Power is mediated within a larger group and has shifted at different times over the course of 20 years. However, the regime has shown extraordinary resilience, as we know, although I think that it will be tested in a very different way starting from the end of this year. Over that period, the president’s role has also changed. He was not the principal figure during the coup, although he was the front person. As things changed internally, he has become a lot more powerful. Part of his power is derived from his links to the military. Of course, he shares a broader sense of power being garnered by the security services, of which there are many, which are complex and quite effective in some regards.

It is sometimes a confusing reality to try to grasp. The key thing is that you have a regime which, through various different means has maintained power. It holds on to the centre very tightly. It is now faced with huge challenges to maintaining that in the new dispensation, after, as we now expect, the south becomes an independent country.

Q58 Lord Lamont of Lerwick: Perhaps I did not put my question very well in a sense. We are interested in not just the mechanics of how the Government operates, but what motivates it. What, if any, is its ideology? What are the interests that determine whether it will survive? Gill Lusk said last time that its objective was, “To establish its version of Islamic rule, which most Muslims would not call Islamic rule of course”. She went on to say, “This is why most northern Sudanese who are Muslims oppose the Government, because they feel that it abuses their religion”. Is that the main motive of the Government?

Mr Paul Murphy: That has become more complex over time. Certainly, that motif of the Islamic banner, a modern, unified Islamic state, which is what the early masters of the coup in 1989 wanted to implement, was partly a banner of convenience, but it also attracted a lot of very committed people who wanted to implement that version of a modern Islamic state. Over time, that has diluted a lot. There is still a core group of people who wish to see, after the CPA is closed, a return to a more Islamic-based constitution. However, as a regime, to

be honest, the Government has been more influenced by economic and power issues than by religious issues. As you will see in many different countries, the religious motif is often used in dialoguing with the population. However, underneath, religion is not quite the driving force as it was at the beginning of the regime after the coup in 1989.

Sara Pantuliano: To add to what Paul Murphy has said, it is also important to remember that the 1989 coup was supported by a large, popular base because, among the youth, political Islam had become a way to challenge traditional, patriarchal politics, which was organised around very established families in the country, and sectarian politics was linked to the Ansar or Khatmiyya sects. The type of Islam that the National Islamic Front was promoting was a way to react to this rather static society founded on these two sects.

Q59 Lord Lamont of Lerwick: So that is why you use the phrase “modern Islamic state”.

Sara Pantuliano: Yes. Among the youth, it was a way to contradict their fathers in terms of where they stood with their families in terms of their allegiances to the traditional sects.

Q60 Baroness Bonham-Carter of Yarnbury: On the back of what we are seeing happening in Egypt and Tunisia, is there any likelihood of that kind of movement in the Arabic northern zone?

Mr Paul Murphy: There has been a lot of speculation around that. In fact, there were demonstrations, mostly student-based, in the north. The truth is that the instruments the authorities had to quash those were actually quite strong. They were met with a lot of resistance. It was reported that a number of the supposed leaders were in detention. The authorities moved swiftly and effectively to quench that.

A lot of opposition parties are trying to exploit that as much as possible by calling for people to come on to the street, but I am not necessarily sure that they will be the ones to bring the masses out. There are real burning issues, especially in the north, of people being a bit confused about what the future is and what their identity is, given the economic crisis. There are a number of potential triggers, so we should watch that space.

Q61 Baroness Bonham-Carter of Yarnbury: Is that tied into the secession of the south?

Mr Paul Murphy: Yes. A lot of people in the north are slowly coming to terms with a whole new reality that they have not really been part of. It will take a bit of time to come to terms with that.

Q62 Lord Trimble: We have touched slightly on this. What do you see as the long-term goals of the governing group in northern Sudan in becoming a “modern Islamic state”? Where would you place that on the spectrum of other Islamic societies and movements?

Mr Paul Murphy: Comparatively, I am not sure exactly where we would place them. They have support from other, similar regimes, but not necessarily people who are totally in favour of how they were conducting their affairs in the north. As I mentioned earlier, part of their portfolio and manifesto is still deeply related to the issues and values of Islam and having a more Islamic state. But many other powers are influencing their decisions and how they stay in power.

I very much get a sense of a regime that is considering deeply how to play its cards in terms of how to survive. Of course, that is mixed up with the issues of the president’s indictment by the ICC, which is complicating issues quite a bit. You may find that, after the CPA, he may be less popular as president for that reason among the hard-liners who believe that that might be an impediment to their vision of the society that they want to put in place.

The difficulty is that, because the regime has been relatively authoritarian, the only people who are talking about that future are those within the regime itself and the old guards—people who have previously been part of the regime. There is no sense of opposition groups or civil society groups engaging on those deep directional issues of where the country goes. That is not a happy situation.

Sara Pantuliano: I slightly disagree on that. There is actually a strong civil society movement which has merged and coalesced, particularly before the elections. We have seen Girifna and other groups in the north come together and bring together the best of civil society in Sudan. The problem is that the space is severely limited for them to engage with the Government in serious conversations and focus on the transformation of the politics of northern Sudan. Although we do not see a real strong political opposition group, I think civil society has matured quite a lot and has been very courageous in making issues public, particularly going towards the election. We still see a lot of activity now. People are watching very carefully what is happening in Egypt and waiting to see the outcome of events there. That will have a bearing on Sudan as well.

Q63 The Chairman: Thank you very much. Perhaps now we can move on to the fundamental question of why the world does not let Sudan get on with it. Sudan will now, we hope, be two sovereign nations. Why should we interfere at all? The question is what the international community should offer people in the Administrations of north and south Sudan in the aftermath of that division. What in particular should the EU contribute? Does the EU have a special role that it can play that others cannot? Why should the EU get involved, and why should the international community get involved?

Sara Pantuliano: The transition to the referendum is probably the best indication of why the international community should get involved. We have seen, after the signing of the CPA, a profound disengagement of the international community towards the south because attention was focused primarily on Darfur. That has led to a number of difficulties between the two parties that are signatories to the CPA and a turbulent transition for Southern Sudan.

The international community started to re-engage with Southern Sudan about a year and half ago. Particularly after the elections, and moving towards the referendum, we have seen a robust engagement. The fact that the referendum has gone ahead smoothly is testament to the engagement that we have seen. If it had not been there, I doubt very much that we would have seen such a successful process around the referendum. That is important to remember. The engagement led to the signing of the CPA and later to the possibility of holding a peaceful referendum. Engagement will be critical in ensuring that the transition continues to be peaceful and smooth.

On the support that the Governments of both north and south need going forward, particularly in the south we have a very young Government that has demonstrated over the past six years that it finds it difficult to assert its legitimacy throughout the 10 states of Southern Sudan. There has been progress in the development of the Government in Juba, in the centre, but it has not been the same in all the states, where things can be very fragile. The Government's legitimacy continues to be questioned on some of the peripheries. There needs to be a lot of support in strengthening this nascent democracy and ensuring that it is offered the technical and political support it needs.

It is important that, while the south is supported in becoming a viable state, we continue to engage with the north, where there is an equally difficult transition going forward. The peripheries continue to be very turbulent. Obviously, Darfur is still in a state of full conflict. The border area remains a critical issue going forward in finalising the outcome of the

referendum. And eastern Sudan is another region with many difficulties, with a peace agreement that has hardly been implemented.

So the political engagement we have seen over the past year and a half needs to continue without the usual swinging of the pendulum that we have seen over the past six years in Sudan—flipping from the north to the south, back to the north and back to the south. The issue needs to be looked at in its entirety, even if two entities are now involved. We need to see a robust engagement of the international community with both dimensions in Sudan.

The EU can play an important role. Whereas different bilateral countries have brought agendas that change depending on the political imperatives within the home country, the EU has been able to maintain a more technical relationship over the past six to eight years of the transition in Sudan. That is valued. The independence and a more technical approach allows a different type of dialogue with the parties both in the north and the south.

Mr Paul Murphy: It is worth underscoring that, historically, Sudan never really functioned as intended right from the beginning. The 1972 peace agreement lasted only for a number of years. Different types of peace agreements have different characteristics, but in the case of Sudan the agreement would not have been reached or have gone this far without a very strong third-party role. It is a characteristic of where things have got to in Sudan. That dynamic probably has to continue. It is not just all those vulnerabilities that Sara Pantuliano has described in the south and the potential of the north. It is unclear where it could go. There are many threats to stability as well. Of course, regionally, there is great danger of a spill-over effect. Its strategic importance is vast. The type of engagement is very specific for the needs of Sudan.

Q64 Lord Lamont of Lerwick: It was suggested to us by one of the witnesses last time that the EU was really rather marginal in the Sudan, and individual countries, particularly Norway and Britain, were mentioned as being more effective in their activities than the EU is as an institution.

Sara Pantuliano: Obviously, the Troika is not just the UK and Norway; the UK, Norway and the US have had much more direct relations with the parties. However, the role of the EU has not been unimportant. It is very dependent on the personalities of the envoys involved, and it has been very dependent on who was in the country. There has been less of a central policy at the EU level in terms of engagement with Sudan, but when individuals such as the previous special envoy and the current special envoy have been directly concerned, we have seen quite a robust engagement with Sudan. With the UK, US and Norway, we see some of the limitations that very close engagement can bring in facilitating some of the processes in Sudan.

The other important element of EU engagement has been development and humanitarian support. That has been very significant and more effective than some of the mechanisms that the UK, Norway and other bilateral countries have used, such as the Multidonor trust fund. Perhaps we will go into that later.

Mr Paul Murphy: In terms of this inquiry on the role of the European Union, given the fact of the Lisbon treaty and the External Action Service coming on board, we need to think about what the EU can do now that it has had great difficulty doing before. The EU was very present and played an important role on the humanitarian front, where it was a key actor. The EU was a very large donor, but it was constrained a lot in terms of what influence it could have at a more political level. It remains to be seen whether, in the new dispensation, there is the will and opportunity to have a much more coherent and influential presence in south Sudan as a positive player for the future.

In the past, given the need to deal with the relationship between the actions of the member states and the actions of the Commission, the extent of the mandate of the special

representatives was such that there had to be extraordinary political will to bring things together to make an effective force. Now, with things slightly changed, I think that there is a great possibility for that to happen provided that member states co-operate. Certain key states have close relationships with Sudan, either because of a colonial past or other interests, such as Norway, France and the UK. It is an important consideration to think about how these approaches and policies are aligned in the interests of Sudan's future stability.

Q65 The Chairman: To sum that up, you feel that if the EU can get its act together post Lisbon so that it does not have 27 different policies, the EU could have a role there that others could not provide. Is that right? We are trying to get to the truth of that. I am not trying to lead you down that path.

Mr Paul Murphy: Among other actors—it would not be a sole lead role—the EU has huge potential to play a very significant role, particularly if we can integrate the mechanisms and policy positioning on the direction Sudan is taking as peace unfolds.

Sara Pantuliano: One problem has been the proliferation of special envoys to Sudan from many different countries. That has been a problem not just for EU member states but across the piece, among other countries in North America—I think even Australia has a special envoy. That has been a significant problem for the success of the Darfur peace process. We had meetings where 25 special envoys were trying to discuss how to take the process forward, which is not conducive to finding a solution. Clearly, if the EU member states can find a more coherent position around one EU special representative, that would be an asset for the transition, both in the negotiation of the peace process in Darfur and in implementing what remains of the interim period of the peace agreement in the south.

As Paul Murphy mentioned, the critical difference that the EU has made over the past few years has been through humanitarian and development assistance to the country. As well as being very significant—second only to US—in providing assistance, the EU was the first donor to provide humanitarian funding which was for longer than one year, with the Humanitarian Plus programme. That was critical for activities in the Transitional Areas. The funding allowed agencies working on the ground to experiment with programmes which they would not have otherwise been allowed due to the sanctions on development aid in Sudan at the time. That remains important.

I was involved in an evaluation of all donor assistance over the past six years, so I have looked closely at the performance of EU aid compared to other bilateral and multilateral aid. If you look at the evaluation of Food Security and Basic Services, in this sector we have seen parallel programmes implemented through the Multi-Donor Trust Fund—which is where most bilateral donors put money—and the EU funds. In the Agriculture and Food Security sector the same programme was implemented in five western states with EU money and five eastern states with Multi-Donor Trust Fund money, but the performance of the western states supported by the EU has been way in advance of that of the eastern states, where the programme has not taken off at all.

The Chairman: I think we will come on to the aid side later on, but that is very useful. Thank you.

Q66 Lord Jones: Do the Commission and the External Action Service have a good enough understanding of the problems? Is the European Union's intelligence and analysis good enough? Is Britain really playing as good a role as it might? My summary question is: do you perceive the EU strategy on Sudan to be coherent?

Mr Paul Murphy: To begin with the last question, we have to start with the fact that there is no EU strategy for Sudan. The last strategy was for the period 2005-07. I hope that, with a

certain urgency, a strategy is put in place that is aligned with these historical shifts that are currently happening.

Q67 The Chairman: That is a pretty profound point, on which Lord Sewel to my right is getting excited. With the EAS or whatever, is there now a mechanism for quickly coming to a strategy within the EU?

Mr Paul Murphy: I am not entirely sure. The intention is that Southern Sudan should be an opportunity to make a mark, given the new dispensation within the union, as it were, as the issue presents a possibility of acting in a more coherent way than was possible in the north, where things were tied into a different set of relationships. I assume that that is currently being worked on in terms of having a tiered framework.

I think that is really important. There is lots of information on Sudan. The question is whether it is the right kind of information that will inform the type of approach and funding mechanisms, for example, that would be really beneficial to stability in the south and peaceful co-existence between the north and the south. Certainly, the organisation I work for would recommend strongly that, as not enough is being done to have the type of sensitive analysis whereby we can understand and disaggregate Sudan as best as possible, we need the right type of response and approach so that people's local voices—rather than those of the capitals—can be heard on where the priorities lie and on their understanding of the problems and of what solutions would be best.

Q68 Lord Jones: Would we look to the External Action Service for intelligence and analysis? Is that where you would expect it to come from?

Sara Pantuliano: On Sudan, I think the best analysis in the EU has been from the Institute for Security Studies in Paris. The ISS has done the most sophisticated analysis within the EU of what is happening in Sudan and has regularly put out analysis or convened debate that, I hope, can feed into the development of a EU strategy.

Lord Jones: The hoped-for EU strategy.

Sara Pantuliano: Yes. With the recent appointment of Dame Rosalind Marsden, we have someone who knows Sudan really well, understands its difficulties and complexities and can bring that analysis towards developing a more coherent strategy. There are also a few technical people in the country who are well informed and have followed Sudan for many years, who can be an asset. Those are recent developments.

Q69 The Chairman: Can I ask a factual question that I do not think we have covered? We are concentrating most in our report on trying to prevent Southern Sudan from becoming a failed state. Is the EU actually present in Juba in any coherent sense? At our previous hearing, we heard—I do not know whether this is necessarily true—that the special representative was based in Brussels. Why in Brussels rather than in Juba? Is there an office there? Is there something that works well there?

Sara Pantuliano: Those are two different questions. There is a head of delegation in Khartoum, but there is also a sub-office with a delegation and quite a lot of staff in Juba as well. Bits of that office work well and others work less well. That is on the development side. There are elements that are more successful than others.

The Special representative is based in Brussels, but my understanding is that she visits Sudan regularly. It has happened to me several times that I have seen both the previous representative and the current representative in Sudan—I travel regularly to Sudan, at least six times a year, and I have seen the representatives there on numerous occasions. Because there are full delegations in the country, I do not think it really matters that the representative is based in Brussels, as long as she engages in travel frequently. That was not

the case with previous representatives, but the last two have marked a departure from previous practice.

Mr Paul Murphy: As a reminder, during the war years, the EU was not really engaged much in the south, other than perhaps in making some small humanitarian contributions. Only since 2005 has there been a representative who is formally engaging with what was then the opposition and the rebel groups. Institutionally, the EU is trying to catch up. The EU has an office, but if the Union is to have a physical and influential role, it will be really important who heads that office and how it is resourced. It needs to be somebody at a level who can deal with their peers at the level of the Government and the head of the UN and so on. I am not entirely sure what the plan is, and I know that people want to make it a success, but it is really important that the person appointed there is at the right level to be able to be influential and visible.

Q70 Lord Sewel: I have a big, long question, with about six parts to it. However, before I get to even the first of those six questions, I have another question. I have no idea what the EU is doing. Okay, there is some humanitarian involvement, but we are concerned with the political and security issues. What is the EU at the moment contributing to the political and security issues? The answer may be nothing, and that would be all right.

Mr Paul Murphy: From my limited knowledge on the specifics, I know that during the peace process in the interim period, the EU has been providing technical support to the Assessment and Evaluation Commission, which is an institution set up as part of the CPA that provides for third parties to have a monitoring and feedback role. That will remain a really critical institution until the end of the CPA in the next few months. That may be more of a signature of the European Union's previous role, when it was very supportive from behind without that visibility but was in truth giving support at that level.

On the security side, there has been talk of supporting the demobilisation of armed personnel. That was not a very successful process during the CPA period. I would not entirely blame the European Union for that, but again it was a discrete role aligned to an initiative that was going nowhere politically. In other areas related to security around the small arms issues, the EU has not had a history of directly supporting Governments in the region, but it has perhaps leaned more to regional fora, which in turn deal with local governance. When we look at the future, that is an area where the EU could be involved a lot more from its experience internationally.

Sara Pantuliano: In this area, I think the EU's most direct contribution has been the programme focusing on human rights. That has been quite distinctive in the country. Very few donors have directly funded human rights programmes in Sudan. This was even before the signing of the peace agreement. When I was based in Khartoum between 1998 and 2003 as Head of the Peace-Building Unit of the UNDP, the EU was the only donor that was funding civil society groups to work on human rights issues. That has made a contribution to the vibrancy of some of the civil society organisations we have seen as of late. An attempt has been made to replicate that support in the south, but I do not think it has been equally successful. I know less about the performance of the programme in the south in this area, but I have seen the good work done on this in the north. I do not think it was as successful in the south.

Q71 Lord Sewel: Sudan is in Africa, so what happens in Sudan will affect other African countries. What is the role and contribution of the African Union to the problems, and what should be the relationship between the EU and the African Union?

Mr Paul Murphy: Throughout the CPA period, an important factor in trying to improve the chances of success has been to get many of those key stakeholders involved—sometimes

very involved—in trying to deal with the deadlocks that have been going on throughout the interim period. Of course, the African Union is a key part of that. There was a lot of nervousness in the south about how its will for independence would be received not only internationally but locally. The African Union's perception of that is really important, because if the AU was not in favour, that would pose enormous difficulties and would probably lead to an unravelling and a breakdown of the peace process. So it was really important that the AU was fully engaged. The African Union's endorsement of what was happening would have a big knock-on effect—hopefully, a positive one—if it was following the wishes of the people through the referendum. Do you want to mention Mbeki's role?

Sara Pantuliano: Yes, but even before Mbeki, when I was an observer at the peace talks, a colleague representing the African Union was there throughout the process. After the signing of the peace agreement, and even before then, it is important to recognise the role that the AU has had in the Darfur conflict. An AU mission was fielded to Darfur to start with. That was a very difficult one mission, which has perhaps been unjustly criticised right from the start. As we have seen with the subsequent UN peacekeeping mission, it was not necessarily the fault of the AU that the mission was so difficult to field and to make work. Of course there has been a great deployment of troops from AU countries, in the personnel and management capacity of the mission. Politically, some of the most successful engagement we have seen has been through the AU panel in Darfur and the Mbeki panel that is presiding over the transition and led successfully to the referendum. Their engagement has been quite robust and definitely welcome in the last few phases of the transition in Sudan.

Q72 Lord Sewel: Can we move on to the relationship between the EU and the AU?

Sara Pantuliano: I do not know how well they are co-ordinating. I honestly do not know the extent to which the EU is providing support to the panel at the moment.

Mr Paul Murphy: There is some technical support.

Sara Pantuliano: I know that the EU provides technical support, but I do not know where the engagement is politically.

Q73 Lord Sewel: On a slightly more macro level, we are concerned about trying to ensure that Southern Sudan does not descend into disaster. Given that challenge, what can the EU do on its own to prevent that and what things can it do with the AU to stop it happening?

Mr Paul Murphy: As Sara Pantuliano has mentioned, part of the success of the referendum vote was the degree to which key international actors engaged deeply and minutely with the process. As well engaging directly, the European Union as an influential body also needs to ensure that that African and international engagement is sustained. So if the EU has a desire to be more visible and a bit more forthright in its role and influence, it would be very important that part of that is aligning with other key institutions such as the African Union. Another one in the Sudan context is IGAD, which is a more regional network that has also played a fundamental role in the peace process of 2005.

Q74 The Chairman: What was that organisation?

Sara Pantuliano: IGAD is the Intergovernmental Authority on Development—originally, it was the Intergovernmental Authority on Drought and Development.

Mr Paul Murphy: Uganda, Ethiopia, Sudan and Kenya are the key regional actors involved.

Sara Pantuliano: The organisations which led the North-South peace talks, basically.

Q75 Lord Sewel: Is there a role for the EU in assisting in resolving issues such as border demarcation, dealing with the major population movements that are taking place, sorting out

oil revenues, external debt and other problems such as the Abyei issues? Are those areas where the EU can make a contribution and do things?

Sara Pantuliano: I think the borders are the critical area, because the EU can bring its own experience. I am advising on that in the negotiations at the moment. That is an example that I always bring. North Sudan and south Sudan are left to find a way to co-exist and make sure that the borders remain secure and viable, so co-operation between the north and the south needs to be a win-win co-operation. They are intrinsically linked. Salva Kiir has said that Southern Sudan becoming independent does not mean that it will move to the Indian Ocean; it will remain where it is and its economy will remain intertwined with the economy of the north. The exploitation of the oil resources is contingent on the ability to use the pipeline that goes to the north, at least in the medium term. The citizens in both north and south have families spread over the two regions. So it is essential that the two entities continue to co-operate well. The EU has a lot to share on the political and economic process that has led to the integration of the EU, as well as on more specific border arrangements between countries. We have seen that throughout the evolution of the European Union. A lot of technical support can be provided that builds on the strength of the EU and can be very beneficial to Sudan.

Q76 The Chairman: Just coming back quickly on Lord Sewel's question about the African Union, I think that one of our previous witnesses said that the AU had a very bad reputation within the south because it had basically been seen as tolerating the north, whether on Darfur or on the civil war in the south and the various human rights issues. Is that true, or do you not see that?

Sara Pantuliano: I think that perception has changed profoundly through the engagement of Thabo Mbeki. We have many people who engage with Sudan, but some of the positions have not kept up to date with the evolution of events in the country on the ground. That may have been the perception a few years ago, but it is surely not the perception today at all.

The Chairman: That is important for us to understand. Thank you.

Q77 Lord Trimble: These questions all overlap. I was going to focus on the stability of the south and helping nation building there. You have touched on that quite a bit. I want to come back, Mr Murphy, to that regional grouping—I am not sure that I got the name correctly—involving Ethiopia, Kenya and Uganda. Is it getting involved?

Mr Paul Murphy: Deeply. It was under the auspices of that grouping that the two parties came together up to sign the agreement in 2005. The countries in that grouping understand each other better and are more comfortable with the issues and understand them more deeply than would a broader forum such as the African Union, which institutionally would be suspicious of anything that is talking about secession, for political reasons. So IGAD became—

Lord Trimble: IGAD?

Baroness Bonham-Carter of Yarnbury: Sorry, you said before what that stood for.

Mr Paul Murphy: IGAD is the Intergovernmental Authority on Development.

Throughout the discussions, it is the role of the EU, among a lot of key actors, to come together in a coherent way to make a difference for the future. In the past, the war went on for years and years because there was no political engagement in trying to find a solution. It changed with the IGAD process at that time. Because of the frailty and vulnerability of both the north and the south, the key is that such sustained engagement will continue further. A terrible statistic about countries that come out of war and conflict is that within five to seven years a large number of them fall back into conflict. It is a very vulnerable time until things settle down. A lot of grievances have built up over years and had no possibility of

expression so ways must be found to give vent to those problems. They are accumulating and need to be dealt with. There are huge challenges in the next few years.

Q78 Lord Trimble: In this rather crowded theatre—crowded in terms of IGAD, the AU, the US-UK-Norway group and all the rest—what do you think would be the best niche, role or line for the EU to take? As you said, in a lot of things the EU has been offering technical support and there is some development aid going in. What do you think is the best role for the EU to adopt in this situation? There is no point coming in and trying to compete with the other groupings that have been active there for so long in the way that you mentioned.

Mr Paul Murphy: We should start with the assumption that there needs to be a very strong conflict transformation framework that the EU is operating from, based on clear analysis of the current situation and the likely threats to stability in the future. We are talking about a potentially very large donor with potentially much more influence than it has had up to now, if it is managed correctly. We have talked about border issues and other dispute areas. This is what that framework should be talking about. Within that, we need to be able to draw attention to where the European Union should be making its priorities.

Another key role depends on people's opinions about how the Union should function. From our perspective, looking at how things are operating in Sudan, the degree to which the EU can play a positive role in having more of a cohesive convergence of policies between key European actors, within and without the Union, who are sympathetic to those approaches could make a huge difference to how we go forward and utilise resources more efficiently and effectively. That does not deny that certain countries will have certain relationships and certain sectorate issues that are historical, but that can still be done under a framework where there is more of a co-ordinated effort to try to give support to the regimes and to civil society in both places.

Q79 Lord Selkirk of Douglas: What are the links between the conflicts elsewhere in Sudan, particularly Darfur and the north-south problems, and what do you perceive the EU to be doing about them currently?

Sara Pantuliano: The links between all the different levels and areas of conflict in Sudan are the same. We have a crisis of governance intertwined with identity issues and a profoundly inequitable management of resources. That has generated the crises in the south and in Darfur as well as in the Transitional Areas and in the east. All the conflicts in Sudan are centred on those three or four key issues that come together to create a very explosive mix.

Many of the conflicts start locally in Sudan but are then escalated or manipulated to take a much greater significance. That remains a key volatility going forward as well. Darfur aside, in all the other parts of Sudan, where there is a situation of relative stability, things can ignite quite easily. We saw that just last week in Malakal. Things can move rapidly to a very different level if they are not well managed and addressed very swiftly.

What can the EU do about it? As with all the other donors and stakeholders, the key is understanding the drivers of conflict and what triggers the conflict, and engaging with the causes. We continue to try to initiate and finalise a process at the last minute, when it is almost too late. We understand some of the profound causes underlying many of the conflicts in Sudan, but there is very little engagement of that kind, because it requires a long-term and much more complex political engagement than many donors want. We have talked about the multiplicity of initiatives in Sudan. Some of them end up contradicting each other, or overlapping at best. That does not allow for effective engagement at the political level. We need a more coherent approach that is more grounded in understanding the reality of the conflict in Sudan.

Mr Paul Murphy: I suppose it is also very challenging for anybody in dealing with the multiplicity and range of issues in such a vast country, but it always creates problems. If we are thinking about what we would expect from the role of the European Union and the ambition of what it wants to achieve, it really has to have a sense of the whole country. Even if the country divides, it will still remain to have a sense of all those dynamics and issues in terms of grievances and conflicts on both sides. In the past you have seen that attention sometimes runs to Darfur and then goes back to the south. All you are doing then is patching something over; you are not getting a sense of how Sudan in its totality will have an opportunity to have peace in the future. It is incumbent on us to have an awareness and understanding of all these issues. That does not mean that they are all connected deeply. As we said earlier, in the north we are uncertain about what will happen in the future, but a lot of the conflicts in Blue Nile and Kordofan in the east and even in parts of the north have not really joined together to a point where the regime would be fundamentally threatened, although that could happen. So, in terms of being fit for purpose, you see that if you want to take on a more ambitious role than the European Union would like, it needs to be investing in its analysis and its political level in terms of understanding. More than that, it should have relations and connections with these people and these issues in different parts of the country and to maintain that holistic view. At the end of the day, a final peace in Sudan is one where all those issues will be addressed, rather than just one or two.

Q80 Lord Williams of Elvel: You said earlier that the EU did not have a coherent strategy towards Sudan. Does that mean that its aid programme to Sudan is undirected and has not got a proper purpose? How do you think that the aid programme could be improved? Is there, for instance, a lot of corruption in the aid getting through? Has the EU taken account of what may well be large movements of population as a result of the split between the two countries? Could you say a little bit more about aid and how you think it can be improved?

Sara Pantuliano: I would agree that there is no coherent approach to aid in Sudan generally, and EU aid to Sudan in particular. We have seen some very successful components and some less successful components of aid provision to Sudan by the EU, but not really joined in a strategy, even if a strategy existed on paper. You do not get a sense of the coherence of the aid programme as a whole.

As I have mentioned, there have been some welcome interventions in allowing the provision of aid that was more meaningful, focusing on the transition in Sudan and allowing programming that went beyond just the humanitarian phase, at a time when no other donor provided that kind of resource. Funding of NGOs has been quite successful. NGOs have been selected and for the most part carefully monitored. Support for the human rights programme to civil society organisations in Sudan has been excellent. Other parts of the programme have not functioned or been effective. Generally, there has been a strong focus on food security and support to some services understood in the south as providing a peace dividend as a whole to the transition, without really focusing on the whole security and justice aspect, which has apparently been much more important but neglected. That is an important refocusing that aid in Sudan needs to go through, with the EU needing to give much more emphasis to support for security and justice issues. We have seen a lot of emphasis on basic social services, but not on security and justice in equal measure.

We know very well that in the south corruption has been a fundamental problem that has particularly affected the use of oil resources. The Government has also been directly using the resources of the Multi-Donor Trust Funds because they were managed through the Government and the Government was giving contracts. EU money has been somewhat sheltered, but if we did an audit we would perhaps find that it was not completely immune

from diversion. The money was given directly to UN or NGO contractors and was not generally routed through the Government, so to some extent that has avoided some of the diversions that we have seen with other aid programmes in the south.

You pose a very important problem, that of the large movements of population that we have already seen and will continue to see. That has been one of the biggest failures of engagement of all donors in Sudan, not just the EU. The kind of aid that has been provided to people has been very much focused on the logistics of movement. Most donors have focused on supporting buses and barges that would take people to the south, but once they arrived in the south there was very little going on. The EU supported the WFP providing reintegration packages, with a provision of three months of food aid and non-food items, but you do not reintegrate in an area and a society that you have been away from for 20 years with just three months of support. There has been very little development support that would allow people to reintegrate going forward. That has led many people to go back to the north. We have seen a lot of what is called back-returns to Khartoum and other areas of the north. This can still happen. Of course, they will be challenged, depending on what kind of agreement is made on citizenship issues between the north and the south. That is a key point to watch. If southerners are no longer allowed to go back to the north and continue to have access to key livelihood strategies, that could potentially develop into a major crisis of livelihood for southern citizens.

Mr Paul Murphy: Briefly, there is an issue of scale in Sudan in terms of the deficit of services. There has been work around livelihoods and supporting education, which is a good contribution, but we must realise that because of the deprivations that war has created, particularly in the south, and the lack of infrastructure, it is going to take many years for the minimum of basic services to be delivered to the population in the south. At that area, we need to see more and better.

However, another area that needs to be part of the broader framework that we are trying to fill out a little this morning is around the issues of governance, which are critical, and the issues of security, conflict prevention and rule of law, on which we need to see much more of a lead being taken in the support that is given. Drawing in some of the points we have mentioned earlier in terms of the north, I think the problem sometimes is that, with some donors, the south is rightly getting the attention that it deserves and there is less attention to the north and its underlying frailty. I would like to see the European Union still trying to be a player to encourage north-north dialogue. There is a great desire for people to talk about their future and where it is going. They are not finding an opportunity for that expression. There are key issues around the development of the constitution, which will determine whether we are looking at a north Sudan that will be on a firm footing, or one that will be vulnerable to upset in the future. The CPA has brought lots of challenges around the constitutional choices that the north has to make. The decision have to be made.

Q81 Lord Lamont of Lerwick: How would we influence that?

Mr Paul Murphy: First of all, as a major donor and as someone who is taking a keen interest in the north and developing those relationships, we should engage positively with the key people about the future of the north.

Sara Pantuliano: What both the north and the south seek from donors is legitimacy—being legitimate players on the world scene. The aid is important for the recipient communities, but less so for the governments. Compared with oil resources, aid resources are not significant in the scheme of things. In Southern Sudan, aid is a very small fraction of the budget. What is important for the south is to be recognised as a Government and to have engagement. First, they want to be recognised as a state going forward and then to be a player, having engagement in the region and beyond. Likewise, the north has been very

interested in rehabilitating itself for a very long time. This was one of the key elements that led to the success of the peace talks. That was at stake for them. Promises were made, particularly by the US Administration, that then caused problems going forward in the relations between the two countries. Some of the promises made around the peace process are the ones we are discussing today—taking Sudan off the list of states sponsors of terrorism, debt relief and a number of other issues that were very important for politicians in the north. Those are the issues around which we can continue to engage, offering them engagement that is not just based on prejudged positions but is revised all the time on the basis of the political realities which are very dynamic in the country.

Q82 Lord Williams of Elvel: At one point, Mr Murphy, I thought you were saying that the EU should use its position as a major provider of aid in order to influence political events such as the legitimacy of the Government. Are you backing off from that proposition, or am I misunderstanding you?

Lord Lamont of Lerwick: I thought that was what you were saying, too.

Mr Paul Murphy: To fill that out, the EU is a major donor and has played an important role, but it can play more of a role if it invests more in its leadership and engagement at a political level. The EU can stand as a major player in its own right next to the US and those other institutions that we have mentioned. Part of your legitimacy to do that is because you are investing in the country in some shape or form. That has an impact. The other issue is that if you are representative of quite a number of nation states, your engagement with the Government can appeal in the search for legitimacy and some sort of partnership on future stability that many people in the regime are looking for.

Sara Pantuliano: I would differentiate on two levels. The aid level is essential for the communities that receive the aid. That is very important because many of them are not served by their own government at the moment, including the peripheries and the minorities. That remains essential. However, the political level also needs to be stepped up. There can be an ultimately beneficial engagement for the same communities in which the Governments of Sudan and South Sudan are interested directly.

The Chairman: I am aware that we need to finish by about 12.15, so we need to move on.

Q83 Lord Inge: We have partly touched on this, but how can the European Union convince the Government of the north that it is not in their interests to destabilise the south? What tools do they have to prevent that happening?

Sara Pantuliano: I do not think that there is much need to convince the north that it is not in their interests. They know very well that it is not in their interests to destabilise the south. They also know that opening another front in the south at the moment—

Q84 Lord Inge: But supposing that you are wrong, then what can they do?

Sara Pantuliano: They can continue to focus on the awareness that the north has. At the moment they are already facing difficulties within the north. Opening a southern front would add to the problems they already have within the current boundaries of the north. We have all the peripheries in a state of flux. They are very volatile: Darfur, the east and the border areas. Opening another front in the south would be very difficult for the Government in the north.

The other issue, as I mentioned before, is economic. They only stand to lose if there is no co-operation with the south. They have invested a massive amount of resources, or allowed other partner countries to do so, in building the pipelines and the refineries. The prosperity of the capital, Khartoum, and other cities of the north is based on the exploitation of the oil resources. If they are not able to exploit the resources, things will become much more

challenging. There is a lot of unhappiness about the increasing food prices in Khartoum and a lot of tension. They are very aware that the economic success of the regime has been the key to its stability. Previous regimes in Sudan have been overthrown because of the economic crisis in which the country ended up, both Nimeiri and beforehand. The fact that they have brought some prosperity, particularly to the elite, has allowed the regime to remain successfully in power and to engage in the transition vis-à-vis the south. They are very aware of that. There are key issues that remain to be resolved. They are all on the same table. What is happening at the moment is almost a trading game. They want to maximise the economic benefit from the oil resources. They want to make sure that some of the key communities, such as the Misseriyya in Abyei, can continue to graze and go to the south, because they are an important destabilising factor in the north. These are all issues that for them are paramount in accepting that there can be a stable transition.

Q85 Lord Inge: What about the EU's support for the International Criminal Court's case against President Bashir? Is that a help or does it weaken the case? What is the impact?

Mr Paul Murphy: That is a really tricky one. Within the Union there are divergent opinions, which makes it problematic right from the start. No one will disagree with the principle of what has been done, but there have been questions over whether the timing was conducive to the political initiatives that people were supporting, both with the Darfur process and with the south. It has another implication, which it is also important for the inquiry to be aware of. As you know, the Government of Khartoum has not signed the revised Cotonou agreement, which therefore does not allow it to access European development funding, which is a large amount that Sudan could be eligible for. This is quite problematic now with the division of the two countries. The interesting thing here is, say, that you have a new Government in Southern Sudan who are recognised and that they sign the Cotonou agreement. That would mean that they were in favour of supporting the ICC indictment against the president, which presents a problem for your neighbouring state just after secession when you are trying to make a relationship. There are many related issues associated with the ICC, in terms of funding mechanisms and political issues. It is going to be a difficult one to manage.

Q86 The Chairman: Can I get clarity on that? It seems to me that we have stumbled on something pretty fundamental there. We are saying that if south Sudan is unable to become part of the Cotonou agreement because it cannot opt into the ICC clause, it has excluded itself from a major area of EU aid. Is that right?

Mr Paul Murphy: Under the current circumstances, the south has to follow the signature of Khartoum.

The Chairman: I understand that.

Mr Paul Murphy: If they are a sovereign country, then we assume that they have the ability to sign.

Q87 The Chairman: But you are saying that they might not. That is a major problem for their economic relationship with the north.

Sara Pantuliano: It is a major political issue.

The Chairman: Which has an economic outcome.

Mr Paul Murphy: Part of that package is of course that they then sign themselves up to the ICC and the implications of the indictment with the Khartoum president. Maybe resources will be more important than political issues, but it is an illustration that this is a bit of a minefield in many regards: not just resources but also as a political issue.

Sara Pantuliano: This is a problem in the medium term. The EU has channelled resources to the south through the Stability Facility, so they have found a way around it. Going forward, there will be a lot of exploration of alternative mechanisms to try to prevent creating a quagmire for Southern Sudan. Everybody understands the implications of such a move for the Government of Southern Sudan.

Q88 Lord Trimble: The movement in Southern Sudan is towards secession. At what point will the EU recognise the sovereignty of Southern Sudan? Once it recognises that, Southern Sudan is capable of signing the Cotonou agreement. That then creates more pressure on Sudan—or northern Sudan, whichever way you want to say it—to resolve its problems. Resolving its problems means somehow retiring President Bashir, doesn't it?

Mr Paul Murphy: That could be the choice of the northern Sudanese people; we do not know. Even with that scenario, as far as I understand it will still take up to two years, at least.

Sara Pantuliano: That is why the Stability Facility is going to come in, to avoid a gap.

Q89 Lord Trimble: The taking of two years is presumably simply because it takes that long for the EU processes to be worked through.

Sara Pantuliano: Is it both the EU and the process of recognition of a new state. At the moment, we have had a vote on secession. From that to the recognition of an independent state, there is still quite a lot of negotiation to modulate the secession. I think the Sudanese are hoping that by 9 July they can arrive at the declaration of independence, but there is still a lot of unfinished business in the interim period of the Comprehensive Peace Agreement and in the issues that remain to be agreed on before the independence of the south can be recognised. Many states are concerned about having so many issues still undefined.

The Chairman: This is an area we need to take up. We intend to visit Brussels and this is clearly going to be a very important point that we need to take up there, but I need now to move.

Q90 Baroness Bonham-Carter of Yarnbury: I want to bring up the role of neighbouring African states. A previous witness told us that there was a huge role for the regional states to play. In particular he mentioned Ethiopia. It was his opinion that this has not been explored or concentrated on enough by the EU. I wondered if you agreed with that. I also wanted to ask about those countries that are not as stable as Kenya, Uganda and Ethiopia. How destabilising will this be for southern Sudan and what can the EU do there? I have a final question, but could you start with those?

Mr Paul Murphy: I suppose, briefly, bringing us back to this thing called IGAD, it is a forum where, politically, these countries can dialogue on sometimes very sensitive issues. There was a lot of international support for that being the auspice under which the peace agreement happened, because people recognised very quickly that any guarantee of long-term peace will have to be brought around by the neighbouring countries. Sudan has massive border issues of trade and arms flows. There are lots of reasons why people are very nervous of this happening. At this stage, now that people are recognising the inevitable outcome of the referendum, they will largely support that, but countries such as Ethiopia play a big role. One of their big strategic assets is that they have an influence and a relationship with the regime of the President in Khartoum. He does not have too many friends in the region and any that you do have, you need to recognise and work with very carefully to get a balanced dialogue. That is really important. Kenya has been very sympathetic to the southerners over the years and has very big economic interests, which started during the humanitarian period and are now growing largely in the south. Uganda has

a history of supporting the south in recent years out of fear of what implications the advance of Khartoum would have for the regime in northern Uganda. They have been thinking that by supporting the southerners, they are protecting themselves from any unwelcome influence from the north.

If we talk about our posturing and our lead roles with various international organisations, we must understand the hierarchy of influence and know our position as European and where we fit in. We support those institutions primarily, rather than trying in any way to eclipse the role of others.

Q91 Baroness Bonham-Carter of Yarnbury: But do we understand that?

Mr Paul Murphy: I think so. And I think that is one of the successes of the CPA, in getting a framework to play an important role, notwithstanding that throughout the difficulties of the CPA process the role of the US has been prime in troubleshooting at key points. It is not to take that out of the equation.

Q92 Baroness Bonham-Carter of Yarnbury: What about the very unstable states that also border Southern Sudan? Presumably there are porous borders there and potential for problems.

Mr Paul Murphy: Well, Darfur is well known in terms of Chad. Just as an indication, another real challenge on future security is around the LRA and its presence. At the moment, those who are causing the problems are mostly based in DRC, which also borders Sudan. That continues to cause great havoc, especially in Western Equatoria, one of the big states in Southern Sudan. There are big issues.

Q93 Baroness Bonham-Carter of Yarnbury: Is there anything that you perceive that the EU can do to mitigate that?

Mr Paul Murphy: Well, I suppose, at the higher level we are thinking about where to position ourselves. Do not just focus on the south and forget the north. Do not just focus on Darfur and forget the rest. To make the challenge even harder, it really means is that you have to have an understanding of the region you are operating in. Because of the history, because of porous borders and because of all sorts of trade, sometimes illicit trade, including with small arms, you cannot just solve a problem in one patch; you have to have an understanding of those relationships, and your strategy should reflect that.

Sara Pantuliano: A coherent strategy at EU level could build on the strengths of the different member states. There are countries with an academic and political tradition that understands certain bits of the regional equation better than others. There is a phenomenal amount of understanding and analysis in Belgium about DRC; likewise with Chad and France. But again they are not brought together. We are all looking at bits in isolation. Likewise with Chad and France.

Q94 Baroness Bonham-Carter of Yarnbury: Finally, China is a big player in both the south and the north. Is there any interaction between the EU and China?

