Programme for the Water Sector between South Sudan and the Netherlands

Water for Lakes State

The Role and Opportunities of the Private Sector

In the context of

Sustainability of the Water for Lakes State Development

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Content

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Supporting information.

Currency: South Sudanese Pound (SSP)

Area of Lakes State: Approximately 40,000 km²

Population: 695,730 according to census 2008, while current estimates are just over one million people.

One Feddan: 4200 m²
## Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>BDA</td>
<td>Business Development Adviser</td>
</tr>
<tr>
<td>CTC</td>
<td>Crop Training Centre</td>
</tr>
<tr>
<td>DG</td>
<td>Director General</td>
</tr>
<tr>
<td>EKN</td>
<td>Embassy of the Kingdom of Netherlands</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agricultural Organisation of the United Nations</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labour Organization</td>
</tr>
<tr>
<td>IWRM</td>
<td>Integrated Water Resource Management</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
</tr>
<tr>
<td>NPA</td>
<td>Norwegian People’s Aid</td>
</tr>
<tr>
<td>O&amp;M</td>
<td>Operation and Maintenance</td>
</tr>
<tr>
<td>OXFAM</td>
<td>Oxford Committee for Famine Relief</td>
</tr>
<tr>
<td>ProWaS/SSN</td>
<td>Programme for the Water Sector between South Sudan and the Netherlands</td>
</tr>
<tr>
<td>RIAS</td>
<td>Rabo International Advisory Services</td>
</tr>
<tr>
<td>RWS&amp;S</td>
<td>Rural Water Supply and Sanitation</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium size Enterprises</td>
</tr>
<tr>
<td>SORUDEV</td>
<td>South Sudan Rural Development Programme</td>
</tr>
<tr>
<td>SSADP</td>
<td>South Sudan Agribusiness Development Programme</td>
</tr>
<tr>
<td>SWIS</td>
<td>Safe Water and Improved Sanitation</td>
</tr>
<tr>
<td>TAT</td>
<td>Technical Assistance Team</td>
</tr>
<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
</tr>
<tr>
<td>WASH</td>
<td>Water, Sanitation and Hygiene</td>
</tr>
<tr>
<td>WFP</td>
<td>World Food Programme</td>
</tr>
<tr>
<td>WUC</td>
<td>Water User Committee</td>
</tr>
<tr>
<td>ZEAT-BEAD</td>
<td>Zonal Effort for Agricultural Transformation/Bahr el Ghazal Effort for Agricultural Development</td>
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Executive Summary.

The vision of the Water for Lakes Programme is the balanced development and management of natural resources in order to contribute to (national) security and reduce dependency on food aid. The programme aims to stimulate economic development by:

(i) unlocking the potential of integrated development and management of land and water resources for production in agriculture, livestock and fisheries; and

(ii) improving community health conditions.

This short term consultancy has addressed the sustainability issues of the Water for Lakes Programme specifically in relation to how the private sector may be able to play a larger role in the overall context of sustainability in improving people’s livelihood, overall food security and economic growth in line with the above vision of the Water for Lakes Programme of a balanced development.

The focus of this assignment has been through a participatory dialogue process with and between the concerned stakeholder groups. The dialogues have focussed on obtaining understanding of the present situation in relation to the use of resources and the role of the private sector and of the public sector. The dialogues have specifically concentrated on whether there is an interest by the private sector stakeholders to take lead and ownership of the process of taking a larger role in development and whether the public sector is prepared to enable and facilitate such a process and to provide the required policy framework to facilitate such development.

The resources are generally underutilized and not depleted. There are great opportunities to optimize food production and marketing by applying rain-fed agricultural production during the rainy season as well as with irrigation during the dry season. For the livestock and fisheries subsectors very little value added is so far being created, however there is potential for large improvements.

The private sector is active in Lakes State and generally adapting to business opportunities as and when they occur and generally the private sector stakeholders are keen to take lead and ownership and to develop their business further if it is possible. The individuals and groups of the present private sector stakeholders have a need and an interest to be better organised.

The public sector stakeholders including Lake State Ministers are fully aware of the need to have the private sector playing a larger role and they are keen to enable and facilitate the private sector development. The same views are also expressed by the Central South Sudanese Government and by the donor representative for the Water for Lakes Programme i.e. the Embassy of the Kingdom of Netherlands.

