



SUDAN PEOPLE'S LIBERATION MOVEMENT SPLM/SPLA(IO) CHAIRMAN AND COMMANDER-IN-CHIEF



H.E. Salva Kiir Mayardit President, Republic of South Sudan

Re: Concerns on "Republican Order No. 03 of 2024 For Separation of Powers and Functions the Minister, the Undersecretary and the Director General of Petroleum Authority, Ministry of Petroleum"

I am forwarding to your Excellency the position of SPLM/SPLA(IO) on the above Republican Order (document attached). In addition, I am expressing my sincere concern on this order as it will have a lot of negative implications including the following:

- 1. The Order will discourage potential investors in the oil sector as the Joint Operating Companies are governed by the EPSAs, which have been violated.
- 2. The Order may also plunge the country into unnecessary lawsuits that may cost the country billions of dollars. The country has already gone through lawsuits such as Viva Cell, Trafigura, Qatar National Bank that have cost the country billions of dollars.

In the interest of the country and the people, I am requesting your Excellency to reverse the Order.

Yours Truly,

Riek Machar Teny

Chairman and Company of the SPLM/SPLA (IO)

February 3, 2024

Attachment: Resolutions of the SPLM/SPLA(IO) Political Bureau Meeting, No. 01/2024

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- 1. RJMEC
- 2. IGAD SPECIAL ENVOY TO SOUTH SUDAN







Resolutions of the SPLM/SPLA(IO) Political Bureau Meeting, No. 01/2024

The SPLM/SPLA(IO) Political Bureau met on 2nd February, 2024, in Juba, Republic of South Sudan, to deliberate on the Republican Order No.3/2024 dated 31st January 2024, titled "Separation of powers and functions the Minister, the Undersecretary and the Director General of Petroleum Authority, Ministry of Petroleum." After extensive deliberations, the Political Bureau observed the following:

- 1. Misinterpretation and violation of Article 106 A (4) (b) of the Constitution which gives the President the power to initiate institutional reforms under responsibility sharing in the Presidency that requires Consultation and agreement of the President, the First Vice President and the four Vice Presidents. In this Republican Order, there was no prior consultation and agreement between the President and the First Vice President. As such, the Order is a violation of the Constitution (as amended).
- 2. The Order violated the Agreement (Article 1.9.4.3) on "initiation of institutional reforms" which requires consultation and agreement as stated under Article 1.9.4 which states that "the following powers, functions and responsibilities may be initiated by either the President, the First Vice President or any of the Vice Presidents and shall require the agreement of others."
- 3. The Order is also a violation of Article 1.9.1 of the Agreement which states that "the R-TGoNU is founded on the premise that there shall be collegial collaboration in decision-making and continuous consultation within the Presidency between the President, the First Vice President and the four Vice Presidents to ensure effective governance during the Transitional period."

4. Noted with concern that points number 3, 4 and 5 in the Order strip the powers and functions of the Minister clearly violating Article 114 (1) of the Constitution (as amended) which states that "a Minister in the National Government shall be the head of his or her Ministry and his or her decisions shall prevail therein." In that regard, the Order has created two de facto ministers (the Undersecretary and the Director General of Petroleum Authority) on top of the dejure Minister, within the Ministry, further violating Article 1.12.7 of the R-ARCSS which prohibits any party of the R-TGoNU from appointing "Assistant President, other Ministers or Deputy Ministers during the Transitional Period other than that allocated to the parties by the Agreement."