Mr Paul Murphy: I am glad that you have raised that. That is definitely worth stressing in the development of your recommendations. We have not mentioned China, which is a very big player in many regards. It is interesting. China is perceived as having an exploitative role in Africa, but it is also interested in changing that image and engaging differently, especially around security and conflict issues. It does not have a history to do that, but it has a willingness to do that. There is scope for the European Union—China might even be open to this—to engage in some practical issues around that in a context like Sudan, where we know they have a vested interest in stability. It is an economic issue. I think there is scope

and potential for developing that relationship further in a context like Sudan. Obviously, it is a sensitive issue. One of the questions later is around the impact of the arms exports into Sudan. This is also tied up with China. I am fundamentally saying that the way to address that is through engagement. The European Union is well placed to do that. They would respond better to a multilateral institution rather than just a specific member state. So I think that has a lot of potential.

Q95 The Chairman: I know you are under time pressures. The Committee will understand if you have leave.

Sara Pantuliano: I have to meet someone in the Foreign Office. If I can just step out and let the person know that I am running late, then I am happy to come back and finish.

The Chairman: If you stay with us for just two minutes, I think we will complete. I think Lord Sewel is happy that we have pretty well covered his questions.

Q96 Lord Lamont of Lerwick: I have a very general question. What would be an optimistic scenario for north Sudan as you see it? What are the strengths? What grounds for potential optimism is there, even remotely? It is easy to say spend money and give aid, but what could come out of this that was positive?

The Chairman: Maybe two bullet points on each would be good.

Sara Pantuliano: I always say that what is remarkable in Sudan is the resilience of the Sudanese and the vibrancy, notwithstanding 20 years of an authoritarian regime, that you find at the elite level of Sudanese society and in some of the peripheries. Unlocking this potential, economically and politically, is where Sudan will start to benefit. It is a country with phenomenal resources. If it could use them more equitably and efficiently, it could be a very strategic player. It already is in some ways. It could contribute massively. It has an enormous number of highly educated people compared with other countries in the region. There is a very strong, long-term academic tradition. There is so much to build on. If we let north and south Sudan derail, it would have massive implications and would deprive the region of a very important player.

Mr Paul Murphy: In essence, the difficulties in north Sudan at the moment are who controls the centre and what is the relationship between the centre and the periphery. It is a gigantic periphery with so many realities. In terms of engagement and positioning, historically there are certain times when you can make mileage and there are times when you cannot. This time of a lot of change is when we need to be very clear and engage very strongly. In one sense, looking at it from the perspective of the regime, they are thinking about all these variables and how they will maintain power. I am not agreeing or disagreeing with that, but that is the reality you are dealing with. Of course there needs to be some concession with the periphery. What is that concession? You start engaging with different models of how the country can be governed in a way that does not necessarily just have to threaten the centre and will give more space and autonomy for people in other parts of the country. It is not necessarily a complete and proper political solution to the north; it is more the emphasis on the fact that if we have clarity about the key principles and the key ways in which Sudan will have a better opportunity to survive and prosper in a stable environment, this is a key time to engage with those issues, and particularly for the relationship between the centre and the periphery. If there was time, what is unfolding in two of their states, South Kordofan and Blue Nile, is a very good illustration of the type of engagement that the European Union and other actors should be doing to try to maximise the opportunities of the CPA for the north, which is not picked up at all, thinking about the CPA for the south, for reasons that are absolutely correct. But there are two states in the north that fall under the CPA and have

their own protocol agreements. Again, they provide an opportunity to dialogue and engage in those fundamentals about how the state is structured and how it will go forward in a sustainable way.

Sara Pantuliano: Again, the border regions are an area where the EU can provide a distinctive advantage. These are minorities that straddle borders where meaningful decentralisation and focus on how the minorities can coexist is essential to the stability of the area. That is an area where the EU can help, on the basis of the learning that comes from the Union's own experience.

The Chairman: I will ask Lord Selkirk if we can leave small arms on this occasion. You mentioned it earlier, but we will leave that until another time. One of the things that Saferworld mentioned—I do not want an answer now—is that there is a track record of states having gone through difficulty and falling apart again within seven years. I would welcome written evidence from either of you on what factors make you win or lose. No doubt there is a whole doctoral thesis about this. We would welcome some written evidence on the things we are trying to avoid between now and seven years' time to make south Sudan successful.

Thank you very much indeed. You have stimulated this Committee very much. We are learning a huge amount about Sudan. We very much welcome the expertise that you have brought to us today.

Sara Pantuliano: Thank you very much.

Mr Paul Murphy: A pleasure.

Written evidence from Saferworld (SUD 9)

Introduction and summary

Despite the civil war between North and Southern Sudan being formally brought to an end with the signing of the Comprehensive Peace Agreement (CPA) in 2005, the situation in Sudan has remained fragile and there has been only slow progress during the period of CPA implementation towards addressing the root causes of conflict.

Research suggests that around 40% of post-conflict countries slide back into conflict within a decade.³ Sudan cannot be strictly described as 'post-conflict' – indeed, at any given time, different regions of Sudan may be a complex tangle of 'pre-', 'mid-' and 'post-' conflict. However, the fragility of the peace that *has* been achieved in Sudan demands international attention if an escalation of violence is to be prevented, and the EU can make a significant contribution to this goal.

Through the introduction of its External Action Service (EAS), the EU has the opportunity to play a much more significant role in Sudan after the conclusion of the CPA period. The establishment of the EAS will enable a more coherent approach between member states, including making the necessary links between humanitarian aid and political engagement. It should also represent the interests of Member States at the intergovernmental level, for example with the African Union, Intergovernmental Authority on Development and the United Nations.

The rest of this submission is organised into the following sections:

³ Collier, Hoeffler, and Söderborn (2007) – *Post Conflict Risks*

www.hgu.se/Files/nationalekonomi/Personal/Soderborn/winprogress/postconflict07.pdf

- 1. Causes of conflict and insecurity in Sudan
- 2. The EU’s role in conflict prevention and peacebuilding in Sudan
 - a. Development assistance
 - b. Disarmament, demobilisation and reintegration
 - c. Security sector reform
 - d. Arms control
- 3. China’s role in Sudan

1. Causes of conflict and insecurity in Sudan

As well as tensions between the North and South, continuing armed violence in Darfur and in Jonglei, Lakes, Unity, Upper Nile, Warrap and Western Equatoria states in the South create insecurity for large portions of the Sudanese population. The recent referendum on independence for Southern Sudan was a major achievement and conducted more peacefully than was feared by many (despite some violent clashes in the border areas). However, the possibility of an increase in violence in the coming months is significant, given the range of complex issues still to be resolved before the CPA period comes to an end in July 2011 and the challenges inherent in the birth of two new countries following Southern Sudan’s vote for secession from the North.

The following table sets out some of the potential developments which could cause instability in Sudan in the post-referendum period, and Saferworld’s recommendations as to how the EU should respond (some of these responses may be politically sensitive – i.e. some areas of engagement with North – and it is possible that the EU is currently undertaking these without publicising them). This table has been constructed from a conflict analysis conducted in December 2010 based on a review of literature, a series of interviews with local, national and international stakeholders, and discussions with community members in Central Equatoria, Eastern Equatoria and Southern Kordofan states in Sudan.⁴

Potential developments	Recommended EU response
Borders and North-South relations	
South turns overly inward (beyond what is needed to	<ul style="list-style-type: none"> • Take a ‘whole of Sudan’ perspective – remembering all the conflicts across both

⁴ Saferworld (2010), *Sudan: Hoping for the best, preparing for the worst?*
www.saferworld.org.uk/Sudan_hoping%20for%20the%20best.%20preparing%20for%20the%20worst_final.pdf

<p>address internal challenges) and reduces engagement with North</p>	<p>North and South, and not only concentrating on the state-building project in Southern Sudan</p> <p>The North is likely to be a fragile state with high potential for intra- and cross-border conflict. Similarly, violence in Abyei, South Kordofan and Blue Nile would also undermine stability in the South</p>
<p>Armed groups and/or nomads in Abyei, South Kordofan and/or Blue Nile attack civilians and provoke security forces on either side</p>	<ul style="list-style-type: none"> • Prepare to increase funding for a complex humanitarian emergency • Support humanitarian work that builds on the lessons of Operation Lifeline Sudan and other contexts regarding conflict sensitivity • Have strategy ready for meeting heightened humanitarian need with agencies that have institutional policies to prevent them from repeating the costly mistakes of humanitarian aid delivery to previous complex emergencies • Provide humanitarian and protection assistance for population of affected areas, including the displaced • void as far as possible aid provision that facilitates clearing of specific groups from specific areas in indirect support of any actor's military strategy • Begin early dialogue with armed groups regarding international humanitarian law, distinction between combatants and civilians and obligations to enable humanitarian access and avoid harming civilians – early dialogue should be seen as a <i>preventative</i> measure, rather than reactive
<p>Southerners living in North Sudan are not granted citizenship rights and respond violently</p>	<ul style="list-style-type: none"> • Engage with the North on the citizenship issue to ensure that Southerners rights are not violated and violence prevented
<p>Small-scale formal military engagement for particular oil-fields/border/strategic areas</p>	<ul style="list-style-type: none"> • Apply strong pressure in a co-ordinated way to prevent both parties from taking steps to escalate hostilities, fairly apportioning blame and discouragement based on a neutral weighing of the evidence • Support the closest possible monitoring of the situation on the ground along the border areas
<p>Gradual escalation of violence</p>	<ul style="list-style-type: none"> • Immediately push for Troika to engage both

<p>between SPLA and SAF</p>	<p>the SPLA, SAF and other relevant parties in dialogue to pursue compromises that enable violence to be mitigated, ended and replaced by inclusive dispute resolution processes to avoid further escalation</p>
<p>Full scale violence between the SPLA and SAF</p>	<ul style="list-style-type: none"> • Undertake outreach and advocacy towards all actors to guarantee humanitarian access and decent treatment of and assistance to the civilian population • Provide humanitarian and protection assistance for population of affected areas, including the displaced, in a way that envisages an exit strategy • Maintain a focus on the longer term agenda for working towards peace, security and development • Encourage communities to be involved in planning and monitoring what and how assistance is provided • Help communities develop solutions to their own challenges for themselves
<p>North</p>	

<p>Government consolidates centralised, Islamist and authoritarian rule which could precipitate further violent resistance periphery (with other regional actors engaging in support of a faction)</p>	<ul style="list-style-type: none"> • Rapidly engage actors in dispute resolution processes that enable violence to be mitigated, ended and replaced by rule of law • Encourage and support national and local stakeholders to follow through on the implementation of CPA protocols in areas where these have not been fulfilled and remain relevant (such as free and fair elections, popular consultations and the constitutional review) • Support local and national stakeholders to develop and implement new agreements that are based on consultation with and take account of the needs and rights of all groups • Make sure community-based civil society organisations are fully supported to play an active and positive role in preventing conflict and building peace at the local level • Base EU engagement in a more unstable Northern Sudan on sound analysis of the political situation and a genuine understanding of the differences and nuances within and between different factions, rather than relying on broad assumptions about fundamentalism and Islamist/hardline groups <p>Undertake outreach and advocacy towards all actors to guarantee humanitarian access and decent treatment of and assistance to the civilian population</p>
<p>South</p>	
<p>Regular outbreaks of sporadic, isolated incidences of violence related to – for instance – access over resources (i.e. grazing land, water)</p>	<ul style="list-style-type: none"> • Identify ways to encourage communities and GoSS / other security providers to pursue compromises that enable violence to be mitigated, ended and replaced by rule of law • Ensure that adequate humanitarian assistance is delivered and in recognition of its impact on chances for further violence • Ensure long-term, sustainable and conflict-sensitive development assistance helps address the underlying causes of this violence
<p>Internal divisions in South turn to prolonged violence in specific areas (such as Greater Equatoria, Warrap, Lakes, Unity,</p>	<ul style="list-style-type: none"> • Build on the capacities for peacebuilding demonstrated by Southern Sudanese political and military leaders in the last two decades • Undertake outreach and advocacy towards all

<p>where conflict has already been ongoing)</p>	<p>actors to guarantee humanitarian access and decent treatment of and assistance to the civilian population</p> <ul style="list-style-type: none"> • Avoid as far as possible aid provision that facilitates clearing of specific groups from specific areas in indirect support of any actor's military strategy • Continue to maintain presence, access and focus on development in more stable areas, supporting state-level and local government administrations towards responsive, efficient and accountable delivery of services, including security and justice alongside water, sanitation, health and education
<p>Disagreements over the division of power between ethnic interest groups in local and central government generates conflict</p>	<ul style="list-style-type: none"> • Work with local and central government to promote diversification and good governance

As well as these possible developments, the EU should also seek to address the long-term drivers of conflict in and between both North and South. The following table sets out some of the key drivers of conflict alongside outline recommendations for the how the EU can begin to address them.

<p>Long-term drivers of conflict</p>	<p>Responses EU should include in its strategy and implementation plans</p>
<p>Absence of links between the periphery and the centre in the South</p>	<ul style="list-style-type: none"> • Put diplomatic pressure on GoSS to decentralise government and provide technical assistance to do so • Support the growth of a multi-party system
<p>Marginalisation of the peripheries in the North</p>	<ul style="list-style-type: none"> • Put diplomatic pressure on Government of Sudan to decentralise government, invest in economic development in peripheries and negotiate in good faith with rebel factions seeking greater recognition for peripheral regions
<p>Status of Abyei/oil-rich areas</p>	<ul style="list-style-type: none"> • Apply pressure to the governments of both North and South to refrain from provoking violence in oil-rich border regions by manipulating armed groups, and pursue compromise over border demarcation
<p>Disagreement on sharing of oil</p>	<ul style="list-style-type: none"> • Encourage governments on both sides to diversify sources of revenue to reduce

revenue	economic reliance on oil
Inequity and lack of conflict sensitivity in basic service delivery	<ul style="list-style-type: none"> • Offer assistance to both governments in designing policies to ensure service delivery is conflict-sensitive • Ensure that all EU development assistance is conflict-sensitive
Lack of adequate security and justice services in the South	<ul style="list-style-type: none"> • Support Government of Southern Sudan to establish security and justice systems which are transparent and accountable to those they serve, learning lessons from existing informal security and justice mechanisms where appropriate
Prevalence of arms owned by civilians in South	<ul style="list-style-type: none"> • Assist the Government of Southern Sudan in developing a meaningful framework for small arms control • Support programmes for voluntary civilian disarmament, learning lessons from unsuccessful programmes of forceful disarmament undertaken in the past.⁵
Non-state armed groups that act as proxies for North or South (N.B. it is important to make the distinction between such proxy groups and those that provide 'security services' to communities in the absence of state provision)	<ul style="list-style-type: none"> • Apply pressure to the governments of both North and South stop supporting non-state armed groups and pursue compromises that enable violence to be mitigated, ended and replaced by rule of law
Ongoing perceptions of insecurity at the community-level	<ul style="list-style-type: none"> • Support communities to identify their security needs and help bring them together with relevant authorities to develop appropriate solutions

2. The EU's role in conflict prevention and peacebuilding in Sudan

It could be argued that the EU's political leverage in Sudan has been reduced by its public support for the International Criminal Court's arrest warrant for President Bashir and that, subsequently, its large scale humanitarian and development assistance has been more significant than its role as a political mediator in recent years.

The EU is a major relief and development actor in Sudan, having delivered €650 million of development assistance since 2005, and €776 million in humanitarian aid since 2003. Areas in which the EU has provided assistance include rehabilitation and recovery of war-

⁵ For further information see Saferworld (2010), *Southern Sudan: Referenda and Beyond* www.saferworld.org.uk/downloads/pubdocs/Southern%20Sudan%20Referenda%20%20beyond.pdf

affected communities and infrastructure, support to CPA implementation, capacity development for non-state actors and public administrations, health, rule of law, media and human rights programmes.

The EU has also provided financial support for better aid co-ordination and management, as well as being active in encouraging the Government of Southern Sudan to identify a comprehensive vision for the post-CPA period, and encouraging co-ordinated donor support to this. However, at present the EU lacks a strategic vision for its assistance to Sudan.

Country Strategy Paper

The EU's most recent Country Strategy Paper (CSP) was originally intended to cover the period 2005- 2007).⁶ The strategy was jointly agreed by the European Council and the Government of Sudan, and was signed on 25th January 2005 in the presence of an SPLM representative. This mobilised €400 million of EC assistance for the period 2005-2007, linked to effective implementation of the CPA and the efforts made by the Government of Sudan and other parties concerned to resolve the conflict in Darfur. The 2005-7 CSP focuses on food security and education, but also includes commitments to support the peace process and peacebuilding initiatives such as demobilisation, disarmament and reintegration (DDR), human rights, democratisation, rule of law and good governance, among others.

No new CSP has been produced since the previous one expired in 2007. This may in part be linked to Sudan's decision not to ratify the revised Cotonou Agreement – which means that it cannot receive aid under the EU's current main development instrument, the 10th European Development Fund (EDF) for 2008-13. However, the EU continues to disburse large amounts of humanitarian assistance, funds ongoing programmes committed to under the previous EDF, and has been looking at how to disburse further funds to Sudan through its Instrument for Stability (IfS) and European Instrument for Democracy and Human Rights (EIDHR).

Given the EU's ongoing engagement with Sudan, Saferworld believes the EU needs to make it a priority to produce a new CSP in order to provide strategic direction which takes into account the significant developments in Sudan's circumstance since 2007. Only with a thorough analysis of conflict dynamics and a coherent strategy in place can the EU begin to address the root causes of instability in a systematic way.

- ***As a matter of priority, the EU should develop a new CSP for Sudan that is based on a thorough and updated conflict analysis.***

⁶ European Community and Government of Sudan (2008), *Country Strategy Paper and National Indicative Programme for the period 2005-2007* http://ec.europa.eu/delegations/delsdn/en/eu_and_sudan/agreement_2.pdf

2a. Development assistance

Sudan, especially Southern Sudan, remains extremely under-developed with very poor infrastructure, limited public services and high levels of poverty. In Southern Sudan, people's expectations for development after any successful split from the North are extremely high, often beyond the likely capacity of GoSS to deliver. On top of this, much localised conflict and insecurity stems from competition over resources between communities and insecurity in the absence of adequate security and justice service provision from either GoSS or non-state groups.

The EU's development assistance has the potential to either mitigate or exacerbate all of these dynamics. A crucial part of the EU supporting a peaceful future for Southern Sudan will be ensuring that its development assistance is both conflict-sensitive (i.e. aware of its impact on a very fragile context; aimed at addressing underlying causes of conflict) and effective in delivering sustainable development outcomes.

The EU's strategic approach to development in Sudan to date has been to follow the spirit of the Linking Relief, Rehabilitation and Development (LRRD) principle. Subsequently, support has been given for the rapid delivery of peace dividends in order to prevent new conflict and sustain political support for CPA implementation.

- ***Given the central role that effective, long-term development will play in providing basic services and meeting people's expectations in any new state of Southern Sudan, ensuring that the EU is able to disburse development funds to Southern Sudan, and that its development programmes are fully conflict-sensitive and help address long-term drivers of conflict will be essential.***

2b. Disarmament, demobilisation and reintegration

The previous CSP mandates the provision of assistance for DDR operations 'that could include demining, training of security forces and any other action for which provision is made under Article 11 of the Cotonou Agreement'. In April 2006, the European Commission (EC) signed a funding agreement amounting to €12 million, with Military Industry Corporation (MIC), to support DDR as part of the EC's support for the CPA.

Given this relatively limited support given to DDR by the EU, it is difficult to assess the impact of this assistance. However, overall, DDR programmes in Southern Sudan, including the UNDP, – have had very limited success, and are viewed by many stakeholders as having been flawed in a variety of ways⁷. It has been argued, for instance, that they have not taken sufficient account of a context in which the CPA parties have been strengthening their militaries against the threat of further civil war and that the lack of a pension scheme has contributed to soldiers being kept on the GoSS payroll rather than be demobilised with no income.

⁷ See for instance, *DDR in Sudan: Too little, too late?* Ryan Nichols / Small Arms Survey, February 2011
<http://www.smallarmssurveysudan.org/pdfs/HSBA-SWP-24-DDR-in-Sudan.pdf>

Co-operation between international agencies working on DDR and with other programmes has also been challenging. Interviewees for this study stated that DDR programmes had pursued demobilisation processes that were felt by many SPLA ex-combatants to be perfunctory given the option available to most of returning to mostly welcoming communities and drawing a continued salary and pension. Suitable reintegration packages that are attractive in comparison to remaining on military payrolls or effective in preventing child soldiers from retaining links to the SPLA were also asserted by interviewees not to have been successfully provided. Other analysis has criticised the failure of DDR efforts to build a conducive socio-economic environment for reintegration in receiving communities and link reintegration to broader economic development processes.

The EU should:

- **support the GoSS and other stakeholders in the ongoing process to clarify the DDR process Southern Sudan needs before developing further DDR programmes**
- **ensure the sustainability of any subsequent DDR programmes by directly linking them to community development programmes.**

2c. Security sector reform

Security sector reform (SSR) covers the whole range of security actors and institutions, from the civilian to the military and the formal to the informal. It should not be conflated with the narrower area of 'defence transformation' which is a part of SSR but not its entirety.

However, helping Southern Sudan to right-size its defence assets and make the transition towards civilian control and oversight of the armed forces will be critical to the future of the nascent state, which is left with a large army and a range of armed militia groups after 20 years of conflict. Defence spending currently represents around 30% of public spending, but if future conflict is to be prevented, the excessive level of military spending must be reduced to a more appropriate level, the role of security actors within society brought under civilian control and the state must be supported to provide its population with security.

There are significant efforts to support SSR in Southern Sudan, including engagement from a number of donors to support the development of the Southern Sudan Police Service. However, there are also concerns about whether the various security and justice programmes currently underway are working towards a coherent goal. For instance, some SSR programmes seek to develop only the operational capabilities of Southern Sudanese security services. While this is undoubtedly important, such capacity building must be complemented by support to help develop greater civilian oversight, accountability and adherence to international humanitarian / human rights law too.

Following the secession of Southern Sudan, a national vision of SSR based on clear understanding of existing institutions, stakeholder perceptions and public interests is currently being developed by the Government of Southern Sudan, which donors should coordinate their support for over coming years.

The EU does not currently support SSR programmes in Southern Sudan, although does provide support through the EIDHR to improving the judicial system in Northern Sudan.

The EU should:

- ***look at what support it can give to the GoSS as it develops its national vision of SSR and ensure that it promotes key issues such as oversight and accountability of the security sector within this vision***
- ***ensure that any future SSR programmes it develops as part of an updated CSP are coordinated with other donors and support the GoSS vision of national SSR – as long as that vision prioritises issues such as oversight, accountability, and adherence to international Human Rights and Humanitarian law.***

2d. Arms Control

Arms exports to Sudan

In general terms, it is important to underline that accurate assessments are difficult to make because detailed reporting and transparency with regards to arms transfers is generally limited. This is particularly relevant to Sudan, where neither end of the supply chain (Sudan as the final destination and the major providers of equipment to Sudan) reports comprehensively, if they do at all. Sudan does not produce any national report on its imports and has never submitted data to the UN Register of Conventional Arms (UNROCA). Belarus, China, Iran, Russia and Ukraine – the main exporters to Sudan – only do so partially. Submission of data to the UNROCA is not compulsory for States. The picture is especially opaque when it comes to SALW as transfers are more difficult to monitor and reports – when available – less detailed.

Arms transfers to North Sudan (2003 onwards)

The following countries are considered to be the main providers of military equipment to Khartoum: Belarus (mainly armoured vehicles and combat aircrafts), China (mainly SALW and ammunition, but also armoured vehicles, including battle tanks, and helicopters), Iran (mainly armoured vehicles and SALW), Russia (mainly helicopters and aircrafts) and Ukraine (armoured vehicles, including tanks, aircrafts and big calibre artillery systems). SALW exports to Sudan also originated from Egypt, France, Saudi Arabia, Brazil, Turkey and – in smaller quantities – Germany and Italy. Data is mainly extracted from the COMTRADE database, for which data are generated from Custom declarations, therefore only capturing legal and accurately-declared transfers.

According to available information, EU nationals (including UK citizens) and EU-registered companies (mainly based in the British Virgin Islands) have been involved in a number of transfers of military items to Sudan between 2004 and 2005. It should be underlined that since the adoption of the EU Common Position on Brokering, EU Member States should control such activities and authorise brokers to operate (by including the EU Common Position provisions in their national legal system if they do not already have similar existing frameworks). In addition, some of the equipment delivered by Ukrainian companies in 2004 was reportedly originally EU-manufactured (namely in Slovakia) and re-exported after a first export to Ukraine. In 2007 it was reported that Belarus re-exported Slovakian weaponry to Khartoum despite a non re-transfer clause.

Sudan also produces military items locally. In 2007, the Government of Sudan claimed to have the capacity to manufacture a wide range of equipment, from assault rifles and rocket-propelled grenades (RPGs) to main battle tanks and aircraft systems. While there is no clear evidence to support this statement, several observers consider that the country did make progress in modernising its industrial capacities, especially in the SALW area (in this field, it is important to highlight that national manufacturing capacities have been proved, especially for small calibre ammunition). Even if doubts persist on the real manufacturing capacities, some analysts consider that the national industry appears to be able – at least – to locally assemble systems (using parts imported from elsewhere) and to guarantee maintenance of current stocks of equipment.

Transfers to Southern Sudan (2003 onwards)

Southern Sudan has received military assistance (but not necessarily direct transfers of military equipment) from a number of Western countries, including the US and the UK.

The two major providers of equipment are reportedly Ukraine (mainly tanks and armoured vehicles, anti-aircraft weapons and ammunition, and SALW) and Ethiopia (tanks). European companies and individuals were involved in the transfer of Ukrainian tanks to Southern Sudan through Kenya.

It is difficult to identify the origin of SALW circulating in Southern Sudan, as several routes of trafficking exist in the region (between Southern Sudan, Northern Kenya, Northern Uganda and Somalia). This situation is the result of successive flow of weapons and ammunition to the region – sometimes legally transferred in the first place under government-to-government transfers and subsequently leaked from national stockpiles; attacks on army facilities, for instance, occurred repeatedly in Uganda in the last 20 years.

Non-state armed groups

A number of non-state armed groups are active in the country. These range from organised armed rebel groups (for example in Darfur) to armed tribal groups to more localised community militias (as is common in Southern Sudan). As reported in the UN Panel of Experts' reports on Darfur (2006 to 2009), the majority of the equipment used by armed groups in Darfur originated from government stockpiles in Sudan, Chad, Eritrea and Libya (in order of importance). In some cases, such equipment – transferred into Darfur in violation of the UN embargo – was originally EU-manufactured (e.g. in Belgium, Spain, Bulgaria) and legally transferred before being diverted. In fact it is likely that government stocks, both in Southern and Northern Sudan, represent a major source of weapons acquired by non-state armed groups. It is likely that such transfers may be used as a means of creating instability in either Southern or Northern Sudan if hostilities between the two would escalate.

As noted above, illicit regional flows of SALW are another important source of weapons for non-state armed groups.

Transfers and diversions from Sudan

It should be noted that there exists considerable evidence that the Government of Sudan has consistently violated the UN arms embargo on Darfur by transferring weapons to both military units and armed groups operating in Darfur.

It may be relevant to recall the support the Government of Sudan has offered to the Lord's Resistance Army (LRA) and other non-state armed groups in the recent past. Credible intelligence reports indicated that talks between the Government of Sudan representatives and LRA commanders were held in mid-2010. According to one LRA officer subsequently arrested, the objective of these talks was to see how the Government of Sudan could provide logistical support and protection to the LRA. Even if the case should be considered anecdotal, it should be noted for example that cartridges collected after a wave of attacks on civilians by LRA combatants in the Democratic Republic of Congo (DRC) in early 2009 proved that they were manufactured in Sudan.

Finally, it should also be noted that the UN Group of Experts' reports of 2008 and 2009 on the DRC contain references to transfers of military equipment to the DRC Government that originated in Sudan. Such transfers were in violation of the UN Sanctions regime on the DRC.

EU action to stop the import of arms into Sudan

In 1994 the EU established an arms embargo on Sudan, which was strengthened in 2004. It covers all state and non-state actors operating within the entire territory of Sudan. While the embargo has been effective in preventing direct transfers to Sudan, as the case of Slovakian-produced or designed arms being used by Sudanese Armed Forces suggests, there is scope for improvement in ensuring that final end users and final destinations down the transfer chain are legitimate.

In terms of arms export control, the most effective tool of the EU remains the EU Code of Conduct on Arms Exports. If the EU Code of Conduct was fully implemented, the EU would not need to establish embargoes or specific *ad hoc* measures, as the existence of ongoing instability, armed conflicts or human rights violations in the recipient country represent criteria that should prevent any export from the EU.

EU member states, especially France and Britain at the UN Security Council, play an important role in the support, formation and continued monitoring of the UN arms embargo on Darfur. While continuing such support is important, there are clearly serious gaps in the embargo's mandate, implementation and enforcement that require greater levels of attention.

Effectiveness of EU action on SALW

SALW circulation and uncontrolled movements still represent a problem in Sudan and continue to fuel instability. It is estimated that there are 2 million arms held by civilians in Sudan, which has obvious implications for both human and state security and stability.

The EU has adopted a number of initiatives on SALW: the Common Action in 2002; the EU Strategy to combat the illicit proliferation of SALW in 2005; and a Common Strategy to combat the illicit

trafficking of SALW by air transportation in 2007. In addition, the Instrument for Stability contains some specific provisions on SALW control in the Great Lakes Region. EU Member States are also active participants in the UN Programme of Action on SALW. All these instruments and initiatives concern – to some extent – Sudan.

Material assistance provided by the EU to support efforts to counter the excessive proliferation of SALW has generally given priority to regional approaches and programmes and rarely focuses on a single country. As far as Sudan is concerned, the EU has strongly supported the Regional Centre on Small Arms (RECSA) which operates in the Great Lakes and Horn of Africa Region. For example, the EU has made available \$1.3 million to RECSA in 2009/10. Similarly, the UK and other EU countries have also supported RECSA.

RECSA, however, has not fully implemented work in Sudan and can only take action when requested to do so by Signatory States. Until such time as South Sudan is granted status as an independent state, RECSA faces limits to its intervention in Southern Sudan with a corresponding impact on its effectiveness. However, it should be pointed out that the GoSS ‘Southern Sudan Bureau for Community Security and Small Arms Control’ (‘CSSAC Bureau’) is functioning as a de facto focal point for small arms work and works closely with RECSA in this regard. Similarly, whilst progress may not have been as good as hoped for, RECSA have provided the Bureau with two machines for marking small arms which have subsequently been used to mark and record over 30,000 weapons held by the Southern Sudan Police Service⁸.

EU member states should:

- ***work at the UN to ensure better implementation and monitoring of the embargo on Darfur***
- ***ensure that countries importing their defence and security exports are compliant with end-use declarations and take preventive measures at the time of concluding the agreements on transfers (for instance by including ‘no re-export’ clauses in the case of non-compliance)***
- ***continue to utilise the Code of Conduct as the primary means through which to prevent arms flowing to Sudan and re-double efforts to ensure the successful agreement of a legally-binding and robust international Arms Trade Treaty at the UN.***

⁸ RECSA also provided the training to use these machines and Saferworld provided training on various supplementary issues.

The EU should:

- **seek to work directly with the Government of Southern Sudan on projects that address SALW proliferation, such as the GoSS CSSAC Bureau, while maintaining support for regional initiatives (such as the Regional Centre on Small Arms, 'RECSA')**
- **within the UN Programme of Action on SALW framework, give priority to initiatives that focus on delivering concrete impacts for communities rather than regulatory and legislative-oriented action**
- **prioritise opportunities for bilateral engagement with China on best practice to prevent diversion of arms, especially with regards to UN embargoes, and stress to China the benefits of greater transparency, openness and engagement on issues related to arms transfers (see also next section)**
- **engage with China and Southern Sudanese authorities on how the EU and China could jointly support practical initiatives to combat the proliferation of SALW – for instance, joint financial and technical assistance on stockpile management (see also next section).**

3. China's role in Sudan

While there are clear differences in the content of their relations and the approach they take, China, the EU and its Member States have a shared interest in peace and stability in Sudan. Peace in Sudan, especially between North and South, is directly in China's interests for several reasons: China's energy investments lie in contested border areas between North and South; Chinese citizens have been targeted and violently attacked in Sudan; China has peacekeepers serving in both UN peacekeeping missions deployed in Sudan; and the Chinese Government is keen to be perceived as a responsible power that contributes to peace and security.

Relations with North Sudan

China's bilateral relations with the government in Khartoum are long-standing but have developed more deeply since the mid-1990s. Relations focus primarily on economic co-operation, particularly in the energy sector which Chinese state-owned oil companies are heavily invested in. China has provided significant amounts of financial assistance to the Khartoum government in areas outside of the oil sector, for example providing loans for dam construction. China has also sought to develop other areas of economic co-operation with Sudan, for example in agriculture, and sees Sudan as a potentially lucrative market for Chinese goods and investments. While European commercial actors are not totally absent from the Sudanese economy, the depth of China's energy and economic investments mark a clear distinction between the EU and China, and some see China's economic engagement in Sudan over the last fifteen years as breaking a siege of international diplomatic isolation of Khartoum.

China officially takes a position of non-interference in the domestic political affairs of Sudan, including on issues related to governance and security, which clearly distinguishes China's approach from that of the EU. However, in the period from 2006-2008, China sent several high profile delegations to Sudan and pressured the Sudanese Government at the highest levels to accept the deployment of UN peacekeepers in Darfur and take

action to resolve the conflict there, which was seen by some as marking a more flexible interpretation of its policy of non-interference. Various factors may have contributed to this shift, including China's sensitivity over its image, lobbying from African and Western governments, and a recognition that the Sudanese Government was failing to resolve what was an escalating crisis that could jeopardise Chinese interests.

While at the official level China's position on non-interference is unlikely to change in the near future, the experience of Darfur proves, that under pressure from its African partners and international actors and/or in situations where its interests are at stake, China is ready to actively engage and deploy diplomatic pressure on Sudanese peace and security issues. While any such pressure will remain low-key and subtle rather than public and openly confrontational, it may complement similar EU diplomatic actions.

Arms transfers

One key area of conflict between the EU and China is in the area of arms transfers (see also previous section). It was China that watered down a proposed UN embargo on Sudan so that it applied only to the Darfur region, and while the EU has a blanket embargo on Sudan, China has continued to transfer arms to Khartoum. This form of security co-operation highlights that some policy-makers in Beijing equate a country's stability with the state's capacity to enforce it. Furthermore, arms transfers to Sudan are a source of revenue for Chinese defence companies, and help to cement political ties to the regime.

At the same time, embarrassment over the continued use of Chinese arms in Darfur and recognition that they may simply be fuelling conflict has meant that some policy-makers in Beijing and sections of the policy community are sceptical as to the benefits of continued arms transfers relative to their cost. The EU shares complementary concerns with such Chinese actors, some of whom may be significant policy-influencers.

UN Security Council

As with European Member States, China plays a role in Sudan's peace and security situation through its positions and actions on the UN Security Council (UNSC). While there are clear differences on issues related to the deployment and mandate of UN peacekeepers, China has contributed boots-on-the-ground for UN peacekeeping missions which EU states have supported. However, unlike EU Member States on the UNSC, China has maintained that coercive actions such as sanctions and embargoes are of limited effectiveness and may undermine peace negotiations by isolating the Government of Sudan. Furthermore, Chinese officials insist that outside of exceptional circumstances (such as Somalia), peacekeeping missions should only be deployed with host-country consent. China has previously argued that changes to UNMIS's mandate must be consented to by the Sudanese Government, meaning that it may object to a stronger mandate developing. China's UNSC positions are also heavily informed by those of African regional bodies such as the AU, meaning that it may follow their lead if they call for a more active role for UNMIS. While one should not overstate the importance of AU positions to Chinese policy-making on Sudan, a case can be made that China's increased pressure on the Government of Sudan to accept peacekeepers into Darfur at least partly reflected growing frustration among concerned African states and shifting AU positions.

International Criminal Court

China's position on the ICC clearly sets it apart from the EU and its Member States. While China did not veto a 2005 UNSC referral of the Darfur conflict to the ICC, Chinese officials have since remained vocally critical of the ICC's indictment of Omar al Bashir and Sudanese officials, claiming that a serving head of state should be immune to prosecution and that ICC actions threatened ongoing peace negotiations.

Comprehensive Peace Agreement

Leading up to the referendum on secession, China and the EU showed official support for the CPA's aim to 'make unity attractive'. While the Chinese Government has shown reluctance elsewhere in the world to support secession, in Sudan it has claimed both before and after the referendum that the choice of Southern voters must be respected. China justified its acceptance of secession on the grounds that it is an outcome of an agreed peace deal and that the AU has supported it. China sent referendum monitors to help oversee the referendum and officially accepted its outcome at the same time as other external actors. In this regard the EU and Chinese positions are complementary.

China's diplomatic engagement on conflicts and ongoing tension between the North and South is limited as it is still reluctant to play a pro-active or high profile role in this period of transition. Instead, officials refer to regional organisations (especially the AU and IGAD) as holding primary responsibility and being best placed to mediate between parties and take the lead in external diplomatic intervention. While China maintains a 'wait and see' position on unfolding security events in Sudan, if it feels compelled by international pressure or by threats to its own interests in the face of a future outbreak of conflict, it is prepared to take a more pro-active but low-profile role, including pushing the Khartoum government to accept the demands of the international community and regional actors. It is unlikely that China will idly stand by should the security situation dramatically worsen between North and Southern Sudan.

Relations with Southern Sudan

China has only very recently established ties with the Government of Southern Sudan and the SPLM. In the past, China saw the SPLM as a rebel group and, even after the signing of the CPA in 2005, its engagement with the South was conducted via Khartoum. At the same time, China was negatively perceived in the South as being closely aligned with Khartoum during the years of armed conflict. China's lack of historical engagement in the South distinguishes its engagement from that of the EU and its Member States.

In 2008 China established a consulate in Juba, and it has encouraged a number of Southern Sudanese leaders and officials to visit China. Beijing is adjusting to changing political realities on the ground, given that a large amount of Chinese oil investments are in areas that will come under direct control of the Government of Southern Sudan when the South officially becomes independent. Despite China's somewhat negative image, Southern leaders will undoubtedly continue to engage with China for practical reasons.

China will seek to develop stronger and more direct political and economic relations with the Government of Southern Sudan, particularly after independence. The Chinese Government, Chinese state-owned banks and companies, and other commercial actors are likely to provide significant amounts of economic investment and assistance to

Southern Sudan as a means to cement political ties, safeguard resource access and generate commercial profit. Chinese officials argue that this is a form of post-conflict support for Sudan because poverty and underdevelopment are driving factors behind much of the country's violence. In this regard, the EU and China may hold complimentary interests in supporting economic development in Southern Sudan. However, as China conducts such engagement according to the principle of non-interference (and thus without seeking to encourage internal political reform), its position as an alternative partner to the SPLM may undermine the leverage of the EU and its Member State donors seeking to encourage shifts to good governance, democracy and human rights fulfilment through their own aid and diplomacy, which may have knock-on effects for peace and security. At the same time, European and Chinese economic assistance should not be perceived as substitutes to one another or as inherently in conflict or competition. The EU and its Member States will, at least in the near future, support a wider and different set of needs from China that Southern Sudanese authorities continue to demand.

The EU should:

- ***not overestimate China's influence on the situation in Sudan, whilst recognising China as a key stakeholder. Caution should be given to messages that paint China as both the primary cause of, and solution to, continued insecurity in Sudan***
- ***prioritise discussion on the situation in Sudan within broader dialogues with Chinese officials at various levels of EU-China and Member State-China relations***
- ***share best practice and lessons learned with Chinese policy makers as a step towards seeking closer policy alignment in key areas***
- ***demonstrate an appreciation that China may have its own perspectives on Sudan and recognise where these are constructive contributions as well as challenging where they are not***
- ***identify and explore areas where the EU and China can explore cooperation at both local and regional levels (for instance, joint training and capacity-building for AU peacekeepers stationed in Sudan)***
- ***support a dialogue on Sudan between Chinese, European and African policy communities, allowing for more open exchanges than are possible at the official level and exposing Chinese policy-influencers to African views which lie outside of the official discourse***
- ***remain committed to the values of human rights, democratisation and good governance in its development engagement with Southern Sudan: the EU should avoid falling into the trap of re-aligning its development priorities as a means to compete with Chinese influence or as a result of Sudanese authorities playing the EU and China off one another.***

Saferworld's work in Sudan

Saferworld is an independent international NGO that works to prevent violent conflict and promote co-operative approaches to security. Through our work in the Horn of Africa, South and Central Asia and Eastern Europe we aim to understand what causes violence by talking to the people it affects and then bringing together communities,

governments, civil society and the international community to develop solutions. Using this experience, we also work with the UK, EU, UN and others to develop ways of supporting societies address conflict and insecurity.

Saferworld has had a programme looking at Southern Sudan since 2005. We encourage an integrated approach to security-building which includes improving small arms controls, increasing community security and supporting the development of security and justice services. We provide technical support to the Government of Southern Sudan, including through facilitating exchange visits to neighbouring states affected by similar security issues, both to share learning and to increase the involvement of Southern Sudan in regional small arms control mechanisms, as well as capacity- building on small arms and light weapons (SALW) issues. We support civil society groups such as the Southern Sudanese Action Network on Small Arms (SSANSA) to strengthen networking, co-ordination and engagement of civil society on community security and SALW issues in Juba and at the State level. We are also initiating community security interventions with local partners and community- based organisations in three locales, both to contribute to improved security in those locations and to develop appropriate models that could be replicated elsewhere.

His Excellency Mr Abdullahi AlAzreg, Ambassador of Sudan to the UK, Mr Mohamed Eltom, Deputy Head of Mission and Dr Daniel Peter Othol, Head of the Mission, Southern Sudan Liaison Office

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Oral Evidence, 10 March 2011, Q 97-127

EVIDENCE SESSION NO. 3. HEARD IN PUBLIC

Members present

Lord Teverson (Chairman)
Baroness Bonham-Carter of Yarnbury
Lord Jay of Ewelme
Lord Jopling
Lord Jones
Lord Radice
Lord Selkirk of Douglas
Lord Sewel
Lord Trimble

Examination of Witnesses

Witnesses: **His Excellency Mr Abdullahi AlAzreg**, [Ambassador of Sudan to the UK]; **Mr Mohamed Eltom**, [Deputy Head of Mission], and **Dr Daniel Peter Othol**, [Head of the Mission, Southern Sudan Liaison Office].

Q97 The Chairman: Can I welcome all three of you to our Sub-Committee? To put the session in context briefly, as a Committee we look at European issues to do with foreign affairs, defence and development. As part of that work we undertake inquiries. Our present inquiry concerns what the European Union should do to help a successful transition to a successful South Sudanese nation state and a continuing successful Northern Sudan. Our work has a particularly European emphasis. Our report goes to both the British Government and the European Commission. This is one of several evidence sessions that we have undertaken but it is clearly one of the most important. We are also visiting Brussels next week.

I just remind you that the hearing is being taken in public. It is being webcast and will be transcribed. We will send you a copy of that transcript so that you can check that it is accurate.