On the basis of the study findings through visits and meetings of the participatory dialogue process with the various stakeholder groups a private sector workshop session was held to summarize and discuss the main challenges, opportunities and possible interventions.

A number of interventions which are believed to be realistic and possible are proposed for further action in order to speed up the drive of private sector development towards a more sustainable overall impact of the Water for Lakes Programme and for optimizing the use of the resources in Lakes State to improve the
livelihood situation, the food security situation and an overall balanced economic growth and job creation towards stability and peace.

A number of the proposed interventions are building on existing successes within Lakes State and South Sudan with private sector groups operating as responsible businesses and the intention with the interventions is to strengthen and accelerate such successes so they can become “key driver” demonstration cases and possibly become centres for on the job training to multiply the effect.

The priorities of the proposed interventions are as follows:

Private sector business development interventions:

- To recruit some national Business Development Advisers who can provide much needed support to facilitate the business development process.
- To assist the private sector service providers to organise themselves to establish supply chains for water facilities inputs and services and for farm inputs and services
- To facilitate various SME business groups with business process development services like business planning, business management, required registrations and applications for priority lending and business mentoring for agricultural production and marketing as well as specific service provider groups.

Public sector enabling interventions of the private sector

- The public sector and the customary leaders need to enable the private sector development process particularly by providing ownership documentation of legal right to the land and water facilities in order to create a higher degree of commitment and responsibility of the private sector users and producers.
- The public sector should continue the process they have initiated to make more public/ private sector contract agreements for operation and maintenance of urban water facilities, water laboratory, abattoir etc.
- The public sector (the Directory of WASH) should assist in the process of establishing standards of pumps and spare parts and with the private sector players try to agree on a price level of the spare parts.
- The public sector should lift the taxes which are imposed when livestock and food products are transported between counties and/or to markets.
- The public sector should initiate an awareness campaign informing of the Governments policy to enable the private sector to play a larger role in developing the resources of Lakes State.

It is recommended that the proposed interventions should be integrated into work plan of the Water for Lakes Programme for the remaining duration of the programme. It is also recommended that the Government of South Sudan and of Lakes State commit themselves to further create an enabling environment required to facilitate a thriving private sector development in line with the proposed interventions.
Map 1. The ten states of South Sudan

Map 2. The eight counties of Lakes State
1. Background and Introduction.

The Water for Lakes Programme (ProWaS/SSN-Lakes) is funded by the Dutch Government through the Embassy of the Kingdom of Netherlands (EKN). The Programme is part of the broader bilateral water programme funded through the Dutch Multi Annual Strategic Plan 2012-2015 for South Sudan. The other component is the Water for Eastern Equatoria (ProWaS/SSN-EES). The vision of the Water for Lakes Programme is the balanced development and management of natural resources in order to contribute to (national) security and reduce dependency on food aid. The programme aims to stimulate economic development by:

(i) unlocking the potential of integrated development and management of land and water resources for production in agriculture, livestock and fisheries; and

(ii) improving community health conditions.

Water for Lakes Programme implemented by Euroconsult Mott MacDonald and funded by the Netherlands Ministry of Foreign Affairs has been initiated in Lakes State in South Sudan.

The programme consists of five interrelated components, four of which represent the envisaged productive use of the water resources: Water for Livestock, Water for Agriculture, Water for Fish and Habitats and Water for People (Improved Water and safe Sanitation). The fifth component is a crosscutting component pertaining to knowledge and capacity development for Integrated Water Resources Management:

1. Water for livestock;
2. Water for agriculture;
3. Water for fish and habitats;
4. Water for people (safe water and improved sanitation); and
5. Knowledge and capacity development for integrated water resources management.

The programme is proposed to span over a period of five years, from 2013-2018, divided into two phases of “three- two years each”. The first three year period comprising an inception period, early implementation, innovation, planning and implementation and up-scaling to larger interventions, followed by a second phase comprising final implementation activities, consolidation and exit.