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- 5. The Order furthermore violates the Civil Service Act, 2011, Section 14 (1) on accountability which states that "an Undersecretary shall be responsible to the appropriate Minister on his or her duties and functions under the Act and for the proper, efficient and economic administration of his or her Ministry" and Section 15(c) which states that "to ensure that any administrative and performance objectives set by the appropriate Minister or Chairperson are achieved and that the decisions of the appropriate Minister are executed provided that it is in accordance with the existing laws, regulations, procedures and practices."
- 6. The Order strips the powers and functions of the Minister over the management of the Joint Operating Companies (JOCs), violating Chapter XX and Chapter XXI of the Petroleum Act, 2012.
- 7. In addition, the Order violates Articles XXXIV and XXXV of the Exploration and Production Sharing Agreements (EPSAs) between the Government of the Republic of South Sudan and the Joint Operating Companies on Work Programmes, Budgets and Approval Procedures, and Transportation System respectively. The Order violated the contractual obligations in EPSAs and the subsequent amendments thereto. These Agreements refer to the Minister as the sole contact between the Government and the Contractors, and not the Undersecretary or the Director General of Petroleum Authority.



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- 8. The Order will jeopardize the reforms initiated by the Minister namely, the Cost Recovery Audit, the Environmental Audit, the Unified Human Resource Policy Manual, the implementation of the Local Content Regulation etc.
- 9. The Order is therefore not an initiation of institutional reform but rather arrogates the powers of the Minister to the Undersecretary.

10. The Order takes away the Ministry from SPLM(IO) abrogating the Agreement.

In light of the above, The SPLM/SPLA(IO) Political Bureau rejects the Order and calls upon the President to uphold the Constitution, the Agreement, all the other relevant laws and the EPSAs, and to reverse the Republican Order No.3/2024.

Signed:

Riek Machar Teny-Dhurgon, PhD

Chairman and Commander-in-Chief of the SPLN

February 3, 2024.



REPUBLIC OF SOUTH SUDAN Ministry of Presidential Affairs The Minister

RSS/J/MOPA/MO/2024/48

1st February 2024

Eng. Deng Lual Wol,
Director General,
Directorate of Petroleum Authority
Ministry of Petroleum,
P.O. BOX 376, JUBA-SOUTH SUDAN

RE: FORWARDING THE REPUBLICAN DECREE NO. 03/2024

Dear Eng. Lual,

I am pleased to write and forward a copy of the **Republican Decree No. 03/2024** dated **31st January 2024** for the Separation of Powers and Functions of the Minister, the Undersecretary and the Director General of Petroleum Authority, Ministry of Petroleum.

While expressing appreciation for your attention to this matter, please accept the assurances of my highest consideration.

Hon. Bangasi Joseph Bakosoro, Minister of Presidential Affairs,

Republic of South Sudan,

Enclosure(s):

Copy of the Republican Decrees (No. 03/2024)



REPUBLIC OF SOUTH SUDAN

The President

RSS/RO/J/03/2024

31st January 2024

REPUBLICAN ORDER NO. 03 OF 2024 FOR THE SEPERATION OF POWERS AND FUNCTIONS OF THE MINISTER, THE UNDERSECRETARY AND THE DIRECTOR GENERAL OF PETROLEUM AUTHORITY, MINISTRY OF PETROLEUM.

Whereas; Article 97(3) of the Transitional Constitution of the Republic of South Sudan, 2011 (as amended), (hereinafter referred to as the Constitution); inter alia gives the President as Head of State and Government, the power to represent the will of the people, and exercise the powers vested in the office of the President by the Constitution;

Whereas; Article 106A(4)(b) of the Constitution gives the President the power to initiate institutional reforms;

Whereas; Article 115(1) of the Constitution provides that a Minister shall be individually answerable to the President;

Being cognizant of the functions of a Minister under Article 114 of the Constitution, and the functions of the Ministry of Petroleum under Section 12 of the Petroleum Act, 2012, and the provisions of Ministerial Order No. RSS/MPM/J/OM/02/2016, dated, 16th February 2016 on the Functions, Powers and Duties of the Director General of the Petroleum Authority;