You have seen the sort of questions that we are likely to ask but Members will wish to ask supplementary questions on other issues that come up. As I mentioned, who answers which questions is very much up to you. I expect the session to last for around an hour and a quarter. If you would like to make a short opening statement, we would welcome that, although we are keen to move into dialogue and to discuss the issues at hand. Ambassador, would you like to make an opening statement?

His Excellency Mr Abdullahi AlAzreg: Yes please. Good morning. Let me at the outset express my deep appreciation and gratitude for giving me and my colleague, Dr Daniel

Othol, the opportunity to address your august body and share with you some views and thoughts on the latest developments in our country. The United Kingdom has patiently remained engaged with Sudan in its pursuit of peace over the past nine years. It was part of the troika, alongside with the US and Norway, which played an instrumental role in mediating and facilitating the peace negotiations when the process started in 2002, until that agreement was finally signed in January 2005. It then became one of the guarantors of that agreement. The UK has since remained active through its generous contribution and the support of some international and regional organisations currently working in different areas for peace in Sudan; and through the work of DfID and the Foreign Office. Given the special focus and attention of the UK, it comes as no surprise that the EU's special representative for Sudan is the former British ambassador to Khartoum, Ms Rosalind Marsden, and the head of the assessment and evaluation commission—one of the most important commissions of the CPA, tasked with overseeing the implementation of the agreement—is another distinguished British diplomat, Sir Derek Plumbly. The role is cherished and appreciated by us in Sudan. Thank you.

Q98 The Chairman: Dr Othol, do you wish to make a statement?

Dr Daniel Peter Othol: Yes, I have some additions. Thank you very much for inviting us today and for this opportunity. It is a chance for us to shed light on the events unfolding in the country. It is true that the signing of the comprehensive peace agreement, which has been guaranteed by the UK and other European bodies, has resulted in the people of Southern Sudan going to polls for self-determination. I am glad to reiterate today that, as you know, the referendum on self-determination for Southern Sudan was credible, transparent, fair and free. This has been said by the observers. The people of Southern Sudan voted overwhelmingly for independence, with 99 per cent of the vote. This is seen as an end to the long journey that they have been on for 23 years. That vote shows that Southern Sudan is already an independent state, or a state in the making.

What remains to be done by 9 July is a formal declaration of independence for Southern Sudan. However, you will recall that there are certain protocols in the comprehensive peace agreement, which are part and parcel of the independence of Southern Sudan and have not been resolved. There is the issue of border demarcation and, to some extent, the sharing of oil revenue between the south and the north. We look to world bodies to act as a catalyst to ensure that this process is finished by 9 July when Southern Sudan becomes independent. We would very much like the EU, the African Union, America and Norway to witness and guarantee that the CPA will be kept until the very last moment.

When the south becomes independent, the work of the humanitarian bodies will come in. We all know that Southern Sudan is not developed. We will also look to you to help us in answering the expectations of our people. In that, we will be very modest in putting our priorities to the EU and to the UK. We will be looking at very basic human needs for more water, sanitation, health, education, roads and so on. On this note, I know many of them will come. Above all, before we achieve these basic things, we will be looking to you to help us with security. Southern Sudan has to be stable for all people. I shall leave it on that point.

Q99 The Chairman: Thank you for those statements and their brevity. That is very useful. I will start by following up some of those things. What is the current state of relations between north and south Sudan? We have both north and south represented in this meeting. This Committee, like the international community, has been very impressed by the very effective way in which the referendum has taken place and the result been delivered. What are the main issues that arise from the comprehensive peace agreement and still have to be resolved? What are your objectives and guiding principles for those negotiations?

Given that the comprehensive peace agreement has worked very well to date, how does the Sudanese Government feel the international community should recognise the work that they have undertaken and delivered?

His Excellency Mr Abdullahi AlAzreg: To be very practical, we would like the international community to recognise the way that we have implemented the comprehensive peace agreement, which culminated in the referendum. Five days before the referendum took place, the President of Sudan visited Juba. At that time the writing was on the wall: the south was heading for secession. Nevertheless, he went there and announced that he, his Government and the whole of the country would accept the result of the referendum; and that the Government of the north of Sudan will support the south whatever the result. Our policy is to create friendly relations between the two countries, with good neighbourliness. They are our colleagues now. That was a great step. After the referendum, the Government announced that they accepted the result and would work hand-in-hand with our brothers in the south to create an atmosphere conducive to co-operation between the two parties and do whatever possible to create a viable state in the south.

The atmosphere and spirit in general are very positive. It is our policy and we are keen on that. We will do our best to create good, strong relations between the north and the south. It is our conviction that, unless there is a viable state in the south, the north will suffer. Usually, if your neighbour is suffering, you will also suffer. If your neighbour's house caught fire, the fire might also come to your house. This is our conviction and we are serious about it. We will do our best to create a viable state in the south and to help the south in all spheres.

We will do our best to make the border between the north and the south a bridge for co-operation between the two countries. We will make it a soft border. Relations between the two countries are manifold. We have social relations and will continue to create a positive atmosphere in all spheres of life. This is our policy right now. That should be recognised. During the dialogue I will suggest how that recognition should be expressed.

Dr Daniel Peter Othol: In short, the relationship between the north and south, until we know otherwise, is amicable. It is four months since the vote for independence, which is a long time in politics. Until otherwise, we believe that things are going well. I hope that they proceed well until northern Sudan declares that the south is independent and recognises it before the outside world comes to do so. Really, the recognition of the independent republic of south Sudan must come first from Khartoum. Then it will come from around the world. That is expected to take place as long as conditions remain cordial.

The spirit of negotiation of the remaining issues depends, by and large, on the two parties. We wish them to continue in the same spirit in which they signed the agreement. It was a tough thing to do and it is still tough to work through. However, we believe that they will work through them and resolve the contentious issues that remain in the best interests of the people of the north and the south. We want to separate in a very friendly way, as people who have lived together for many years and who wish to continue to live together in the years to come.

His Excellency Mr Abdullahi AlAzreg: I will just add that we will be the first country to recognise the newborn state of Southern Sudan on 9 July. We will apply for our embassy in Juba to be the first in that newborn country. We are keen to solve the contentious issues. We are very positive about this. We do not say that there are no problems—there are—but we have good will and good faith. We will do our best to recognise the new state and will be the first to recognise it and open an embassy.

Q100 The Chairman: One of the things that the Committee has recognised is that this is the first time a completely new state has been created and recognised within Africa. I

think I am right; you will know what I mean. That is hugely significant. Could I press to understand what the pressure points might be? We will come to Abyei, migration and returning populations later, but what other areas could destabilise the success of this division? Does anything come to mind?

His Excellency Mr Abdullahi AlAzreg: I do not think there are major issues, on our part at least, that will be problems for the safe transition. We have good faith and the conviction that it is important to keep strong and friendly relations between the two countries. We have managed to stop a war that had lasted almost 50 years. We made great sacrifices. Through partition and secession we have lost about one-quarter of the area of the country. We were the biggest country in Africa but I think that is now Nigeria. We will lose one-fifth of the population and a lot of resources.

In spite of all this, we believe that gaining peace is the big reward. We are happy that we have gained peace and we aim to make it a sustainable peace. If we manage to solve the big problems, the small issues will also be solved.

Abyei, for example, is an area of only 10,000 square kilometres. Compared to the total area of the country, which was 2.5 million square kilometres, this is nothing. We will solve it eventually. The dispute in Abyei, with regard to demarcation, is on only four points. By the way, we have a British demarcation team in Sudan that is helping to solve the problem. We recognise and appreciate the efforts exerted by Britons in this area. I am optimistic.

Q101 Lord Sewel: We have to bear in mind that we are an EU Committee—a Sub-Committee of our European Union Select Committee. Our particular interest is from an EU perspective. The general question is: what role do you see the EU playing in helping to build peace in Sudan? From that, how do you see the interplay and the relationship between the EU, the African Union and the Intergovernmental Authority on Development? How do you see the international players working together to make a contribution?

Dr Daniel Peter Othol: So far, since the CPA, which was signed on 25 January 2005, the EU has taken an active role first in capacity-building, recovery and rehabilitation in Southern Sudan and the development of certain institutions, especially security and education. This has been done through United Nations development programmes. Now, on what remains, the EU, like any other body, is trying to work through the African Union, especially the border panel. It is being financed very well and is headed by Thabo Mbeki, the ex-President of South Africa. They are putting money into that to see that comprehensive peace is built in Sudan. The noble Lord asked about pressure points. Going back to what happened in Eritrea and Ethiopia over 100 years, the border led to a very bloody short war. That could really be a pressure point for Sudan. If we do not resolve the issue of the borders—the remaining 20 or 25%—that could also lead to bloodshed. However, the EU is trying its best to pour money into the border panel to see that this is resolved before 9 July.

In addition, the EU is financing disarmament and immobilisation in mined areas in Southern Sudan. These are areas that we would like the EU to continue and concentrate on, especially as Southern Sudan becomes independent. By and large the infrastructure in Southern Sudan remains very rudimentary. It has to be built up in accordance with the expectations of the people in Southern Sudan. I am sorry that they are so huge. The new Government of Southern Sudan will not manage it in a short period, so we need to persuade the EU to help us bring money to that area through the NGOs. Your presence there will be very much appreciated.

In a nutshell, the EU is playing a big role in many areas, mostly humanitarian and law enforcement. Of late you have tried to focus on security. As I mentioned, security is paramount if Southern Sudan is to be a viable state. It has to be stable so that people have an

opportunity to come in and do what they wish to do. We thank you for that and appreciate what has been going on for the past 10 years.

His Excellency Mr Abdullahi AlAzreg: We appreciate the role played by the EU. We think it will continue to play this good role. The EU can help in many areas, such as supporting the African Union high-level accreditation panel, headed by the ex-President Thabo Mbeki. We must also recognise the great role played by this panel and Mr Mbeki.

The EU will do a great job for Sudan if it shifts from humanitarian aid to development aid. This is very important and will help both sides of the country—the north and the south. It is also good for our country to have fair trade and to widen the trade between the EU and Sudan, as well as to get investment in Sudan. When you trade with Sudan and invest in Sudan, you support the peace. You are helping to make the peace sustainable, which is very important. The EU's other role could be to help in lifting the American unilateral sanctions, which are detrimental to peace in Sudan.

Another role that the EU could play has to do with debt relief. Sudan is indebted by \$32 billion but 70% of that amount is interest and fines. Unless this burden is lifted, Sudan will be burdened, which is not in the interests of sustainable peace and stability in the country. As we know from other countries that are burdened by debts and other problems, this is not good for peace. We would like to make peace and have a sustainable peace. The EU is a key player and a very good partner in realising that great goal.

Q102 Lord Sewel: Am I right in thinking that a major element of the EU's contribution is in working with and supporting the AU, but in addition to that there are distinctive things that the EU can do around the area of development aid, debt relief and working with the Americans? Is that roughly the situation?

His Excellency Mr Abdullahi AlAzreg: Exactly. With regard to realising the commitment that was made in Oslo, a little of that promise was kept. I would like the EU to play more of a role and exert more effort so that the commitment that was announced in Oslo becomes a reality. I know that the majority of money will come to the south. I am happy with that; I want the south to be supported.

Q103 Lord Sewel: On the African Union side, is the focus on the high-level implementation group and the work of the EU in supporting Mbeki and so on?

His Excellency Mr Abdullahi AlAzreg: Mbeki is helping in Abyei and in the area of what will happen over petroleum in the coming period and several economic and political issues, including Darfur.

The EU can adopt and support the Norwegian solution to the petroleum problem. The Norwegians suggest that there should be "financial transitioning". They suggest that Northern Sudan will continue to take part of the revenue from petroleum, whether it is produced in the south or the north, on the pretext that Northern Sudan is the country that made the explorations and invested heavily to make the production of petroleum a reality. Norway says that is drawing lessons from similar cases of secession and past experiences. It suggests that Northern Sudan, in the first year, will continue to receive 50% of the revenue but this percentage will diminish until it reaches zero after six years.

The Chairman: We will come to the oil issue later.

Q104 Lord Jay of Ewelme: I wanted to ask about the role of China in both the north and south of Sudan. There tends to be a view in the West that is rather opposed to China's role in Africa. However, the evidence that we have taken in this inquiry so far has been rather positive about China's role in Sudan. I would just like to get both your views on how

you see the role of China in Sudan—north and south. What scope do you see for China, the EU and the UK working together as the future of Sudan unfolds?

His Excellency Mr Abdullahi AlAzreg: China is our friend. It is the country that made the exploration for oil possible. Petroleum helped the economy very much. It also helped peace. China is making very good investments in Sudan, in petroleum and infrastructure. We are happy about the role of China for many reasons. Among them is the fact that China is giving us financial support without conditions, and investing in Sudan without conditions. It gives us loans without conditions, except the normal, conventional conditions. China's support for Sudan has no strings attached. For that reason, the popularity of China in Sudan is very high. The work that has been done by China supports the peace. For that reason, we have great appreciation for the role of China.

Dr Daniel Peter Othol: The role of China in Sudan is very much appreciated. As Southern Sudan becomes a new state, there is not much to question about the role of China in Southern Sudan. The international contracts that have been signed by Sudan and China will have to be reviewed to be tailored to the interests to the people of Southern Sudan. You will recall that 80% of Sudan's oil is in Southern Sudan. Therefore, we will look critically at the documents that have been signed—at what China gets and what we get in Southern Sudan. China hopes to exploit more oil at other sites. We would like China to pre-assess the human conditions before they displace people. That is to say, China should build a habitable place for them, with schools and primary healthcare units, and make water available for them in the area to which they are relocated before their place is used for commercial reasons.

It is also very important that the Government of Southern Sudan should say: "You will continue to explore for oil but the contracts with the Government of Sudan will be reviewed to suit the best interests of Southern Sudan". We can then move ahead from there.

This is not only about China. There are certain sites of oil in Sudan. Total of France, for example, is exploring for oil in the state of Jonglei. Maybe the Americans or the UK might have interests somewhere. We will let these countries and companies work together—to put their heads and minds together—to build the necessary infrastructure for the people of Southern Sudan if the exploration for oil is to be on our land. I see no constraints on the EU, China, the UK and maybe France working together, as long as conditions are set and stuck to.

Q105 Lord Jones: Have you met the Chinese special envoy to Africa, Lui Guijing? How influential is he? Do you meet him often?

His Excellency Mr Abdullahi AlAzreg: Are you asking me personally whether I have met him? I have met him once in Khartoum airport but I know that other government representatives meet him. His role is part of his Government's role. We are happy about the role of China, which is very positive all the way. If you are happy about my Government, you should be happy about me and vice versa.

Q106 Lord Trimble: Abyei has been mentioned. Could you explain the nature of the disagreement over Abyei and what the prospects are for resolving it? I understand that, within Abyei, there has been conflict between some of the peoples living there—the Dinka Ngok and the Missiriya. What is the cause of that and what steps can be taken to resolve it?

His Excellency Mr Abdullahi AlAzreg: Abyei is an area exactly on the border between the north and the south. According to the CPA—the comprehensive peace agreement—Abyei is part of the north. However, the CPA itself, because of the special nature of the region of Abyei, said that there should be a referendum in that area. Abyei is composed of mainly two

groups. There are other groups but the two main groups are the Dinka Ngok and the Missiriya. It has been agreed that there will be a referendum but that referendum could not take place because the SPLA disputed the participation of the Missiriya. The CPA said that the eligible participants in the referendum were the Dinka and other people.

The problem of Abyei could be solved, but the main problem is that some leaders of the SPLA who are from Abyei look on Abyei as their electoral constituency. The CPA said that the Dinka and other peoples should participate in the referendum but these politicians—who influenced the decision of the SPLA—resisted the participation of the other people in the area. Those people, the Missiriya in particular, are nomads; they roam from one place to another but stay in Abyei for seven to eight months of every year. They are indigenous people who look on the area as their homeland. It is a real problem if you exclude them or say that they cannot participate. You do not know how important the land is to the Sudanese.

The exclusion of these people and their inability to vote is the main contentious issue. Preparation for the referendum is under way, but so many peace partners in Sudan believe that the referendum itself is not the solution. They believe a referendum is a zero-sum game. The problem of Abyei is one of human beings and land. A myth has been created about the importance of Abyei. One of the reasons that contributed to creating a big issue over Abyei is the myth that it is an oil-rich region. This is a myth. Abyei produces 3,000 barrels of petroleum a day. I do not know what explorations will show in the future but, at the moment, Abyei is not oil-rich.

Thabo Mbeki and others believe that the win-win solution for Abyei is a political situation in which Abyei is distributed between the Dinka and the Missiriya. They suggest that Abyei should be divided with 40% for the Missiriya—the northern part, which was originally their indigenous land—and 60% of the area, which is south of Abyei town, going to the Dinka. The SPLA does not accept this, but it is a very wise solution. We need a political solution, rather than the referendum. We are open to a referendum; we do not mind. However, it is not the solution. We have two groups and both have their claims. The Missiriya are a difficult people, I have to say. They think this is their homeland. They have been told by the SPLA that they will be given the right of grazing for their cows. I remember one of their paramount chiefs said, “Our cows are important but we, as human beings, are more important”. They are not happy at all about being given the right of grazing, because they say that the SPLA are putting their cows in front of them, which they do not accept. The Mbeki commission has suggested six options for the two ethnic groups.

Dr Daniel Peter Othol: To be honest, what is happening in Abyei today is seen as very unfortunate. It does not conform to what appears in the CPA protocols. What appears in the CPA protocols is that the referendum in Abyei will be held simultaneously with that in Southern Sudan and then the nine Dinka chieftainships or divisions will be in charge of voting. This has not happened because a class of other tribes who live in Abyei for more than six months, but were not quantified, were to be given an opportunity to vote. That has been seen by the SPLA as a threat because you cannot measure which tribes live there, how long they have lived there and how long they will continue to live there.

Therefore, it was said that the referendum of Abyei would be entirely the responsibility of the Dinka Ngok. This has brought a lot of dispute. Now we read that the problem of Abyei is mounting and becoming very contentious. To some extent, it will be a hindrance to the declaration of independence of Southern Sudan if it is not resolved. What has been said is that if it cannot be resolved politically, let us go back to the drawing board. Originally, Abyei was annexed to the north by presidential decree. The people of Southern Sudan would like Abyei to be returned to its rightful place of Southern Sudan also by decree from the presidency. The presidency is made up of three people: His Excellency al-Bashir, His

Excellency Kiir and His Excellency Taha. Discussions have been taking place on that issue. The real leaders of Southern Sudan came to discuss it. Among them were the people of Abyei, to whom my colleague referred. They wanted the question of Abyei to be resolved amicably. They did not find grounds, which is why they said: "If that is the case, we do not want to raise more tensions at this time, so let us take it back to the presidency for them to decide". The decision on Abyei—on the resolution of the conflict and protocol—is expected this month. I do not know whether it will be resolved in March or whether it will extend beyond March; that remains to be seen.

What is unfortunate is that so many people are dying now in Abyei. A lot of death is occurring and many people are being displaced. 500,000 people have been displaced towards the south. Houses are being burnt from time to time. People are made to run away. The question is: how long are we going to persevere in our killing? There will be a time, which I think is approaching, when the SPLA—the leadership in Southern Sudan—says, "We have the right to defend our civilian population in Abyei". The defence that will be used is not measurable—it depends on the force that will be used to displace people. If people do not look at this very carefully, there could turn out to be a kind of war in Abyei itself between the SPLA and Sudan's Armed Forces. The Missiriya are being referred to as difficult people but they should not be difficult now because we are talking about common sense. We all want to live. We all want to share Abyei. If they become very difficult, there will be a point when others become very difficult. If the two become very difficult, we will not get anywhere. This attitude of being difficult is not desirable when we are talking about peace and concern for human life. They have to go back to the care of human beings.

The issue in Abyei is not about oil. There is no significant oil in Abyei. The question is about the land—who does it belong to, from when and now? The Dinka think that it is their ancestors' land—that it is their rightful land and has to be given to them. The north says no—that Abyei will remain as a bridge between the north and the south. However, there are so many bridges between the north and the south, so what special bridge will Abyei be? It cannot be really torn. Abyei is one of the boiling pots in Sudan. We would like the international community to come to our rescue.

At one point in time, I said, "Okay, fine, if you cannot resolve it as people of Sudan, take it to the United Nations for a decision". Arbitration over Abyei in The Hague has not been implemented. It was completely ignored and left as though no one cared about it. Then they said that the Abyei issue is a Sudanese issue; we will resolve it amicably, but people are taking months, if not years, without coming to the rightful resolution. The independence of Southern Sudan is approaching and we want to see what the position of Abyei will be. So it is my wish that within these 120 days—or maybe 30 days now—a conclusion on Abyei will be arrived at. I would like to see that those who have the right to live in Abyei, like the Missiriya, should also be given rights. We do not want to displace anybody or make anybody who was born and lives in Abyei homeless. That is not the intention of the Government of Southern Sudan. We just want an amicable solution.

Q107 Lord Trimble: Thank you Dr Othol for your statement. Do you think the Mbeki proposal to partition Abyei is the right sort of approach, or would some other approach be appropriate?

Dr Daniel Peter Othol: The Mbeki committee is trying its best to talk about Sudan, but the Sudanese themselves have more knowledge about Sudan. Mbeki will see them as participating positively in resolving their problems before he says, "I am here to resolve your problems". The way he is persuading both sides seems to be okay. He said that if it cannot be resolved we can take it to the presidency. However, the presidency will have its own say over Abyei and it is not isolated. The presidency works with the minds and hearts of people

of Sudan. It will listen to the traditional leaders in Abyei. The traditional leaders within the Ngok Dinka and Missiriya have a big role to play. If they come out in a positive way and convince their people of the best way of solving a big problem, it will go a long way to solving that issue. What has been said by Mbeki is good, but how well it will go remains to be seen, because the people on the ground have a stake in what is happening.

His Excellency Mr Abdullahi AlAzreg: I do not want this session to be one of claim and counterclaim between me and my friend, Dr Daniel Othol. We are very keen to find an amicable solution to Abyei. When I called the Missiriya difficult, it was just a description of what they are. Unless they are given a share of their land, this will be a recipe for war in the future, which nobody wants. We are doing our best with them and with the Dinka. We are working as mediators between the two sides. My colleague said that it was annexed in. The CPA said that the border of 1956 is the border between the north and the south. Abyei is north of that border, but due to the special situation between these two groups, we have agreed to hold the referendum on Abyei.

Before 17 January, there was a war between these two groups. We brought them together in Kadugli, the capital of the state of Southern Kordofan and we reached an agreement. Unfortunately, the SPLA violated that agreement by sending 2,500 police to the area. When the Missiriya went down with their cows, they were attacked. This is a violation and it is not good. This will not create a conducive atmosphere. We are working to create a conducive atmosphere and reach an amicable solution that preserves the rights of both sides. This is the right thing to do. We should reach a win-win solution, rather than a zero-sum solution.

Q108 Lord Joplinc: I would like to come back to this matter of the border between north and south. Ambassador, earlier you talked about a soft border. Do you mean that nomadic people can freely move from one side to the other, that people can if necessary live first on one side and then on the other? Is that what you meant? Can people own land on both sides of a border? When you talk about a soft border, do you mean that it is vital to have a legally recognised border over which there are soft arrangements where people can move from one side to the other? Is that what you meant? Would you be good enough for us to put the Abyei situation in the context of the whole border between north and south? How much of that is in dispute, apart from the Abyei part of it? What do you think the EU can now do over this? It seems that it is very much a matter for people in North and South Sudan to sort out for themselves, but at the same time if the EU can help in particular over this, I think we would like to know.

His Excellency Mr Abdullahi AlAzreg: When I said soft border, I meant allowing people, nomads or others, to move freely and to make trade move as easily as possible, but that does not mean not recognising the border itself. It has to be a legal, recognised border between the north and the south, but the movement of trade, of nomads and of others should be as easy as possible. We know that there were social relations between the two parts of the border going on for years or centuries. We cannot say, "Stop it. Now you are a different country. Go away. Get a visa". We would not make difficult arrangements. We would genuinely like easy relations between the two sides. By the way, our border, for example between Sudan and Ethiopia, is not demarcated in the way that it is in some areas. Movement and trade are easy and we want to make something similar to this. Other than Abyei, there is no dispute along the border line. In Abyei itself, the disputed area is only four spots. Other than this, I do not think there are disputed areas. The EU can provide technical assistance in the demarcation process.

Dr Daniel Peter Othol: To add to that, I think soft borders would be a non-starter. The leadership of the National Congress Party has categorically said that there will not be dual citizenship of Sudan if the south and the north are split. Otherwise the question of visas will

come in. We have said many times in Abyei that we are not going to make the cattle of the Missiriya people die. Corridors will be open for them in the grazing times, which is the six months starting from now. We will allow them to go into Southern Sudan, close to where they stay, with their cattle to graze and to have water, provided that they do not cause problems to the inhabitants of the area that they are going into. When the wet season comes, they will have to come back to where they are settled, with immediate effect. I think there is no quarrel in that. They will always have access to the south. As I said earlier, it is not in the interests of the south to harm the north in any way, because we have lived together and we wish to continue living together. Apart from that, I do not think that people will be allowed to hold land here and there, because they have said no. Once you decide to be independent, you become a citizen of the north or the south and there is no dual citizenship in Sudan.

Q109 Lord Radice: I just wanted to hear that again. Did you say there was no dual citizenship?

Dr Daniel Peter Othol: That is what I said.

Q110 Lord Jopling: Can I come back to Dr Othol? I understood the Ambassador to say that apart from Abyei, there is no dispute about where the border should be. Do you accept that in the south?

Dr Daniel Peter Othol: What is on the table now is that 80% of the border between the north and the south has been demarcated. To me, these borders do not have anything of interest. What is of interest in Sudan? It is the resources. On top of these resources is the petrol. In the areas where the oil wells are, there is a dispute. The committee that was supposed to look into these disputed areas of the border was due to sit in Khartoum on 25 February this year. I have not read anything about what they discussed, but the 80% of the border being demarcated, which you have heard, are the parts that have nothing in common and you do not hear of any contentious issues. The areas in Abyei and around Unity—the oil areas—are still to be discussed

Q111 The Chairman: Can I ask one point of clarification? Ambassador, you have talked about trade. I presume, although this is not always the case, that there are not tariffs internally for trade within Sudan at the minute. Will it remain a tariff-free area within the current Sudan?

His Excellency Mr Abdullahi AlAzreg: I do not have a definite answer on that for you, but this is one of the issues on the table for negotiation right now.

I would like to give you an example of a soft border. Between Sudan and Ethiopia there is a border point called Metema-Galabat. Metema is a town in Ethiopia and Galabat is a town in Sudan. Sudan built a bridge—a physical bridge—between the two towns because there was a small river. I have been twice to that area. Everybody can go. From the morning until 5 o'clock in the evening, there is no need for a visa, for documentation or for ID. People from Ethiopia cross the bridge freely up to 5pm. Nobody even asks them to show ID. People from Sudan cross the border to Ethiopia freely to that town and the Ethiopians do not ask them to do anything.

This is just an example of a soft border. So this dual nationality is not a matter at all. We are going by precedents in others countries in which partition took place. For example, when Croatia became an independent country, they did not ask Serbia to give them dual nationality. You cannot have your cake and eat it. We want good, friendly and neighbourly relations.

Q112 Lord Jones: What are the prospects for reaching agreement on wealth-sharing, in particular of oil revenues, between the north and the south? What are the obstacles to an agreement and what could the European Union do to assist discussions where there may be difficulties?

His Excellency Mr Abdullahi AlAzreg: 72% of the oil is in the south. The rest of it is in the north. Of course, this 72% will go exclusively to the south because it is their petroleum. The infrastructure of the oil is all in the north—the pipeline and the refineries. We have made a commitment that we will allow our brothers in the south to use the facilities and infrastructure of oil in the north. Of course, that will be on a commercial basis, but we will do our best to make it as easy as possible in a very amicable and friendly transaction.

The Norwegians have played a great role. They have been advising both sides since the CPA was signed. As I told you at the beginning, they have suggested a kind of financial transitioning in which Sudan—the predecessor state—will have 50% of the oil revenue, but this percentage will diminish to zero over six years. The Norwegians are saying that this is the practice and tradition in similar cases in other parts of the world. We have suggested seven years, because we have invested heavily in petroleum. We are the ones who explored for it and developed everything to do with it. This issue is being discussed. We have agreed that the principle with regard to petroleum should be the geographical principle. What is in the north belongs to the north and what is in the south belongs to the south. Have I made myself clear?

Lord Jones: Very clear, sir.

Dr Daniel Peter Othol: One point of correction. It is 80 to 85% of the oil in Sudan that lies in the south. That is a significant percentage. But Southern Sudan is a landlocked state and will rely on the north for the export of its oil, through Port Sudan. It is my reading that if you do not have safe facilities for the oil that brings almost 100% of your revenue, the people of the north will see it as an opportunity to flex their muscles and demand a percentage, which would be debatable. The share of the oil of Sudan will be based on the experience that Southern Sudan has not benefited from the revenue of the oil since it was discovered. It therefore remains very much undeveloped. If the south is to become independent, the opportunity arises to take a large proportion of that oil to develop ourselves.

That message will not be seen as good by the north, because they will ask how they will live. Although there are no problems and Sudan's share of oil has not really been touched, because they look at it as minor compared to the border and Abyei issue. When they come to that one, I am sure it will raise a lot of eyebrows on how it could be shared. When the time comes, they have to consider that Southern Sudan is not developed and it is about time that the north relinquished most of its share of the oil to the south.

How that will go ahead remains to be seen. What is important is that 80% of the oil comes from the south and it will take us about three years to find a different route to Lamu or Mombasa. For this time we will have to find a good way of sharing the oil. Some of our leaders say, "We are not going to share the oil if the south becomes independent. We are only going to rent the pipeline". Given the conditions attached to the revenue of the oil, the rent of the pipeline could be even higher. We have to see which way is better for the south to benefit from the oil.

Q113 Lord Jones: Have you established whether there are any new sources of oil? Are you confident of new oil fields in the south?

Dr Daniel Peter Othol: As well as in the north. Exploration is going on. I am sure that a new one will come from Total in Jonglei. A week ago, I read that new points of oil are being found in the north. That will be good news. I do not know how long it will take for them to

cap it and find out whether it is good oil and start exploration. But for now, the only thing that seems to be coming that is new, apart from the existing wells, is the one of Total, which is predominantly in the heart of Southern Sudan.

Q114 Lord Jones: Can you see the EU helping in these sensitive matters?

Dr Daniel Peter Othol: Of course. The EU is one of the big world bodies. We would really appreciate that, given the background of 27 countries, they have played a pivotal role, especially after the CPA. In particular, when Southern Sudan becomes independent, we will look to the EU to help to resolve the difficult issues in Sudan and to come immediately to help Southern Sudan, especially with security, which you have embarked on. After that is guaranteed, you can come and help us to develop in the areas that you are happy with. When Southern Sudan becomes independent, we will immediately identify our priority areas and put them on the table for every well-wisher to come and pick what it wants to help us with. We are not going to say, "Give us money for this". We would like you to send your people physically to develop or build what you want to develop or build—things like schools, hospitals, roads, water and sanitation. When that is completely done, then you will leave a skeleton staff with our people to manage it until our people get the technical knowledge of how to deal with it, and then you can withdraw your staff. That is what we would like to see.

Q115 The Chairman: I think we will come on to that area particularly in the next question. I am keen to make a bit of progress because we are getting a little behind. Ambassador, did you want to make a further response? If so, could I ask you to keep it fairly short?

His Excellency Mr Abdullahi AlAzreg: I have here a document showing the share of the Government of Southern Sudan and the relevant states from the net oil revenue up to January 2011. I can leave it to the Committee here. Up to last January, the south got \$9,390,650,000. I wonder why my colleague is saying that the south has not benefited from the oil. This is what they have actually got. It is close to \$9.5 billion up to last January. Unfortunately, nothing has been done with that money to create infrastructure in the south or to build health or education facilities. The Government of Sudan contributed a further \$1 billion to the south from the budget of the north, because we are keen to see a viable state. We do not want our neighbour to be in a bad situation, because then we will have an influx of refugees and wars. We do not want this to happen.

The Chairman: If you want to leave that with us, it would be helpful.

His Excellency Mr Abdullahi AlAzreg: I will leave this with you, for sure. The second point is that this financial transitioning is a Norwegian proposal, based on some international precedents. It did not come out of the blue. Economists believe that abrupt weaning is not good for peace and security in Sudan. Sudan has lost a lot because of that. Sudan has lost 65% of its national income because of the loss of this petroleum. This will create problems. Economic difficulties usually create social problems and sometimes political problems. We do not want problems. That is why we think the Norwegian proposal is wise.

One last point—we need you to help us to convince other European states to come and invest in gas and petroleum. We will give them concessions. We know that the unilateral American sanctions are making a lot of companies afraid. This is not to the benefit or interest of either Europe or Sudan.

Q116 The Chairman: Lord Selkirk, I think we have covered a bit of your question, but do you want to press on the development of humanitarian aid?

Lord Selkirk of Douglas: I think a great deal has already been said. I do not know whether the Ambassador would like to add anything about whether the EU could help to address the causes of potential conflict in Sudan through its aid programme.

His Excellency Mr Abdullahi AlAzreg: Aid has its problems. Aid usually creates dependency. Our policy is to make aid as small a proportion of our activity as possible. We are calling for development and investment. We want development aid rather than humanitarian aid. Humanitarian aid will go on and on. It is like putting your money in a bottomless hole. It will not end; it will create dependency. We need to teach people how to feed themselves rather than putting the food into their mouths. I would very much appreciate it if the European Union concentrated on development investment and fair terms of trade, rather than humanitarian aid. I would like the European Union to help both sides, north and south, in capacity building and nation building as a whole.

Q117 The Chairman: Dr Othol, perhaps I could also ask whether South Sudan is intending to become part of the Cotonou agreement with the EU.

Dr Daniel Peter Othol: Yes, it is indeed in our interest to become part of the Cotonou agreement. It has not been ratified by Sudan, but we would like to be part of that. Not only that, we would also like to go immediately into the Commonwealth.

Again, let me see if I have got the question right. It is about the conflict areas in Sudan where the EU could help. I think your main objectives were democracy and good governance in Sudan, but also improvement of human life. These are the basic things that you will have to bring on board. If the two countries become independent, you would like to see good Government in the north and good Government in Southern Sudan. They should be very democratic, because it is on this basis that human beings contribute effectively to their lives.

Q118 Baroness Bonham-Carter of Yarnbury: This is predominantly for Dr Othol. How serious for the stability of South Sudan is the possibility of internal conflict between elements within Southern Sudan or threats from an unstable southern border? Recently we have read about clashes with George Athor's forces, which have led to deaths. We are also interested in how you perceive the threat of the Lord's Resistance Army. Finally, is there anything particular that the international community and the EU could do to help to pre-empt or tackle these problems?

Dr Daniel Peter Othol: I expected this question, because people are concerned about the pockets of insecurity in Southern Sudan. It is very unfortunate that the renegade George Athor is taking the law into his own hands after failing in the election to become the Governor of Jonglei State. George Athor fought in the liberation war for 23 or 25 years. He was a small boy and developed into the army. He was a formidable soldier who led a lot of people and fought very well in the war. When he was integrated, he climbed to the rank of third in command. Then, all of a sudden he went off to be a politician and wanted to become the Governor, but he did not succeed. When he did not succeed, he went to the bush and remained there, to some extent, without any effect until some people who were disgruntled who had stayed in the army joined him. He acquired some ammunition and weapons from an undisclosed source, which we are trying to find out. If you have an army of 300 or 500 people, somebody must be helping you to sustain your presence. That is what we are trying to study.

He regrouped and started to attack very vulnerable areas in Southern Sudan. It was mostly areas where civilians are located, especially those who had recently returned from the north. He attacked them and killed a large number of them. This came after the Government of Southern Sudan had sent people sending peace wishes to him to take the message of His Excellency the President of Southern Sudan, "Look, George, there is no problem between

you and the SPLA. You are, after all, a member of the SPLA. If there is anything that has angered you at some point in time, let us sit at the table, discuss it and reach a solution. The people of Southern Sudan have voted to become independent. You are part and parcel of that in the making. There is no reason why you should want to destroy it”.

He did not listen to that and continued killing civilians. We are still saying that even if you have done this, it might satisfy your ego now, but you should come to the table to discuss with us. We are not listening to that. I have said many times that the Government have a duty to protect our people. What has been said in the recent meeting of the committee of the SPLA is that if George continues killing vulnerable people, the time has come for the Government of Southern Sudan to protect its civilians. It is our right to protect civilians and if he comes we will repel him. Even if it means the death of his soldiers and ours, that has to be done so that this situation is brought to an end. It is alarming and causing some concerns in Sudan at large that George is trying to instigate so many people, creating pockets of instability in Upper Nile and Jonglei as well as Unity. According to the spokesperson of the SPLA yesterday, this situation might escalate as we go towards the independence of Southern Sudan. We have seen that there is a source that brings ammunition and guns to George Athor.

Q119 Baroness Bonham-Carter of Yarnbury: You need to close down that source?

Dr Daniel Peter Othol: We are trying to bring George Athor’s rebellion to an end before independence. We want to do it in a peaceful way. We do not want to use force. We are indebted to protecting civilians and we will put the army wherever we see that he is going to strike civilians, but that does not mean that we are waging war against him. We are still pursuing peace with him, but we will do our best to protect the people.

The other people who seem to be causing instability in Southern Sudan, as well as George, are in Unity and Upper Nile, where the ringleaders have now been identified for about 60 people being killed about three days ago. Then in Western Equatoria you have the Lord's Resistance Army, which is not in isolation from the other groups in Sudan. There must be one person who is financing them, giving them ammunition and telling them to disrupt whatever is going on in Southern Sudan. Although we are still reaching out to everybody in a peaceful way, we are becoming very concerned about the magnitude of the insecurity they are creating in Southern Sudan.

Q120 Baroness Bonham-Carter of Yarnbury: The Ambassador has said a couple of times how important the stability in Southern Sudan is. What is your response to what sounds like a rather unfortunate situation in the south?

His Excellency Mr Abdullahi AlAzreg: Stability in Southern Sudan is really important for us. It might be insensitive to tell the people of Southern Sudan what to do now, but in a friendly way, I think a number of steps should be taken by the Government of Southern Sudan. They have to be open to other tribes and let them participate in the political process that is going on. They have done very good things, but two or three days ago in Chatham House, one of the southerners stood up and said that the leader, His Excellency Salva Kiir, is a Dinka, the Minister of Finance is a Dinka, the Minister of Defence is a Dinka, the C-in-C of the army is a Dinka. He counted seven key posts in the Government that belong to the Dinka. He said, and I am just quoting him, that this would not lead to stability. I think it is important to allow other people to participate and be more democratic. This will help a lot. We want stability in the south. We need it.

Dr Daniel Peter Othol: People talk about tribes in the south as a cause of instability. If you talk always about the Dinkas and the Nuers being the majority, then they should be satisfied because they have a lot of positions. What is happening now? Where does George Athor

come from? He comes from the Dinka tribe. These are viewed as the dominating tribes with all the power in their hands. No one has ever been put under the stress of ethnicity in Southern Sudan. Everybody in Southern Sudan who has the qualifications and experience that it takes to apply for a position has always been given a chance. Every person is left to accept his own area and contribute his utmost to the development of Southern Sudan. We are not bothered if all the Cabinet ministers in Southern Sudan come from one tribe, provided that they are up to the job. But again, it goes without saying that you have to please everybody, but there is work on the table. I represent the Government of Southern Sudan in the United Kingdom. The United Kingdom is a very big country. I come from a very minor tribe in Southern Sudan, but the people of Southern Sudan selected me to be responsible in this area, because my merits spoke for themselves, so there is no need to look back at which tribe I belong to.

The Chairman: That is a very important point to make. Lord Jopling wanted to come in briefly on this question, and then I think we need to move on.

Q121 Lord Jopling: I wonder whether you could tell us the current situation with George Athor's forces. I am looking at a copy of *Africa Confidential* for February 2011, so it is only a few weeks old. It talks about George Athor having 2,000 fighters. Is that a figure that you recognise? We have all learnt in recent years how very difficult it is for organised military forces to deal with this semi-guerrilla activity. How do you assess the capacity of the Government of Southern Sudan to deal with a force of 2,000 fighters? I am told here that they killed 200 people last month, mainly civilian returnees, in attacks in Jonglei state. Are you engaging with his forces now or are you trying to get a solution, as your earlier answer implied, but later on you may wield the big stick? Are you already trying to deal with these forces? To what extent do you believe that your military has the capacity to deal with them? We have had a briefing that you have been importing a lot of major conventional weapons from various places. What do you want from the European Union? Some of us might feel it was helpful if there was an arms embargo, but you may now want an arms embargo imposed by the European Union and other people if it hinders your capacity to deal with George Athor's forces.

Dr Daniel Peter Othol: Thank you very much for your logic. Dealing with Athor's forces is not really our priority now. We want to deal with them directly. As I said before, we are pursuing peaceful dialogue with Athor, because by and large we still believe that he is one of us. Looking back to the role he played in the liberation struggle, we would not like to lose him. We are saying to him, "If there is something that has angered you to go into the bush and cause these atrocities, the time has come for you now to reconsider that motive". To be specific, the Sudan People's Liberation Army fought a war for 25 years. They have learnt a lot and they have the experience that it takes to face not only the 2,000 men, but even millions in a conventional war. We are very good at that.

We do not want to kill Athor or his forces, because it is a loss. There are so many things ahead of us that we have to work together on. I assure you that we have the military capacity to quieten him within a very short period, but we are not going to do that. We are still one people. The EU humanitarian bodies can help us to talk to Athor and tell him that the Government of Southern Sudan does not have any intention of killing his men or him. We would like him to come back and we will resolve that.

There is no reason for battle. When we talk about Athor, we are trying to monitor the insecurity that he creates in Southern Sudan on a daily basis. When he comes across the red line, I think the Government of Southern Sudan will find an amicable resolution to that, either by dealing with him or by doing something about it. We are all born and bred in Southern Sudan. He is within the area and we have the ability to locate him, day or night,

and deal with him. But we do not want to do that now. We still give him a hand offering him to come back. If he will come back as a prodigal son, then he should come. The damage he is causing now every day is causing concern.

Q122 Lord Jopling: This same article suggests he was pardoned last October.

Dr Daniel Peter Othol: He was pardoned and he is still pardoned.

Lord Jopling: Then he agreed a ceasefire just before the January referendum, yet in February his people are killing 200. How long can you put up with that?

Dr Daniel Peter Othol: That is a question. The time will come when we will not put up with that. But until that time comes, we are going to find avenues for peace. But he has said that the time has come for people to deal with him. If you are killing 200 today, this cannot pass without being noticed. If you kill 100 tomorrow, and keep killing people for 365 days, that will be unbearable. So there will be a point in time when the Government of Southern Sudan will say that enough is enough.

Q123 The Chairman: This is clearly a very important area for the people involved and stability depends on it, but we need to leave that there. Lord Radice had some questions. Have we dealt with those issues?