There are a number of areas where sustainability questions need to be addressed i.e. on: water & sanitation (water for people), dry-season watering points for livestock, water for agriculture (e.g. infrastructure for dry-season irrigation) and support to the development of the fisheries. This especially relates to Operation & Maintenance issues (e.g. spare parts for hand-pumps) and actual enabling of supply chains related to the water facilities and to the agricultural production and marketing.
So far the focus of most development projects in South Sudan has been on encouraging the State Government and the local communities in picking up the O&M role in relation to water user facilities with limited involvement of the private sector.

A private sector development consultant was assigned for the period 28th February to 28th March 2015 to address the sustainability issues of the Water for Lakes Programme specifically in relation to how the private sector may be able to play a larger role in the overall context of sustainability in relation to the water facilities and in relation to improving people’s livelihood, overall food security and economic growth with a private sector drive by optimizing the use of the natural resources.

This report reflects the outcome of the consultancy work in relation the present situation and the challenges, opportunities and recommendations for possibly accelerating larger participation of the private sector within the Water for Lakes Programme and for improving the overall economic growth situation in Lakes State.
2. Approach, Definitions and Methodology

This private sector development consultancy visit is scheduled to be of a relatively short duration and this limits the possible coverage in terms of field visits and dialogues with a larger sample of cases. The visit travel and meeting schedule therefore is kept focused in order to be able to come up with recommendations which are valid and useful to build on.

The private sector consultancy activities have mainly taken place in Lakes State. This included review of various relevant literature, documents and reports which are directly related to the activities and meetings with various stakeholder representatives including Lakes State Government Ministers, the Rumbek Town Council Mayor and other authorities, private sector individuals, cooperative and association representatives and representatives of institutions and of various NGO’s and international organisations. 

Due to time constraints and security constraints it was unfortunately not possible to make a visit to any pastoral livestock camps or to fishery communities at lakes sites and river sites.

Definition view of the consultant of “private sector” stakeholders is: It is in principle so that all people which are not part of the public sector are part of the private sector and generally this is valid for almost all people who are directly involved with food and agriculture (including livestock and fishery) production, handling, storage, trading, processing and marketing. This is therefore valid for most of the population of South Sudan even though most of the people presently involved in the food and agriculture sector to a large extent are subsistence farmers and therefore not considered private sector. The conclusion therefore is that most of the population in Lakes State and in South Sudan are part of the private sector.

Ambitions of immediate tangible results of a private sector drive in investments, operation and maintenance have to be related to the reality on the ground and be able to initiate a participatory dialogue ownership process, where the stakeholder take full ownership of every step. Such a process takes time, but stands a good chance to result in interventions which are finally implemented are actually something the stakeholders want and are ready to take full ownership and responsibility of.

It is important to build on already existing successes within Lakes State and South Sudan of private sector groups or individuals who are operating responsible businesses. Such success cases should be further strengthened and accelerated so they can become “key driver” demonstration cases and possibly become centre's for training to multiply the effect.

The “Key driver” cases must as far as possible include gender balance in the concepts

- A participatory stakeholder dialogue process is fundamental to establish joint understanding of where we are and where we may be able to get to in relation to ownership and responsibility facilitation of needed commercial services to secure continued operation of facilities as well as reliable and consistent production and marketing.
- The consultant must listen to the stakeholder’s, respect their views and experience, discuss constraints/challenges and opportunities and play a catalyst role in the dialogue process to initiate possible intervention ideas which are agreeable and considered possible by the actors.
• As far as possible all counties of Lakes State should somehow become partners of the programme (presently only 5 counties are included in the programme)

**Overall Guiding Principles applied as part of the approach and methodology:**

• Local stakeholder ownership at all levels throughout the process of a participatory dialogue, identification of interventions, design of scheme, implementation, operation, maintenance and management.

• Process before project

• Do no harm

• Be conflict sensitive

• The participatory dialogue process and the resulting interventions should pave the way to unite and not divide

• Appropriate applied technology should be applied

• Identify interventions which have the potential to become “Key Drivers” for private sector development.
3. Study Findings

The main task is to assess the present situation and role of the private sector and how it may be possible to have the private sector play a larger role in relation to overall development and specifically in making the proposed development components within the Water for Lakes programme, more sustainable in relation to water for people, livestock, fisheries and agriculture and facilitate a balanced economic growth by optimizing the use of resources.

3.1 Overall present situation of Natural Resources utilisation in Lakes State and roles of public, private sector, NGO’s and International organisations roles.