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Now therefore; and pursuant to the provisions of Articles 97(3) and 106A(4)(b) of the Constitution and based on the recommendation of the Ministry of Petroleum, I, Salva Kiir Mayardit, President of the Republic of South Sudan, do hereby issue this Order for the separation of powers and functions of the Minister, the Undersecretary and Director General of Petroleum Authority in the Ministry of Petroleum as part of institutional reforms to ensure transparent, accountable, efficient and effective provision of services to the oil and gas sector of the Republic of South Sudan for the benefits of all the citizens as hereunder:

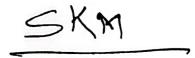
- Paragraph 5 of Ministerial Order No. RSS/MPM/J/OM/02/2016, dated 16th February 2016 on the Functions, Powers and Duties of the Director General of the Petroleum Authority is hereby Revoked.
- 2. The Minister of Petroleum shall perform the following Functions and Powers as per the Provisions of Article 114 of the Constitution, Section 12 of the Petroleum Act, 2012 and the EPSAS.
 - (1) Being the head of the Ministry, he or she shall provide leadership in public affairs to achieve the policy objectives of the National Government with respect to petroleum resources.
 - (2) Collaborate and establish good working relations within the Ministry and with other relevant Ministries, including counterparts from other Countries as well as with state and administrative area governments.

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- (3) Perform any public or political role as may be required by law or delegation.
- (4) On behalf of the Government, sign negotiated oil and gas agreements with oil and gas companies that are willing to invest in the oil sector of South Sudan upon approval of the National Oil and Gas Commission.
- (5) Supervise activities of the Ministry.
- (6) Issue Regulations as required by law
- (7) Represent the Government in oil and gas international forums and conferences.
- (8) Perform any other function or power assigned by law or delegation
- 3. The Undersecretary of the Ministry of Petroleum shall perform the following Functions and Powers as per Sections 15 and 16 of the Civil Service Act, 2011 and Section 8 of the Public Financial Management and Accountability Act 2011:
 - (1) Being the Chief Accounting Officer of the Ministry of Petroleum, he or she shall ensure effective use of the resources budgeted under the Ministry, and grants approval to the budget of the Joint Operating Companies in a timely manner upon recommendation of the Budget Committee.
 - (2) Be answerable to the Minister and shall assist the Minister in implementation of Government policies with respect to oil and gas resources.

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- (3) Responsible for the day-to-day Management and Administration of the Ministry of Petroleum.
- (4) Coordinate and handle communications between the Ministry of Petroleum and the oil and gas Operating Companies and ensure timely feedback to the Operating Companies.
- (5) Chair the Committee for marketing and sale of government entitlement of crude oil in accordance with international best practices and the law, and thereafter, issues the final letter of award to the successful crude off-takers.
- (6) Ensure that procurement of goods and services by oil operating companies comply with open, transparent and non-discriminatory and competitive tendering procedures, including adherence to the local content requirements where appropriate, and thereafter, grants approval in a timely manner.
- (7) Chair meetings of the Technical Team that negotiates oil and gas agreements with international oil and gas investors.
- (8) Ensure compliance with prior statutory approvals by the National Petroleum and Gas Commission.
- (9) Perform or exercise any other function or powers as may be required by law or assigned by the Minister of Petroleum from time to time.





- 4. The Director General of Petroleum Authority shall perform the following Functions and Powers:
 - Responsible for the day-to-day petroleum operations in the oil producing areas.
 - (2) Coordinate with the undersecretary on development of petroleum infrastructure such as transportation, processing and refining among others.
 - (3) Report to the Undersecretary who shall in return report to the Minister.
 - (4) Perform any other function as may be assigned to him or her by law or the Minister of Petroleum or the Undersecretary.
- The Ministry of Petroleum, all relevant Government institutions, including the Joint Operating Companies are hereby directed to comply with this Order.

Issued under my Hand and the Seal of the Republic of South Sudan in Juba, this Thirty-First Day of the Month of January in the Year 2024.

Salva Kiir Mayardit,

President,

Republic of South Sudan,

Juba.