Q124 Lord Radice: We have covered most of the questions under my heading, but I just have one more question. Do you see corruption as a major problem in your nation-building to create good Government in Southern Sudan?

Dr Daniel Peter Othol: Yes indeed, and not only in Southern Sudan. Corruption in any country would impede development, because the people in power have to be honest and clear. Unless you do that, you cannot develop the nation. In the letter of acceptance of the final result of the referendum, our President said that stamping corruption out of Southern Sudan would be his priority. It is to be seen that in the coming transitional period, as we go to a new state, corruption will be a top priority. Anybody who has been earmarked as being corrupt or nepotistic in the past six years will be bound to lose his position unless he proves that he has something to do in the new state. The list is long. Many people are being accused of embezzling the Government, some of which has been pointed out here. We gave you a lot of money and there is nothing to see for it. I would like to question my Government also. The north gave you this money; what did you do with it? If some people have embezzled it, do we still have to maintain these people in the Government of the new state, or do we get rid of them? The Government is very careful about that and is already making a blueprint of those who have not conducted themselves nicely in the past. Everybody will be made to pay the consequences of his or her bad deeds.

The Chairman: The final question has already been answered. Migration is an important issue that we have discussed and perhaps we can take that forward.

Q125 Lord Sewel: We have taken evidence that in the lead-up to the referendum, there have been significant population movements in Sudan, both north and south. I suspect that once the border is finally determined, there is likely to be more significant population movement. This is clearly putting the economy in those areas under stress and putting the capability of looking after people and providing basic services and facilities under stress. Is this likely to be a major problem to the north and the south?

Dr Daniel Peter Othol: It could be a very big problem to Southern Sudan. The problem it will create in the north is minimal, but it will create a huge problem in the south. The south is not ready to accommodate such a huge influx of people from the north, because we do not have the structures in place. We are holding them in tents and giving them a piece of

land to build what they can afford to build until the Government comes up with a plan to build affordable housing for everybody.

The resources we have, especially in education and health, are meagre at this point and they are overstretched when these people come. Thank God there are a lot of NGOs working in the health sector in Southern Sudan, providing primary healthcare services. These people have already helped us to go to where the internally displaced people are. The EU is working on that also. The internally displaced people have returned from the north and been put in a location. The NGOs go very quickly and build facilities—a school for the children and health facilities. They also bring drinkable water.

That is help, but it will be a very serious issue for the south. That is why I say that when the south becomes independent, we will be faced with very big problems of the expectations of people. They want accommodation, schools and hospitals. You, the international community, will come to our rescue. If we put our priorities on the table, which will probably be the basic human needs of health, education, water and sanitation, we would like you to come quickly and pick up some of these things to help to build these kinds of structures. Otherwise, for the time being, we are trying our best to accommodate the people who are coming or returning from the north in temporary shelters, which might not be good when the rainy season comes in May, in particular. We will have to think about where to relocate them where they are not going to be disturbed by rains or their lives are not going to be disrupted. I quite agree that there is an issue of dealing with an influx of people coming from the north into Southern Sudan.

Q126 Lord Sewel: Is there a significant issue, looking slightly further forward, on land rights and access to land for people who want to become agriculturalists?

Dr Daniel Peter Othol: There is plenty of land in southern Sudan. The only thing is that we will not be able to give them the money to build the infrastructure that they need now.

Q127 The Chairman: Ambassador, what is the north's perspective?

His Excellency Mr Abdullahi AlAzreg: I have been instructed by my Government to appeal to your esteemed Committee to use your good offices with other European countries so that they help the people of Southern Sudan, especially the returnees. They need a lot of things, so please do your best.

The Chairman: That may be a good plea to finish on. I think we have covered everything pretty comprehensively. This has been a longer session than I expected, but it has been most useful. I thank the Ambassador, Dr Othol and Mr Eltom—I am afraid we did not give you much of a chance to speak, but maybe another time. Clearly, this Committee's greatest wish is that there will be a prosperous and peaceful Northern and Southern Sudan into the future. I hope that with the small amount of influence that we have, we can play a part in that being successful. Thank you.

His Excellency Mr Abdullahi AlAzreg: I would like to invite all of you to visit Sudan—to visit Khartoum and other areas. Seeing is believing. I do not want you only to read reports or listen to us. Please go there. I have an NGO that told me recently that they are ready to sponsor anybody who would like to visit Sudan. This could be a good suggestion. I would like you to go there to see for yourselves and assess things on the ground. We would very much appreciate it if you could help us with this problem. The second is that we need investment—infrastructure, trade, oil, gas and whatever. Please encourage the European companies. We will give them very good concessions and we are ready to help. Thank you very much. I appreciate what you have done. It was a great session and we appreciate your offer very much. Thank you.

The Chairman: Thank you very much.

**Fokion Fotiadis and Gary Quince, DG Development and Cooperation
- EuropeAid, European Commission**

Oral Evidence, 15 March 2011, Q 128-141

EVIDENCE SESSION NO. 4. HEARD IN PUBLIC

Members present

Lord Teverson (Chairman)

Lord Jopling

Lord Radice

Lord Trimble

Examination of Witnesses

Fokion Fotiadis, [Director General for DG DEVCO], and **Gary Quince** [Director Sub-Saharan Africa, Caribbean, Pacific, DG DEVCO] .

Q128 The Chairman: I start by saying that this is a public evidence session. We are taking a transcript, of which we send you a copy so that you can change any errors. We are on the record but if you want to go off the record at any point, let us know.

We are undertaking an inquiry into South Sudan, which the Committee felt was an important area and one where peace has broken out, we hope, permanently. Through international intervention maybe we can prevent the problems that afflict much of the rest of central or sub-Saharan Africa, hence the inquiry, which will report to our own Government and the European Union. We had a number of questions, which I do not think we will get through in the time. Perhaps I could suggest a broader format. We are here, primarily, to listen to your expertise. Perhaps my colleagues could interject with questions as we go through and do it on that sort of basis. If you have a copy of the questions, you will see the sort of areas that we are trying to investigate in our inquiry. Could I hand over to you to tell us what you feel are the key issues and what the European Union should be doing, particularly on the development side?

Fokion Fotiadis: I am not an expert on the issue yet, at least. Gary Quince is far more experienced in this matter. In general terms we see this as a test case of whether the EU—in the framework of the new set-up of the external service, the new treaty, et cetera—can deliver something that will make a difference in allowing this new state to survive, instead of it becoming a failed state from the outset. It is a test case for us. This is a very important case, where we need to show that we are in a position to do something in this respect. We have discussed this extensively with EU member states and have agreed that we should all work together in development. We have been working for years to bring about a more harmonised way for the EU and its member states to deliver on the development agenda. We call this the aid effectiveness agenda. This is the perfect occasion to show that it can work. We have agreed at a political level that our interventions will be a joint programming exercise for us and member states to deliver something coherent and efficient on the ground.

In terms of financial means that we will put at the disposal of South Sudan, one of the problems is that Sudan has not ratified the Cotonou agreement because of the issue of the International Court, which has made life a bit complicated. We have, however, been able to

mobilise funds of the order of €150 million from unspent amounts from the ninth EDF, 60% of which is destined for the south. We consider it essential that we do not give the north the impression that we will abandon it and deal only with the south. We do not want to give them the impression that there is zero peace dividend for them—that nothing will come out of the peace exercise for them.

We are ready to repeat this kind of exercise of mobilising fresh amounts. We are ready to look into the possibility of mobilising another €150 million from the 10th EDF in the medium term. How will we deliver this money? We will put a certain amount towards governance and democratic institution-building et cetera, and the bulk into basic services such as education and health—the ingredients it will take to start showing the population that a state is building up that delivers basic services to its population. That is the gist of what we are trying to do. It is also very important that we provide the people on the ground on our side who will deliver this assistance, so we are looking into the creation of a delegation in Juba that will take care of the delivery of these amounts.

Gary Quince: The establishment of a full office is the number one priority. If we do not have people on the ground—this is not only true for us but for all the donors—we will not be able to implement our programmes. The Commission is in a situation of zero growth in staff, so we are having to redeploy. However, we are trying to identify posts and then identify people—these are not easy posts to fill—so that we can then reinforce the delegation as soon as independence happens in July. We have to build that up progressively; we will not be able to do it in one go because we do not have the offices.

Q129 The Chairman: Can you give us an idea of scale? Are we talking about one to five people, or 50 to 100 people?

Fokion Fotiadis: Operationally, we would probably need to put in five times more staff than we have at the moment, which is, effectively, two.

Gary Quince: We have one official and a local agent in Juba, and then we have the delegation in Khartoum. We have to put in all the financial management people, so it is a significant upgrading. We have office space for about one extra person, so we have to build office space. The chances of having a fully functional delegation by July, which is the political objective, are rather slim. There simply is not the space to put people. Certainly, in the second half of this year we have to ramp up the delegation. If we do not do that, we will not be able to deliver on the rest, so that it is the number one priority. I would say that it is the number one priority for everybody.

Our commissioner has asked that we work, as far as possible, through government institutions. That is a challenge because the government institutions are pretty weak. There will be a need for a lot of technical assistance, not necessarily European. It could be from neighbouring countries, it could be from Sudanese people coming back from overseas. We certainly have to build up that local capacity, which is the second challenge after our own capacity.

The priorities for us are to work on basic service delivery, which is very much what the UK is already doing in health and education. We will look to work with the UK and, perhaps, through the UK and the basic services fund that DfID has established. We will continue what we are already doing in agricultural development, in which we are the lead donor. We will take that forward. As Fokion said, we will then build governance and democratic institutions. We have €85 million in new money in addition to ongoing programmes. We have EU experts already in the field putting the projects together. We have five separate teams of experts in the field at the moment—both north and south—putting together programmes in agriculture, governance, and basic services such as education and health. I hope that by the time independence comes we will already have project documents ready, and that around

the time of independence or soon after, we will be able to commit the funds and start the programmes. However, as I say, the key constraint for us is people on the ground.

There is already pressure to find a second wave of money from our member states. We have two options. As Fokion said, the complication is that Sudan itself did not ratify the revised Cotonou agreement, so it is not eligible for the 10th EDF. Legally that means that South Sudan has to accede, which is quite a long process that also involved parliamentary ratification of South Sudan's accession. It could take 12 months or longer. In the mean time, Sudan cannot access the 10th EDF.

The other possibility that we have is to repeat what we did with the €150 million, which is to recycle old money. That requires the unanimous agreement of the Council, which we would probably get if we came forward with a proposal. Or we could mobilise other funds under the EU budget—the instrument for stability, democracy, human rights and food security budget lines—for South Sudan. Perhaps we could do both; I think both might happen. We have a possibility to bridge the period between now and the accession to the revised Cotonou agreement being approved by mobilising these other resources.

Q130 The Chairman: To ask the obvious question, is there a way of making that accession quicker? From the way that we are talking, we will be left with a situation where the EU is finding its way around its own rules, which is rather strange. We have a nation that we are trying to make sure gets up on its feet quickly and works to everybody's advantage, yet we are somehow tripping over our own rules, which I understand are important. Why can't the new Government accede?

Gary Quince: Technically, the new Government does not exist until 9 July, so it cannot ask for accession until then. The next three or four months are a dead period. In May, there will be a meeting of ACP-EU Council of Ministers. We will put it on the agenda and judge whether there is consensus among countries. We need unanimity in the EU and the ACP for South Sudan to accede. We hope there will be and that there will not be people who object. Remember that North Sudan is still part of the ACP group.

Q131 The Chairman: Technically, it could block accession?

Gary Quince: I do not think it will but technically it could raise questions. South Sudan would then, as soon as possible after 9 July, put in a formal request. That has a dual channel through the ACP side and the EU side, which comes together in the Council of Ministers, which must make a decision. South Sudan must then ratify itself through its Parliament. There have been a number of examples, including East Timor and Eritrea, so we can try to speed it up. However, the procedure is still there and it takes a certain amount of time.

Q132 The Chairman: Coming back to this ability to govern and account for development, this is one of the questions that we really do not understand. The south has already had, since 2005, quite considerable oil revenues. We are not clear where they have gone. They do not seem to have been used that effectively for development. That is our view so far, although we have not looked into this greatly. How much certainty or credibility can we have that the money that goes in will be effective? I know that is a very broad question. Presumably this is more challenging here than in most other places, given that there is no Government at present.

Gary Quince: Certainly, the financing of the oil is very opaque. We do not have, here in DEVCO, a clear picture; perhaps EAS does. The payments from north to south seem to be quite delayed and seem to cover only current expenditure at the moment.

I have just come back from East Timor, which is a similar case. It broke away from Indonesia. There a petroleum fund has been set up, which is quite interesting. There is a maximum

amount that the Government can take out of it, like Norway suggested. If we could convince South Sudan to do that, it would be a very positive step in using oil for future generations and not just for the current ones. However, I do not have enough information on the financing of the oil sector at the moment.

Fokion Fotiadis: As far as we understand, most oil wells are in the south. We do not have a precise analysis. If this is the case, it is essential that what Gary says is done. We should give strong advice to the Government on how to manage this in a responsible manner in the future, for example in the way that the Norwegians are doing it. I am sure we could get the Norwegians to work with the Government to make this happen. They are very good at this. They would be convincing because they can show what this brings in the short, medium and long term. That is definitely one of the priorities that we would like to look into.

This is part of the need to co-ordinate donors. We would like to work mostly on basic needs such as health and education and on increasing the capacity to run the country, while other donors—who specialise in other things—deliver other things. The Norwegian example is very pertinent here.

Q133 Lord Jopling: On oil revenues, we had an evidence session five days ago in London with the Khartoum ambassador to London. I will read you what he said about that and ask you whether you recognise this: “Up to last January the south got”—I will not read out the figure but it is near enough \$9.4 billion. He went on: “I wonder why my colleague is saying that the south has not benefited from oil. This is what they have actually got. It is close to \$9.5 billion up to last January. Unfortunately, nothing has been done with that money to create infrastructure in the south or build health and education facilities.” Do you recognise that situation?

Fokion Fotiadis: We do not have the analysis to be able to give you an answer to this.

Q134 Lord Jopling: You are talking about having 10 people in Juba—two times five. Is that enough to administer what is, by any standard, an enormous amount of money—€150 million—bearing in mind the obvious suspicion that there is a hell of a lot of corruption? Are you confident that you can administer it so that it does not just disappear?

Gary Quince: The figures for staffing are based on our experience with other delegations handling similar amounts. You would have an operational section and a financial section and they would control the funds. I would be confident in them for that amount of money. Obviously, if we then have a second and third wave of money, we will have to review that but I would be confident at the current levels.

Q135 The Chairman: In co-ordinating with the other players, whether they are bilateral European states, other multinational organisations or countries outside the EU, how does that work practically? Is that all coming together naturally so that everybody does not tread on each other’s toes?

Gary Quince: In South Sudan a division of labour has already developed. There are four pillars. DfID is the lead for one of them. I do not have the details in my brief but I could send them to you. There are four pillars across different sectors and within each pillar there are various subsectors. We are in charge of food security and rural development and are the lead donor for that. It is a sector within a pillar. There is quite a good division of labour there. In terms of any new money, we would hope, when we come to the programming for the next three or four years, to develop a joint programme at least with our member states. In an ideal world it would cover other donors, including the World Bank, the UN, et cetera, but we are not in an ideal world. We will probably concentrate—and are concentrating—on developing joint programming with our member states. We have already achieved that in

some countries but not in as many as we would like. We have, as Fokion said, a unique opportunity, starting almost from scratch, to develop a joint programme with member states. There would be a clear division of labour over who does what and agreement on how we deliver aid, working through each other as far as possible. We could give money to the UK or France could give money to us to simplify aid delivery so that the Government, which is, as I say, extremely weak, is not confronted by 20 donors, all working in health, or 30 donors, all working in education but doing different things. That is certainly a top priority for us in programming. In the discussions that we have had with member states, they have been quite positive towards that approach.

Q136 The Chairman: Would things like the civil justice system, and the other areas where the EU often puts in missions, be in your own area as well? How do you see that working?

Gary Quince: We have €24 million as part of the €150 million for security, justice, human rights and democracy. That would certainly come under our programme. Justice is a bit of an orphan; it is one area where no donor has agreed to take the lead. There is some push from other donors for us to take the lead but we are not sure. If we do not have the people on the ground, it would be pointless for us to say that we will take the lead in that area. Again, it comes back, as always, to the number one priority of getting people on the ground.

Q137 The Chairman: So that is a potential hole at the moment in the international support structure.

Gary Quince: In terms of a lead donor, yes, but that does not mean that there is no money going in. There is but there is no lead donor for that sector.

Q138 Lord Jopling: What attitude will you take to military spending? We were given evidence, which came as a surprise to many of us, that more people have been killed in south versus south conflicts than in north versus south conflicts. It is an internal thing. It seems that George Athor, with his militia, is intent on causing more trouble. The temporary chargé d'affaires for Juba in London told us that, if necessary, their military would be able to eliminate General Athor and his lot—the Lord's Liberation Army and so on. Those militia, or semi-guerrillas, are obviously intent on—or likely to—disrupting the new nation very much. What would be the attitude of the EU to strengthening the capability of the south to deal with its internal troubles?

Gary Quince: In general, we support disarmament and reductions in the number of soldiers. At the same time, there is the challenge of upgrading the quality and training. We have to try to do both. Unfortunately, at the moment disarmament has not moved very fast. There is a real risk of south-south conflict. The enemy has always been in the north. If that is now—we hope—a friendly neighbour, the risk is that south-south conflict could become the big problem for South Sudan. There will certainly need to be an effective military force of some size but, we hope, less than it is at the moment. It is an overly militarised situation.

Fokion Fotiadis: I would advise you to seek the analysis of the EU SR, Rosalind Marsden. She will be best placed to give a comprehensive answer to this question. It is not necessarily our speciality. Military questions are normally not dealt with by us. We do a lot of work in increasing the capacity of the police, the justice system, et cetera, as we do in Afghanistan, for example. However, the military aspects are driven by member states more than anything else.

Q139 The Chairman: Coming back to the north, one of the things that has been said to us is that in keeping the north feeling positive towards South Sudan, America had a lot of

leverage—and potentially still does—in whole lot of issues, including its own lists of terrorist states and so on. The EU does not have the same degree of leverage in any way in North Sudan. Is that true? The aid side is very difficult in North Sudan because of the International Criminal Court issue. What should we do as far as the north is concerned, both as a state and in making sure that there is a will, through the peace process, to make sure that South Sudan is a successful state as well?

Gary Quince: You are right about the terrorism issue. That is principally for the US. However, debt relief is certainly an area. There is a massive debt. It remains to be seen how that will be split between the north and the south but it is an area to look at. The Commission does not have a major debt; I think it is about \$60 million debt out of \$8 billion, so we are a small player. A lot of it is commercial debt. That is perhaps part of the peace dividend that we are talking about.

As Fokion said, it is important to remember that we are not only putting together a programme in the south, there is the parallel 40% that goes to the north. We will continue to work on that. If we put extra money into the south, we will have to bear in mind that we might need a corresponding amount for the north to maintain a certain balance in our approach.

Q140 Lord Radice: You have just mentioned the fact that the United States has levers. Do you have plans to co-ordinate the EU's efforts with those of the United States? How will that work?

Gary Quince: In terms of aid, yes, the US is present in the south and is obviously a very big player. It is working a lot in public financial management, which is an area where we also have strong expertise because of the oil, which is essential for support. We will certainly work closely with the Americans and any other donors on the area of strengthening government capacity in financial terms.

Q141 The Chairman: Thank you very much for your time. I am sorry the session was so short but it has really been very useful for us. When we get back to London, we will see what has been answered and what has not. Would it be possible to submit some of the questions that we have not managed to cover and have the answers as written evidence to our inquiry?

Fokion Fotiadis: Absolutely—it would be my pleasure.

Gary Quince: I have to look up the pillar question.

The Chairman: It would be useful for us to understand that. Thank you. We wish you good luck.

Nick Westcott, European External Action Service

Oral Evidence, 15 March 2011, Q 142-172

EVIDENCE SESSION NO. 5. HEARD IN PUBLIC

Members present

Lord Teverson (Chairman)
Lord Jopling
Lord Radice
Lord Trimble

Examination of Witnesses

Nick Westcott, [Managing Director Africa, External Action Service].

Q142 The Chairman: This is a public session, although there will not be many members of the public here. We will be taking public evidence that we will transcribe and we will send you a copy of it so that you can correct any errors that might be in there. We will make sure you have a copy of the report when it comes out, which will be towards summer, one hopes. It is an inquiry primarily around South Sudan, but also the north. Is there anything you wanted to say as an opening statement to set the scene for us?

Nick Westcott: What I have to say is twofold. First, as you are aware, I took up this job only on 1 February and so I am fairly recently arrived at the European end of African business. I have spent most of my career in the British diplomatic service. Sudan is a new area for me; I have had a general career background and have been familiarising myself with it a great deal in the past few weeks because of the importance of the issue on the African spectrum as a whole. I would not consider myself an expert on Sudan, although I would consider myself a reasonable expert on Africa as whole—but not Sudan in particular. I will leave more detailed questions for my colleague, Rosalind Marsden, who I know you are seeing next. This is a critical moment for Sudan. Since well before independence, Sudan was a deeply conflicted country. Its status even under British rule was ambiguous; it came out of the Foreign Office, not the colonial office. The administrative structures that existed there again differentiated between north and south. What we are looking at now is part of a very long continuum of issues that have existed over many years, but they are taking a new form with the independence of Southern Sudan. The international community's engagement is also different, because the UN is involved and the EU is one of the observing partners of the CPA process that has led to Sudanese independence. So we are centrally involved.

Q143 The Chairman: I should also explain that these reports are completely evidence based, so if we do not have evidence we cannot talk about something. So if we ask some fairly straightforward questions that is to make sure that they are in the evidence. That is partly the point of the first one, really—it is just for us to understand in a simple way what the process of independence is. We were talking yesterday about how the EU does not recognise states. I do not want to go philosophically into that, and it was clearly around Kosovo issues, but maybe we could have some brief understanding of that. What can the EU do to help with that early process?

Nick Westcott: The EU has relations with a number of Governments in a number of legal ways. The core of our relationships with most of the other countries in Africa is through the Cotonou treaty, signed by the European Union and its member states collectively, with the ACP states. The first Lomé convention was 1966. The Cotonou agreement succeeded that in the late 1990s and a revision of the Cotonou treaty to take account of the Lisbon treaty and some other changes was signed last year. I signed on behalf of the UK. That defines both the political relations between ACP states and the European Union collectively and the development partnership that exists. Under the Lomé and then Cotonou treaties, the European Development Fund or EDF has had a successive set of five or four-year aid programmes.

Q144 Lord Trimble: Signing up to Cotonou is a condition for everything else coming through.

Nick Westcott: Yes, we have discussed that with the FCO.

Q145 Lord Trimble: Apparently, it is going to take up to a year for South Sudan to go through the procedures for this.

Nick Westcott: We are looking at whether we can accelerate that a bit, but there are limits to what we can do, given the need for a legal ratification by all member states for change to the treaty, which this will constitute, with translation into a number of languages required.

Q146 Lord Trimble: The delays therefore are at this end rather than the Sudanese end.

Nick Westcott: The ones that we are aware of—there may be others at the Sudanese end, but their end is relatively simple. Once they are a legally constituted Government, they can sign treaties. So there are constraints at our end. But we are concerned that that should not give rise to delays in our ability to support the new state, so we can use money in Southern Sudan even before they become a fully fledged and paid-up member of the Cotonou treaty.

Q147 The Chairman: One of the issues is capacity and persuading people to base themselves in Juba. Will there be one of your heads of mission there on day one, or before—or is there one there now? Could you say something about the External Action Service and what the situation is?

Nick Westcott: I can give you an up to the minute briefing on this, because I discussed it this morning with other members of the EAS. Our objective is to have a new member of the European delegation headed by a head of delegation—effectively an ambassador—in Juba if possible by 9 July or as soon as possible thereafter. For that we need to do three things: to advise the Council and member states and the European Parliament that we wish to open a new sovereign delegation to this new country that will exist from 9 July and get their approval for us to do that, because all EU delegations formally have to go through a process of approval by both Council and Parliament. Baroness Ashton will put that forward as soon as we can get it drafted and approved. Secondly, we need to advertise the job of head of delegation and, thirdly, recruit somebody into the job. We need to find a slot—and the EU like the UK is constrained, as we have a limit on the number of posts that exist. So we will have to reallocate from somewhere else in Africa. We will not close any other delegations, but we will find a senior deputy job that we can move into that. So there is a short administrative process there, which is now getting under way. Most importantly, we need to recruit the right sort of person, because this will be a challenging environment. We need someone who is dynamic and innovative and, therefore, we need to ensure that we pick the right person, because it will be a difficult job. That may take a little bit longer than by 9 July. Certainly, by then I hope we will have identified the person, even if they are not physically

on the spot. The second element of this is that we will need to set up a mission. We have at the moment two permanent staff based in Juba on a small European compound, so there is some office space. But as you know office accommodation is in very short supply in Juba, so we need to put in hand some work to expand the accommodation that is available for the offices and the people. That will take longer, but we want to ensure that we have somebody there at least as near from the outset as possible. There will be a physical presence from 9 July and we hope that at delegation level we will be a presence on the ground.

Q148 Lord Radice: Have you been there to have a look? Do you have plans to go there?

Nick Westcott: I have not been there yet. My intention is to go with Commissioner Piebalgs, who is going on 5 and 6 May, before independence, so I can see for myself the situation on the ground. I will almost certainly go again for the independence celebrations on 9 July.

Q149 Lord Jopling: How is the EU involved with the talks that are going on at the moment between north and south and the participation of the AU's high-level implementation panel, and are you satisfied that your voice is heard sufficiently in those discussions? How much progress has been made and where are the main obstacles in those talks? Do you think you could improve the EU's input into the panel's discussion?

Nick Westcott: I will make two broad comments in response, then follow up and be more precise on some things. The EU's role is as one of the formal accompanying and observing powers of the peace negotiations, the CPA process, and we have been for the past five years as negotiations have been going on. In that capacity, we have participated in all the main negotiating sessions and this has been reinforced by the appointment of the EU's special representative, Rosalind Marsden, who has played a very active role not only in participating in formal negotiations but in being active outside them in the sort of bilateral contacts that take place all the time between formal negotiating sessions. Her appointment in 2009, or last year, has enabled us significantly to increase our engagement. We now have somebody equivalent to the US special representative, Scott Gration and the UK representative Michael Ryder, who can participate in the full range of international actions both in Juba, here in Brussels and elsewhere—in New York, or wherever the meetings may be. Her appointment greatly intensified our ability to be informed of what exactly is going on and our ability to influence. Prior to that, responsibility sat with the EU's delegation in Khartoum, which played an active role but was obviously not as mobile and not able to spend so much time in the south or talking to the other international actors. Secondly, the negotiations themselves went through quite a difficult patch at the outset, but the signature of the CPA and the establishment of the timetable for the referendum was clearly a major step forward. What has been particularly successful is keeping that road map operational and effective. In other words, they were able to meet the timetable and the milestones within that road map. That was a product of collective international effort and a degree of domestic commitment on both sides, north and south, to enable it to happen. Without that, any amount of international effort would not help. But without the international effort, including the EU's engagement, we would probably not have got through all the milestones or through the referendum either. That is not a full answer, but those are the key elements.

Q150 Lord Jopling: What about the obstacles?

Nick Westcott: There has been one fundamental obstacle—the lack of trust between the two sides. When you have been fighting for 25 years, that goes quite deep. The achievement of the CPA process was to establish sufficient trust that both sides ultimately believed that they had to engage with the other and believe what the others were saying about the

process. The announcement by the Government in Khartoum that they would recognise the independent country for which the south had overwhelmingly voted was a product of building that trust. That symbolised a huge shift on the basis of trust. Trust is still not 100%; there is still a degree of distrust over the intentions of both sides over some of the areas in dispute, particularly Abyei. So that work to keep the channels of communication open and the trust established has to continue to get over these problems. There is then a whole set of specific difficulties, including the fact that the south has a number of different groups within it and different tendencies, with dissidents and others who are taking up arms. There was a degree of papering over cracks to get us through the referendum and out the other side by postponing tackling some of the hardest obstacles. There are three fundamental obstacles. One is designation of the border and the status of Abyei. Secondly, there is the division of revenue from oil resources and how that is calculated. The third is on the tip of my tongue and I shall come back to it. But there are three core areas where issues still remain to be resolved.

Q151 Lord Radice: I have couple of questions about the purpose of EU policy towards Sudan and its co-ordination. Can you give us the principles of EU policy in Sudan? We have just been told that it is a test case for the EU. Why is that so?

Nick Westcott: Before I forget, the third element is debt, which is very important. To move on to your question, this is the second African country that has split since independence. The first was Ethiopia, with the establishment of Eritrea. This is the second, whereby the African Union itself has accepted that a new state has been created. This one is particularly important for two reasons; the south has been a neglected area. It has always felt as it took up arms to prove its case that it was not getting a fair deal within a unified Sudan, and the people there have overwhelmingly decided that they will get a better deal from the international community and, domestically, from running their own Government. That is an agreed decision by the people of Sudan and the African Union. The European Union wants to support the new Government in delivering to the people the better deal that they believe is possible. The EU, collectively, has tremendous means at its disposal to help, both financial and with experience and resources, through our development programmes and our experience in establishing peace and security in other areas. That is something that we do in partnership with the other member states. We are very conscious that the UK, in particular, but several other member states as well, have a commitment to support Southern Sudan, and we want to do that in partnership with them so we can present a coherent package of support to the new Government, thereby maximising our ability to support them. It is important for the European Union because South Sudan will be one of the poorest countries in the world. The EU's support to Africa has tended to focus very much on those right at the bottom of the league table, with millennium development goals and national income per head. So we provide a lot of support to countries like Niger, Mali and Burkina Faso, which are in the bottom 10 across the world. South Sudan will be among those, so it is absolutely right that we should prioritise support for that country as opposed to some others, which we also support but which do not have as many needs as South Sudan.

Q152 Lord Radice: You have been talking about South Sudan, but you have said nothing about North Sudan, or Sudan.

Nick Westcott: The EU has been consistently working for years to achieve a more peaceful and stable political environment throughout Africa, and we have given a lot of support to the African peace facility under the auspices of the AU. Sudan, both north and south, fits at the centre of that agenda. Here is an area that had been a conflict zone over many years, where peace negotiations had produced a ceasefire and a potential political future. We have seen in

many other places where there has been an inability to establish stable government that nothing destroys wealth faster than war. If we are to support both north and south to increase their prosperity and achieve the millennium development goals and self-sustaining growth, peace and stability has to be part of that. Therefore, we need patches of support to both north and south to make them, as we said last night, two separate viable states when one had been non-viable.

Lord Radice: The two questions have merged. I do not want my colleague Lord Trimble to think I am trying to pinch his question when I am not.

Q153 Lord Trimble: To take the northern issue, obviously you would want to still be involved with Sudan. I am wondering also about the other problematic parts of Sudan, such as eastern Sudan, the Blue Nile and of course Darfur. Are we still going to keep a focus on those other potential problems, and particularly with Darfur and its potential relationship not just with Khartoum but with Sudan's neighbours?

Nick Westcott: Clearly, Darfur has been a thorn in the relationship, given the strong position that the European Union and other members of the international community and the Government in Khartoum have taken. It remains our intention to get both parties out of this by reaching an agreement on Darfur that will enable us to reopen a relationship and partnership. It remains an issue and until there is a specific solution to that we cannot ignore it. We have an established position. We hope to use the resolution of the north-south issue as a spur or stimulus to resolve the Darfur issue so that we can re-establish a formal partnership.

Q154 Lord Trimble: You say that you still have a position on it. Is there any mechanism by which one can advance the situation there?

Nick Westcott: To some extent the various international special representatives were set up as much to handle the Darfur issue as the north-south issue. The north-south issue has taken centre stage because we have made some progress on it. There remains the Doha negotiation process. We continue to work with the rebel groups to try to bring them to the table; and with the Khartoum Government to get them to accept that they should come to the table. We have gradually been getting more buy-in from the rebel groups, so there is a peace process there. It has been stalled for a while but there is a forum within which, if we can create the political willingness, negotiations could continue. I hope that as we resolve more of the north-south issues—the border, the debt and the oil revenue—that will then free up some political space to focus more on Darfur, particularly for the Khartoum Government. Of the whole set of remaining issues that impact on the north, Darfur is the biggest but you mentioned others such as the Nile basin treaty, which will always create a degree of work, both within Sudan and with neighbouring countries. There will be an ability to focus more on these and start resolving them.

Northern Sudan will remain a fragile country itself. We should not neglect that. In principle, the removal of the dispute over the south should make it more stable, but in practice that is not necessarily so. Events further north are also likely to have an impact.

Q155 Lord Trimble: There were some stirrings in the Khartoum area a few weeks ago, including demonstrations, but it looks as though there has been a fairly effective crack-down by the authorities on that.

Nick Westcott: The Khartoum Government will need to take some decisions about where they believe their future lies now. I am not sure that that process of reflection has got very far yet.

Q156 The Chairman: I think we have covered most of the questions on North Sudan. Given your role in the whole of sub-Saharan Africa, could you give us an insight into the relationship between South Sudan and the countries that surround it and how important that is? How can the EU co-ordinate anything to make sure that those relationships help as well? Certainly, the impression that we got from the acting head of mission in the UK was that they were specifically going to look east, west and south for their future relationships. I guess that, ethnically, naturally and maybe religiously, that is where South Sudan more easily lies. Could you give us a little insight into what is important in making sure that that works?

Nick Westcott: There are two aspects to that. One is the domestic dynamics; the second is what the EU role will be. On the EU role, we have consistently tried to support regional economic groupings throughout Africa, first as means of stimulating economic growth by creating larger markets and freeing up internal trade; and, secondly, because they have played a very useful role in minimising conflict, resolving conflict and maintaining peace. We can see that in SADC and ECOWAS and, to a lesser extent, the east African community and IGAD, the intergovernmental organisation that covers the Horn of Africa, in effect. Sudan, both north and south, will be an integral part of it. The EU thoroughly supports South Sudan's integration into at least one or more of those regional groupings because that will help its stability.

On the internal dynamics, much of the tension in Sudan came from this deep divide on the edge of the desert belt. Ethnically and psychologically, South Sudan feels itself orientated towards neighbouring countries to the east and south—Ethiopia, Uganda, Cameroon, the Central African Republic. It is natural that South Sudan will look to strengthen relations that were a lower priority for the Khartoum Government when it had responsibility. I assume it will be integrated as part of IGAD. It will need to consider whether it wants to become more integrated with the economies further south in the east African community. That will be a decision for South Sudan to take, on whether it sees economic advantage in that.

There is a historical legacy that most of the transport and infrastructure links go north, which leaves the south with a choice of continuing to work with those because it makes economic sense and is efficient, or seeking investors and investing itself in building communications to the south and east. That will be very expensive. It is a landlocked country and a very poor one. It does not have a huge amount to export, other than oil. However, it will obviously want to look at which direction its long-term economic growth is most likely to lie in. It would be natural for a new country to seek to diversify its links as it separates from the north. One hopes that it will take a pragmatic approach to that, as opposed to an ideological one. Certainly, in the short term, efficiency would suggest that it should maintain links to the north as well as building closer links to the south and east.

Q157 Lord Jopling: The EU has been active in trying to uphold the principles of accountability, justice and reconciliation over the years. How successful has it been in practice? Has it made much of a difference? With regard to the troubled situation over the International Criminal Court, to what extent has the EU's support of it weakened as a force to be reckoned with, particularly in the north but also in the south?

Nick Westcott: Quite rightly the EU has prioritised the attempt to build democratic, accountable, stable countries in sub-Saharan Africa. It has had significant success in a number of ways. It has provided a lot of material support for the process of democracy in supporting electoral commissions, enabling the elections themselves to take place and in sending observer missions that have provided greater transparency. These have often been invited by the countries themselves, who have been keen. Often it is part of a demand by opposition parties that there should be international observer missions. We have been able to do that

largely with the support of the European Parliament, which has done a sterling job in supporting elections through observation missions.

We have also provided some support to civil society groups, in a non-partisan way, to help strengthen their engagement with the political process. Through all that we can demonstrate that we have materially supported the development of accountable government. I give a couple of examples from elsewhere. In Ghana, where I have been serving, we reached a stage where we provided less support to the electoral commission because it was perfectly competent to run the elections itself. However, we provided observer missions, supported public debate as part of the election process and provided some assistance to the judiciary in enabling fast-track settlement of electoral disputes so that they did not linger on unresolved for years afterwards. That kind of support overall reinforces democracy. We would want to do the same in South Sudan but we are starting from quite a long way back. However, evidence elsewhere suggests that this kind of support to the political process builds accountability. For example, in Ghana and other countries we have provided support to parliamentary public accounts committees and the auditor-general's office, so that there is greater transparency in the use of resources within government. That has all helped.

It will usually work only if it is going with the grain of domestic development in the country itself. In some countries, despite our support, it has not made much difference. In Zimbabwe and elsewhere no amount of support will necessarily make that much difference. However, there is a grain of public accountability at the moment in South Sudan. Our aim is to help build institutions that will reflect that.

Q158 Lord Jopling: Such as the International Criminal Court?

Nick Westcott: Yes, the ICC. The EU's support—and that of its member states—for the ICC has been solid and consistent from the outset. It is a question of principle that human rights injustices of the kind that it was set up to deal with should be dealt with internationally if there is no local equivalent. That is a position of principle that has brought us into conflict with one or two countries. Sudan has been the most obvious case. Maintaining that principle is very important for the long-term stability of Africa as a whole. The ICC, it must be remembered, was supported by almost every African country when it was set up. They wanted a forum where such crimes could be dealt with efficiently. It is very important that we do not let it become a north-south divide issue where people say, "Here is the West imposing its justice on us". Some of the debates within the African Union over the Sudan ICC case had that sort of ring about them. We therefore have to tread carefully to ensure that we are basing ourselves on principles that are entirely shared by the African Union and by African states. We seek the same objective—that those who commit crimes against humanity can be brought to justice somewhere. It needs our case to be presented clearly so that the propaganda that wishes to portray us as western imperialist powers imposing our justice on poor African nations is countered. There are those who have an interest in portraying it thus. That is not the case but we need to make sure that the public recognise that it is not the case. It is something that needs to be dealt with delicately. Our communication of our case needs to be thought about quite carefully.

It is also an issue now in Kenya, with the ICC indictment of six politicians for their role in the violence after the 2007 elections. Again, we need to be clear about what we are and what we are not doing in supporting the ICC.

Q159 Lord Radice: Is there a gap between the emergency relief efforts and longer-term development work in Sudan? Do you have any comment on that?

Nick Westcott: This is not just a problem in Sudan; it is a generic issue. The impulse to provide humanitarian support for refugees and displaced populations, or for those where

there is a shortage of food, is a very powerful one. We have the resources to meet it; we want to stop people dying. We constantly try to put that in a context of providing support in a way that does not undermine the local economy, particularly food supply. We would apply the latest lessons that we have learnt in trying to do this in South Sudan as well. We want to stimulate the cattle industry and cereal production. We want people to have hay and means of sustenance at their disposal, whether through paid employment or farming that will support them in the long term. It is not in our interest to encourage them to become aid-dependent or humanitarian-aid-dependent. We will apply the latest lessons that we have learnt elsewhere to South Sudan.

Q160 Lord Radice: Do you think there is scope for working with the Chinese?

Nick Westcott: Yes.

Q161 Lord Radice: While we are talking about co-ordination, what about co-ordination with the United States?

Nick Westcott: In both, co-ordination through the international forums that exist to support Sudan has been very important. It is interesting that, whereas two years ago there was seen as being a great divide between the Chinese and other members of the international community over propping up a regime, that is less of an issue now. The Chinese have been on board for the whole CPA process and have recognised that this is where the Sudanese and international community were going. The difference of perception between the Chinese and the rest of the international community has not disappeared entirely but it is less of an issue now than it was, which is a good thing. That has been the result of quite intensive international work by the Americans, the EU, the UK and others, talking to the Chinese about this and saying, "Look, it is in all our interests to have a stable outcome".

Q162 Lord Radice: What about their attitude to aid and assistance? Is it rather different from ours?

Nick Westcott: I think it is gradually getting closer because our interests are getting closer. I can illustrate this only from my recent experience in Ghana because I have not been in this job long enough. It is striking that in the three years I was in Ghana, we persuaded the Chinese to begin participating in what we used to call the donor heads of mission meetings. These were primarily about economic support to the Ghanaian economy and included the World Bank, the IMF, the UNDP and financial donors. We tended to discuss what the Ghanaian macroeconomic policy was and should be and, where there was IMF support, World Bank programmes.

The Chinese traditionally stayed well outside this, yet they provided increasing volumes of concessionary lending and project support to the Ghanaian economy. In the last year that I was there, they identified their self-interest in participating in these discussions because they had an interest in the overall macroeconomic stability of Ghana. As their investment increased, so their interests increased. Participating in these discussions among the international community, which was engaged in the Ghanaian economy, was more to their benefit than not. Therefore, they knew when they were making concessionary lending whether they would ever get their money back and how it was impacting on the economy. Was it stimulating inflation, which was forcing the exchange rate down, which would reduce the value of their investments? They began to realise that they had as much of an interest in understanding how the international community and Ghana related economically. The same applies in Sudan to some extent and, increasingly, in other countries. China, as it gets more

involved, realises that it has more interests in common with the rest of the international community.

Q163 The Chairman: Is China involved in diplomacy and the international community trying to sort out South Sudan? Is it active in that?

Nick Westcott: I do not know; you will need to ask Rosalind. I simply do not know and would not want to give an answer.

Q164 The Chairman: Could you tell us a little about country strategy papers and what we are going to do about them?

Nick Westcott: The European Union normally draws up a country strategy paper where there is an EDF programme. We do not currently have an EDF programme under the 10th EDF with Sudan because they did not sign it. There was a very old country strategy programme for Sudan under the ninth EDF, but as far as I am aware, we do not have a current one because I do not have money to spend.

That said, we are obviously spending money in Sudan in support of the peace process. I do not know whether we have some kind of outline document relating to that. I have not seen one.

Q165 The Chairman: This may not be something that you have experience of, but do they work well? Do they tend to do what they are supposed to do? Do we need one or is it just a bit of paper that has to go through for the Court of Auditors to sign everything off?

Nick Westcott: Under the Paris agenda for efficient aid delivery, it is sensible step forward. You should have some coherent idea of what you are supporting and of the direction of travel that you want a country to go in. Broadly, I am in favour of it. It is a necessary requirement for good aid planning. We do the same in the UK.

Q166 Lord Trimble: You have to get South Sudan signed up to the Cotonou agreement, though?

Nick Westcott: In practice we need a de facto strategy for South Sudan before we get to that stage. That is what we are beginning to look at—a draft or outline. We also need to do it in co-operation with others. We are looking at joint programming with other EU member states and co-ordination in Juba with the rest of the donor committee. Co-ordination there is well in advance of where it is in some other countries because we are starting from scratch. The US, the UN, the Norwegians and the UK have taken a separate sector lead in one or another of the areas to ensure that we make a coherent contribution.