**Land resources** are available and are generally not being depleted and are underutilized for food production. There is a rainy season from April to November and this can accommodate cultivation of stable crops like sorghum, millet and maize as well as ground nuts various vegetables, beans, mung beans/green grams, cowpeas etc. which is done mainly for subsistence and in the dry season from December to March there are good opportunities for growing vegetables which is typically done in a limited way around the water facilities.

**Land ownership.** The land in Lakes State is owned by the communities headed by the chiefs and the government through the Directorate of Land at the state level. The right to use land within a village is linked to the customary kinship structure which is still practiced and works effectively. There is a system of customary “chiefs of land” at all levels of society (family, village, boma and payam) responsible for distributing land and resolving conflicts. The chiefs are also responsible for regulating the use of the common land reserved for grazing, fishing, hunting and gathering. The chiefs and the boma and payam administrators can also allocate land to user production and marketing groups like a cooperative society who wish to cultivate the land and develop a productive and profitable agro business.

Under the 2009 Land Act foreigners are not permitted to own land, but can lease land for a maximum of 99 years: community lands may be allocated for investment purposes, but that investment must reflect an important interest for the community and contribute to economic and social development of the local community; and land acquisition of 250 feddans or more (104 hectares) must be approved by state authorities.

**Water resources** are available as rain, rivers, lakes and groundwater and is underutilised for producing food and fodder crops during the rainy season and for irrigation during the dry season. Also the water resources for fishery are underutilized.

So far the focus of most water supply development projects in Lakes State and in South Sudan has been on encouraging the State Government and the local county authorities in picking up the O&M role with limited involvement of the users/private sector. Many water user facilities are in need of rehabilitation as they have not been maintained and repaired on the basis of a responsible water user management group.
Water is the basis for life and the ‘Water for Livestock’, ‘Water for People’, ‘Water for Agriculture’ and ‘Water for Fishery’ components envisioned in the Water for Lakes State Programme represent highly interconnected activities, but also addresses the specific opportunities for optimising the use of the water resources.

The water for livestock is also addressing a conflict area as specifically the pastoral livestock holders are having special needs in relation to the dry season both in relation to water and to grazing and fodder. They do migrate also through the areas with settled communities which can cause violent clashes. Violent clashes also happen between different pastoral livestock holder groups and is specifically having serious results because they are generally heavily armed.

The pastoral livestock communities generally keep the livestock as a wealth and the cattle are also playing an important role as part payment for marriage arrangements. The pastoralists don’t specifically sell cattle for slaughter and for providing good meat products to the markets at good prices. The value added along the pastoral livestock communities’ livestock value chain is based on traditional values and therefore presently related mainly to cattle numbers.

Forest resources are providing trees for timber, bamboo, firewood, charcoal, poles, agro-forestry which include shea nuts, gum Arabic and some fruits and grazing areas for livestock and wildlife as well as some subsistence agriculture.

The people and communities, who are overall representing a potential productive private sector, generally wish to improve their livelihood and food security situation by utilizing the resources, however there has so far been little incentive for them to organise themselves in production/marketing groups in order to make cash income generation and there is also limited awareness that such opportunities actually exists for them.

The Government of South Sudan, of Lakes State, the council, payam and boma administrations forms the overall public sector together with all the related government institutions. There are a number of existing South Sudan Government policies and frameworks which provide some guidance to the development and use of resources. The public sector is generally overstressed with the limited capacity and the resources they have and they are quite unable to meet the expectations which has been created of (free) services from the people and also to meet the requirements of donors for providing counterparts and counterpart organisations to all of the projects which are created and to take on responsibilities of taking over projects from donors and NGO’s when a project period is over. Such examples which are directly related to this consultancy are the New Abattoir and the Water laboratory which were handed over, but professional capacity was not developed for take over and continued operation. The public sector is also unable to take on a vast extension service which also they don’t have funding for or capacity to sustain.

Most NGO’s and International funded programmes and projects are unfortunately too busy and too focussed on spending the funds and showing some results in the short to medium term that the participatory dialogue process with the stakeholders is often by-passed which is adding to the problems at the point of exit not being able to establish stakeholder ownership or even be able to hand over the project. Many donors are also utilizing international NGO’s to undertake programme and project
implementation which unfortunately is adding to the longer term dependency of such international agencies.