Q167 Lord Trimble: So you already have an understanding through various people of leads in particular sectors.

Nick Westcott: That includes China. The Chinese are building a number of hospitals. Therefore, we need other donors to ensure that there are trained staff, nurses and facilities for those hospitals.

Q168 Lord Trimble: Could you give us an indication of who is leading in which sector?

Nick Westcott: On governance, the lead partner is the United States, covering accountability, public administration and so on. On economic development, the lead partner is the World Bank. That looks at economic functions, infrastructure and natural resources. Within that group, the EU is playing a particular role in the development of natural resources. The third broad area is human and social development—education, health, and social and humanitarian affairs—where the UNDP is in the lead. The fourth area is conflict

prevention and security, where the UK, through DfID, leads. That concerns the rule of law in a broad sense, as well as security agencies, the development of civil police which does not really exist, helping the SPLA transition to a peacetime role and demobilisation. Those are the four broad areas.

Q169 The Chairman: At the last meeting they could not quite remember what they were, so I hope that when they tell us it will be the same four. The area that we still have left is that of arms control, which leads on to the rebel groups in the south. Could you give us your take on that? We have a reference here to the Stockholm International Peace Research Institute—I do not know whether you are aware of that—looking at arms flow. In the last few minutes, could you give us your thoughts on that area?

Nick Westcott: I do not know a lot about it; Rosalind may know more. Clearly, in any region emerging from conflict there will be a lot of small arms around. In east Africa, Somalia and Sudan have been among the focuses for the arms trade. It was the same in west Africa after the civil wars in Sierra Leone and Liberia, where a large number of Kalashnikovs were left. There is a proliferation of small arms still out there. Bringing them in and under control is a difficult but necessary part of the process. We have seen that it can be successful in Mozambique and, to a lesser extent, in Angola. After the civil wars there, there was a concerted effort to bring in the small arms, destroy them and get them out of circulation. I do not know how big the problem is in Sudan, but I imagine that some steps are already under way to reduce the volatility of the area by curtailing the supply of small arms. That should certainly continue. In the mean time, it appears that some of the groups who are disgruntled, such as that of General George and others, do not have great difficulty in getting hold of small arms. This clearly increases volatility. Arms control is not an easy issue anywhere, so in a relatively lightly governed space such as South Sudan it will not be easy. However, it is an area where the UK is in the lead. The EU might also be able to support steps to reduce the risk of conflict from the proliferation of small arms.

Q170 Lord Jopling: I think there is a general impression that it is not just question of small arms that are a hangover from previous conflicts, but that there is an in-flow of arms. They certainly seem to have had a lot of money; I do not know where they have spent it. What is your impression of where the supply of new arms is coming from? There is always innuendo that the north is feeding some of these groups. Is that your feeling?

Nick Westcott: I have to say that, on this, I do not know. I have not looked at the evidence for that yet. Without looking at the evidence, I would not want to commit myself to saying that arms are or are not coming from the north.

Q171 Lord Radice: Do you advise us to ask the next witness that question?

Nick Westcott: Yes, and I will certainly see if I can find some evidence and feed something back to you in writing if I can. I suppose you could say that there is a degree of scepticism. It is pretty clear now that the Khartoum Government armed some of the people in Darfur or allowed a supply of arms to some groups, such as the Janjaweed. Indeed, air support was proved in some cases. There is a degree of scepticism that the Government are perfectly capable of doing that.

Q172 The Chairman: Is there anything else that you think we should know?

Nick Westcott: I have nothing to add; I think you have probably drained me of most of what I know about Sudan. However, I will follow up on the points that Lord Jopling made.

The Chairman: Thank you very much indeed. You have given us some very useful background. I hope you enjoy the independence celebrations.

Dame Rosalind Marsden, European External Action Service

Oral Evidence, 15 March 2011, Q 173-204

EVIDENCE SESSION NO. 6. HEARD IN PUBLIC

Members present

Lord Teverson (Chairman)
Lord Jopling
Lord Radice
Lord Trimble

Examination of Witness

Dame Rosalind Marsden [EU Special Representative for Sudan].

Q173 The Chairman: Something that we have had issue with in this inquiry is that people should know what is happening on the ground, so the benefit of your experience is particularly important to us and we thank you.

Perhaps I may go through the notices. This is technically a public evidence session, so there will be a transcript which we will send you a copy of so that you can correct any errors, and it will be published as part of the report. The sub-committee feels that Southern Sudan is a very important issue and may be one where we hope that the EU, together with its partners, could hope to play some sort of role in helping the peace process to work successfully at last. If it does not work, whether it is a south-south conflict or a north-south conflict, we will see future decades of war. That is why the committee feels that it is a particularly important subject for it to look at. That is the background.

We have kept the questions very simple and broad; I think you have a copy of them. However, perhaps you would like to make a brief opening statement.

Lord Radice: She has in fact provided a complete crib which gives us all the answers.

Dame Rosalind Marsden: A while ago I provided some written material which gives the basic background.

Q174 The Chairman: Please forgive us if we duplicate a little in order to make our session today more coherent. We have the written evidence, but is there anything else that you would particularly like to raise?

Dame Rosalind Marsden: Maybe not at this point, but perhaps at the end I will have the chance to emphasise one or two things. For now, I am happy to answer your questions.

Q175 The Chairman: I will put an opening question. What are your impressions of the situation as we approach the independence of Southern Sudan? Should we be focused and optimistic or should we prepare for the worst?

Dame Rosalind Marsden: We got to the point where the referendum was held in a peaceful and credible fashion, and on time, which was a great success. Both the Sudanese parties to the Comprehensive Peace Agreement deserve a lot of credit for that. Equally the fact that the international community, including the European Union through the Foreign Affairs Council and participation in the UN Secretary-General's high-level meeting in New York, maintained sustained pressure on the parties to fulfil their commitments was another contributory factor. So that is a positive point. Also, last autumn Salva Kiir took the initiative

and called a meeting of all the southern political parties. He has sent signals that, after independence, he wants to set up a broad-based government and to have an inclusive consultative process on drafting the new permanent constitution, which is also a positive. But as we have seen just in the past few days, there are already significant problems in terms of militia activity, particularly in the volatile border area. We are all conscious that the Government of Southern Sudan face a daunting list of challenges. The first of those is a stabilisation and security challenge, and that really has to be one of the main priorities so far as we are concerned. Also there is the provision of support in terms of managing the relationship with the North, internal inter-tribal tensions, and obviously internal rivalries within the SPLM itself, as well as the huge challenge of trying to downsize the SPLA. Further, a big range of challenges arises from the fact that Southern Sudan is starting life as a new state from a very low base, with limited capacity and major economic and social issues, as well those of governance and the rule of law.

I certainly would not subscribe to the view of those who hold that Southern Sudan is almost bound to become a failed state because I do not think that this is the case. A lot will depend on the attitude taken by the Government of Southern Sudan, the seriousness of the commitment they make to addressing some of the governance challenges, and the degree of support they receive from the international community.

Q176 The Chairman: I should also offer our congratulations on your appointment. I know that it was fairly recent, but we were delighted to hear that you had been appointed to the role. Turning to your own role at the moment, are you based here, but you are the main interlocutor with South Sudan so far as the EU is concerned? We have heard that two people are out there.

Dame Rosalind Marsden: We have a permanent EU delegation in Khartoum, the head of which is Carlo de Filippi. At the moment there is a subordinate office to that delegation in Juba which has a relatively small staff, but they are based there permanently. I visit Sudan frequently. I am based in Brussels, but I spend more than half of each month in Sudan, either in Khartoum or visiting Juba, Darfur and elsewhere. I am probably the main interlocutor when it comes to talking to Salva Kiir and some of the senior ministers, but the Head of Delegation in Khartoum also visits Juba fairly frequently, and of course our office is there to maintain day-to-day communication with the Government.

Q177 Lord Jopling: We were told earlier today that there are three main sticking points in the discussions between the North and the South: the border, oil revenues and debt. Do you regard those as the most important factors to be dealt with over the coming months and years?

Dame Rosalind Marsden: They are three of the most important, yes. There are three major outstanding issues arising from the peace agreement itself. Those are Abyei, which did not get the referendum it should have had on 9 January. There is also the question of the north/south border delimitation and demarcation. Also there is the future status of southern Kordofan and Blue Nile, which had their own protocol in the Comprehensive Peace Agreement requiring Popular Consultations. Those are three of the main outstanding issues arising from the actual peace agreement, but looking forward to the post-referendum discussions, oil is certainly one of the most important that needs to be resolved in some way before 9 July. Debt is a major issue, and then there are other issues such as citizenship and how that will affect southerners in the north and northerners in the south. There is the question of a new currency and how they are going to deal with that, and security arrangements, particularly for the SPLA forces who come from Blue Nile and Southern

Kordofan. So there is quite a long list of issues. The three factors you mentioned are among the most important, but they are not the entire list.

Q178 Lord Jopling: On citizenship, which you mentioned, when we talked to the Ambassador and the representative for Southern Sudan, we were told that there is no question of dual citizenship. We were also told by one of them, I forget which, that there was no question of owning land on both sides of the border, which one would have thought is rather contrary to international law. Is that a big issue, particularly when thinking about nomadic people? Is it a possible future source of conflict?

Dame Rosalind Marsden: On the citizenship issue, yes. The North has taken the view that it will not agree to dual citizenship. There are far more southerners living in the north than northerners living in the south, and I think that Southern Sudan would have been more open to the idea. Anyway, the North has definitely said no, but it has indicated that it would be willing to agree to what it calls the “four freedoms”: the freedom of southerners to work, live and travel and to own property in the North. They would no longer be citizens, but they could continue to reside there and be employed, except in government jobs. I think that there has been quite a lot of progress on that issue between the two sides. At the moment, however, they are still arguing about the length of the transitional period that southerners living in the north or northerners living in the south need to be given in order to regularise their position. The North was pressing for a very short period, and the Mbeki Panel and others were concerned that this could lead to a risk of statelessness for people caught up by that.

On the question of land ownership on both sides of the border, this is a sensitive issue for the south. What is coming out of the Abyei discussions is that the mere fact that a nomadic community might migrate through an area for several months of the year should not mean that it would be able to derive land ownership rights from doing so. The South is very conscious that right along its 2,000 kilometre border, large numbers of northern nomadic tribes come south. The South has said that it is perfectly happy for that to continue, but it does not want this to give rise to land claims, as is currently the position in the case of Abyei.

Q179 Lord Trimble: On Abyei, as you have said, there should have been a referendum, but it has not taken place. When the ambassador in Khartoum and the representative of Southern Sudan were giving evidence, it was clear that there was a distinct difference. The ambassador seemed to support a proposal put forward by the Mbeki panel that the northern end of Abyei, around 40% of the region, should go the north, whereas the representative of Southern Sudan made it very clear that it wants all of Abyei. The business about land ownership is a sort of subsidiary issue in this, but what we seem to be talking about is not so much about the individual ownership of land, but whether Abyei is going to be in the north, in the south, or to be partitioned. That, together with the difficulties that have arisen with some militia elements, means that between now and July there is a risk of serious violence over an outstanding issue between the north and the south which has not been resolved. So while we are all feeling very optimistic that the referendum has gone through and that Khartoum has said that it is prepared to recognise Southern Sudan, this is a big issue that could be capable of reigniting the war.

Dame Rosalind Marsden: Yes, I think you are right. President Mbeki presented a paper with six possible options for resolving the Abyei issue, one of which was more favoured by the North and another one by the South. The northern position is, as you say, that it would like a partition of Abyei with political rights for the Misseriya, certainly in the northern area and with some share in the central administration. The SPLM is rejecting that because

provision was made in the Comprehensive Peace Agreement for an Abyei Boundaries Commission to delimit the area of Abyei, which that commission proceeded to do. Both parties had accepted that that was supposed to be final and binding, but when the report and recommendations came out, the NCP Government of Sudan refused to accept the conclusions. They claim that the members of the commission had exceeded their mandate. After a lot of heated discussion, both parties agreed that they would take the issue to the Permanent Court of Arbitration in The Hague. Again, both parties agreed that the decision should be final and binding, but then there were problems on the ground when the local Misseriya tribe objected to the implementation of that award because, from its perspective, it did not think it was fair. So the whole thing has become deadlocked.

There are two real problems with Abyei now. One is to try to find a permanent political solution that is equitable and takes account of the interests of all the communities in the area. That is proving to be extremely difficult. It would appear that the positions of both sides have hardened and the communities have become radicalised and more politicised as a result of the discussions that have been going on. There is also the short-term problem in that the Misseriya nomads need to migrate with large numbers of cattle down into Southern Sudan more or less now. Apparently, during the dry season their cattle will become prone to all kinds of diseases, so they get to the point where the cattle themselves start to move, whatever the political situation may be. This could give rise to conflict if they start moving through the Dinka areas without any prior agreement between the two communities.

We have seen in the last few weeks really quite serious clashes, with the SPLM accusing the North of involving Popular Defence Force militia, and the North accusing the South of having SPLA police, which it claims are really SPLA, also in the area. UNMIS has been working very hard to try to facilitate an agreement between the two sides that will allow the migration to go ahead and to try to resolve the disagreement over the security arrangements. That agreement was reached in January, but has not been fully observed, so the situation remains extremely volatile and dangerous. It is certainly one that we are all watching closely. President Mbeki has the lead in terms of finding a political solution, while UNMIS is in the lead in terms of trying to manage and contain the situation on the ground.

Q180 Lord Jopling: We were told by the ambassador, I think, that the Misseriya are extremely difficult people. Perhaps you could tell us something about them. Are they entirely nomadic? Have they any potential leaders? What is the status of their spokesmen or negotiators?

Dame Rosalind Marsden: The Misseriya tribe certainly has a large nomadic element. Some elements of the tribe may be settled, but they still have a heavily nomadic way of life. They depend on very large numbers of cattle that require seasonal migrations to the south. Some of the Misseriya leaders are very keen that Khartoum should give them more support with development so that more of them can settle, perhaps reduce the number of their cattle but have higher-quality cattle and diversify their livelihoods. That would reduce the potential for conflict with their neighbouring tribes. That is an area where the international community could make a contribution, perhaps as part of an overall Abyei agreement to provide development assistance for the Misseriya. It would need to be balanced on the other side.

One problem has been that the traditional Misseriya leaders have found some of their authority weakened by the increased role played by armed Misseriya youth. As the issue has become more politicised, the traditional mechanisms for resolving conflict with the Dinka, and their traditional hold over the members of their own tribe, have weakened. This has become an additional problem. The Misseriya also have problems with their neighbours to the west, the Rizeigat tribe, which is another Arab tribe. The Misseriya tribe has had a series of clashes, not just with the Dinka but also with the Rizigat. The tribe feels rather hard done

by. From the point of view of the Government in Khartoum, the tribe is politically quite important because of its geographical position. This is a constituency that President Bashir must pay careful attention to, which limits his flexibility in terms of the Abyei negotiations.

Q181 Lord Radice: You have just mentioned the north. Do those in the north think it is in their interests for South Sudan to be successful? Objectively, we could say that it is, but do the strategists in North Sudan—remaining Sudan—agree?

Dame Rosalind Marsden: Opinions are somewhat divided. There are some sensible, wise people in the Government of Sudan who see that the stability of the North will depend on the stability of the south, and that each side has the ability to destabilise the other. There is no doubt about that. When you talk to people on each side, they say this. The wiser heads recognise that there is a need for two viable states, and that destabilising each other is not a sensible way forward. However, there may be others who resent the fact that they will lose part of their territory. There is always the temptation or tendency to use this as a tactic. We in the European Union have strongly supported President Mbeki's efforts to get both sides to sign up to a framework agreement under which they would agree to give up and renounce any efforts to destabilise one another. We are encouraging them now to reiterate that position.

Q182 The Chairman: Do you think that will happen? That is the \$64,000 question.

Dame Rosalind Marsden: We will press extremely hard. There are frustrations on both sides, and when these things happen there is a risk of meddling in each other's affairs. We strongly urge both sides to renounce that.

Q183 Lord Trimble: The territory seems a little crowded in terms of all the institutions and bodies that are engaged in it. How does the EU fit in with the other countries and bodies engaged in helping the situation there?

Dame Rosalind Marsden: The European Union is one of the witnesses to the Comprehensive Peace Agreement, together with three member states: the UK, the Netherlands and Italy. That gives us a formal locus to intervene with the parties on the implementation of that agreement, and we have done that. We are also a member of the oversight body for the peace agreement, the Assessment and Evaluation Commission. We can intervene with the parties through that body as well as directly.

Q184 The Chairman: Does that body still meet, and will it keep on meeting?

Dame Rosalind Marsden: It has a plenary meeting every month, at which the parties attend at ministerial level. The international community attends at ambassadorial level. I attend whenever I am in Khartoum. There are working groups that focus on specific areas such as security, wealth-sharing et cetera. The Commission also often organises field trips. For example, I have just come back from such a trip to Southern Kordofan and Blue Nile, to look at the situation on Popular Consultations and to urge the two parties to ensure that the process is going properly. So the Commission is quite active. It has some limitations built in, but nevertheless the international community is well represented and we certainly try to make the most of it.

The European Union has deliberately chosen to give strong support to President Mbeki and to allow him to take the lead role in trying to facilitate agreement on the post-referendum issues. As a former South African President, he is very well placed to secure high-level access both to President Bashir and to Salva Kiir on some of the sensitive issues. That is where we have been putting our effort. We also work very closely, and have a good relationship, with Haile Menkerios, the UN SRSG, who in my view is extremely good. Since his arrival in early

2010, he has made active use of the good offices role of the UN. He and President Mbeki have also worked out a division of labour so that the UN focuses more on trying to ensure that the parties fulfil their CPA commitments, whereas President Mbeki looks more to the future arrangements between north and south.

Q185 The Chairman: We have not mentioned the United States, which was strongly instrumental in getting the peace agreement in the first place. What is its future role?

Dame Rosalind Marsden: I should have mentioned the United States. In the past six months or so, Sudan has been a very high priority for the Obama Administration. I think it was last September when it made public its policy of trying to incentivise the North in particular to fulfil its commitments. It recognised, as we all did, that the referendum on self-determination for South Sudan was a traumatic prospect for the North, which realised that it risked losing a lot of its territory, population and resources. Although it was a formal commitment, some encouragement to let it go through was considered desirable. President Obama personally took the lead in a meeting in New York in September, and Hillary Clinton and her senior staff have worked the parties intensively at crucial moments. President Obama's special envoy, General Gration, has been active. He has brought in a senior ambassador, Princeton Lyman, to support him on the north-south dossier. More recently, another senior person was brought in on the Darfur side. There is no doubt that the Americans are investing a lot of senior management time and political effort in Sudan, and that has had a really positive impact.

Q186 Lord Trimble: Does Darfur not loom very large from the American perspective?

Dame Rosalind Marsden: Yes, it does—and it does for us, as well. It is absolutely essential that we should not lose sight of the Darfur situation, which remains very serious. The Americans recognise that if they are to move down a track of offering certain incentives to North Sudan to do the right thing, given that their congressional legislation imposes political conditionality links to Darfur as well as to the comprehensive peace agreement, clearly getting progress on Darfur is part of the broader picture, quite apart from the essential importance of resolving the situation. Therefore, they have continued to work on Darfur. We have seen, from the time of Naivasha, that a huge effort was made to try to get the CPA. Then international attention swung to Darfur—perhaps to the detriment of the attention that the CPA implementation process required. When everyone woke up to the fact that the CPA could go off track—there were serious warning signs—attention swung back to the CPA, with the national elections and, particularly in the past year, with the referendum. We are very keen to ensure that this is not an either/or situation; we must continue to focus on both.

Q187 Lord Radice: Perhaps I might ask a factual question. It is possible you answered it and I did not pick it up. What are the relative proportions of aid from the United States, the EU, the UK and so on? How does it measure up?

Dame Rosalind Marsden: I do not know the precise figures. When it comes to humanitarian assistance to Darfur, the United States is the largest donor, partly because it provides a lot of food aid via WFP. The European Union and the UK are second and third, so collectively we are on a par. In terms of other assistance, particularly to South Sudan, the United States is the largest bilateral donor, followed by the UK and Norway. There are other big players. The World Bank does not have the large programme that it has elsewhere. In the main, it has been managing the multidonor trust fund. The UN and the European Union are among the big players. Among all the EU member states, the UK has by far the largest bilateral programme in Sudan. As you know, the EU is providing some

assistance in the north to the war-affected areas, particularly the east, where the UK also has a programme of roughly comparable size to that in the transitional areas and in Darfur. Those are the areas of focus.

Q188 The Chairman: To conclude on the international and bilateral players, I get the impression from what you are saying that it all works pretty well, everybody knows their own role, everybody respects each other's role and on the whole the international community has got its act together in terms of who does what and understanding what needs to be done.

Dame Rosalind Marsden: On the north-south side, it has been very helpful having an extremely strong leader in Haile Menkerios, who has been very good, with our encouragement, in helping to co-ordinate and discuss political messaging so that we are all roughly on the same page in terms of the CPA. The fact that he has a strong relationship with President Mbeki is also very helpful, so on that side the picture is very good. As you may know, on the Darfur side, things are a little trickier because there is a bit of tension there between President Mbeki and Mr Bassolt, but, by and large, on the other side, things are not working too badly.

Q189 The Chairman: The \$64,000 question as far as this committee is concerned is: what is the best role that the EU can play here, looking into the future?

Dame Rosalind Marsden: Starting with the north-south relationship, between now and July we need to continue to put pressure on the parties and urge them to fulfil their commitments and exercise restraint when incidents occur. Increasingly, the post-referendum negotiations are becoming more and more important. In terms of conflict prevention, we must try to underpin a constructive relationship between north and south--That has to be an area where we send very strong and clear messages--and continue to work on the Darfur issue, where I spend a lot of my time. Some of the areas where the EU has been able to make a particular contribution have been the missions that we have sent out to observe the elections, and the referendum where we have a comparative advantage compared with most of the rest of the international community. Other areas where the EU can play a particular role are areas such as democratic governance and human rights where we have played a role in trying to stress the need to open up more political space. That was certainly a message that we signalled very clearly before the Sudan's national elections in April 2010. Now that the Government in the north are looking towards a review of their constitution, and taking account of events in the neighbourhood and so on, this is an area where we hope that we can encourage them to look at an inclusive consultative process with all the stakeholders as they enter into that process, and to look again at the relations between the centre and the periphery, which in Sudan have been one of the underlying causes of conflict and tension. The same applies in the south where we will be looking to develop a pretty active dialogue on governance, human rights and democratisation, as in the north.

Q190 The Chairman: What can we do on a practical level? I think that earlier you said that the Americans in particular had the governance label to a degree.

Dame Rosalind Marsden: In southern Sudan the Americans have been putting quite a lot of focus in their aid on economic governance. This is an area where the USA has been focusing in particular on public sector financial management—trying to improve procurement procedures. I think we all recognise the need to take this holistic approach to questions of economic governance. It is not enough to support an anti-corruption commission, you need to do all the other things that go with it, including strengthening civil society, the media and parliamentary oversight. There are some areas in the south where the European Union is

also contributing to that overall effort. In the north, the European Union has maintained a dialogue with the advisory council on human rights. We also raise these issues with the Government when appropriate. These are areas reflecting our own values that we should continue to pursue.

Q191 Lord Jopling: Do you think there is a danger of confusion between the activities of the EU within north and south Sudan and those of the member states? It would seem that there is a possibility of not conflict but confusion between the two. Are you content with the relationship which exists and might develop in the future?

Dame Rosalind Marsden: I would not necessarily put it as strongly as conflict or confusion. We can do more to strengthen overall co-ordination in order to have the maximum possible impact as the EU, including the EU and the member states. That does not cut across the ability of member states to pursue their bilateral activities and to get bilateral profile. I sense that the member states are keen to see the EU be as active as possible, want the EU to play an active and effective role and recognise that it would also benefit them to be seen as part of this bigger whole. Particularly post-Lisbon, this idea is gaining strength. In my own role I am trying as much as possible, both in Brussels and when I am on the ground in Sudan, to work with the member states and publicise what we are doing collectively. In the past, we have not done enough to explain to the Sudanese people what the European Union is doing, not just Brussels but all the member states, and how this all comes together as a contribution. In that sense we perhaps lose out to some of the others, and we can do more in that regard.

Q192 Lord Radice: Turning to Southern Sudan, do you think that it can become a functioning democracy? Can you tell us a bit about existing institutions in Southern Sudan? Are there any that we would recognise? Obviously there are, but how will that play out if we are trying to make Sudan a working democracy?

Dame Rosalind Marsden: Since the CPA, Southern Sudan has had a high degree of autonomy and that has meant it has had its own Southern Sudan legislative assembly. It has its own judiciary and police—in fact, the whole range of institutions. Many of these institutions need a lot more support. They have their own human rights commission in the south. By the way, there is no such commission in the north at the moment. This is state building and trying to help to strengthen these institutions—obviously, in lining up with the Government of Southern Sudan’s own priorities—is a very important role for us. The judiciary, police and many other institutions will need a lot of capacity building. The Government of Southern Sudan are currently working on a three-year development plan and are working very closely with donors in developing that plan. Clearly, whatever we do will have to be closely discussed with the Government of Southern Sudan, but these are areas where the international community will have an important contribution to make. In terms of becoming a more democratic state, the SPLM is in the process of transforming from being a liberation army to becoming a full Government. That is work in progress. As I said at the beginning, it is very encouraging that Salva Kiir has tried to take a consensual, “broad tent” approach. Certainly on issues like economic governance and corruption, he has given very clear public signals of zero tolerance and wanting to move in the right direction. Another positive is that the Government of Southern Sudan are quite open to international advice and are ready to listen to advice which, of course, puts a big responsibility on us to make sure that they are getting the right kind of considered advice. We will need to keep this political dialogue going to ensure that they are encouraged when they move in the direction of political accommodation. As I am sure you are aware, as a result of the history of the civil war, there is obviously an element of Dinka domination in the SPLM which causes

issues with some of the other tribes. I think that Salva Kiir has tried quite hard to bring in the other tribes and to maintain a regional tribal balance within his Government, but again this is something that has to be continually worked at.

Q193 The Chairman: Do you think there is some balance there? Some of the comments that we have heard before have suggested that it is very Dinka dominated. Do you think the situation is better than that?

Dame Rosalind Marsden: This is the background from which they are coming--the number of SPLA Dinka commanders, or former commanders, who are in some of the key positions. But, as I said, one of the strengths of Salva Kiir's leadership is that he recognises the need to try to balance this through power sharing. We need to urge him to continue with this.

Q194 The Chairman: Are elections due? I am not clear on that.

Dame Rosalind Marsden: There were elections in South Sudan at the same time as the national elections in April 2010. I do not suppose they will decide until after independence how long they will wait for the next set of elections. This will partly depend on how long the process of drafting the new permanent constitution takes. They will make some technical amendments to the current constitution before July because the current constitution has all sorts of references to the Comprehensive Peace Agreement and the Government of National Unity in the north so all those references will be removed so that they will have a valid constitution from 9 July but then they will set to work on a much bigger constitutional review process.

Q195 Lord Trimble: China is obviously involved economically in the oil industry but is it involved simply in that or is it seeking a wider influence?

Dame Rosalind Marsden: The Government of Sudan in Khartoum has had what could be described as a strategic relationship with China since the early 1990s; in fact, going back some time before that. China has obviously invested very heavily in the oil industry but also in some other infrastructural areas such as dams. The Chinese have built refineries as part of the oil sector but I think they have offered the Government of Sudan considerable concessional loans, so there is a very strong economic relationship, and, of course, that gives China a lot of political influence, particularly with the Government in Khartoum.

Q196 Lord Trimble: I think the current relationship is between China and Khartoum. What is China's attitude to South Sudan?

Dame Rosalind Marsden: Just to complete the picture, in recent years the Chinese--seeing that the majority of Sudan's oil resources are in the south--have been strengthening their relations with the Government of Southern Sudan and now have a big consulate-general in Juba. They have been steadily building up their links with the south, Salva Kiir has been to Beijing and these links are developing, so they are coming from behind as regards the situation with Khartoum, but I think that the Chinese realise very clearly that they also want to have good relations with the south. The important thing--looking at it from our perspective--is that because China has these considerable interests both in the north and the south, it shares our interest in having stability and a positive, constructive relationship between north and south. That is also in its own interest. Because of China's very close links with the Government in Khartoum, and perhaps its ability to say things to them more easily than we can, there is even a complementary link here because we perhaps have a similar relationship in the south. So the message really to both sides is that we want them to fulfil the peace agreement and come up with a positive package for post-referendum

arrangements to underpin the relationship moving forward. I think the Chinese would agree with that.

Q197 The Chairman: Out of interest, do they have the largest mission in Juba?

Dame Rosalind Marsden: I do not know the precise numbers. The United States has a pretty large mission. I think that is probably the largest. I am not sure of the Chinese numbers but I have noticed that they seem to be expanding.

The Chairman: That is a leading indicator, I guess.

Lord Trimble: They are well ahead of two.

Dame Rosalind Marsden: I think you could say that, yes.

Q198 The Chairman: One thing that we have not really tackled with other witnesses is what the timescales really are. What has surprised me to some degree today is that although we knew that the referendum was happening some way in advance, in some ways it seems to me that there has been a little hesitation to do things until we saw what those outcomes were. That may be understandable but we are trying to understand what the timescales are. Generally, what needs to be done by the international community, and by when, to get things to work? Are we on project timescale, as it were? That is a very broad question but it is trying to get a feel for a time dimension on this.

Dame Rosalind Marsden: A lot of the milestones in the CPA have slipped. CPA implementation has gone forward, and quite a lot of it has been implemented, but certain things have happened much later than they should have done. That includes the elections, the referendum and the popular consultations. It is not quite clear, for example, whether the popular consultation process will be finished by 9 July. The other area where we would always be very worried about the timescale has been the discussions on post-referendum negotiations because two years ago, certainly, I know that the UK was trying to encourage the parties to start thinking about these issues and to prepare themselves to be ready to start actual negotiations.

The European Union has been providing technical support to the Mbeki panel in some areas of the negotiations. We have been constantly worried that time is passing extremely rapidly and now, of course, we only have something like four months left until the end of the CPA period with a huge set of complex issues still to be agreed. It is obviously important that there needs to be some prioritising and sequencing, because some of those issues may be absolutely vital to agree by 9 July. Others may be ones that you could go on discussing afterwards, but this is obviously very much the business of President Mbeki, who is trying to see how this all fits together. At the same time, as I think was mentioned earlier, the SPLM would quite like to have one big package with Abyei included. It is saying that nothing is agreed until everything is agreed. It may be that the NCP would prefer to put Abyei to one side and then try to negotiate on the rest but in any event, as we have seen in Sudan since the CPA was signed, there is a constant tendency to leave absolutely everything until the last possible moment when the negotiating pressure builds up to a sort of boiling point. But that is a very dangerous situation and the stakes are very high, so the international community is very conscious of the urgency of this process. It gets very worried when, as happened the other day, these discussions are suspended.

Q199 Lord Jopling: To what extent are you worried about the activities of these various militia groups—I will not name them, as you know them perfectly well—which could totally destabilise the new state when it comes into existence on 9 July? To what extent is there any truth in what we have heard—which has not been hard evidence but nods and winks—that quite a lot of the provision of small arms in particular for these groups is coming from

the north and that, having tried to buy peace by the comprehensive agreement, the north has an agenda to destabilise the south and hence may be interested in encouraging these militia groups?

Dame Rosalind Marsden: The problem of militias is, as you say, potentially quite destabilising. We have seen in recent weeks that this problem seems to have flared up again in quite a big way.

General George Athor, the former SPLA general who fell out with the Government in Juba over the elections, has gone off with an armed group and there have been a number of clashes with his forces. There was one about a month ago in which 200 people were killed in one incident—massacred, basically—so this is large-scale stuff and very serious.

There is a limit to what I can say on that question of support from the north. I merely comment that it is widely believed in the south that the north may be providing some support for these militia groups. I really could not comment myself but in terms of the relationship between the two, perceptions are very important so this issue has added to distrust between the two sides. As we have seen with the latest incident in Malakal, the SPLM has publicly accused the north of providing support for the militias who are responsible for some of those incidents. That has led to a suspension of the talks on the future relationship between north and south. It is certainly a very serious issue.

We need to encourage both sides to go back to their commitment not to destabilise each other and, if possible, to instruct their negotiators to go back to the negotiating table. That is very important because there is too much at stake to be drawn off course by this sort of thing.

Q200 Lord Jopling: Would you argue with the assertion in *Africa Confidential*, which I have here, that Athor has 2,000 fighters?

Dame Rosalind Marsden: I am afraid that I have no precise information on how many fighters he has.

Lord Jopling: This is very significant and dangerous.

Dame Rosalind Marsden: I would not be surprised from what I know but I am afraid that I cannot confirm the figures, even approximately.

Q201 Lord Radice: Have you met him?

Dame Rosalind Marsden: No, I have not.

Q202 The Chairman: Perhaps we could ask you one other question that we have not really received an answer for. In fact, when we have asked it, they have said, “The person who will know is Dame Rosalind”. It is on the oil revenue that has come into South Sudan since 2005. The question that has been raised—because there is little evidence of infrastructure development, either soft or hard—is, where did it all go? The question then arises about not just that but the future ability to be a custodian of international funds, or whatever.

Dame Rosalind Marsden: I am very pleased that other people thought that I would know the answer to the mystery. I do not think that anyone knows exactly where it has gone. Quite a lot of their oil revenue has been spent paying SPLA salaries. That is the largest single part of the Southern Sudan budget. They do this partly because the SPLA is very large at the moment and there is concern that if they stop paying salaries it will be a destabilising factor in itself, so that continues to soak up much of the government revenue. Therefore there is very little to spend on basic services, which is why the international community is picking up a lot of this.

There is a problem of corruption in the south, which Salva Kiir himself has acknowledged. He has pledged himself to tackle this, as I said, but it is not something that can happen overnight. It will require a whole set of different measures to try to reduce this problem. This is an area where the international community needs both to demonstrate that we have a long-term commitment to support the south and to ensure that they have a long-term commitment to tackling those kind of challenges, which they know they face.

Q203 The Chairman: Effectively, will the real challenge be deploying the Army into other jobs in other parts of the economy so that that amount comes down?

Dame Rosalind Marsden: There will need to be a big reintegration programme for former combatants. Neither the north nor the south have shown much willingness to reduce the size of their Armed Forces—certainly not the militarily effective bit of them—in advance of the referendum. That has meant that while there has been a disarmament, demobilisation and reintegration programme in the south, it has perhaps been aimed more at dealing with some of the more vulnerable members of the SPLA and women associated with them. It has not really targeted the core fighters.

Indeed, when the joint integrated units are disbanded the SPLA components of those units will probably have to be brought into the SPLA, so in the short term it might expand further. The problem is really more one of the overall economic development of the whole of Southern Sudan, because there was an attempt under that DDR programme, to date, to give individual former combatants an individual package of so much money and a bit of training, then to send them off to try to reintegrate into civilian life. That has proved not entirely successful because the livelihood opportunities are just not there at the moment, so after a few months some of those people have come drifting back into the SPLA again.

There is a recognition that one needs an integrated approach to development assistance in the south and that you cannot give privileged treatment just to former combatants, although they are a very important group. There are also a lot of southerners returning from Northern Sudan. In fact, they are in significant numbers and need to somehow be reintegrated into the local community. Of course, the host communities will require support, otherwise they will feel resentful that other categories of people are getting better treatment than they are. In other words, the conclusion that people have reached is that you need an overall approach but I think this is going to be a massive task.

Q204 The Chairman: Lastly, what should our top three recommendations be in our report, from where you stand?

Dame Rosalind Marsden: The first thing I would say is that just because Sudan has had a successful referendum, the international community should not think that the Sudan file can be closed. The two new countries will face huge challenges that will continue to require high-level political attention for some time to come. That is one point.

Secondly, we should not focus our attention solely on the south. The EU has an opportunity to make a particular contribution in the south. We are well placed to do so, but it would be a mistake not to also pay quite a lot of attention to the north. We do not want to see northern Sudan turning in on itself because it feels that it is being ignored and neglected, because of all the problems that that could give rise to both in the north and in relation to the stability of the south.

Thirdly, support for Southern Sudan is an area where the EU could, if it can do this right and have a coherent and comprehensive approach, work with the Government of Southern Sudan and other donors to make a really significant impact. For the new European External Action Service this could, over the next few years, be one of the most interesting and promising areas for us to show what the EU can do if we can start acting in a more co-

ordinated fashion. I hope that that will continue to be a focus and I have been quite encouraged by the high level of interest from member states in support for south Sudan and their strong desire to see us going into this in a co-ordinated fashion by taking a strategic view of where we should be making our contribution. This process is very much under way as we speak. I hope that it will lead to a good strategy and good delivery as we move forward.

The Chairman: Dame Rosalind, thank you very much indeed. That has been really good and very useful to us. We wish you every success in what must be one of the most challenging roles that there is in the European Union.

Dame Rosalind Marsden: Thank you very much.

Written evidence from Dame Rosalind Marsden, EU Representative for Sudan, EEAS (SUD 7)

1. What is the history of the EU's relations with Sudan and how does this affect the current relationship? What is the EU's overall policy towards Sudan and how closely does this reflect UK policy? How do you evaluate this policy? Is the EU talking to the right people?

The EU's policy in Sudan supports implementation of the Comprehensive Peace Agreement (CPA) of 2005 and efforts to achieve a comprehensive peace settlement for Darfur. The EU regards peace in Sudan as a prerequisite for regional stability and for sustainable, balanced and equitable development in Sudan itself. As the largest country in Africa, with nine neighbours, Sudan's stability is important for that of the wider region and much of the African continent.

EU relations with Sudan have evolved over the past 15 years. In the decade prior to signature of the CPA, relations were mainly based on provision of emergency assistance. From 1994 until 2005, more than 500 million Euros was made available by the EC to Sudan in the form of emergency relief assistance. The EU has continued to be a major humanitarian donor to Sudan since 2005 (see answer to question 3 below).

The signing of the CPA in January 2005 between the Government of Sudan and the Sudan People's Liberation Movement (SPLM) was a turning point in EU/Sudan relations. The CPA was witnessed by the EU and three Member States (UK, Netherlands, Italy).

In 2005, the European Commission resumed development assistance to Sudan after a 15 year break to support implementation of the CPA. Cooperation with Sudan was intended to deliver peace dividends to the most vulnerable people in the conflict-affected areas (Darfur, South Sudan, Eastern Sudan and the Transitional Areas), to support a gradual democratic transition and to contribute to sustainable, pro-poor development.

In the same year, an EU Special Representative for Sudan (EUSR) was appointed to reinforce the EU's diplomatic links in Sudan and the EU presence at international level,

as well as improving overall coordination with key external actors and in Brussels. This post was held by Pekka Haavisto (Finland) from 2005-07, Torben Brylle (Denmark) from 2007-10 and Rosalind Marsden (UK) from September 2010. In November 2010, the High Representative established a Sudan Task Force under the chairmanship of the EUSR to strengthen coordination among EU actors dealing with Sudan.

The EU has been actively involved in Sudan during the CPA period. The EU pressed hard for the expansion of political space and respect for basic freedoms in the run-up to and after the April 2010 elections. It provided technical and financial support to the elections and deployed a large Election Observation Mission. This Mission drew attention to significant flaws in the conduct of the elections.

The EU also provided funding and technical expertise to support the South Sudan Referendum Commission in Khartoum and the South Sudan Referendum Bureau in Juba; and deployed a large Electoral Observation Mission to build confidence in the Referendum process.

With the escalation of the Darfur conflict in 2003/4, Darfur came to feature prominently on the EU agenda. The EU and Member States provided 440 million Euros in support to the African Union Mission in Darfur (AMIS) from 2004 until 2007, including funding personnel costs, equipment and training. In March 2006, the EU convened a meeting in Brussels with Sudanese Vice President Ali Osman Taha, Konare (AU), Zoellick (US) and Annabi (UN), which paved the way for the transition from AMIS to the hybrid UN/AU Mission (UNAMID). On the political track, the EU focused on the need to cease hostilities and reach an inclusive, comprehensive settlement that addresses the root causes of the conflict. The EU has given strong support to the Darfur peace talks in Doha and the work of the current UN/AU Chief Mediator, Gibril Bassole, and has urged the armed movements to join the process. The EU was amongst the first to recognise the need to encourage greater involvement by Darfuri civil society in the peace process by supporting the Darfur-Darfur Dialogue and Consultations and other civil society initiatives from 2007 onwards.

Following the indictment by the International Criminal Court of Ahmed Haroun, then Minister of State for Humanitarian Affairs, and former Janjaweed Commander Ali Kushayb, and the subsequent indictment in March 2009 of President Bashir, the EU and Member States have consistently called on the Government of Sudan to cooperate with the Court.

The EU has also raised concerns about the human rights situation in Sudan more generally, including the continued targeting of civilians and use of militias in Darfur, the detention without trial of human rights activists, journalists and opposition politicians and the non-accountability of the security forces. The EU lobbied for the extension of the mandate of the UN Special Rapporteur on Human Rights and, subsequently, the UN Independent Expert on Human Rights in Darfur.

The relationship with Khartoum has been strained, inter alia, by EU support for the ICC and human rights and by obstacles to humanitarian access in Darfur, including the expulsion of leading international NGOs in March 2009. But this has been counterbalanced by EU support for CPA implementation and the Darfur peace process, assistance for vulnerable populations in the Transitional Areas and the East, continued efforts to engage the Government of Sudan in a dialogue and strong people to people links.

The EU's overall policy towards Sudan was set out in a discussion paper on the EU's future engagement towards Sudan circulated on 20 July 2010. The EU's vision was described as being "the development of a peaceful and prosperous Sudan in a stable regional setting, notably through full implementation of the Comprehensive Peace Agreement and agreement on post-referendum modalities".

At the Foreign Affairs Council on 26 July 2010, EU Foreign Ministers agreed that the EU should pursue the following objectives:

- "implementation of outstanding CPA priorities, including conducting timely referenda, and post-referendum modalities
- stability, security and development in Sudan regardless of the outcome of the referendum on South Sudan's self-determination; maintaining and improving relations with both Khartoum and Juba
- security and a political resolution to the conflict in Darfur
- addressing the root causes of conflict in Sudan, including the marginalisation of peripheral regions
- justice, reconciliation and respect for human rights, including full collaboration with the International Criminal Court
- humanitarian access throughout Sudan."

The EU's policy towards Sudan is set out in detail in the Foreign Affairs Conclusions of 26 July 2010, 22 November 2010, 13 December 2010 and 31 January 2011 and in the High Representative's statement on behalf of the EU on the occasion of the announcement of the final results of the South Sudan Referendum on 7 February 2011. The HR stated that the EU fully respected the outcome of the referendum as a true reflection of the democratically expressed wishes of the people of Southern Sudan and looked forward to further developing a close and long-term partnership with Southern Sudan which was set to become a new state once the CPA expired in July 2011. The EU remained committed to engage both North and South Sudan in the promotion of democratic governance, respect for human rights and a peaceful and prosperous future for all Sudanese people. In this context, the EU would step up its dialogue with both North and South and was ready to play its part in underpinning the development of two viable states.

The UK, together with other EU Member States, has been closely involved in the formulation of EU policy towards Sudan. Sudan has been on the Foreign Affairs Council

agenda five times in the last 12 months and is frequently discussed in Working Groups and the Peace and Security Council in Brussels. The UK takes an active part in these discussions as well as in meetings of EU Heads of Mission in Khartoum. The EUSR for Sudan is also in close touch with the UK Special representative for Sudan and Special Envoys from other EU Member States. ECHO collaborates closely with DFID on advocacy for humanitarian space in Darfur.

The EU's High Representative for Foreign and Security Policy has discussed Sudan with a range of international actors including the UN Secretary-General, President Mbeki and President Obama. The High Representative attended the High Level Meeting on Sudan in New York on 17 September 2010 chaired by Ban Ki-moon and attended by President Obama.

Commissioner Georgieva visited Sudan in June 2010.

The EUSR for Sudan has a regular dialogue with Presidential Advisers and Ministers in the Government of National Unity in Khartoum, First Vice President Salva Kiir and Ministers in the Government of Southern Sudan, other senior figures in the National Congress Party and the SPLM, leaders of opposition parties, the Darfuri rebel movements, human rights activists and lawyers, local NGOs, journalists, academics and women's groups. The EUSR and the EU Head of Delegation in Khartoum both participate in meetings of the Assessment and Evaluation Commission with the Sudanese parties to the CPA and other international actors. (See answer to question 6 for coordination with other international players).

2. What specifically is the EU's policy on preventing conflict and building peace between north and south Sudan and to what extent is it successful? How could the EU's policy be improved? What kind of support is the EU providing to the AUHIP? What are the implications for the EU's effectiveness following its support for the indictment of President Bashir by the International Criminal Court?

The EU's policy on preventing conflict and building peace between North and South Sudan is based on support for full and timely implementation of the CPA, the establishment of constructive relations between North and South in the longer term through the negotiation of post-referendum arrangements and resolution of the Darfur conflict.

The EU has used its dialogue with the Sudanese parties to the CPA to urge them to fulfil their commitments under the peace agreement. The EU has expressed particular concern about the need to find an equitable political solution to the problem of Abyei. and has urged the parties to exercise restraint when violent incidents have occurred.

The EU has contributed to conflict prevention and peace-building between North and South by supporting the UN Mission in Sudan (UNMIS), which was established in March

2005. Over 40% of the costs of UNMIS are funded by EU Member States through assessed contributions. The EU welcomes the strong leadership shown by the UN SRSG Haile Menkerios.

The High Representative took part in the UN Secretary-General's High Level Meeting on Sudan in New York on 17 September 2010, which sent a clear message to the parties about the need for a peaceful, credible and on-time Referendum. Similar messages were reflected in a series of Foreign Affairs Council Conclusions in November and December 2010 and January 2011. Consistent international pressure, including from the EU, was an important factor that contributed to the success of the Referendum.

The EU has drawn on the following instruments to support conflict prevention and peace building:

- An intervention (3 million Euros) under the Instrument for Stability to support AU/UN efforts to facilitate the Darfur peace process. The activities include strengthening the capacity of the Joint Mediation Support Team, facilitating the preparations of the parties for negotiations, consultations with civil society, confidence-building measures and public information);
- A second intervention (15 million Euros) under the Instrument for Stability to support the referendum and post-referendum process, the provision of basic services in South Sudan as a peace dividend and support to the AU High Level Implementation Panel (see below).
- Support under the Peace Building Initiative to encourage dialogue between the parties to the CPA. The successful Concordis project, funded with 2 million Euros from the 9th EDF, focused on promoting cross-border dialogue between communities in the North-South border area to generate local stabilisation proposals.

During the run-up to South Sudan's independence and beyond, the EU will step up its support for stabilisation and development. Interventions could specifically focus on the border region and the security sector.

The EU has supported the efforts of the AU High Level Implementation Panel (AUHIP) led by President Mbeki to resolve outstanding CPA issues such as Abyei, North-South border demarcation and Popular Consultations in Blue Nile and Southern Kordofan and to facilitate negotiations between the parties on post-referendum arrangements that would sustain the North-South relationship in the long-term.

EU support is financial (1.4 million Euros from the Early Response Mechanism of the African Peace Facility), technical (through the provision of experts on specific subjects relevant to the post-referendum negotiations) and political. The High Representative welcomed the AU's announcement in mid-November that some progress had been made on a Framework Agreement setting out principles for good neighbourly relations between North and South Sudan.

However, considerable work remains to bridge the gaps between the CPA parties on post-referendum issues such as oil, currency, debt, security arrangements in Blue Nile and Southern Kordofan and future arrangements on citizenship. The still unresolved issue of Abyei is a particular concern.

In the past, the EU supported UNDP's Interim Disarmament, Demobilisation and Reintegration Programme as part of its conflict prevention and peace building efforts (see answer to question 8 below).

The fact that the GoS is not cooperating with the ICC has had a considerable impact on the EU/Sudan political dialogue and development cooperation. There is no longer a structured political dialogue with the GoS under Article 8 of Cotonou (although this was always very formal and not particularly productive). The EU has a policy of avoiding all but essential contact with ICC indictees, in line with the ICC Prosecutor's request to the UN Security Council. This has had implications for the EU's engagement with President Bashir, although the EU has continued to engage with a number of his senior advisers.

The ICC indictment has had a seriously negative impact on the humanitarian presence and capacity in North Sudan since March 2009. Humanitarian space in Darfur has significantly shrunk.

3. What development and humanitarian aid does the EU provide to Sudan, north and south? How effective is the EU's aid in contributing to the avoidance of conflict and maximising the opportunities for peace-building? Is the aid reaching the people, and serving the purpose for which it is intended?

Given the scale of humanitarian needs, Sudan has been one of the European Commission's largest country programmes in recent years with annual funding levels exceeding 100 million Euros. The bulk of this assistance has been for Darfur but the allocation to the South has increased, together with needs, since 2009. The Commission has eight technical experts present on the ground.

In the South, the priority between 2005 and 2009 was to support the reintegration of returnees. With the increasing number of emergencies linked to inter-tribal fighting and food insecurity from 2009, ECHO increased its focus on preparedness and emergency response.

The Commission also supported humanitarian contingency plans in the run up to the South Sudan Referendum by providing an additional 17 million Euros to support key humanitarian pipelines by pre-positioning of food and non-food items.

The European Commission mobilised €400 million of development assistance for Sudan under the 9th EDF, of which 45% was allocated to South Sudan. The decision by the Government in Khartoum not to ratify the revised Cotonou agreement (because of a

clause requiring cooperation with the ICC) meant that Sudan has not been eligible for the 336 million Euros (earmarked for the period 2008-2013) to which it would otherwise have been entitled under the 10th EDF.

Ongoing cooperation is therefore limited to projects still being funded from the 9th EDF (most of which will be completed in 2011 and 2012.) and horizontal budget lines such as the Instrument for Stability and the European Instrument for Human Rights and Democracy.

However, the EU has mobilised an additional 150 million Euros from 9th EDF de-committed ("special") funds to assist war-affected populations in Sudan, including in the South, the East, the Transitional Areas and Darfur. Following a Council decision in July 2010 these funds have been allocated to agriculture development/food security, delivery of basic services and the promotion of democratic governance. 60% of these funds are earmarked for the South.

The perspective of continuing development cooperation with Khartoum in the framework of Cotonou appears difficult and innovative ways to maintain the relationship will have to be explored. On the other hand, following independence, South Sudan is expected to apply to become an ACP country, ratify the Cotonou Agreement and thus become eligible for EDF funding.

The EU's current and future development aid is intended to bring a peace dividend to the people in those areas of Sudan, both in the North and in the South, most affected by war. The EU contributes to conflict prevention and peace-building by improving food security, rural development and the delivery of basic services. In Darfur and South Sudan, half the population are dependent on what is currently the world's largest food aid operation.

The provision of basic services such as water helps to reduce the risk of conflicts driven by competition over resources. Similarly, in areas which receive large numbers of returnees, provision of services is likely to reduce tension between returnees and host communities.

When humanitarian actors still had access to rural areas of Darfur, ECHO was able to fund organisations supporting nomads and rural communities, thereby reducing the risk of further large-scale displacement.

The European Commission takes a number of measures to ensure that its humanitarian aid reaches the intended beneficiaries. Implementing partners have the obligation to report regularly on the progress of operations and beneficiaries reached. The Commission has eight technical experts present on the ground, whose job it is to monitor the operations and verify whether aid is reaching the most vulnerable. In Darfur, given access constraints, the Commission applies additional controls to make sure implementing partners have the necessary operational capacity to reach the intended beneficiaries.

4. How is the EU engaging with Member States and other aid donors to ensure maximum efficiency? What, if any, problems are created by the absence of a new EU Country Strategy Paper and the way in which resources are allocated to Sudan under the European Development Funds?

EU support to Sudan is frequently discussed in Brussels in the Council working groups. On the ground, the EU delegation and EU Member States' Embassies meet regularly to exchange information and coordinate their programming priorities. In Juba, six EU Member States are co-located in the same compound with ECHO and the EU Delegation Juba office.

At the 22 February 2011 Informal Development Ministers' Meeting in Brussels, EU Member States agreed to pursue a "joint programming" approach for South Sudan.

Coordination with other donors is also taking place through high-level visits to Brussels and on a regular basis in Khartoum and Juba, including through participation in the "G6" Group of major donors (US, UK, UN, World Bank, EU, Norway) and participation in sectoral working groups involved in preparing the Government of Southern Sudan's Three Year Development Plan (2011-13).

In September 2010, the European Commission hosted a high-level conference in Brussels with other international donors on strengthening South Sudan's core governance functions in the period up to July 2011.

Programming large-scale development assistance for South Sudan will be a particular challenge given its huge development needs, weak administrative structure and lack of state capacity. Innovative ways to channel development aid effectively will need to be explored given the so far disappointing performance of the Multi-Donor Trust Fund.

Multi-annual programming of EDF funds for South Sudan will have to await the accession of an independent South Sudan to the Cotonou framework. In the meantime, the European Commission has produced an ad hoc programming document (adapted to the structure of a Country Strategy Paper) for the 150 million Euros "special funds" programme, which could be a starting point for assessing further programming needs. The Government of Sudan's Three Year Development Plan (expected to be ready in May) will also be a key reference document for planning and programming development assistance for South Sudan. The EU has the sectoral lead on natural resources.

5. How successful has the EU been in its policy of upholding the principles of accountability, justice and reconciliation as part of its peace-building efforts? How does the EU intend to deal with the problem of corruption?

The EU has been a pioneer in supporting justice and reconciliation as part of peace-building through its support for a North-South cross border cooperation project implemented by the NGO Concordis.

For the past five years, the European Commission has supported a range of projects in the field of governance including capacity-building and infrastructural support under its Transitional Programme for Post-Conflict Rehabilitation and Capacity-Building in Sudan (RECAP- 70 million Euros). Capacity-building projects in South Sudan have benefitted the GoSS Ministry of Legal Affairs and Constitutional Development, the judiciary and the South Sudan Legislative Assembly. The GoSS has asked the EU to continue its support to the governance sector, which is fundamental to laying the basis of a democratic system.

Under the Special Fund for Sudan, the allocation aimed at strengthening democratic governance will include activities contributing to accountability by enhancing the capacity of the anti-corruption structures at GoSS level and in the ten states and supporting awareness raising about anti-corruption measures.

Together with other major development partners, the EU has also urged the GoSS to create a mutual accountability framework in the Three Year South Sudan Development Plan. The EU recognises the need for a holistic approach to deal with the problem of corruption including through the strengthening of procurement processes and public sector financial management to allow tracking of how money is spent, the establishment of an effective Auditor-General's Office and Anti-Corruption Commission and the empowerment of civil society, the media and legislative assemblies to exercise effective oversight.

6. How does the EU coordinate its activity with that of the UN and other major players, (the AU and other regional organisations, Sudan's neighbours, the international troika (UK, Norway and US), members of the UN Security Council)?

Sudan is on the agenda of nearly all EU high level political dialogue meetings with major international partners, including the African Union, UN, P5, South Africa and Norway.

The EU coordinates its activity with major players mainly through the EUSR for Sudan. The EUSR is in touch with Special Envoys and Africa Directors from other EU Member States (UK, Netherlands, Sweden) and maintains close working relations with Special Envoys from the US, China, Russia, Norway, Canada, Japan, the African Union and the League of Arab States.

The EUSR takes part in meetings of the E6 (P5 plus EU) Special Envoys. The most recent E6 meeting took place in Doha in December 2010. The EUSR met P3 Special Envoys in the margins of the AU Summit in Addis Ababa on 31 January 2011 and took part in a wider meeting of Special Envoys (E6 plus Canada, Netherlands, Sweden, Japan, Arab League) convened by Joint Special Representative Gambari in Nyala on 18 February to discuss the Darfur peace process.

The EUSR is also in close touch with the Special Representative of the UN Secretary-General Haile Menkerios and his team in Khartoum and Juba, the UN/AU Joint Chief Mediator for Darfur, Gibril Bassole, and Qatari Minister of State for Foreign Affairs Al Mahmoud, the AU High Level Implementation Panel led by President Mbeki and his team, the UN/AU Joint Special Representative for Darfur Ibrahim Gambari and with international NGOs.

Close coordination with key players is also ensured through the work of the EU Delegation in Khartoum and its office in Juba. The EU Delegation meets regularly with EU Heads of Mission in Khartoum to discuss the latest political developments and the appropriate EU response. The EU office in Juba is co-located with the offices of several Member States in the same compound.

The EU Delegation in New York is in close contact with DPKO and OCHA and UN Security Council members over Sudan-related business in the UN. The EU Delegation in Addis Ababa also maintains close contact with Jean Ping, the Chair of the AU Commission, and Ambassador Lamamra. There is also an informal coordination group meeting under Norwegian leadership in New York, which brings together key partners, including the EU, the UK, France, Germany, the Netherlands, the US as well as UN agencies and the World Bank.

7. What support is the EU providing for security sector and rule of law reform in south Sudan? Is the EU providing support to regional disarmament and reintegration initiatives in south Sudan, and if so, are these proving successful?

The GoSS has repeatedly emphasised the need for capacity-building in core governance functions, including security and rule of law. The EU's support (to date) for rule of law is covered in the answer to question 5. In the security sector, the European Commission has provided support for DDR (see below) and demining. A 5 million euro project, which ended in December 2010, supported the deployment of landmine impact survey teams, marking and/or clearance of high priority areas and raising mine awareness and mine clearance local capacity.

Governance and rule of law is one of the areas already highlighted for support under the "Special Funds" programme for South Sudan. An EU inter-services mission visited Juba in February 2011 to make a preliminary assessment of possible EU support to an independent South Sudan. It concluded that South Sudan would face significant stabilisation and state-building challenges for a number of years; and that the EU should do more to try to manage conflict risks, particularly in the volatile North-South border area; and that the EU should use its range of instruments to support stabilisation in the South, working closely with the UN and other donors and taking account of the GoSS's

own priorities. The Mission identified a number of possible options for additional EU support.

The UN Development Programme has suggested that the EU engage in building up the justice sector in South Sudan after independence. DPKO has also indicated an interest in such an EU action. An engagement could be possible, for example in the framework of CFSP. EU Member States have so far not taken a decision on such an engagement.

As part of the EU's support for the security sector, the EU and some EU Member States have been supporting UNDP's Interim Disarmament, Demobilisation and Reintegration Programme for ex-combatants in South Sudan and the Three Areas, as one of the pillars of the CPA, to contribute to peace-building and conflict prevention. Unfortunately, this programme has stalled due to lack of political will by the two CPA parties to commit to a DDR process that would meaningfully reduce their military capability in advance of the referendum and practical problems with implementation. Short-term reinsertion benefits could not meet the expectations of veterans in the absence of any structure for long-term pensions and the limited absorptive capacity of local economies to support alternative livelihoods. In February 2011, donors and the GoSS requested suspension of the programme. It is currently under review.

8. How united is the EU in its attitude towards Sudan? If there are differences of approach between Member States, where do they lie? What are the EU Member States' main commercial interests in Sudan, including in the energy sector? How does this affect UK and EU policy-making towards Sudan?

There are no major differences between EU Member States in their approach to Sudan. The existence of a broad consensus is reflected in Foreign Affairs Council Conclusions over the last year.

The main areas of opportunity for foreign investment in Sudan are oil and gas, agriculture and construction. Sudan is not currently a major trading partner for the EU but some member states do have commercial interests in the energy sector. For example, the French company Total SA has a concession in Block B in Jonglei State in South Sudan. It is due to start exploration by April 2011. In August 2010, the Finnish company, Fenno Caledonian, signed an oil and gas exploration agreement for Block 10 in the eastern part of North Sudan; and also has a stake in Block 14 in Northern state. In July 2010, the Luxembourg-based company, Star Petroleum, signed an oil exploration contract in Block E, which covers five states in South Sudan and Darfur.

Commercial interests do not significantly affect EU policy-making towards Sudan. EU policy is driven by the imperative of humanitarian assistance, conflict prevention, human rights and democratic transformation rather than commercial interests.

9. Which countries export arms to Sudan? Is the EU taking steps to stop the import of arms into Sudan? How effective is EU action to address the problem of small arms and light weapons (SALW) in Sudan?

The EU is concerned about the proliferation of weapons, including small arms and light weapons, in Sudan. In 1994, the EU imposed an arms embargo on the whole of Sudan, which has been applied ever since (Council Decision 94/165/CFSP, Council Common Position 2004/31/CFSP and Council Common Position 2005/411/CFSP). By enforcing its arms embargo, the EU and its Member States are contributing to reducing the number of arms entering Sudan.

The EU supports the work of the UN Panel of Experts on Darfur, which has investigated alleged breaches of the UN arms embargo on Darfur and reported them to the UN Sanctions Committee. However, due to lack of consensus in the Committee, the 2010 report of the Sudan Panel of Experts has still not been published. According to the 2010 Annual Report of the Sanctions Committee, the Panel of Experts described continued violations of the arms embargo.

10. Are the activities of the EU and its Member States and China complementary or in conflict?

Given China's substantial commercial investments in both North and South Sudan, the EU and China share a common interest in peace-building and the establishment of positive post-referendum relations between North and South. China is supportive of CPA implementation. A Chinese monitoring team observed the South Sudan Referendum and welcomed the successful completion of the process.

China and the EU also share a common interest in a comprehensive and sustainable peace settlement in Darfur.

China has had a close strategic partnership with the Government in Khartoum since the 1990s. More recently, it has also established a Consulate-General in Juba. China has invested heavily in the energy sector (mainly oil exploration and refining) and agriculture and has provided large concessional loans for big infrastructure projects, particularly dams, roads and bridges. In this respect, China's activities are complementary to those of the EU and its Member States, who have focused more on humanitarian assistance, capacity-building, governance and human rights. China provides direct funding to Government Ministries, whereas the EU and its Member States fund projects through NGOs and international organisations.

The EU has close contacts with Chinese counterparts bilaterally and through the E6.

**Peter Zangl and Sophie Vanhaeverbeke, DG Humanitarian Aid and
Civil Protection (DG ECHO), European Commission**

Oral Evidence, 15 March 2011, Q 205-223

EVIDENCE SESSION NO. 7. HEARD IN PUBLIC

Members present

Lord Teverson (Chairman)
Lord Radice

Examination of Witnesses

Peter Zangl [Director-General for DG Humanitarian Aid and Civil Protection (ECHO)], and
Sophie Vanhaeverbeke [Head of Sector Humanitarian Aid for Sudan and Chad].

Q205 The Chairman: Mr Zangl, thank you for meeting us this afternoon.

Peter Zangl: It is my pleasure, even if it is possibly one of the worst days we could think of.

The Chairman: I know that DfID and ECHO work very closely together in many areas. The work of ECHO is very much appreciated and highly regarded by DfID. I am sure you know we are doing an inquiry primarily on South Sudan but it really involves the whole of Sudan. As a Committee, we feel that it is an important area because, with the success of the referendum, it is one thing to follow it through but it is important that the momentum is not lost. We are looking to see what role the European Union can and should play as part of the international community in that area.

This is a day and a half in Brussels at the European end. We have taken some evidence in Westminster, although we are not going to Sudan itself.

Peter Zangl: You may possibly regret it.

The Chairman: Yes, in some ways one would like to do that. We sometimes visit places that we study but not every time. Just to be clear, this session is public, although the public are not here. It will be recorded and we will send you a copy of the transcript.

We have 30 to 45 minutes. Could you give us some background on ECHO's potential role?

Peter Zangl: We will give you a two-page standard factual description of what we are doing in Southern Sudan. In answer to your question, I would like to speak about the whole of Sudan. It is not only important; it is our line from the outset.

First, I welcome that you are taking an interest in what we are doing. I agree that co-operation with DfID is good and easy. All the reviews taking place, one way or the other, indicate that we are strong and good partners, which does not prevent us from time to time having differences of view. We would not be good and strong partners if we could not have that luxury. But mostly we work hand in hand, which is very good, particularly in the case of South Sudan.

In Sudan overall, we are spending something like 100 million plus in humanitarian aid every year for the past five years or something like that. In humanitarian aid standards, that is a tremendous amount. There is a huge difference between having, say, 10 million in humanitarian aid and 10 million in co-operation development. There is no value judgment behind that. I am not saying that for 10 million in development you could do more. That is not my view. From our standards, for example, if you look at the big crises in 2010, we did 130 million in Haiti and 150 million in Pakistan. As soon as you are above 100 million, you really have a big, big crisis.

Sudan is one of our priorities. After the peace agreement of 2005, we decided to continue humanitarian aid intervention in South Sudan. Unfortunately, we were right to do so. We have always advocated that OCHA should come back and we were very disappointed by the decision of the UN system that OCHA was withdrawn in mid-2006 after the peace agreement. We were satisfied when OCHA started coming back in 2009.

In addition, we have benefited not only from the return of OCHA but its return together with a very strong Humanitarian Coordinator, a deputy, running the office in Juba. The main one is in Khartoum. She is excellent and this very much facilitates co-ordination on the ground. Having looked at the possible questions you may have and your interest, co-ordination is always important. It is important in the way we use taxpayers' money. A good, professional and committed humanitarian co-ordinator is a base for the good co-ordination of humanitarian aid on the spot. This is what I want to say from the outset.

In previous years, when everyone was concentrating mostly on Darfur, we said, "Please don't forget about South Sudan". Now, as everyone has a tendency to look at South Sudan, we equally are advocating, "Please don't forget the north" and "Don't forget Darfur" where, as you know, the situation is deteriorating on a daily basis.

In South Sudan, we aim for continuation of what I would call traditional emergency and relief aid, which will be particularly important in relation to population movements as the new state is established as of 9 July. Since 2005 not only have 2 million people returned, they have returned to a zone where they have never lived and where they will not be resistant to the climate and conditions that they will encounter. In addition, health and other related infrastructure is between weak and non-existent, which means that a health scare is one of our other priorities. Did I forget anything Sophie?

Sophie Vanhaeverbeke: Regarding the displacement, after the CPA in 2005, 2 million people came back. Now you have another movement of population coming from the north towards the south. There were 2 million refugees and displaced people after the CPA. That is what Mr Zangl was referring to. Now, additional people are arriving from the north and they need assistance.

In addition to that, Southern Sudan is always affected by natural disasters, epidemics, floods and conflicts. If you listen to the news these days, it continues in several areas in the south. Unfortunately, it is likely to continue and we try to strengthen the preparedness and the response to these new emergencies, which come all the time.

Q206 The Chairman: That is very useful background to what we are doing. Does the EU humanitarian aid programme include the aim of reducing conflict? Are you applying best practice in this respect, including the OECD guidelines—I must admit that I have never read them myself—on conflict prevention in fragile states? We are trying to understand a bit about that area.

Peter Zangl: It is an important question. The blunt answer is no. But of course it would be helpful to have a background explanation. Humanitarian aid being neutral, by definition, cannot have an aim to reduce conflict because that could be seen as taking sides. Those are the basics and from that point of view the answer is no.

When you provide humanitarian aid in those regions, a good part of the conflicts, as we know, is very much linked to the shortage of resources and people fighting each other to get access and control over resources. As much as humanitarian aid helps to stabilise the availability of resources—from time to time, we move into disaster risk reduction which can include securing a higher level of availability of resources—it has a collateral impact. We contribute to reducing one of the possible origins of conflict. We have an understanding that we are totally independent of that objective, which is true. Our interventions are not impacted or influenced by how much we contribute to decreasing conflict risk or not. At the same time, we are very happy and very much looking at how much our intervention helps to decrease tensions in the original conflict.

To come back to your principles, we do not look into them because it would be counterproductive.

Q207 Lord Radice: One of our questions is, “Do you agree with reports that donor co-ordination in South Sudan is chaotic?” To be honest, I am not sure that there is anything very much in that report. We have heard that there is now quite good co-ordination between all the donors in South Sudan, including even the Chinese. Is that correct?

Peter Zangl: I have to move one step backwards and return to the difference between development co-operation and humanitarian aid. I do not know about development co-operation but I would see the Chinese pointing more towards the side of development co-operation. On that, I have the same view as many other people who read the newspapers.

Q208 Lord Radice: We have also spoken to the development aid people today.

Peter Zangl: Which hopefully proved reassuring.

Lord Radice: Yes, it did. Basically, they set out the various ways in which they were experiencing very good co-ordination between the different countries.

Peter Zangl: As I indicated at the beginning, humanitarian co-ordination has much improved since OCHA has moved back. In addition, coming back to co-operation with DfID, DfID is possibly one of the most advanced in terms of preparation. In a sense, if you are running ahead of many others, you streamline the process, which means that you co-ordinate what is happening anyway. There are two ways that it can be done. One is through ECHO, although modesty prevents me going into that. You possibly have two big players who have reasonably clear ideas, and I would say that we are well organised with DfID to ensure that those ideas are coherent. In addition, we have a strong OCHA/Humanitarian coordinator on the spot. Altogether, that brings us to the view that on the whole humanitarian aid co-ordination is quite good. I say that because there are many places on earth where we are concerned about how it is working. In the case of South Sudan, at least we are reasonably sure that it is at a high level. That does not mean that we should not try to improve it but overall we are on strong ground.

Q209 The Chairman: In practice, how does that co-ordination work between the major donors of humanitarian aid? Is it co-ordinated over there or here?

Peter Zangl: It is difficult because some of the actors are there but many of them are not present on the spot. The main humanitarian co-ordination takes place in Juba, and partially in Khartoum, but cooperation with Member States takes place here in COHAFA in Brussels. Those who are not present in one of those places will of course have to come here. Co-ordination on the spot is good, and it is reasonably well complemented by what we do in Khartoum. As you may know, it works also through the cluster system. How would I define “cluster system”? It is a system of technical groups in which information and needs assessments are exchanged and thus co-ordinated. I always hesitate to use the word “co-

ordination” because it has quite a different meaning depending on whether you use it in London or Rome. In Rome, it means that someone is deciding “You do this and you do that”. The more you move north, the more you come to the conclusion, “Ah, you are doing that, so it makes sense for me to do this. Fine, we will go on doing that”. I tend to be of that school of thinking. In this institution and with the European remit, I have learnt to be a little cautious about using the word “co-ordination”. How we organise the different clusters will depend on our priorities. The clusters are the groupings we use to define how to distribute food aid or organise health service provision or decide who is in charge of what. In South Sudan where this system has been recently rolled-out it is showing positive results. I have one comment to make about COHAFA in Brussels, which is the Council working group dealing with humanitarian aid. We would possibly wish for a more continuous presence of the UK delegation in the meeting room, as it is not always as present as we would like it to be. That is possibly the only area where I would see room for improvement in your participation.

Sophie Vanhaeverbeke: We are now in a transition period, where humanitarian actions are going to be reduced and long term development actions are going to increase. Normally, this should strengthen actors presence on the ground. In Southern Sudan, everything is complicated, first, because of limited capacity—not only the capacity of the organisations working there, and the high turnover of staff - but also the overall capacity in Southern Sudan: When you look at the Government and the institutions in Southern Sudan, there are very few skilled people. In this transition phase we have to co-ordinate a lot with the Sudanese and with the development actors. Where are we going to find the people to co-ordinate with, not only in Juba but at the state level? It is going to be very complex. Humanitarian co-ordination works, thanks to the people on the ground and the cluster system which is starting to be implemented. We would not like that to disappear just because development is now coming in. We should use what exists and build on it, at least during the transition period. That is what, as humanitarians, we try to advocate for, knowing how complex it is to implement a co-ordination system. There are many different actors with different timeframes and different objectives, so it is going to be complicated, especially in a context such as South Sudan. We hope that they will learn from the humanitarian side and build on it, at least during the transition period when we need everything to be set up.

Q210 Lord Radice: What about corruption in South Sudan? It is the sort of question that our constituents will ask. Is the money being properly spent, and what about the fact that South Sudan has received substantial oil revenues but apparently has very little to show for it? In a sense, these are populist questions but it is important to ask them.

Peter Zangl: Fortunately, with regard to humanitarian aid that is not too difficult a question. Of course, paradise does not exist—I am not saying that there is no corruption whatever in the humanitarian funding system. We implement humanitarian aid through our partners—the UN family agencies and the Red Cross family—or our European-based partners, and they sub-contract part of what they do on our behalf to local agencies or NGOs. We even push them to do it to help local communities to join in, to be interested and, on the way, to build expertise. Not a single euro of what we spend goes through a public government system. It all goes through our humanitarian systems (UN agencies, INGOs and the Red Cross/Red Crescent family). If it is the WFP, we will pay the WFP for what it provides and then the WFP will sub-contract to another organisation. We monitor any of our projects at least once a year to be reassured that the aid arrives to the beneficiaries and that it is provided in the quantity and of the quality that we expect. Of course, in any system you are always exposed somewhere but I think that, compared with those on the development side who work with governments, we are far less exposed. The regular audit activity that we carry out

does not bring up information that would cause a tremendous number of sleepless nights on my part. You have to monitor and watch it, and you have to audit it and be tremendously behind it, but because of the way the system is built, corruption is not our main concern.

Q211 Lord Radice: What about the oil revenue?

Peter Zangl: It is not relevant to us. It becomes relevant only in certain situations. I can pick an example that I had this morning dealing with the DPRK, with which you are familiar. There, the question is very different because there is a shortage of resources in the country but the question is: how much would we be invited to come in? The question is one of buying food on the world market. However, that is not the case with South Sudan, and we would rather see much of the oil income being used for building infrastructure.

Q212 The Chairman: At the moment, we are also taking an interest in Libya.

Lord Radice: I assume that you have been very much involved in the Libyan crisis.

Peter Zangl: Basically, we have done two and a half things. We have addressed the situation on the borders, and I shall come to that in a minute. In ECHO you have two legs. You have the traditional humanitarian aid leg and, for the past year, the civil protection leg. Through the civil protection leg, we have helped with co-ordinating the emigration of EU citizens out of Libya. This involved sharing information and making sure that planes returned full regardless of people's nationality. That was one strand. The second strand was working at the two borders, mostly the Tunisian border. Funding HCR for instance whether they are refugees, IDPs or whatever sort of people in need. It is fine to call them refugees because they have left their country and are no longer in a country that they can call their own. There were two groups—one Egyptian and the other Pakistani or Bangladeshi. We helped them first by giving them shelter and food on arrival, and, secondly, by organising mostly through the International Organisation for Migration the repatriation of those people to avoid creating a humanitarian crisis. The IOM is half a UN body, if I may put it like that. This worked well. It co-funded transport capacity, involving the provision of planes, receiving people at the border, and helping them to organise themselves and so on. We have made money available to intervene inside Libya as much as needed and feasible.

Q213 Lord Radice: What does that mean?

Peter Zangl:

Either we have the first scenario, which is that Gadaffi has been defeated—

or

a civil war is going on, and then we are dependent on access to the population in need. Then we will have to advocate access to the different conflict zones.

Peter Zangl: This is roughly what we do for Libya. Of course, like you, we are watching the situation every minute.

Q214 Lord Radice: What about Japan?

Peter Zangl: Japan takes up half my day. On nuclear security, we are mainly observers in the sense that we depend for information on security levels and radiation levels to see how much assistance we can dispatch to the region and the people. This morning, we received a

request from Japan for assistance, and we are now working on implementing it. They gave a list of what they think they need, and we are organising to provide them with it.

Q215 Lord Radice: What kind of things do they need?

Peter Zangl: Up until now, surprisingly, they have asked for basic things: blankets, water and basic medicare.

Q216 Lord Radice: Presumably for the 200,000 people who are homeless.

Peter Zangl: Yes, there are two ways of reading it. Either they are a little lost and ask for things that they will need anyway; or they want to go on taking care of most of it themselves and just say, "We will need more water, blankets and surgical equipment". The future will show, but we respect that Japan will say how it wants to handle it. If they do not want us to come in heavily, we will not pretend that we shall do that.

Q217 The Chairman: I think we need to keep off Japan. I want to come back to Sudan on a couple of points. Forgive me for asking a very simple question, but presumably the problem that the EU has getting development aid in because of the ICC problem does not affect ECHO at all.

Peter Zangl: That does not affect us at all. Our main concern is that there is a side effect which is that, for two years, since the ICC process started, there was retaliation, in inverted commas, from the Khartoum regime, expelling NGOs. The impact from outside is how much that negatively affects access and capacity to deliver aid in North Sudan, aid that was mostly concentrated on Darfur. There (in Darfur), the situation, including security, is still deteriorating. We are tremendously concerned about how long we will continue to be able to deliver aid to Darfur, where the situation is very bleak. That is our main concern, as much as South Sudan up to now, where, as we can read in many reports, most things went well. In Darfur, the situation is rather the opposite.

Q218 The Chairman: That is important to us. Although we have discussed Darfur a bit, you are the first person to make it sound quite as bleak as that. Where is it likely to get to and how quickly? What do you see happening in Darfur and what effect will that have on the north and south Sudanese issue?

Peter Zangl: It is between difficult and impossible to say. We are not excluding that military clarification will take place soon. Every time you think that the military situation is resolved, conflict starts up here and there. The situation is still far from being settled.

Q219 Lord Radice: [Off the record]

Peter Zangl: [Off the record]

Sophie Vanhaeverbeke: [Off the record]

Q220 The Chairman: You will have to forgive our ignorance here. Is the Sudanese military taking control in Darfur bad or good?

Sophie Vanhaeverbeke: It is a continuation of the conflict, so we are back in the years of 2003-04 when we had the Sudanese armed forces intervening directly or using militia.

The Chairman: I am aware of the surrogate military being one of the big problems in Darfur.

Sophie Vanhaeverbeke: The Janjaweed. So they are using proxies and their own forces and they try to take control of the rebel-held areas. It happened in 2003-04. It generated millions of displaced and affected people. Then fighting has been on hold for some time, while displacement continued for other reasons (including bad rains and food insecurity). Now

militaries are back and are trying again an offensive to win the war. Peace process efforts have continued.

Peter Zangl: Then they may dismantle the camps, which would be the worst option at this time. People have to live somewhere. In Darfur, we are in a difficult situation. In a sense, there is no immediate perspective for Darfur.

Sophie Vanhaeverbeke: We have no capacity to monitor what happens. Most of all, we have almost no capacity to help the people affected by the conflicts, which is our mandate.

Peter Zangl: This lack of capacity is due to abduction (of humanitarian and peacekeepers), insecurity and expelling. We put the question: how long will we be able to do something in Darfur? The answer is that we shall go on trying.

Sophie Vanhaeverbeke: We cannot just stop all funding saying, "Let us wait for a better situation", because once you leave Darfur you cannot come back. Everything is a question of having access granted by the authorities. There are continued expulsions of humanitarian or administrative impediments to their work.

To add something, the ICC and the no access to EU development funds has an impact on our work. One of our entry points is the mortality rate and malnutrition. In Sudan, high mortality and malnutrition rates are linked to the lack of access to basic services and the lack of development. As long as there is no real development of state structures and ministries, this situation will not improve, meaning that the indicators for the humanitarian situation will remain extremely concerning, and will have to stay longer than we would like.

Q221 The Chairman: That is a very important point. Again on Darfur, people have said to us a number of times that the Americans have been a big influence in the comprehensive peace agreement and the delivery of the referendum, but it is also said that for Sudan to gain everything that it wants to gain from the United States, there is a Darfur dimension to American approval. Why is that not working to restrain Sudan in Darfur, where it has worked on the Comprehensive Peace Agreement?

Sophie Vanhaeverbeke: It is more for political colleagues to reply to that.

Peter Zangl: [Off the record]

Q222 The Chairman: If you are able to give us something on the record, I would appreciate it.

Sophie Vanhaeverbeke: One answer is because there is no common strategy. What Khartoum decides is not always followed by Darfur. There is a major divide between Khartoum and the rest of the country at all levels; it concerns development but also politics. You can have a discussion and negotiation going on in Khartoum but it is not necessarily followed by the people in Darfur.

Q223 The Chairman: But if the military goes in there, that is Khartoum isn't it?

Sophie Vanhaeverbeke: But in Khartoum you also have hardliners and moderates; this has to be seen in the big picture.

⁹There will be no peace in Sudan if you just concentrate on one region after another. That is why it is called a comprehensive peace agreement. The border between south Darfur and the south of Sudan is disputed. Nobody is going in that area to monitor what really happens, but there will be consequences from what will be agreed between the North and the South.

⁹ The following comment refers to the link between Darfur and South Sudan.

As an international community, we have to continue looking at all the issues at the same time.

The Chairman: There are a lot of things that I have left out, so I will be in big trouble with my Clerk, but we have to finish there. Thank you for a really interesting and enlightening session, and long may the work of ECHO continue—although I suppose that you want it to stop in the end, but things such as earthquakes will continue.

Peter Zangl: Thank you for that. I would like to be in a position to disband ECHO tomorrow, but I fear that in 50 years' time it will still be needed, unfortunately.

Foreign and Commonwealth Office

Written evidence (SUD 2)

I. What is the EU's overall policy towards Sudan and does this closely reflect UK policy? What is the history of EU relations with Sudan and how does this affect the current relationship?

The EU discussion paper on Sudan, "Sudan – The Way Ahead", dated 20 July 2010 identified the subsequent 12-18 month period as critical for Sudan, in the run-up to the Southern Sudan Referendum. Its vision for the EU's engagement over this period was "the development of a peaceful and prosperous Sudan in a stable regional setting notably through full implementation of the Comprehensive Peace Agreement (CPA) and agreement on post-referendum modalities".

On 26 July 2010 the Foreign Affairs Council underlined the EU's readiness to support the following areas in its engagement on Sudan:

- the upcoming referenda processes in South Sudan and Abyei through substantial technical and financial assistance,
- peaceful implementation of the CPA, reaching an agreement on post-referendum issues and working towards long term regional stability,
- the work of the African Union High Level Implementation Panel,
- capacity building and assistance to meet the challenges faced by South Sudan,
- efforts to address insecurity and reach a lasting peace settlement for Darfur,
- the work of the International Criminal Court,
- continued development and humanitarian assistance across Sudan.

The history of the EU's engagement on Sudan has evolved over the last 10 to 15 years. The European Commission's humanitarian aid department (ECHO) has provided humanitarian assistance to Sudan since 1994. Up until 2005, more than €500 million is reported to have been made available by the EC to Sudan in the form of direct relief assistance. This period was characterised principally by the provision of emergency assistance, with limited or no development assistance and reportedly limited direct political dialogue between the EU and Sudan¹⁰.

¹⁰ http://ec.europa.eu/delegations/delsdn/en/eu_and_sudan/bilateral_relations.htm

The Comprehensive Peace Agreement, signed on 9 January 2005, was witnessed by the EU, along with three of its Member States (UK, Netherlands and Italy) and a number of other countries and inter-governmental organisations. The CPA established a clear framework for cooperation between North and South Sudan across a number of areas related to power and wealth sharing, and security arrangements. It also provided the opportunity for increased international assistance, including from the EU, to support CPA implementation.

Shortly after the CPA was signed the EU appointed a Special Representative for Sudan on 18 July 2005. The role continues, currently occupied by Rosalind Marsden (formerly Britain's Ambassador to Khartoum), with a mandate to lead on EU engagement across Sudan, including in support of the CPA and resolution of the conflict in Darfur. The EU delegation is also represented at the Assessment and Evaluation Commission, the body established under the CPA and tasked with monitoring its implementation.

The EU has been actively involved on Sudan during the period of the CPA. Most recently, it provided technical and financial support to the Sudanese elections held between 11-15 April, and deployed an Election Observation Mission to monitor proceedings. The EU provided similar support for the Southern Sudan Referendum and has been politically and technically engaged in supporting resolution of other outstanding CPA issues. EU activity in Sudan has been mirrored by close engagement in Brussels. In the last 12 months EU Foreign Ministers have discussed Sudan and agreed Council Conclusions on five occasions.

The overall EU policy towards Darfur is broadly in line with the UK policy. This policy continues to focus on the need to cease hostilities and reach an inclusive settlement that addresses the root causes of the conflict and bring peace to the people of Darfur. This is reflected in both EU and UK action and communications.

We, along with the EU and most of the international community, have fully supported the Darfur Peace talks in Doha and the work of the AU/UN Chief Mediator, Bassole. The EU, along with all Member States, continues to call on all parties to cease hostilities and engage in the negotiations in Doha.

The EU has provided development and humanitarian assistance to both North and South Sudan. In the North this has principally focused on humanitarian assistance to Darfur, Eastern Sudan and other deprived areas. In the South the EU has provided humanitarian assistance as well as longer term capacity building support to the Government of Southern Sudan and provision of basic services. The EU has signalled its intention to remain engaged in Sudan beyond the end of the CPA in both North and South. This continued engagement is demonstrated by the fact that ECHO's budget across Sudan for 2010 was €136.6 million with €100 million planned for 2011. Beyond the significant financial support the EU provides to the people of Sudan, it is also active in encouraging coordination, in line with aid effectiveness principles, between EU donors and other organisation (such as the AU and UN)

EU policy towards Sudan closely reflects the UK approach both in terms of level and areas of engagement, and overall objectives. The UK has engaged actively with individual Member States and in Brussels to encourage strong alignment. Both the EU and UK share the objectives of full CPA implementation, establishment of constructive relations between North and South Sudan longer term, resolution of the situation in Darfur, financial assistance

to reduce poverty and promote development, and support for the International Criminal Court.

2. How united is the EU in its attitude towards Sudan? If there are differences of approach between Member States, where do they lie?

We judge that there is a strong degree of alignment within the EU behind its policy towards Sudan. Sudan is not a majorly divisive issue in Brussels. There are differences in emphasis, with some Member States holding a particular interest in certain aspects of Sudan policy. For example, the Netherlands has played a leading role on the issue of the Three Areas: Blue Nile, Southern Kordofan and Abyei. It has also been particularly active at a technical level in Sudan on these areas.

There has also been a balance of interests between Northern and Southern Sudan with some Member States' engagement focused more on Darfur and others focused on Southern Sudan. Examples include France with their engagement being traditionally more centred on Darfur. However, overall we judge that there is a balance of EU engagement geographically, and that the EU is united in its approach to Sudan.