3.2. Private Sector Business Environment in Lakes State

The private sector is active in Lakes State and generally they are adapting to business opportunities as and when they occur and generally the private sector stakeholders are keen to take lead and ownership and to develop their business further in a competitive market environment if it is possible.

3.2.1. Food production and import of food commodities

Private sector producers of food commodities, charcoal, timber poles etc. are generally the rural communities who as mentioned above are mainly producing for subsistence of mainly cereals during the rainy season and vegetables during the dry season, but also to a certain degree are selling products to the markets to generate income to be able to pay for various household requirements.

Rainfall in Lakes State varies over the years and in the below table some records are shown. The Climate Tool of SamSamWater is included in the table for reference and comparison. (Cor Verduijn – ZOA, MISSION REPORT WATER FOR LIVESTOCK, WATER FOR LAKES PROGRAM, October 2014.)

Table 1: Rainfall data in mm

<table>
<thead>
<tr>
<th>Month</th>
<th>Average Rainfall in Lakes (SamSam)</th>
<th>Ministry of Agriculture and Animal resources in Rumbek Centre 2010</th>
<th>Ministry of Agriculture and Animal resources in Rumbek East in 2014</th>
<th>WFP Rumbek data to Water for Lakes TAT 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>February</td>
<td>6</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>March</td>
<td>35</td>
<td>-</td>
<td>-</td>
<td>17</td>
</tr>
<tr>
<td>April</td>
<td>96</td>
<td>16</td>
<td>172</td>
<td>197</td>
</tr>
<tr>
<td>May</td>
<td>146</td>
<td>39.5</td>
<td>202</td>
<td>102</td>
</tr>
<tr>
<td>June</td>
<td>168</td>
<td>214.1</td>
<td>Not available</td>
<td>204</td>
</tr>
<tr>
<td>July</td>
<td>182</td>
<td>138.6</td>
<td>111</td>
<td>113</td>
</tr>
<tr>
<td>August</td>
<td>191</td>
<td>104.6</td>
<td>119</td>
<td>126</td>
</tr>
<tr>
<td>September</td>
<td>163</td>
<td>178.6</td>
<td>Not available</td>
<td>135</td>
</tr>
<tr>
<td>October</td>
<td>106</td>
<td>233.6</td>
<td>Not available</td>
<td>Tbc</td>
</tr>
<tr>
<td>November</td>
<td>22</td>
<td>39.6</td>
<td>Not available</td>
<td>Tbc</td>
</tr>
<tr>
<td>December</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>Tbc</td>
</tr>
<tr>
<td>Year</td>
<td>1119</td>
<td>964.6</td>
<td>Not available</td>
<td></td>
</tr>
</tbody>
</table>

The rainfall data in table 1 and also the dialogue with farmers and with various stakeholder groups indicate that generally the rainfall in Lakes State during the rainy season is sufficient in quantities and in distribution to secure a rain fed crop of sorghum, millet, sesame and maize etc. Thus the risk of crop failure during the rainy season is generally considered very limited.
The pastoral livestock holders are generally not selling their cattle for slaughter and most cattle which are slaughtered are being held by settled communities and it is understood that even live cattle are coming to the Juba market for slaughter from Uganda. Poultry are kept by some households contributing to their diet with poultry meat and eggs, and hens and chickens are brought live to the market in small quantities, but almost all eggs coming to the Rumbek market come from Uganda. Fishery is undertaken by community people and pastoral livestock people on a part time basis at the lakes and rivers. Fresh fish is consumed by the communities in the area where they are caught and dried and smoked fish is marketed to the urban markets.

**Private sector producer groups.** There are only 24 cooperative societies registered with the Cooperative Department for all of Lakes State and only eight of these are active agricultural farming cooperatives. There are also a number of agricultural associations registered with the Chamber of Commerce, Industry and Agriculture and then there are clearly a number of groups which are not yet registered, but work as a joint group business. This is also the case with fishery. It is understood that there are a number of Fishery Cooperative Groups which are not registered with the Cooperative Department.

**Private sector import of food commodities.** A large proportion and variety of food commodities are being imported from neighbouring countries by wholesalers and also by NGO’s and international organisations.