3. What are the main causes of conflict between north and south Sudan? What is the Government's assessment of the risk of conflict in Sudan following the referendums on secession of the south and on Abyei in January 2011?

The Sudanese civil war was one of Africa's longest running conflicts. Following independence from Britain and Egypt in 1956, southern discontent with the northern-dominated government developed into guerrilla warfare across the south. The 1972 Addis Ababa Agreement, which devolved some powers to the south, provided a decade of respite. However by 1983, this had been undermined by continuing unequal distribution of power between north and the south amongst other factors. Southern rebels coalesced into what became the Sudan Peoples' Liberation Movement/Army (SPLM/A), led by John Garang. This second round of fighting lasted until the conclusion of a peace deal in January 2005.

The war has often been simplified into a north-south divide – or more erroneously, a clash of Muslim and Christian civilisations. In reality, the conflict was fuelled by persistent underdevelopment of marginalised areas of Sudan and competition for access to political and economic power. Local conflict, such as over grazing or access to water resources, control of humanitarian aid and ethnic/religious mobilisation have also played significant roles. In the later years of the war, there was an intensified struggle for control of oilfields which straddle the north-south border. In short, the conflict was chiefly a struggle for power and resources.

The Referenda on Southern Sudan and Abyei are key milestones in the CPA implementation process. So far only the Southern Referendum has taken place and the Abyei Referendum remains stalled. Although the Referendum process was broadly peaceful, the security situation in Sudan remains fragile, particularly in the border areas and within Southern Sudan. There are a number of risk factors. These include the potential for miscalculation on the ground by either North or South, particularly along the North/South border; the threat posed by the Lord's Resistance Army in areas close to the Democratic Republic of Congo and Central African Republic; and the ongoing low-level incidents across Southern Sudan between tribal or other groups, for which there are a number of economic, social and/or

political motivations. The risk of North-South conflict is best addressed by full implementation of the CPA and the establishment of constructive and mutually beneficial relations between North and South Sudan through resolution of the outstanding CPA issues – including the status of Abyei. We continue to press both parties to engage in serious and sustained negotiations to this end.

To combat the threats in Southern Sudan significant support is also needed to strengthen the Government of Southern Sudan's capacity to provide security to its citizens and address underlying drivers of intra-South conflict.

4. What is the Government's view of the way the referendums were held and their outcomes? To what extent are talks between the north and south making progress under the auspices of the AU High Level Implementation Panel/ What kind of support is the EU providing to the Panel? Does the 'E6' group still exist? What sort of support does it give to the AUHLIP?

The UK Government is very encouraged that registration, voting and counting for the Southern Referendum has passed off broadly peacefully to date. President Bashir visited Juba on 4 January and made clear that his Government would respect the result of the referendum even if it were for secession. This was helpful in establishing a calm atmosphere for the voting period. The process has seen significant participation by Southern Sudanese voters. The Southern Sudan Referendum Commission announced on 15 January that the 60% turnout threshold of registered voters had been met, and preliminary results of the Referendum, announced on 30 January, indicated that 99% of Southern Sudanese voted for secession.

There have been a large number of domestic and international observers deployed to monitor the process. The EU deployed an observation mission led by Chief Observer Veronique de Keyser, comprising a combination of both short term and long term observers. There has been a significant degree of commonality in the observer assessment of the process. These have concluded that the poll was credible. In its preliminary statement on 17 January the EU observation mission welcomed a 'peaceful, credible voting process with overwhelming turnout'. The African Union, Arab League and Carter Centre issued similar statements.

The UK government welcomes confirmation that a peaceful and credible poll has taken place which reflects the views of the people of Southern Sudan. The Foreign Secretary issued a statement on 18 January which welcomed the observer assessments and the successful process¹¹; he then welcomed the announcement of the preliminary results on 30 January. The UK will respect the choice of the people of Southern Sudan. We cannot offer a view on the outcome until the result is formally published (which we expect on either 7 or 14 February).

The Referendum in Abyei has not yet taken place due to disagreement between North and South over who is eligible to vote in the poll. The North believes that the nomadic Misseriya tribes, who cross through the Abyei area on a seasonal basis with their cattle, should be eligible to vote. The South believes only the Ngoc Dinka, who constitute the bulk

¹¹ <http://www.fco.gov.uk/en/news/latest-news/?view=News&id=535738582>

of permanent residents of Abyei, should be able to participate. Failure to reach agreement on this issue has prevented establishment of the Abyei Referendum Commission. It has also raised tensions in the Abyei area. Around 7-9 January there were clashes in the Abyei area between elements of the Misseriya tribe and the Sudanese People's Liberation Army/Joint Integrated Police Unit.

The British Government remains deeply concerned at the impasse on Abyei and the resulting instability. We continue to press both Sudanese parties to reach resolution on the issue within the framework of the CPA, respecting the rights of both Northern and Southern communities on the ground.

Beyond Abyei, there remain other significant areas where the Sudanese parties have not yet reached agreement and progress has been slow. President Mbeki, as Head of the African Union High Level Implementation Panel on Sudan, is lead mediator in these discussions. The UK Government has made clear its strong support for President Mbeki in this role, while emphasising that the Sudanese parties themselves must demonstrate the political will to reach agreement on the outstanding issues.

In June 2010, the parties signed the Mekele Memorandum of Understanding. The agreement established 'cluster groups' to address the remaining CPA issues, facilitated and overseen by President Mbeki and the AUHIP. The cluster groups cover: Citizenship; Security; Financial, Economic and Natural Resources; and International Treaties and Legal Issues. The details of the agreement can be found at: <http://www.cmi.no/sudan/doc/?id=1283>.

In November 2010 President Mbeki and the Sudanese parties agreed, but did not sign, a 'Framework Agreement' on CPA and longer term issues. This document set out commitments by the parties to implement outstanding CPA milestones (including the Southern Sudan Referendum) and principles for how the parties will reach agreement on longer term post-CPA issues, including wealth-sharing, the North/South border, citizenship, security and other areas. The document was not signed by the parties because of the continuing disagreement over Abyei. Negotiations between the parties are now focussed on reaching agreement on the practical details across the various areas, for instance how exactly citizenship arrangements will work after the end of the CPA. Both parties have committed to reaching agreement before the CPA ends on 9 July 2011.

The EU has a close relationship with the African Union on Sudan and has provided financial and technical assistance to the AU High Level Implementation Panel. This support has been provided through the EU's Instrument for Stability. The EU is providing experts for six months each (extendable) to the AUHIP: one expert in Minority Rights has been in place since December, and the AUHIP and EU have agreed she will also cover Darfur and drafting of a new/revised Constitution; one security expert has been recruited and is waiting to deploy; and the EU also agreed to provide a borders expert. However, the AUHIP have now requested an economic advisor instead of a borders expert, and are drafting new Terms of Reference for the post.

The 'E6' group is an informal grouping specific to Sudan between the five permanent members of the Security Council and the EU. It first met at Special Envoy level in Doha on 30 May 2009 and has since met a number of times and issued statements. The E6 last met in Doha on 6 January 2011 to discuss the Darfur peace process. While not an official mechanism we believe the E6 is a useful grouping to ensure close coordination between the

EU and UNSC, both of which share a strong interest in Sudan. There is no formal link between the E6 and the AU HIP, although individual members of the E6, including the EU, have provided direct support to the AU HIP.

5. What is the EU's policy on preventing conflict and building peace between north and south Sudan and to what extent is it successful? How could the EU's policy be improved or strengthened? What are the implications for EU policy of the indictment of President Bashir by the International Criminal Court?

As set out above, the EU's policy closely reflects the UK approach, and is focused on full CPA implementation, establishment of constructive relations between North and South Sudan longer term, resolution of the situation in Darfur, financial assistance to reduce poverty and promote development, and support for the International Criminal Court.

All EU Member States are ICC States Parties and the Court has had jurisdiction across the whole EU since July 2009, when the Czech Republic became the final EU state to ratify the Rome Statute. The EU is a strong supporter of the ICC, and provides technical, financial and political support to the Court. EU Member States have adopted a Common Position which sets out the EU's support for the effective functioning of the Court and seeks to increase global support for the ICC by promoting universal ratification of the Rome Statute.

The EU has taken a leading role in encouraging States Parties to fulfil their obligations towards the ICC by the enforcement of outstanding arrest warrants, in particular in relation to the three warrants issued by the Court for Sudanese President al-Bashir.

In the case of Sudan the EU has a policy on avoiding all but "essential contact" with ICC indictees, in line with the ICC Prosecutor's request to the UNSC. This has implications for the EU's engagement with President al-Bashir. Decisions on what constitutes essential contact is made on a case by case basis, but action to prevent of conflict could under certain circumstances be considered essential. .

The Darfur peace process has made only limited progress. However we do not accept the argument that this is due to the ICC indictments. Lack of genuine commitment to the negotiations by the belligerents is a more significant factor, and the UK, EU and international community as a whole regularly urge all parties to engage effectively in Darfur peace negotiations.

6. What development and humanitarian aid is the EU providing to Sudan? To what extent does the EU's aid programming effectively contribute to mitigating conflict and maximising opportunities for peace-building?

The European Union (through the DG Humanitarian Aid and Civil Protection – ECHO) provided EUR 136.6 million in humanitarian aid in 2010, and has committed EUR 100 million so far for 2011. More than 50% of this assistance is in the form of food aid provided by the World Food Programme (WFP) into the Darfur region. ECHO and WFP are working together to rationalise the food aid programme in Sudan.

In 2010, the EU committed EUR15million from the Instrument of Stability that will be fully contracted in 2011. This money was divided between support to the Southern Sudan and Abyei referenda, technical support to post-2011 negotiations, and in delegated co-operation

with the UK for the delivery of basic services in Southern Sudan (through the UK-managed Basic Services Fund).

EU programming was designed to support creating a stable environment during the CPA interim period particularly in the war-affected areas. Funds were concentrated in three main sectors: Improving food security and facilitating agriculture development, extending education services, and supporting democratic governance:

- In terms of food security and agricultural development, programmes were implemented in Southern Sudan and in conflict affected areas of the north (i.e. the Three Areas and the East. EU funds have resulted in: (1) the development of a proper institutional framework which has made better information on food security available, allowing both the Government of National Unity and the Government of Southern Sudan to adopt appropriate measures and policies in a timely manner; (2) supporting decentralization and economic diversification by providing office equipment and a comprehensive training programme to officials in the State Ministries of Agriculture and Animal resources; and (3) providing direct investment into the rural economy either through model projects (e.g. rehabilitation of irrigation schemes, opening up critical roads connecting produce to markets, or facilitating services along livestock migration routes) or through smaller scale support aimed at improving livelihoods at the household level. This latter has had a particular focus in areas in Southern Sudan where returns have been concentrated. Concerning the education sector, EU funds were mostly channelled through the MDTF-South, with the aim of providing a coordinated support to the whole sector. Unfortunately, delivery through the MDTF-S has been slow and progress in terms of the key education indicators quite limited. Impact so far is not satisfactory.
- In pursuit of stability, the EU has been an active partner within the international community's support to some of the key CPA steps such as the 2010 elections and the 2011 Southern Sudan referendum. The EU has provided funding for both processes through the UN-managed multi-donor basket funds, and has also provided direct technical assistance to the Election and Referendum Commissions. EU Observer Missions were present for both polls. The EU is currently providing technical assistance to the African Union panel led by former President Thabo Mbeki, in order to support the post-CPA negotiations between the parties.
- In the area of establishing democratic and accountable governance in Sudan, EU efforts have concentrated on supporting the development of democratic institutions in Southern Sudan, in particular the Judiciary, the Ministry of Legal Affairs and Constitutional Development (including supporting its decentralization through office building in some States) and the Southern Sudan Legislative Assembly. All these institutions have received specialized training in response to their specific demands.

The EU has also funded actions directly aimed at support to peace-building:

- From January 2009 to December 2010, the EU has funded a peace-building initiative implemented by the British NGO Concordis International. Concordis worked in partnership with the Centre for Peace and Development Studies (CPDS), at the University of Juba to facilitate a research-based dialogue at state and federal (Khartoum-Juba) levels, aimed at: building trust and understanding between border communities; developing a consensus on principles for how the border should be

managed peacefully; and agreeing development initiatives to support peaceful coexistence at the border.

- Building on the activities mentioned above, a further six month project (January-July 2011) to stabilise cross-border relations is being implemented by Concordis International using funds from the Instrument for Stability (IFS). This project is aimed at contributing to wider efforts to foster stability in Sudan by providing urgent support to the design and establishment of a North/South border regime that contributes to stability and meets the human security needs of the populations living along the border. The project will make use of networks already established with Sudanese policy makers as well as international supporters of the negotiations on post-CPA arrangements.

The EU's aid programming is an important part of international efforts to create the conditions that are necessary for preventing conflict and building a durable peace in Sudan.

7. Have the EU or the UK carried out any evaluations of EU aid to Sudan, in particular its impact on conflict dynamics? What has been the result?

No overall evaluation of EU's aid impact on conflict dynamics has been carried out so far. A full evaluation of STABEX funds will be carried out in the second half of 2012 and will include this aspect. Several project specific mid-term and final evaluations have been carried out and some of them included conclusions and recommendations concerning peace building and conflict prevention. Overall, it was found that EU funding at community level had been useful to prevent or help manage conflict in some of the communities affected by inter-tribal conflict after the signing of the CPA. Also, model projects aimed at demarcating and facilitating services along livestock migration stock routes in Blue Nile and South Kordofan were found to have a positive impact in terms of conflict prevention during the seasonal migration.

Both evaluations called for a conflict prevention approach to be further integrated into future aid programming. This will be taken into account by the EU Delegation during the identification and formulation phases for new projects under the Special Fund for Sudan, which will start in March 2011.

A major OECD-Development Assistance Committee multi-donor evaluation of Support to Conflict Prevention and Peacebuilding Activities in Southern Sudan (2005-2010) is in the final stages of preparation and will include an examination of the impact of EU programming on conflict dynamics.

8. Beyond the EU, which states and organisations play an influential role in Sudan, including neighbours of Sudan, regional organisations and members of the UN Security Council? What role are the African Union and the international Troika (UK, Norway) playing in the mediation efforts between north and south Sudan.

Sudan enjoys attention from a wide range of states and international organisations, and there is significant international involvement in both the Darfur peace process and implementation of the Comprehensive Peace Agreement. The actors that play a role on Sudan vary somewhat between those that engage on Darfur and those that focus on North/South issues, although many engage on both.

The British Government works closely with the key international actors covering Sudan. Two of the key challenges faced by international engagement are to ensure an appropriate balance in attention between Darfur and North/South issues, while also ensuring that other important areas, such as Eastern Sudan, are not neglected. Another focus of attention is to ensure that international interest and involvement is translated into effective and coordinated support and pressure behind the political processes in Sudan.

Beyond the EU, there are a number of states and organisations which play a particularly influential role. The United Nations is extremely closely engaged on Sudan, both through the UN Security Council, the two significant peacekeeping missions deployed on the ground and through a strong presence in Sudan by the UN Country Team. During the course of the last year Sudan has been one of the most important issues on the agenda of the Security Council, which has held frequent, at times at least weekly, discussions on North/South and Darfur issues. The UK focused its Presidency of the Security Council in November 2010 on Sudan and the Foreign Secretary chaired a special session on Sudan in the Security Council on 16 November.

The two peacekeeping missions in Sudan are the UN/AU Mission in Darfur (UNAMID) and the UN Mission in Sudan (UNMIS), which supports implementation of the Comprehensive Peace Agreement. Taken together these missions comprise more than 30,000 personnel on the ground, the most significant UN investment in any country in the world. Both missions play critical roles in supporting peace and security in their respective areas. These efforts are complemented by the UN Country Team presence, including UNDP, OCHA, UNCHR and others, which provide humanitarian and development assistance, complementing wider donor efforts.

The African Union is closely engaged on Sudan, including by active political support and its commitment to peacekeeping through UNAMID. Its principal political mechanism is the AU High Level Implementation Panel (AUHIP), led by former President of South Africa, Thabo Mbeki, supported by former Presidents Pierre Buyoya and General Abdusalamli Abubakar. The AUHIP was appointed in October 2009 and given a mandate to follow-up the recommendations of the AU Panel on Darfur, as well as to assist with implementation of the CPA. President Mbeki has become lead mediator in the negotiations between the parties to the CPA on resolution of the outstanding CPA issues as well the future relations between North and South Sudan.

This was agreed by the CPA parties in the Mekelle Memorandum, adopted on 23 June 2010.

Other notable regional organisations involved on Sudan are the Inter-Governmental Authority on Development (IGAD) and the Arab League. Sudan is a member of both. IGAD, whose membership covers primarily East African nations, has discussed Sudan on a regular basis at its Summit meetings, most recently in the margins of the AU Summit on 31 January 2011. The Arab League has also met to discuss Sudan on a number of occasions. Both the Arab League and IGAD deployed observer missions for the Southern Sudan Referendum. The interest of these regional organisations reflects the attention that their constituent members devote to Sudan, for example in the case of IGAD countries such as Ethiopia and Kenya, and in the case of the Arab League, countries such as Egypt.

The Sudan Troika is comprised of Norway, the UK and the US. All three are witnesses to the CPA and operated as a Troika in support of the negotiations which led to its signing in

Naivasha in January 2005. As such the Troika has tended to focus on North/South issues in Sudan. It was revived in 2009 following concern about delays in various areas of CPA implementation and a desire to ensure maximum coordinated pressure and support from Troika members to the Sudanese parties to seek progress. Troika Foreign Ministers have spoken on a regular basis about Sudan and issued a number of statements, most recently on 9 January 2011 at the start of Referendum polling. Troika Special Envoys have also met on a regular basis and the Troika also operates at working level amongst officials.

Darfur Peace Process:

The international efforts in reaching an inclusive peace settlement for Darfur are currently focused in Doha on the Darfur Peace Talks. These are led by Djobril Bassolé, the AU/ UN Chief Mediator. This process was created in 2008 after the breakdown of the Darfur Peace Agreement (DPA), which was signed in May by Mini Menawi (the leader of Sudan Liberation Movement) and the Government of Sudan.

Qatar has given continuing support for Darfur Peace Talks which have been based in Doha since 2008. The progress of these talks has been varied. Significant developments include the formation of the Liberation and Justice Movement (LJM), which brought together a number of smaller rebel groups. LJM have held a series of negotiations with GoS and are close to reaching an agreement. The Justice and Equality Movement (JEM), another influential rebel group, have also engaged in the process. Bassolé continues to work to bring all parties to the table and produce an inclusive settlement that bring lasting peace to Darfur.

UNAMID is an important player in Darfur and has been since inception in 2007. The joint AU/UN Peacekeeping Mission in Darfur replaced the AU's mission, AMIS. Ibrahim Gambari is the Joint Special Representative of UNAMID and holds significant influence in the direction of the Mission.

President Mbeki's through the AU, future role in a Darfur based Peace process is currently emerging. Mbeki has been involved in Darfur previously, chairing the AU Panel for Darfur. This panel then expanded to become the AUHIP which now works on both CPA and Darfur issues.

The League of Arab States is engaged particularly with their close relationship with the Government of Sudan. They are a significant donor and represent the largest group of non-traditional donors working in Darfur. Chad and Libya's relationship mainly lies with the Government of Sudan and rebel groups. Sudan and Chad previously supported each other's rebel groups and there was much suspicion between the two states. Chad rapprochement with the Government of Sudan in 2010 began a new phase in their relationship and the peace process.

Eastern Sudan:

The EU like the UK, maintains an interest in the East. The UN is active in Eastern Sudan with agencies such as UNHCR and WFP delivering key support. Eritrea is strongly engaged and the Eastern Sudanese Peace Agreement was signed in Asmara in 2006. The Gulf States are particularly interested in the East. Kuwaiti hosted a conference on Eastern Sudan at which

many Middle Eastern states pledged significant amounts for development and reconstruction projects.

9. What role does the UN play in preventing conflict between north and south Sudan? Are there UN sanctions between north and south Sudan and, if so, to what extent are these making an effective contribution towards conflict prevention? Are the EU and UN coordinating their activities?

The United Nations Mission in Sudan (UNMIS) was established on 24 March 2005, by Security Council Resolution 1590, following the signing of the Comprehensive Peace Agreement (CPA) by the Government of the Sudan and the Sudan People's Liberation Movement/Army.

UNMIS' central role has been to support the implementation of the CPA by providing good offices and political support to the parties, monitoring and verifying their security arrangements and offering assistance in a number of areas, including governance and facilitating important CPA milestones (like the elections and the referendum). It also works directly to mitigate conflict on the ground by carrying out local conflict resolution initiatives in areas of tension, helping to create a secure environment for civilians and provides de-mining services, all of which help to build local confidence. UNMIS has benefitted from strong leadership by Special Representative to the Secretary General, Haile Menkerios.

The work of UNMIS in supporting the referendum on self determination for Southern Sudan is of particular note. The UN has trained Southern Sudanese Police, and provided effective voter education via UN radio and helped fly and drive 1.2 million kg of materials to 2,638 polling centres in remote and inaccessible spots in the South. When violence erupted in the border area of Abyei on 7-10 January this year, the UN were instrumental in bringing the parties together to broker a local peace agreement. Coordination between UNMIS and other UN agencies has also been impressive: OCHA (the Office for the Co-ordination of Humanitarian Affairs), the UNHCR (the UN's Refugee Agency) and other agencies have successfully led and coordinated contingency planning for population movements around the referendum.

The UN High Level Monitoring Panel, headed by ex Tanzanian President Mkapa, has also played an important role in monitoring the credibility of the process. The Panel commented in a statement on 16 January, that it was "satisfied that the process allowed the people of Southern Sudan to express their will freely". Their continuing support for a transparent process has been key.

In short, UNMIS has played a critical role in preventing conflict between northern and southern Sudan. The CPA is due to end on 9 July 2011 and post CPA there will no doubt continue to be a need for an effective UN presence, restructured to meet the needs on the ground.

Increased Security Council engagement, including the 4-10 October Security Council visit to Sudan and 16 November Ministerial debate, chaired by the Foreign Secretary, William Hague MP, has helped to support the Sudanese parties in fulfilling their commitments under the CPA.

Are there UN sanctions between north and south Sudan and, if so, to what extent are these making an effective contribution towards conflict prevention?

The Security Council first imposed an arms embargo on all non-governmental entities and individuals, including the Janjaweed, operating the states of North Darfur, South Darfur, and West Darfur on 30 July 2004 with the adoption of resolution 1556. The sanctions regime was modified and strengthened with the adoption of resolution 1591 (2005), which expanded the scope of the scope of the arms embargo and imposed additional measures including a travel ban and an assets freeze on individuals designated by the Committee. The enforcement of the arms embargo was further strengthened by resolution 1945 (2010). There are currently four individuals listed under this sanction regime. The EU arms embargo also prevents EU Member States from exporting arms to Darfur and all Member States must abide by the EU ruling on this.

Sanctions are measures which the international community targets at certain countries, regimes, groups or individuals to coerce them into changing their behaviour so that they will no longer threaten international peace and security or abuse human rights. Kofi Annan, seventh Secretary-General of the United Nations, described sanctions as 'a middle ground between words and war'. The UK supports the sanction regime against Sudan fully at the UN and EU and takes the implementation of the sanction regime very seriously. We work with HMT and HMRC closely to ensure thorough implementation. Finally, the UK strongly supports the work of the Sudan Panel of Experts in the vital work they do in supporting the work of the UN Sanctions Committee.

Are the EU and UN coordinating their activities?

There is coordination between implementing agencies along sectoral and programme lines between UN agencies and individual UN and non-UN agencies which are funded by EU states, and between donors and UN agencies.

10. What kind of support is the EU providing to Southern Sudan and to what extent is this support effective in preventing conflict and building peace? What kind of support is the EU providing for security sector and rule of law reform in South Sudan? Is the EU providing support to disarmament and reintegration activities in south Sudan and if so, are these proving successful?"

After the signature of the CPA, Southern Sudan was allocated 46% of the total EC funding for the interim period (2005-2011) in line with the recommendations of the EU's Joint Assessment Mission (JAM). The remaining 54% was allocated to conflict-affected areas of the North (Three Areas and the East). The new Special Fund for Sudan (2011-2013) allocates 60% of its total EUR150million to Southern Sudan. Please see above for the specifics of the EC support to Southern Sudan.

The EU has not engaged in the security sector, as other partners are recognized as having a comparative advantage (e.g. UK and US). However, in February 2011, a mission will undertake a needs assessment for a potential new allocation to Southern Sudan from the Instrument for Stability. That mission should assess whether an EU contribution to security sector reform would have any added value.

In the rule of law sector the EU is supporting the Judiciary and the Ministry of Legal and Constitutional Affairs through capacity-building training and the construction of offices at central and state level.

Concerning disarmament and reintegration activities, the EU supported the start up of Disarmament, Demobilisation and Reintegration (DDR) activities through the UNDP-managed Interim DDR Programme with EUR12 million between 2006 and 2009. No further funding was granted, as most of the initial objectives were not achieved during the implementation of the programme.

11. What are the EU Member States' main commercial interests in the Sudan, including in the energy sector? How does this affect UK and EU policy-making towards Sudan? Is the Government concerned about possible disruptions to Sudan's oil exports in the event of a flare-up in tensions following the referendums in January?

The main areas of opportunity for foreign investment in Sudan are oil and gas, agriculture and construction. However, Sudan is not a major trader partner for the EU. European Commission trade statistics show that imports from Sudan to the EU for 2009 were 0.1% of overall imports. The export percentage figure was too small for inclusion.¹² UK and EU action in Sudan is driven by the imperative of conflict prevention, stability and human rights, rather than by commercial interests.

2009 figures show Sudan's main export partners to be China (58.29%), Japan (14.7%) and Indonesia (8.83%). Sudan's main import partners for the same period were China (21.87%), Saudi Arabia (7.22%), Egypt (6.1%), UAE (5.3%) and India (5.53%).¹³

The EU has an arms embargo on Sudan but no other trade restrictions. UKTI resources in the UK and in Khartoum provide advice and support for companies wishing to trade with Sudan. The prosperity agenda is one of the FCO's key priorities, as is work on human rights. The UK is continuing its longstanding trading relationship with Sudan but there is no question of HMG prioritising commercial links above human rights concerns. The UK remains concerned about serious ongoing violations of human rights, and access for vital humanitarian work in Darfur. We continue to press for action on these issues with the Government of Sudan, Government of South Sudan and internationally. The EU regularly raises human rights issues with the authorities. Baroness Ashton issued a statement of concern about human rights issues in Sudan in November 2010 and Rosalind Marsden, EU Special Representative to Sudan, raised human rights cases with the Government of Sudan in December 2010.

A flare up in tensions following the referendum would have negative implications across the piece, including on Sudan's oil exports. The UK and EU were witnesses to the Comprehensive Peace Agreement (CPA) in 2005 and have worked continuously with the parties and international partners to ensure implementation of the agreement, and to prevent a return to war. UK and EU technical, financial and political support to the

¹² http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_113480.pdf

¹³ CIA World Factbook Website

referendum has contributed to a smooth process and lessened tensions. Where sporadic violence has occurred, the UK has been quick to call for restraint. The Foreign Secretary issued a statement calling for calm following fighting in the oil rich area of Abyei in January 2011. The UK and EU continue to support the parties, and the Mbeki panel, in finding a solution to the unresolved future of Abyei and agreement on post referendum arrangements.

12. Which countries are major arms exporters? Is the EU taking any steps to stop the import of arms into Sudan in order to prevent armed conflict and human rights violations? How effective is EU action to address the problem of small arms and light weapons (SALW). What measures are the EU taking to prevent the import of arms?

The EU imposed an arms embargo on Sudan in 2005 to promote lasting peace and reconciliation within Sudan. This is reflected in the EU Common Position 2005/411/CFSP. This mirrors the UN measures (which cover Darfur), but includes an arms embargo on the whole of Sudan.

The EU arms embargo prohibits the sale, supply, transfer or export of arms and related materiel of all types, including weapons and ammunition, military vehicles and equipment, paramilitary equipment and spare parts to Sudan by nationals of Member States, or from the territories of Member States, or by anyone using their flag vessels or aircraft of Member States. .

Levels of criminality remain high in some regions of Sudan and small arms and light weapons (SALW) from a number of sources continue to find their way into Sudan. It is clear that more needs to be done to prevent the import of further arms, particularly SALW, into Sudan. By rigorously enforcing its arms embargo, the EU is taking a leading role in reducing the number of arms entering Sudan.

13. To what extent are the Chinese government and Chinese businesses playing an active and constructive role in the search for peace between north and south Sudan? Is China's role evolving towards a more engaged or constructive approach?

The Chinese government and Chinese businesses play a strong and active role in Sudan. China is Sudan's main export and import partner. The UK works closely with Chinese counterparts on Sudan issues in country, bilaterally and multilaterally through the UN and the P5. China is supportive of the peace process and the implementation of the Comprehensive Peace Agreement (CPA). A Chinese team observed the referendum and welcomed the successful completion of the process.

Oral Evidence, 17 March 2011, Q 224-268

EVIDENCE SESSION NO. 8. HEARD IN PUBLIC

Members present

Lord Teverson (Chairman)
Baroness Bonham-Carter of Yarnbury
Lord Inge
Lord Jay of Ewelme
Lord Jones
Lord Jopling
Lord Lamont of Lerwick
Lord Selkirk of Douglas
Lord Sewel
Lord Trimble
Lord Williams of Elvel

Examination of Witnesses

Henry Bellingham, [Parliamentary Under-Secretary of State, Foreign and Commonwealth Office], **Mr Michael Ryder**, [UK Special Representative to Sudan] and **Ms Sandra Pepera**, [Head of Department for International Development in Sudan].

Q224 The Chairman: Minister, Mr Ryder, Ms Pepera, I welcome you to the EU Committee Sub-Committee on Foreign Affairs, Defence and Development Policy. As you are aware, we are undertaking an inquiry into South Sudan. This is probably the last of our evidence sessions. We have met a number of people involved in the broader Sudan, and earlier this week we were in Europe meeting members of the External Action Service, the Commission and the Council and MEPs as well. This is a public session. It is being webcast and will be transcribed. We will send you a copy of that transcript so if there are any errors, you will have an opportunity to correct them.

I understand Mr Bellingham wishes to make an opening statement. It would be useful to the Sub-Committee if your colleagues could introduce themselves because I know they have extensive experience of the area. Then we will move into questions.

Mr Henry Bellingham: Thank you very much indeed. It is a great privilege and pleasure to be here. On my left is Michael Ryder who is our special representative to Sudan. He has been there for just over a year now, I think. On my right is Sandra Pepera who is the head of DfID in Sudan.

It might be helpful if I give a very quick oversight for two and a half or three minutes. The referendum in South Sudan went incredibly well. I was in Sudan in July, and I came away rather depressed because of the denial by a number of Government of Sudan Ministers. When I asked them about the forthcoming referendum and about preparations for it, two or three Ministers said that they did not think it was going to happen at all. We then had a meeting with Sir Derek Plumbly, who said that the sheer scale of the task in front of the commission was massive and that to get it in place in time was going to be climbing a vast mountain. He did not think it was going to be possible without certainly one or two technical delays, but we have got to where we are without serious complications or bloodshed and have had a referendum that went so well from a technical point of view.

Praise must be given to UNMIS for the work it did. The work that DfID did in supporting the referendum was excellent. In many ways, to have got over that very significant challenge is phenomenal, but there are big worries in front of us. The euphoria has come to an end, and we have to look at the scale of the task in front of us. People talk about rebuilding a new country, but we are talking about building a country from scratch because there is remarkably little capacity of any kind in South Sudan, as those of you who have been there have seen. There are massive challenges.

At the same time, I am concerned about the fighting that took place in Malakal recently and about the fact that the Government of South Sudan have suspended their participation in the CPA—we will probably come on to that in a moment. We are concerned about outstanding parts of the CPA: Abyei—we will come on to that no doubt; sharing the oil revenues; border demarcation; the public consultation on South Kordofan and Blue Nile; to say nothing of what is happening in Darfur. Again, we will, no doubt, come on to Darfur, but various parts of that process and what is happening on the ground concern me a great deal. We should not forget what is going on in eastern Sudan over the peace agreement. The situation there is very fragile. We run the friends of the east group.

On the one hand, we can be very excited about the creation of a new country, the fact that the referendum went so brilliantly well and the enthusiasm and determination in that country to make a go of things, but at the same time, we should not be in any doubt about some of the obstacles in place.

Q225 The Chairman: That was a useful summary. Given all those obstacles, challenges or opportunities, however we describe them, and everything else that is going on in the world at present, which the Foreign Office is in the middle of in many ways, where does South Sudan come in its importance in affairs? Is it number 49 out of 120 or is it number 2? Can you give us an idea of its UK or European level? It would be interesting to know whether it will stay sufficiently on the radar as an issue.

Mr Henry Bellingham: It certainly is. You are right to point out that there are a number of crises going on in the world. One of the things I am struck by as a Minister in the Foreign Office is that the amount of Foreign Office engagement and effort that has been put into these different crises around the world is phenomenal. In fact, we are probably more focused on dealing with crises than we have been at any time since the last war.

As far as Sudan is concerned, I look after sub-Saharan Africa, and I am pleased to report that although we have problems such as Côte d'Ivoire, the possibility of elections in Zimbabwe and Somalia—a failed state—and the piracy associated with it, Sudan is right up there as one of the two or three key priorities for sub-Saharan Africa. It is therefore also a key priority for the Foreign Secretary. You are right that the urgent crises in Libya, Bahrain, Saudi and Japan must not detract from our other priorities, including moving forward with the CPA, which is where the EU's and the UK's priorities align—I know you want to come on in a moment to the work that the EU is doing and to some of the specific stuff that is happening on the ground—and making sure that it is properly implemented and that the remaining outstanding issues are dealt with properly.

We are looking at the creation of Africa's 54th nation on 9 July. We will also be looking at a completely different country in north Sudan. One should not in any way underestimate how the two states are going to be very different from what they are now, but they are going to be mutually dependent on one another. It is vital that the future relationship between them is started off on the best possible footing. Just in terms of the priority we are putting on this—I appreciate that some of this took place before the flare-up in Libya and what has happened in Japan—EU Foreign Ministers have discussed Sudan and agreed Council conclusions on five occasions over the past 12 months. The EU informal development

ministerial took place on 22 February and was attended by my colleague Andrew Mitchell. When we were in the presidency of the Security Council back in November, William Hague facilitated a debate on Sudan. He led it and spoke very eloquently. He urged the parties to do all they possibly could to make that referendum work. Arguably, it was that debate in the UN that put real pressure on President Bashir to co-operate fully, hence his visit to Juba in early January.

Another indication of the early interest we took in this is that when I was at the UNGA in September, a debate on Somalia was opened by President Obama. I spoke, not immediately after him but at some stage during that debate, on Sudan and laid out how we saw it. In fact, what I said chimed completely with what a number of other EU Ministers said about how it was vital that this was a key EU priority. The combined pressure of the UK and the EU working together around the CPA has been the theme up until now. We now have to continue that working in unison. We must not forget the bilateral aid review and the extra money that is going in.

Q226 The Chairman: I shall ask your colleagues from the other side of the mirror, or whatever the phrase would be, whether in Juba they feel that there is sufficient international attention. Are they interested in international attention? Is there too much perhaps? Is there overinterference? Can we have a very brief reaction from the other end?

Mr Michael Ryder: They are certainly very keen on international attention and their basic feeling is that they succeeded in getting the comprehensive peace agreement in 2005 because there was very intense international attention and pressure on the north. There was pressure on them too, of course. They feel that there is less attention now than there was then, which is objectively true. They have felt that for a long time before the current wave of events took attention further away still. There is a different mechanism now. The African Union and the United Nations are leading this process. Thabo Mbeki and the high-level panel are the prime interface between the parties rather than United States, the UK and Norway, as it was. There is a certain sort of nostalgia for that arrangement on the part of the south. It would like more engagement, but the facilitation is there and is well backed up.

Ms Sandra Pepera: I shall add a couple of things on that. South Sudan is a new state. It is not a failed state, but a pre-state. One of the things we are looking at, particularly on the aid co-ordination side, is that it is entirely possible to kill South Sudan with our kindness because we are many and we are big and it is small and its capacity to absorb information, policy and aid is very thin. We need to be very careful about how we engage with it and how we interface.

The second thing that will be very important for us is to ensure that it has a maturing understanding of its international responsibilities as a sovereign state. It is a long way from where it is now to where it needs to be to accept and understand what it means to be a sovereign state. The role of the EU in this is key, and it can play a major role. That fits well with your thoughts and the subject of the inquiry today.

Q227 Lord Sewel: I usually start this bit of the questioning by saying that one of the slight frustrations is that we have to view everything through an EU lens, but it is particularly appropriate in terms of how the discussion has progressed so far, so let us take it in bits. The first bit is: what is the important, distinctive contribution that the EU can make to prevent further conflict between north and South Sudan that other international actors cannot or will not? What is the distinctiveness of the EU?

Mr Henry Bellingham: The fact that the EU was a party to the CPA is highly relevant. The UK has a unique position in being a member of the Troika, the P5 and the EU. We have constantly been at the forefront of discussions on Sudan at EU Foreign Affairs Council

meetings in recent months. We have been driving them, but we have had phenomenal support from the EU.

There has been a happy alignment in the formation of the EU External Action Service. My part of the coalition had various doubts about the setting up of the EU External Action Service, but we take a pragmatic view that it is a fact of life, so we should use it, not to try to duplicate what we are doing, but to complement what we are doing. We have a Brit running it, and Nick Westcott has recently started work as managing director for Africa. Sudan is one of the key priorities for the EU External Action Service. In many ways, it is possibly seeing it as a test case to see how much value it can add in terms of bringing the EU together. The EU working collectively through the External Action Service can achieve much more than different countries in the EU taking separate positions.

Q228 Lord Sewel: In which areas of activity do you think the EU can do things?

Mr Henry Bellingham: There are a number of areas where it can do things. Certainly, the aid impact is obvious. To give an example, we all agree that we need EU engagement, but we lobbied very strongly with the EU, and one of the consequences is that there is €150 million of decommitted funds under the ninth EDF for Sudan. That is very welcome, particularly given the non-ratification of Cotonou by the Government of Sudan, which prevented access to standard EDF funding. That is an obvious example. I see that the ECHO budget for Sudan for 2010 was €136 million and that well over €100 million is planned for 2011.

On the aid front, what has been put in is very apparent. I saw a readout the other day from Rosalind Marsden, the EU's special representative. It was a debriefing that she gave to the recent interservices mission. She was running through the key findings and looking at areas of potential support, including engineering skills in the south, police, security at Juba airport and justice sectors. She was looking at areas where there has been no major donor focus. That is very encouraging and is an indication that the whole aid approach is not just looking at the headline figure and saying "Isn't it fantastic that this amount of money is going in?", but will have this clear, relentless focus on preventing duplication on the ground and on trying to drive results.

Q229 Lord Sewel: I take the point in terms of aid, but your colleague mentioned that South Sudan is not a failed state, but a new state. I would have thought that the crying need is for institutional capacity building. Has the EU got a distinctive contribution to make there? How?

Mr Henry Bellingham: Yes it has. It is looking at how we can help to build local and central government structures, at what expertise is missing and at making sure that what the EU is doing does not duplicate what other countries are doing. What is happening is that each major donor organisation is focusing relentlessly on what it can do best and how it can add value. I shall give you some examples of what is happening in building capacity in what will be the 54th state of Africa. Sandra, do you want to give some examples of capacity building?

Ms Sandra Pepera: The key issue is that we cannot do the joint programming here, but in the last week we had conversations with EU colleagues and agreed to embark on a joint programming exercise where the clear comparative advantage of the EU working together will be stated and sorted out. This is building on work that is already ongoing, and a lot has been done on institutional capacity building. The problems are deep. A functional review stated that 70 per cent of the civil service is functionally illiterate, so we are starting from a very low base. One of the more recent initiatives is the IGAD initiative in which civil servants from the region have been deployed to South Sudan to fill gaps. Capacity building is

a bit of a misnomer. It is gap filling. There is a lot of work that needs to be done today while you take, potentially, an intergenerational look at building the local capacity. The IGAD initiative is a UN-run initiative whereby civil servants from the rest of the region are being brought into South Sudan to help run the country. There are just not enough people.

Q230 The Chairman: When you say the region do you mean Uganda, Kenya and the sub-Saharan area?

Ms Sandra Pepera: Yes.

Q231 The Chairman: Is there scope for a CSDP mission in the way that the EU sometimes does these things on legal or court systems, or is that inappropriate for what we are trying to do here?

Mr Henry Bellingham: What do you think Sandra?

Ms Sandra Pepera: If you accept my first point that we can kill South Sudan with our kindness, the key thing will be to work out who is doing what and whether or not, for example, an EU CSDP mission is the best thing, given that we are going to have a new UNMIS, which will have its own legs and areas of focus. The UN country team needs to be stepped up. It is a very important principle that we start from a good assessment of comparative advantage and a robust and muscular division of labour that sorts out who does what.

Q232 The Chairman: We have a deadline on 9 July when this is real—it is real now effectively—so we do not have a lot of time to do McKinsey studies or whatever into the detail of South Sudanese administration.

Ms Sandra Pepera: We have beaten the Commission up quite hard on this in the past couple of weeks and we now have a very much more pragmatic and practical Juba-driven programming exercise that we hope will get us to the right place by 9 July, but, yes, time is against us, which is why, as you have suggested, the processes have to be very targeted and very focused.

Q233 Lord Sewel: It is clear that resources are scarce and the challenge is enormous. I would have thought that the role of the EU is to make sure that individual member states can optimise their contribution. Is that being done effectively?

Mr Henry Bellingham: I would say yes. When I was in Juba in July, I had the chance to visit the EU compound. The briefing I got from EU officials was along the lines that you suggested is a key priority. Since then, Andrew Mitchell has opened the new UK office in the EU compound. It is a good example of the EU making sure that the different countries in the EU co-ordinate, join up what they are doing, really focus on adding value where they can and prevent duplication. Sandra mentioned the huge task we have running up to the creation of the new state when it becomes independent on 9 July. This will be an ongoing process. We are not talking about rebuilding; we are talking about building something from scratch. It will take many years, and we are also going to have to learn from obvious mistakes that will be made. We must look at ways of ensuring that co-ordination. In my opinion, the one thing that will matter most is not so much the total amount of aid going in—Sandra made the point that we could kill South Sudan with kindness—but the way it is targeted and the way that a relentless focus is kept on results on the ground, preventing corruption and incompetence and making sure there is delivery.

Q234 Lord Jopling: You mentioned Rosalind Marsden's briefing, which I have been looking at. Looking at the questions we are hoping to ask you, I think I am right in saying

that none of them cover the problems for the justice sector in South Sudan after independence. Rosalind Marsden says that the UN development programme has suggested that the EU engages in building up the justice sector of South Sudan after independence and that EU member states have so far not taken a decision on such an engagement. Have you been discussing this and do you see a prospect of the EU taking an active role in what will be a vital part of the constitutional affairs of the new state?