**3.2.2. Private sector service providers, traders and markets**

There is a well-established private sector trade and business environment in Lakes State and particularly in Rumbek. It is clear that this business environment is adapting to market demands of both input and outputs and services, but that there are many goods and services which are needed by users of water facilities for them to secure a continuous water supply and by the food product producers in order for them to be able to develop their production and marketing business.

In order to get some general understanding of the business environment visits were made to the centre and market in Rumbek and a dialogue was held with a number of market players and shop and stall holders. Meetings were held with the management of the Chamber of Commerce, Industry and Agriculture in order to get a wider understanding of private sector businesses and how they are organised and with Commercial Bank managers to get some views regarding lending possibilities to private sector business.

There various types and categories of small business retailers and wholesalers in food commodities, textile, pharmacies and retailers of medicine for animals, mobile telephone dealers, furniture and all type of household commodities, motorcycles and bicycle shops and workshops. There is also a thriving market of butchers, and people bringing in food commodities like vegetables, fruits and fish on the market. The fish are mainly dried or smoked. There are private owners of water facilities, who through water vendors are bringing water round in water jerry cans at 1 SSP per container. Motorbikes which are offering taxi service. There are tools and spare part shops for a limited variation of spare parts including spare parts for some water facilities.
There are some successful examples of private sector operators in the water sector in Rumbek town having public/private sector contract arrangements for Operation and Maintenance of the water supply facilities with the Authorities which is working well. They are wholesalers/retailers of spare parts and they have linkages with workshop facilities and pump mechanics etc. There are also a range of individuals providing services. (see Annex 2 meeting with the Mayor of the Town Council in Rumbek). The Minister of the Ministry of Physical Infrastructure Hon. Mayen Kuc also explained that the Ministry was in the process of letting National private sector bidders take over operation and maintenance of two areas of Rumbek city as a test.

It is understood that a few regional dealers of manufacturers of water pumps have in a few cases established subsidiaries dealers in South Sudan for providing pumps and spare parts, which can be an important element in relation to developing a supply chain.

Private sector water drilling entrepreneurs. There are quite a number of private sector drilling companies operating in South Sudan and Lakes State and some of them are owned by foreigners and some are owned by national South Sudanese. Most of the water drilling work is presently for Government, NGO's and International organisations and mainly with donor funding, but also in a few cases drilling work is done for private South Sudanese who wants to make private boreholes. The costs of drilling boreholes are very high in South Sudan due to the conflict and insecurity situation and therefore it is also a somehow attractive business opportunity for some foreign drilling companies. It is understood that there are between 5 and 10 foreign owned drilling companies which are doing reliable and good quality drilling operations and then there are some which are just there due to possible quick profitable business.

There are a range of private sector individuals and groups which are registered as a business with the Department of Cooperative as a Cooperative Society as mentioned above, which is under the Ministry of Finance and some are registered as an Association with the Ministry of Commerce and Industry and the Chamber of Commerce and Industry and Agriculture which has its own constitution provided by the South Sudanese Government specifically to cooperate with the private sector businesses. About 550 individuals are registered as private sector business operators with the Chamber of Commerce, Industry and Agriculture.

There are also private sector groups who are not yet registered as business, but informally organised as cooperative or association groups, but are considering registering as a business if this can improve and facilitate their business development further. Some examples of such formations are:

- Community Animal Health Workers, who have formed associations for Rumbek North with 31 members and Rumbek Centre with 33 members (It is understood that they are registered with the Ministry of Animal Resources and Fisheries)
- Malith Blacksmith’s Group who have not yet registered as a cooperative society or an Association. The group have 60 blacksmith’s as members.

Private sector workshops, plumbing, masons, carpenters, pump mechanics, blacksmith etc. There is a range of private sector individual artisans and small or larger groups who provide services for manufacturing of tools, equipment and spare parts and also carry out all type of repair work.
Private sector animal health service. The community animal Health workers are providing services to treat animals for which animal owner do pay for.

Private sector ploughing service. Ploughing services exist to a certain degree with private owned ox ploughs with ox teams and/or tractor with a disc plough. Various places such services can be rented on a feddan price basis.

Private sector milling services. There are many small mills in Rumbek town, but also in the small towns in rural areas. They do milling of various cereals, cassava and also peanuts for paste.

Private sector market for farm inputs. Farm inputs like certified cereal seeds and vegetable seed, fertilizer etc. is barely available and vegetable seeds are generally being provided by NGO’s free of charge or at cost, which makes it impossible for the private sector market players to sell such items with a profit. Quality seeds are the most important single item to be able to buy on the market in order to get a good crop.

Livestock auctions. There are livestock auctions where the livestock owners sell to traders and butchers.

Private sector transport to market service. Women who produce vegetables for the market around the community water facility are travelling to market by taxi motorcycle. From far away the producers walk or travel on a bike first to the main road and then get on a minibus to the Rumbek market. If there are larger requirements for transport it is possible to rent a pickup truck, a tractor with a trailer, three wheeler pickup motorbikes or tractor with a trailer.

Infrastructure. Generally the road infrastructure is very poor and many roads are not accessible during most of the rainy season. Access roads to larger food production areas may have to be done though assistance of the community members in such areas. As an example the Gok Akon Cooperative society had themselves created an access road which could be accessible most of the rainy season.

Private sector commercial bank services. There are a number of banks in Lakes State, but it is understood that only two banks are presently likely to be able to provide lending to business groups i.e. Ivory Bank and Kenya Commercial Bank. This was confirmed by meeting the management in the two banks (see also Annex 2).

Private sector training services. There are various training centre facilities in South Sudan and Lakes State and the ownership of the facilities is unclear to the consultant, but a fee has to be paid for the training. Here are just listed some which are considered relevant for the private sector operators and there may well be others which could be as relevant or even more appropriate:

- St. Peter Claver Jesuit Technical School in Rumbek, Lakes State. Training in water facility maintenance and repair and in solar systems.
- Marial Lou in Warrap State. Training of community animal health workers and animal husbandry training
- Yei Crop Training Centre (CTC) in Central Equatorial State. CTC, Agricultural training in crop production
- Amadi Rural Development Centre in Western Equatorial State. It is understood that the Institute for water engineers provides training in water engineering and sanitation
3.2.3. Specific Public services for water analysis and slaughter facilities, market stalls etc.

State Water Laboratory. The present State Water Laboratory was established in 2011 with support from UNICEF and others. It is located within the compound of the Ministry of Physical Infrastructure, Directory for WASH.

The overall situation of the Water Laboratory is that it is functioning at a very low level. Reagent material is lacking and there is very little motivation of the staff. No budget for operation and only a few customers and UNICEF as a main customer does not pay for the services.

Abattoir in Rumbek. An existing slaughter slab facility which was established in 2008 is presently being used by the traders and butchers for supplying meat on the Rumbek market. It is very simple and quite unhygienic, but it is taking place outside the city centre and they can clean with water.

The hides and skins are being treated with salt at a tent shade just close to the slaughter slab. A lot of hides are in the open and are spoiled by the sun.

A new Abattoir was completed in 2013 and the intention was that it should replace the existing slaughter slab facility to enable a more hygienic slaughter process and meet food health safety standards. It is still not operational due to shortfalls in completion of required facilities and due to lack of capacity of the Town Council to operate it.

Market infrastructure facilities. The public sector authorities also provide infrastructure facilities like water facilities, livestock auction ground, market stall areas in town etc. Presently the water facilities for the market area has been contracted out to a private service operator, repair and maintenance provider and it seems to be satisfactory to all the actors and indeed it is a first step to sustainability in relation to continuous reliable water supply.
4. Conclusions and Recommendations
The main conclusions and recommendations are outlined and summarized below.

4.1. Overall preparedness for a larger private sector role towards sustainability
The text in the four boxes below are an attempt to summarize the overall preparedness of the various stakeholder groups, both private and public sector, with whom the consultant have had extensive dialogue sessions and have also facilitated dialogues between the concerned stakeholder groups.

The opportunities for improving the overall situation in relation to water, food and agriculture in Lakes State with the private sector taking a major role are great and all the stakeholders groups both public and private sector in Lakes State are prepared to accommodate and to take ownership of the required process for making appropriate private sector development interventions to actually take place in order to improve people’s livelihood in the overall context of sustainability, overall food security and economic growth.