Mr Henry Bellingham: I agree with you entirely. Ignoring the justice sector would be a mistake. As Rosalind Marsden pointed out in her debriefing on the recent interservices mission, no major donor is focusing on the latter at the moment and most of the countries stated their support for that. I can only hope that there will be action. Rosalind Marsden normally gets her way, and I hope that that will happen. I do not know if you have any insight on that Sandra?

Ms Sandra Pepera: It is clearly an important sector. You mentioned that we do not have, for example, the new constitution up and running. There are lots of things. This is a situation where everything is needed. We need to focus on what we do in a sequential way that does not overwhelm the weak systems in place. There will be an issue with the fact that, come 9 July, the South Sudan judiciary becomes stand-alone and sovereign as opposed to being a part of the whole of Sudan. It is an issue that we will have to look at.

There is a matrix and programme called the Core State Functions programme that the EU has been very present on. In fact, the major conference on it was held in Brussels last year and was chaired by the Commission. It has identified those things that South Sudan must have in place even to start emerging as a sovereign state. Some of those elements are around the judiciary. What are the essential parts and what does it need to have in place on 10 July in order to be in any way credible as an independent state? They include elements of judicial support and so forth.

Q235 Lord Jopling: This is a matter of great urgency. Are the UK Government pressing the Council or Commission to move quickly on this?

Mr Henry Bellingham: I assure you that we are. I have spoken to Jeremy Browne and Andrew Mitchell about this. I have not had a full-scale debrief on the financial aid review, but I have had a broad discussion about it. It was certainly mentioned.

Q236 Lord Trimble: In your introduction you mentioned a number of issues still to be resolved post-referendum. I shall focus on a couple of them. One of the things you mentioned was debt relief. I assume there are things that we in the United Kingdom can contribute directly to debt relief rather than through the EU. We will welcome what you might be able to say on that.

Another issue is oil. It is normally discussed in terms of division of the revenues between north and south, but there is a joker in the pack in terms of going further south from South Sudan, looking towards Uganda and Kenya. There is a tendency among the South Sudanese to look in that direction. Coincidentally, this week I saw a piece in the *Times* about oil discoveries in Uganda that talked about the possibility of Uganda constructing an oil refinery in the country. In that situation, is there not likely to be a reorientation by South Sudan in terms of where it looks for development of its oil resources?

You also mentioned Abyei. Last week, sitting where you are now we had the Khartoum ambassador alongside his opposite number from South Sudan. When we were asking them about Abyei, it became very clear that they are not agreed at all. Reference was made to Mbeki's proposals, which seem to be pointing towards a suggested partition of Abyei, and the South Sudan representative was just not having it. While the exchanges remained polite,

they were of such a nature that we felt that if they were in the room for another half-hour, they would have come to blows. Something needs to be done there.

You mentioned that the African Union high-level working group has been working at it, but that replaced the Troika and, as you said in your introduction, there is a bit of nostalgia in South Sudan for the US/UK/Norwegian initiative that led to the CPA. Are we right to have taken a back seat latterly on these issues? It was the Troika that produced the CPA, not the African Union. The African Union's capacity to resolve this issue, in the light of what we heard last week, seems limited.

Mr Henry Bellingham: There were a number of key questions there, but I shall focus on Abyei initially. On 15 March, the Troika—the Foreign Secretaries of the US, the UK and Norway—issued a very firm statement about Abyei. We made it absolutely clear that the sides have got to get back to the table and that the South Sudan decision to pull out of the CPA was completely unacceptable, so the Troika will still play its key role.

On Abyei, I was obviously very concerned about the dispute that took place recently and the confrontation involving the Misseriya tribe. In the run-up to the referendum, it was unresolved. It was only through Thabo Mbeki going to Abyei and working incredibly hard with the two sides that it was put on hold to be dealt with after the referendum. So those discussions have got to continue. It may well be that some way forward can be found—for example, South Sudan conceding some of the oil revenues in exchange for a permanent solution of Abyei—but I do not know.

Oil is the key to this. As you rightly point out, South Sudan is looking at the possibility of a pipeline running to the south. Now that Tullow Oil has completed its joint venture with Total and CNOOC in Lake Albert in Uganda, we will have a major production facility there. It is looking at a refinery near Lake Albert and a pipeline going east to the coast of Kenya. There will be the possibility of new infrastructure there, but I do not think it will happen very quickly. In order to sort out the oil in the short term, there has to be an agreement about the revenues, and we understand that South Sudan is technically still owed \$250 million by the north in outstanding oil revenues. Getting agreement on this is going to be crucial as far as Abyei is concerned.

We should not ignore or overlook the role of President Bashir in all of this. What gives me some grounds for hope is that when he met Salva Kiir on 27 January, he said that Abyei must be solved. On the debt issue, I take a very forthright view. The debt issue gives us significant leverage in terms of making sure that the remaining outstanding parts of the CPA are completed and that, particularly, we get co-operation from the north over those issues and on making more progress in Darfur. A huge amount of debt is at stake. It is north of \$37 billion and it could be used as leverage to make sure that we achieve what we are trying to do.

Q237 Lord Trimble: Who are the creditors?

Mr Henry Bellingham: The Chinese are the most significant creditors. We are one of the creditors. The Chinese are owed just under \$10 billion and the rest of the debt is spread round. We will come on to the Chinese in later questions, but getting them to play a part in the negotiations around debt is going to be very important.

Q238 Lord Trimble: You mentioned debt as leverage, but in terms of the amount of leverage, I take it from what you are saying that China has more leverage than we have.

Mr Henry Bellingham: China has a lot of leverage because of the size of the debt outstanding to it. There is going to have to be significant international co-operation around reconfiguring this debt and working out exactly how it is used as a lever. The debt at the moment is split between the two countries, and it would be unthinkable that we would

launch South Sudan as a new country in Africa with a huge debt burden around its neck, and if we are going to sort out the debt for South Sudan, we also have to look at debt relief for north Sudan as well.

Q239 Baroness Bonham-Carter of Yarnbury: In your introduction you mentioned your optimism as a result of the way the referendum was conducted, but you also mentioned concern about the recent suspension of talks between south and north. Is this a very stark problem in that the South Sudan negotiator, Pagan Amum, has accused the north of destabilising South Sudan and of already being engaged in war? That seems an enormous problem.

Mr Henry Bellingham: Yes, I agree. He claimed to have evidence of an NCP plot to destabilise and overthrow the Government of South Sudan. In fact, the Government of South Sudan's "ambassador" in New York wrote to the chair of the Security Council—I was in New York last week and I was briefed on this—saying that the Government of Sudan has been creating, training, supplying and arming militia groups in the south. It is not in any way encouraging, and I agree with you that Pagan Amum's press conference was well over the top. He went on to say that Bashir had allowed the referendum to go ahead from a position of weakness, but was now intent on ensuring that a new south was a weak puppet state that he could control like Syria controls Lebanon. All of this is very worrying and an indication of the obstacles that we face. As you know, the Troika issued that very strong statement and Thabo Mbeki is going to have to make sure that he uses every ounce of his energy to get the two sides back together and working together again.

We come back to what leverage we have. We have significant leverage over the south because it needs our help in building that state. We have leverage over the north because of what is happening with the debt and it is very concerned that it is going to be a new country and is worried about its relationship with the wider world and America and the future of US sanctions. There is leverage that can be applied, but we have what is without doubt a short-term problem which I find very worrying. Nevertheless, I am an optimist, and I think that given what we have got over so far to get this far, I think we will get over this. I do not know whether Ambassador Ryder would like to add anything to that.

Mr Michael Ryder: Thabo Mbeki and Presidents Bashir and Salva Kiir are meeting today to discuss the issues that Pagan Amum has raised and there have been indications in the past that the south has given support to some of the Darfur rebels. That is an issue that we have taken up with them just as strongly as we do with the north when allegations are made about its activities. We have not heard anything yet today about how those talks between Mbeki and the presidents are getting on.

Q240 Baroness Bonham-Carter of Yarnbury: Is there any basis for the accusations?

Mr Michael Ryder: We do not know is the short answer. There is a long history of this kind of mutual interference. As to the specific allegations, we have no evidence.

Q241 Lord Jay of Ewelme: I want to come back to China, which has come up once or twice in the evidence so far. Clearly in much of Africa, there is tension between the West and China and there is a very clear commercial approach by China in Sudan, both north and south, related to minerals, oil and so on. There are also—we will come on to this later, I think—issues about arms supplied by China to Sudan. There are clear differences. On the other hand, in the evidence we get, we are hearing a lot about the importance of the EU and the UK working with China. On the face of it, there is a bit of tension as a result of the clear differences in the EU's approach, the UK's approach and the Chinese approach to

Sudan. On the other hand, there seems to be clear recognition of the need to work together. How are we going to reconcile this tension?

Mr Henry Bellingham: This is something that has occupied my mind on a regular basis. I think that the EU and the UK should not be afraid of working with China. We have lots of interests in common. China is the key market for Sudan's oil. I had a meeting with the Chinese Deputy Foreign Minister when I went to the AU summit in Kampala last July and one of the things we touched on was the vital need as far as China is concerned for a stable state in Sudan—at that stage, we did not know what would happen in the referendum—but that is now reinforced. It needs a stable north and South Sudan. It needs a stable South Sudan because that is where most of the oil is going to be, and it needs a stable north Sudan because that is where the oil is going to be going out for the time being. We should not overlook the fact that China has played a positive role in supporting the CPA. There has been no deviation or any equivocation by China in the role it has played or in the constant urging of stability.

We mentioned debt. No solution around the debt or framework for debt relief will be possible without China's co-operation, so we take working with China very seriously. I shall give a couple of examples of recent work with the Chinese. At the UK/China summit on 12 November, the Prime Minister and the President of China issued a statement on Sudan urging, at that time, the successful completion of the CPA and the free referendum. The Foreign Secretary met the Vice Premier on 11 January, and they discussed debt relief. Andrew Mitchell wrote to the Chinese Finance Minister urging the need for ongoing co-operation and really significant technical co-operation at official level around debt relief. When I met the Chinese Deputy Foreign Minister in Kampala, one of the issues he wanted to talk about at length was Sudan. He also mentioned incidentally how delighted and pleased he was that a British company and a Chinese company were doing a joint venture in Uganda. I think that in the past, we may have been frightened of the Chinese and regarded them as a massive force that had come into markets where we have historically had advantages and the upper hand. We have been awed by the sheer scale. China's modus operandi has often been very different from ours, but there are going to be areas where we can work together. There will also be areas where we can really work together in building stability and removing conflict. One of the things that has surprised me since I have been going to Africa on a regular basis over the past couple of months has been the force for good in Africa that China can become, particularly in moving countries from appalling instability through to functioning countries.

Q242 Lord Jay of Ewelme: You have talked about Government-to-Government links, London and Beijing and so on, and, no doubt, Brussels and Beijing. When I was in Juba 18 months or so ago, I saw the EU and UN people, but I did not see the Chinese. What are contacts like with the Chinese in Khartoum and Juba on these sorts of issues?

Mr Henry Bellingham: I can answer that from the few days I had in Khartoum. On a country-to-country level, they are very good. As far as Juba is concerned, I do not know whether Michael or Sandra would like to add anything from their experience.

Mr Michael Ryder: There is contact between the Chinese Mission in Juba and our own, and I am expecting that to grow. Our new Consul-General arrived in Juba yesterday and has his first meeting with the Government of South Sudan this morning. We are upscaling our activity there. The Chinese have a substantial mission. I forget the exact number, but it is in several 10s. I think it is in the order of 50 people in Juba.

Q243 Lord Jay of Ewelme: How many have we got?

Mr Michael Ryder: In total, 25, including DfID.

Ms Sandra Pepera: We work with the Chinese. They are active members, for example, of one of the humanitarian co-ordination committee. They have been very solid on issues related to Darfur. It is a slightly different emphasis, but they are clearly there. If I had not been invited to join the Minister here this week, I would have been at dinner with the local Director of the Chinese National Petroleum Corporation (CNPC) last night. We have a lot of contact and a lot of different areas of engagement with China and, as the Minister and Michael said, they are growing.

Q244 The Chairman: Does that stretch to common agendas as well as just keeping in touch? Do you find that you are working for similar goals when you have those conversations?

Ms Sandra Pepera: As the Minister said, stability is everybody's overriding goal, so to that extent, yes. The trick is—and I am not sure that we have necessarily completely mastered it yet—to find out the areas of common delivery and common interests so that we forge the programmes that allow us to meet everybody's objectives at the same time. It is a work in progress.

Q245 Lord Jones: Lord Trimble mentioned that last week the north and the south were literally shoulder to shoulder and hearing their replies to the same questions over an hour and a half was truly instructive. The written record is helpful. What are the prospects for the north after it loses the south, and what should the union do to prevent conflict within the north and to avoid the north becoming a failed state? Is there a risk that the international community, including the union, will devote insufficient attention to north Sudan's problems, including the Three Areas, Darfur and eastern Sudan?

Mr Henry Bellingham: North Sudan will be a very different country. It is in everyone's interest that it succeeds and can assist its new neighbour to the south. One should not underestimate the sense of loss there will be. However, one looks at it in terms of the extent to which the Government of Sudan historically and through the years of conflict behaved towards the south, nevertheless, it was a huge part of the country and many of the oil revenues came from there. The task facing north Sudan is going to be significant. To add to that, there are the problems of the oil revenues, a president who has been indicted by the ICC and—this worries me significantly—the redundancy programme for South Sudanese who are serving in organisations of government in the north. For example, there are 20,000 South Sudanese in the army—that figure surprised me—3,500 in the security services and 10,000 civil servants. I know that the Government of Sudan are very worried about the costs of these redundancies. We are talking about a huge cost to the Exchequer and about taking out of government a significant amount of expertise that these people provide. They have never reached the dizzy heights of seniority, but nevertheless they are doing a lot of important jobs, often at a technical level, in the Civil Service, and taking them out will be a challenge in terms of removing that capacity. Furthermore, I think there will be a big issue about funding.

On Darfur, we are very concerned. We could talk at great length about it. I mentioned the problems in the east as well. A lot of people say that we must not take our eyes off Darfur, and I feel strongly about that, but we must—and this is where the EU could work hand-in-hand with the UK—make sure that the Doha process stays on track. There has been a lot of talk about the Darfur peace process and a new peace process being started on the ground. That is supported by the Government of Sudan and a number of neighbouring countries, but to try to do that before the conditions on the ground in Darfur are more stable would be a big mistake. You would then see the possibility of momentum being lost with the Doha peace process, and that would be a big mistake. The EU and the UK are

playing a vital role here. We are working very closely with the AU high-level implementation panel. It is one small example of where the EU has been able to carry out model projects. One has been aimed at demarcating and facilitating services along livestock migration routes in Blue Nile and Southern Kordofan, two areas that have yet to be properly resolved under the CPA.

There is one final point I should mention on the challenges that the north faces. One of its key issues is the fact that it cannot access Cotonou funding as a result of breaches of the Cotonou standards of human rights and not signing up to the Rome statute. It means that it cannot access the €300 million of the 10th European Development Fund, approximately 40% of which would have gone to the north. It is important that we look at ways of ensuring that other funding streams will be available to the north.

The Chairman: We will come on to the Cotonou agreement later. I think Lord Selkirk wants to ask a question.

Mr Henry Bellingham: I just flag it up at this stage as being one of the very significant challenges the north faces.

Q246 Lord Sewel: North Sudan will have to make political adjustments. It has lost South Sudan. What are the implications for the structure of the political leadership of north Sudan?

Mr Henry Bellingham: I think they will be tested to the full. When I visited Khartoum, I met some of the younger generation of politicians who are forward thinking. They were not in denial back in July when I had my visit to Sudan. They recognised very early on what was going to happen and fully understand the implications of it for Sudan and the way in which Sudan is going to have to work with its neighbour to the south and quickly complete those outstanding aspects of the CPA. The big prizes for the new state of north Sudan are sorting out the debt relief that we mentioned earlier and progress on US sanctions. They are hugely significant to them because they not only prevent trade between the US and Sudan, but have a big impact on UK banks providing finance for UK and European countries that want to trade with Sudan. If those sanctions were suspended in some places, or possibly suspended in part, that would provide a significant trade boost to the north. One thing that the north has to do, apart from sorting out outstanding issues around the CPA and getting a grip on Darfur, is to look at how it is going to create wealth in the future away from oil. That must be through trade, agriculture, opening up its borders and trying to create wealth in that way. It is a big challenge.

Q247 Lord Sewel: Where is President Bashir in all this?

Mr Henry Bellingham: We are urging President Bashir to co-operate with the ICC. He says he wants to clear his name, and we are saying that if he wants to clear his name, he has got to clear his name. Having a president who can travel to scarcely any countries and who may in due course not even be able to go to the south will be a massive impediment. It is not for us to tell populations of countries what to do with their democracy, but we hope that when there are elections in north Sudan, the public will realise what a handicap President Bashir is.

Q248 Lord Williams of Elvel: I was very impressed by the description of South Sudan as being not a new state but a pre-state. The big bang will occur on 9 July. What happens in the first seconds after the big bang failing the wise creator? We do not know. The problems that any new organisation will have to face are there. They include extreme poverty, insecurity, instability, corruption and limitations on the ability of those in power to understand what it means to be a sovereign state and what it means to create a proper

organisation. Having recited all that, the question then arises: what are the chances of South Sudan coming out as a proper, ordinary, democratic state? How can the EU help with that if you are optimistic about it?

Mr Henry Bellingham: I would simply add to what Sandra said a moment ago. We have got to be realistic. 70% of the South Sudan civil servants are functionally illiterate, as Sandra said. 51% of South Sudanese live below the poverty line. Only 1% of households have a bank account. We estimate that only 40% of the country has access to basic primary services. That is staggering. South Sudan's maternal mortality rate is equivalent to one in 50 women dying in childbirth. The task is huge. During the referendum, what I was really struck by was not just the sheer joy of the people who were voting, but the orderly queues that they formed and the absolute belief in the sanctity of democracy and the faith they put in it. You are right to pose those questions, but we are starting from a base that has a great deal of public good will.

One of the key ingredients is finding ways of ensuring that the reconfigured UNMIS will move from peacekeeping to peacebuilding. It must have the military capacity to take on the militia, and we were concerned recently about the actions of General Athor. If he is able to merge some of the other militia into his militia, that could be a real threat, so we should not take our eye off the military side of it, but if that can be taken care of, and the country has stability in terms of building these institutions, the EU, as the largest collective donor, has a vital part to play.

As Lady Ashton said on 7 February, she is really keen to put as much effort into South Sudan as possible. That is shown by the EU compound. We mentioned Alastair McPhail, the new consul-general, who arrived there yesterday and starts work today. In the UK office in Juba, which may be small compared with the Chinese, we have an MoD representative, a stabilisation unit and the whole UK family. It is our intention that post-independence the consulate-general will morph into an embassy or perhaps a high commission, if South Sudan joins the Commonwealth. We are going to put a huge amount of effort into it all. The EU is determined to establish a clear partnership with the Government of South Sudan around good governance, human rights, poverty reduction and other areas. Having the head start that we have with aid programmes in place already and the work that Sandra mentioned about properly co-ordinating that gives me grounds for optimism.

If you were going to be pessimistic, you would point to the ongoing military threat, some of the concerns we have around corruption and undecided aspects of the reconfigured UNMIS. It is incredibly important. We have rightly been talking a lot about the EU, but do not forget that UNMIS is going to have an ongoing role in South Sudan. Making sure that its exact configuration is right and that it has the right staff is going to be crucial.

Q249 Lord Williams of Elvel: You mentioned all the effort the EU is making in advising the fledgling South Sudan Government. Do you think there will be a case of them slightly resenting being suffocated with kindness?

Mr Henry Bellingham: I did not get that impression. We have had a flurry of Ministers engaging with the UK Government, and I have met some of them myself. I have had excellent meetings with Salva Kiir, and we talked about this very point. He kept stressing that his vision is for a proud, self-sustaining country within the Commonwealth and a country that can stand on its own feet. He has left us in no doubt that pro tem he is going to need a huge amount of assistance from us and the EU. Sandra, do you think they are going to resent the aid effort we are putting in and the demands we are going to make in terms of driving efficiency and removing corruption?

Ms Sandra Pepera: No. I think that latterly there has been a realisation that some of the benefit of the doubt has slipped away a bit and that South Sudan is being asked to look

closely at some of these issues around corruption, insecurity, instability and the allocation of budgetary resources. South Sudan has huge depths of poverty, but it is not a poor country. By the end of the CPA period, it will have had - plus or minus \$250 million - and something like \$11 billion of oil revenue. There is a population of 9 million people, but there are still only perhaps 100 kilometres of paved roads in a country that is three times the size of western Europe or whatever. There are issues about how South Sudan uses its resources. Our view is that the EU's role is important in this because through the EU's mechanism you hardwire the political and policy discussions to the development partnership discussion. That is one element.

There is also the big trade element that the Minister referred to whereby if South Sudan acceded to the East African Community, it would have access through that to preferable trading relations under the regional EPA. We are even now looking at issues such as the everything-but-arms (EBA) preferential agreement. The EU has a range of different instruments and instrumentalities that it can bring to bear, and we see a role across the board for the EU.

Q250 Lord Jay of Ewelme: What you said about South Sudan having a lot of poverty, but not being a poor country was very interesting. Assuming all goes well and looking ahead, let us say, 10 years or so, how would it compare with Uganda, Kenya and its southern neighbours if there is a smooth transition—I know it is a big if—to an independent state and if development works as we hope it will?

Ms Sandra Pepera: The starting point is that even today the government revenue per head of the population of South Sudan is already more than Uganda and Kenya. The revenue stream is massive. It is not a money issue.

Q251 Lord Sewel: Do you mean GDP?

Ms Sandra Pepera: Yes, I mean GDP¹⁴. This is a country where, for example, the health budget is underspent by 50 per cent each year, and the health budget is tiny. It is not a money issue. It is an absorption, policy and capacity issue that we need to address. If all goes well, in 10 years' time, you would hope to see more productive use of oil revenues in infrastructure and human development. The Minister mentioned the oil fields. The ones that are currently running are some way from Uganda, so the issue of linking up is slightly problematic, but the Norwegians, who lead on this, tell us that with a bit of stability and a more healthy investment climate, you could see an increase of perhaps even 50% on the current fields. This could be a resource curse, as we know. Lots of resources going into environments with weak governance is not necessarily the best thing. That is the ball park. The question is whether we can help achieve a better outcome.

Q252 Lord Jopling: I want to clarify the figures. You seem to be talking about millions. Last week, the Khartoum ambassador in London left us some figures. He said that in the six years to 1 January the Government of South Sudan received as near as US\$8.5 billion. Is that a figure you recognise?

Ms Sandra Pepera: The figure that I hold in my mind is that the Norwegians are estimating that by the end of the CPA period South Sudan will have had up to US\$11 billion in oil revenues. The Minister mentioned that there are slight arrears of some \$250 million, but

¹⁴ The Foreign and Commonwealth Office have amended this sentence to read "I mean the government revenue per capita"

they are pretty much up to date on the transfers of money from Khartoum to South Sudan, although Juba always says that they are not.

Q253 Lord Lamont of Lerwick: Our focus is the EU, but when you were talking you referred to UNMIS several times. Would you like to enlarge on that in any way and on the countries that are contributing, the challenges it faces and whether it has enough resources. Some of us heard a talk about it at Chatham House and were quite impressed by the Nigerian general involved.

Mr Henry Bellingham: I was fortuitously in New York last week. I wanted to go to New York outside the UNGA ministerial week to have some quality time with some of the key officials. I had a very good meeting with the director of peacekeeping operations, Alain Le Roy, and I had two other very good meetings with Lynn Pascoe, who is the political under-secretary, and Susana Malcorra, who is the under-secretary for field operations. The key subject we discussed was UNMIS, how it will be resourced and what its newly configured role will be. After peacekeeping, keeping the sides apart post the armistice and building all the expertise around supporting the referendum, it now has to go into a completely different mode.

Three things came through from those discussions. The first was about having a really efficient backup operation. This is one of the things that Susana Malcorra, who is in charge of field operations, is really looking at. In the past, there have been problems about the efficiency of supply and logistics for these peacekeeping operations. Three priorities came over to me. The first is preventing militia activity. We are very worried about that. The second is whether it will have the ability to operate on both sides of the border, which will also be very important. It will be in the south, but it may well need to go north of the border at different times. The third is how it is going to help with the capacity building that Sandra referred to. The emphasis will be very different. It will require different personnel and a different attitude on the part of the troop-contributing countries. We have to make it work. It will be a really important ingredient in whether this state is able to take off. Would you like to add to that Michael? I know it is something that you have focused on.

Mr Michael Ryder: The mandate for UNMIS is being reviewed at the moment, and there is a small British team with US and French colleagues in Sudan at the moment trying to scope out what SP3 might make the most sense for this mission. Khartoum has so far been very reluctant to consider a continuing UNMIS presence in the north, but there have been some indications that it might. From a border security point of view, there is certainly a need for an ability somehow to look at this issue from both north and south. Whether that means that it is a single mission doing it or there is a separate UN entity in the north addressing the northern side of the border is, at the moment, an open question.

Q254 Lord Williams of Elvel: Are we expecting large population movements, an influx from the north, and, if so, on what scale?

Mr Henry Bellingham: There has been quite a significant movement already. There will be an ongoing flow, particularly if these redundancies take place in the civil service and the army. There could be another 30,000 or 40,000 people coming south. If South Sudan succeeds in the way that we hope it will, I suggest that that could be a positive driver. A negative driver could be problems in the north. Certainly, if Bashir disappoints us and moves away from the promises he has made about ensuring right of abode in the north and the right of southerners to own property—those are the commitments he has made—the flow of people could increase.

Q255 Lord Selkirk of Douglas: The Cotonou agreement has already been touched on. For the sake of clarity, do you expect South Sudan, once independent, to become a member of the revised Cotonou agreement? If so, how great will be the problems for its relations with the north, given the acceptance that will be required from the International Criminal Court? Can you give guidance about what you think the EU's approach should be on this matter? How can the EU best ensure there is no development funding, which you referred to, after the declaration of independence?

Mr Henry Bellingham: We certainly expect South Sudan to join Cotonou so that it can access Cotonou funding in the normal way. I understand that this is due to be discussed at the EU/African, Caribbean and Pacific joint ministerial council in May. There will be a period of time after independence before this can happen. We do not want a development funding gap if at all possible. We are looking at the possibility of further funding from the reserve of the 9th European Development Fund of approximately €175 million. We are urging the Commission to allocate as much of this money as possible to South Sudan.

In terms of any country joining Cotonou, it must show that it is committed to combating impunity and to the standards of justice that we expect and it must sign up to the ICC. We are very strong supporters of the ICC, and we have adopted a common position on it. The country does not have to join the ICC as such, but has to indicate an intent to join, but that would be enough for it to be compatible with the Cotonou conditions.

You alluded to one important point about what the north is going to say about this. South Sudan's ratification of the Rome statute would cause tension between north and south. One obvious consequence is whether Bashir would be able to visit the south. Looking at this from a strictly legal point of view in line with the Rome statute, he would not be able to visit the south. The only slight margin of discussion would be if South Sudan indicated an intent to join and a position was then reached whereby that very strict rule would not necessarily be enforced as it would be if it joined. We are into quite a difficult area here.

Q256 The Chairman: When Lord Radice and I met ECHO earlier this week, we were quite shocked by how difficult the process of getting South Sudan to the finishing line in joining this is. Rather than the EU trying to get round its own rules, it can provide itself with its own development aid. Perhaps one of the important roles for the UK Government is to push hard on this process on the understanding that half of it is that the ACP countries have to be in unity to allow the entry of South Sudan. The impression we got was that it could take years, and clearly that is unacceptable in the situation. That is just a comment.

Mr Henry Bellingham: That is a very realistic assessment. That is why it is essential that there is not a development funding gap. We must work really hard with the Commission to allocate that EDF money from the 9th European Development Fund. Do you want to add to that Sandra?

Ms Sandra Pepera: I am not sure who you spoke to, but it is not our understanding.

The Chairman: Mr Zangl.

Ms Sandra Pepera: It is not our understanding that it would necessarily take years. In fact, it is almost the opposite. We think that accession to the ACP elements of the EU and full access to the concessional funding from the EDF could happen faster than, for example, joining the World Bank and the IMF. Our understanding is that it could be a faster process. The business about crafting a further instrument on the reserves from the 9th EDF is problematic because that has to happen before South Sudan becomes independent. It has to happen between now and July if this further special funding is going to be developed because South Sudan cannot access money unless it is a member. It is a member now only because it is part of Sudan. That is where the slight trickiness will come. However, money is not the most essential aspect of the relationship right now. We worked hard on the last special

fund to prevent Europe disappearing from view, but it was not about the money but about keeping a European investment and profile going through this process of transition and accession.

The Chairman: I must correct myself. It was not that meeting with ECHO, although we brought it up there. It was the previous one with Mr Fotiadis.

Q257 Lord Inge: As you know, the EU currently has an arms embargo on Sudan. Do you support its application to South Sudan following independence? What issues will arise because of it?

Mr Henry Bellingham: In principle, we obviously support the ongoing arms embargo to both north and south. In terms of South Sudan, we are going to have a new country. It may come into the Commonwealth. It will be working incredibly hard to build up all the ingredients that go to form a nation state. It will presumably have an embassy or a high commission here. It will take its seat on the UN General Assembly. It will obviously want to normalise relations with as many countries as possible. However, we are going to have to look at a number of key considerations, and the risk of armed conflict in the south needs to be examined. The capacity of the Government of South Sudan to monitor the movement of weapons through their territory will be very important. What controls will they have in place? How is the north/south border going to be controlled and monitored? We come back to the role of UNMIS there, which is going to be very important.

A feature of this is what happens in Darfur. We know that there has been filtering of arms from armed groups in Darfur into the south. We know that from the past. The terms of the Council's decision imposing the arms embargo and its continued relevance to the new country are the key to this. It is work in progress. Extending the EU arms embargo would require a number of technical updates to the common position. We are going to have to look at this on an ongoing basis. There will be a need for significant assistance to the Government of South Sudan in dealing with the key areas that I mentioned. If, in due course, the Government of South Sudan is able to deliver, I would not rule out the UK Government supporting the lifting of that embargo.

The recent small arms survey estimates that there are 2.7 million small arms in Sudan with 923,000 in the south, of which only 200,000 are in the hands of the Government, so there are 700,000 small arms in the hands of civilians. I am not sure it is a country that immediately needs any more arms. The point Lord Inge makes is about what will happen about the supply of significant arms to the defence forces of that country when relations are normalised.

Q258 Lord Inge: Do we need to worry about the Stockholm International Peace Research Institute's concerns that some of the main suppliers, such as Belarus, Russia and China, will go to bordering countries and supply them and then a deal will be done so those arms get to the south?

Mr Henry Bellingham: That is a very real concern. We agree with the recommendations of Stockholm IPRI for that reason. We thought that report was very helpful and I hope its recommendations are taken into account.

Q259 Lord Inge: How well able are we to monitor it?

Mr Henry Bellingham: Given the efforts we are putting in, we have a very close eye on what happens in surrounding countries. We have ways of finding out what those flows of arms are. We already know that some shipments have been intercepted in the past year. With our partners in the EU and with the US, we must keep a very close eye on this and use every possible opportunity in the UN to make sure that if that UN arms embargo is being

breached, it has to apply to all UN members. I know that there are discussions going on at the moment around some of those countries that you mentioned. I do not know whether you want to add to that Sandra.

Ms Sandra Pepera: I have a slightly different take on this. With six other European partners, we have been key funders of the CPA-related disarmament, demobilisation and reintegration programme. One of the reasons why we as a European block within this pooled fund have called very strongly for a review is because we have not been able to get traction on the weapons verification element. Even now in our discourse with the Government of South Sudan, we are talking about the fact that we cannot continue with a programme whereby we cannot verify what is happening to weapons. People are basically handing them in at one door and going around the back and collecting them again. It is just another example of how, as Europe, the Dutch, the Italians, the Germans, Spain, France, Sweden and the UK together with other bilateral members of the pooled fund on DDR we are taking a very firm position.

Lord Inge: I am still not sure how we have the knowledge to monitor it.

Ms Sandra Pepera: That is the issue.

Mr Henry Bellingham: It is a priority for us. The Foreign Office cannot be everywhere at once, but we do our level best to try to find out what is going on. This is one of the priorities.

Lord Inge: I think of how much trouble we had in Ireland.

Mr Henry Bellingham: We are putting time and effort into this, I assure you. Since Ireland, we have developed new techniques. We have new ways of finding knowledge, and we will make sure they are put to good use.

Q260 Lord Jay of Ewelme: I want to go back to the China point. Evidence we have had from the small arms survey talks about clear evidence of Chinese-made small arms and light weapons being a striking feature of the Darfur conflict. There are clearly a lot of Chinese weapons getting through in one way or another. In our conversations with China, are we taking that up as an issue alongside the other aspects of discussions we are having about co-operating with China after the referendum and into the future of South Sudan?

Mr Henry Bellingham: Certainly at ministerial level the answer to that is yes.

Mr Michael Ryder: There have been discussions in the UN on this as well. The arrangements for monitoring arms flows into Darfur have not always been as transparent as we would like them to be, and it is a matter of great sensitivity. It is one that we believe the Chinese take seriously.

Q261 Lord Sewel: Just hypothetically, how the hell are we in a position to monitor, say, the shipment of arms from Belarus to the Democratic Republic of the Congo?

Mr Henry Bellingham: I suggest that there would be people on that vessel using mobile telephony and there would be satellites watching what was happening—if not ours, the satellites of friendly countries.

The Chairman: I can see that Lord Sewel is not completely convinced.

Mr Henry Bellingham: I can assure you we are on the case.

The Chairman: I am sure that we would like to think that those techniques are making some impact.

Q262 Lord Jopling: When some of us came to this problem a month or two back not knowing too much about it earlier, we were rather taken aback when one witness told us that more people had died in south-south conflicts than in north-south conflicts. Can we come to the problems of the various military groups or militia in South Sudan? We are told that because he was defeated in the election for a governorship, so-called General George

Athor has mounted a militia. *Africa Confidential* tells us that he now has 2,000 fighters. We have the Lord's Resistance Army, which again provides a threat. We were told by one witness that there is tension between the Dinka and the Misseriya. The ambassador told us that Misseriya are particularly difficult people. Can you give us an overview of the potential likelihood of and opportunity for serious fighting and civil war to take place in the new state of South Sudan and talk about how we might deal with it? Have we got good co-operation with the United States to try to deal with these things? Or is it beyond our capacity and is going to happen anyway?

Mr Henry Bellingham: You have highlighted one of our really big concerns because you cannot ignore those drivers of conflict in South Sudan. They are very complex. You touched on one which was a conflict over grazing rights. There are conflicts over natural resources, water and grazing, political and ethnic historic divisions, the legacy of 40 years of war, poverty, the degradation of institutions and, in that mix, the ready supply of weapons, which I mentioned in answer to one of the previous questions. One of the reports I saw recently about the SPLA I found a bit depressing because the interlocutor, a very experienced individual, said that it was plagued with corruption, nepotism and disorganisation.

Sandra was talking about building capacity within government. The whole DDR process and making sure the SPLA is able to move from being a guerrilla movement to being the army of a new state will be incredibly important. One of the areas I discussed with Alain Le Roy, the director of peacekeeping operations at the UN, is how UNMIS is going to help with this. Other countries are going to be able to assist. The EU and the UK are very good at some things, but it may be that we possibly need some help from the Americans, who are very good at helping armies with training and at enabling them to move forward in a way that removes the corruption and the disorganisation. That is very important.

We saw the other day that George Athor, who has been referred to, said that he was "at war with the SPLA". If he were able to merge into his militia some of the other militias that are still at large, it would be a very big worry. That is why it is essential. The statement the Troika put out the other day made it very clear that we are concerned about the use of proxies, both north and south. It is completing all those different aspects of the CPA.

The LRA is an army of very few people, maybe 200 or 300, but its ability to wreak havoc and hell is enormous. In the past year, it has displaced in the region of 50,000 people. It is an armed militia of 200 people led by a complete maniac. Its capacity and ability to create disruption is still there. On the other hand, most of its activity is outside South Sudan, thank goodness. That does not mean to say that we do not have to put a lot of effort into trying to sort the problems of the LRA, and we have been very active. There is an international working group co-ordinating the response to the regional problem of the LRA. It is one of the things I discussed at the UN last week. We are keeping a very close eye on the LRA. It is a more of a regional problem than an immediate threat to South Sudan.

There is one other point I must mention. This will be an international problem, but it will also be an African problem. The AU's commitment to setting up a joint regional brigade will be important. It will involve Uganda, the DRC, the Central African Republic and South Sudan with a view to targeting not just the LRA but possibly some of the other militias as well. If this new regional brigade can become a reality, it will be a good example of the AU having another effective role on the ground.

The Chairman: You have stimulated four of the Committee Members to come back on this. I am going to ask everybody to be pretty brief because we are coming up against our time limits and your time limits.

Q263 Lord Sewel: At the start of the morning, you expressed great optimism about the future of South Sudan. During the course of the morning's discussion, has that optimism been modified at all?

Mr Henry Bellingham: I am an optimist, but I am also a realist. I think that by working together and playing to our strengths, we will be able to help this new country develop.

Q264 Baroness Bonham-Carter of Yarnbury: My question was going to start in exactly the same way, but I want to help the optimism along slightly. I think it is possibly a question for Mr Ryder. Despite the legacy of civil war, the fact that there are pockets of fighting and the poverty we have spoken about, the Minister also talked about orderly queues, a desire for democracy and so on. As someone who knows the region—this is a rather unspecific question—does the country generally function as a society? Are you optimistic that despite all of this, there is room for optimism if we can deal with those rather large problems?

Mr Michael Ryder: The short answer is yes. My reason for thinking that goes slightly to the question that Lord Williams asked about what happens on 9 July. He characterised it as a big bang. It is a huge step, but it is not quite a big bang because South Sudan has exercised sovereignty over a good deal of its own activities for the past six years. There is a substantial area in which government capacity, although weak, is now more established than it originally was. There is a base to start from. During that period, the internal tensions in South Sudan, which undoubtedly exist, have not spilled over. They have emerged at various times, and it has been difficult, but they have been contained, and if that is the path that it continues on, that is grounds for modest optimism.

Q265 Lord Trimble: Since the LRA was driven out of Uganda, it has located itself in the DRC along the border between the DRC and South Sudan. It has been operating to some extent within South Sudan. I think I am right in saying that the chap who effectively runs the LRA has in the past had relationships with Khartoum, so the LRA is available to Khartoum to use as a proxy in destabilising South Sudan. We have reason to believe, because of previous exchanges, that Khartoum has already done this with dissident militia along the border between north and South Sudan, but we suspect there may be another front about to open on the west. You referred to an AU brigade, which will be much smaller than the existing UNMIS operation, but we hope it will do something to counter that. Looking forward, there is an area of concern there.

Mr Henry Bellingham: I agree that we cannot be complacent on this. How UNMIS is configured under its new mandate will be very important as will how it co-ordinates its activities with other UN missions—we should not forget that there are other UN missions in the region, such as MONUSCO. I shall get Sandra to comment in a second. The EU, with our help, has put over €1 million to support AU co-ordination on the LRA under the African Peace Facility which will help build this new brigade. We are working with UNMIS and the other UN missions. What we are trying to do, and I cannot give details on this, is trying to get a handle on what we know about the LRA. There are ways of securing intelligence. We would like to find out more about what it is doing. That is a priority. Do you want to say more about northern support for the LRA?

Ms Sandra Pepera: We understand that there has been no direct northern support for a good 18 months. That is the last time there was contact that we have been made aware of.

Q266 Lord Inge: The LRA clearly has the ability, if we are not careful, to destabilise the whole situation. If we in the West are really serious about this, are we providing enough help in terms of training and assets to take on the LRA?

Mr Henry Bellingham: It is a tiny force, but because of its brutal tactics and modus operandi it can wreak havoc. Our instinct is to put the support we are giving into the AU. We will watch very carefully how the new brigade comes together. UNMIS will have an important role to play. If after that there are gaps in what we could be doing or there are requirements for UK technical expertise, that is something that we could look at. I can assure you that very rarely do discussions about South Sudan go on without us at least referring to the threat of militia.

Lord Inge: I am thinking about the assets we should think about using to help them.

Q267 The Chairman: This is almost certainly our last hearing on Sudan. One of the messages that came over during our visit to Brussels, particularly from a couple of our witnesses, was that, despite all the problems and who did what in terms of the African Union, EU and the four pillars of international community work, it all sounded pretty co-ordinated and everybody was pretty clear about what everybody had to do, even if they did not necessarily know the size or complete scope of that. Do your colleagues agree with that? Is it not one of the big problems and people generally know what their role should be? Or is that being optimistic?

Mr Henry Bellingham: I would agree with you. There is a very clear idea about who is doing what and about who can add the most value where.

Ms Sandra Pepera: There is an understanding. The thing that has been missing so far is the Government of South Sudan's own vision for the future. It is all very well and good for us to be ready, but to do what? For some time, we have said that, hopefully before 10 July, we need to know what South Sudan is for. We have known what it has been against for a long time, but what is it for? That has been missing. What will continue to be missing is the capacity issue that we have talked about.

Picking up something that Lady Bonham-Carter was asking about, the other point we have to watch is that South Sudan swiftly unlearns the behaviour it has learnt from its relationship with the north all these years. Some of the stuff that we have routinely picked up in the north as being undemocratic, conflictful and not good is already fairly present in the south. Unlearning some of that behaviour is going to be another issue that we need to get behind. The EU clearly has a role in that.

Mr Michael Ryder: An adage that Lord Inge will be very familiar with is that no plan survives contact with enemy. In this case, the enemy is the challenge of developing South Sudan economically and politically in circumstances where the development challenges are profound and extremely long term. We are talking about a country where perhaps less than 30 per cent of children complete primary education, so getting to a skills base that we would consider adequate is a very long-term prospect. The political environment, at least currently, is changing extremely rapidly, so the adaptability of the international community in these circumstances will be crucial.

Q268 Lord Selkirk of Douglas: Can the Minister sum up what he believes the EU's top priorities should be in relation to conflict prevention and resolution in Sudan?

Mr Henry Bellingham: Our top priority is fourfold. First, the extra value that the EU can add through the aid money going in. We can do so much as a bilateral donor, but we can achieve much more working alongside the EU. How that money is spent in terms of building capacity is essential. Because the EU is such an important player in the completion of the CPA, working alongside UNMIS and different EU countries, particularly those that, like ourselves, France, Germany and Portugal, are on the Security Council, and the work going on around the new mandate for UNMIS will be very important. My final point is that with all the other crises going on in the world, we must not take our eyes off what is happening in

Sudan, both north and south. There is a huge opportunity to create two new functioning states that can take their place in the international community. The upside is significant, and the downside is very significant as well if we do not get it right.

The Chairman: Minister, thank you very much for that. Mr Ryder, Ms Pepera, thank you for your contributions. It has been a very useful session indeed.