Government authorities. There is general overall acceptance and appreciation within the State Government Ministries and institutions that the private sector should be enabled and encouraged to play a larger role in the context of sustainable development of the resources. The Government has already initiated various private sector interventions and as a key stakeholder group they express that they are prepared to take the required enabling and facilitation actions which may be required to accelerate and optimize the process.

This new Nation of South Sudan does not wish to repeat the mistakes, although well meaning, done by many developing countries with full support of international organisations of building up a large public sector of extension, operation and maintenance services which they cannot afford and cannot operate professionally and thus risk to remain dependant on foreign support and to deliver malfunctioning services. Instead they wish to build a balanced public sector which will enable and facilitate to a much larger extent a private sector where the users of the resources take ownership, responsibility and lead in order to jointly improve sustainability, food security, livelihood, job creation, economic growth towards peace and stability.

The issue is not the public sector or the private sector, but how to make a balance which provides the best possible value added for building a sustainable Nation.

There are some existing South Sudanese operated private sector initiatives within all the water related focus areas and some of them have also a degree of success in their operations. This applies to Lakes State and also to other States in South Sudan and it is important to learn from and to build on such cases and assist in strengthening them to become strong viable businesses. There are also good successful private sector business cases in neighbouring countries within the water related sectors which the South Sudanese stakeholders could benefit from through study tour visits.
In relation to nationals or foreigners in the private sector it is clearly of interest to see foreign companies invest and operate in South Sudan, which is also creating jobs for nationals and developing their capacity. In the present situation of conflict and insecurity there is very limited foreign investment taking place, but there are a number of foreign drilling companies operating with their drilling rigs and also involved in providing spare parts and repair services of water facilities and there are also some manufacture dealers of pumps and spare parts in neighbouring countries which are establishing subsidiaries in South Sudan.

4.2. Specific focus areas to be addressed for acceleration of private sector development.

There are some specific basic focus areas which are required to address to make real head way in having the private sector playing a larger role in relation towards sustainable development for Water for people, water for agriculture, water for livestock and water for fisheries. They are as follows:

- **Legal right to land and water facilities** in order to create true ownership feeling and commitment
- **Access to credit** to facilitate priority investments for developing the business
- **Access to market** to facilitate sales of a higher production of food commodities
- **Access to inputs and service providers** to facilitate production and water continuously
- **Access to business planning, business organisation and mentoring services** to facilitate the SME groups to develop as viable business operations
- **Access to training** in relation to agriculture, livestock and fishery production and marketing and to the technical service provider groups.

In relation to overall focus there is a need to address **gender balance** and this is one of the reasons that a scavenger poultry egg production and marketing initiative is proposed as it can in the short to medium term make results for women groups quite quickly which is also the case with specifically dry season vegetable women production and marketing groups. Some agricultural cooperative societies are women groups and they must be included in the BDA business support service activities. Many of the urban markets stall holders are women and also their specific needs to improve their business should be addressed by the BDA’s. If possible one of the national BDA’s should be a woman to be able to strengthen the efforts on women business development and to facilitate the required dialogue process.

The pastoral livestock holder’s challenges specifically related to watering and feeding their cattle during the dry season is a **specific conflict sensitive area**. It is therefore important to address this with some priority which is also recommended as an intervention as soon as possible. There is a need to have a dialogue process with the pastoral livestock holders as well as some of the settled farmers who are part of these conflicts and to find agreeable interventions which are likely to pave the way for long term stability.

**Outreach to all Lakes State Counties.** At present the focus of Water for Lakes Programme is in 5 counties out of the 8 counties of Lakes State. It is recommended that the private sector interventions in principle should have outreach to all 8 counties as it is not limited by specific locations like water points and it is important to give the signal that the private sector development is to apply for the whole of Lakes State.
4.2.1. Legal rights to land and water points

| Legal user rights to land and to water facilities is generally providing a stronger commitment and responsibility by the user in feeling and knowing that he/she owns the land and/or water facility and therefore is committed to take care of the facility and the resource and keep it productive. |

It is understood that according to customary tradition the land is generally communal and the local chiefs and the local Government Authority are already part of the process of selecting and deciding on the site for the drilling and actually able to give legal rights for use of land either in the form of a title deed or as a long term lease agreement. It is also understood that it is the Government which is the owner of the water and therefore it is the appropriate Government authorities who can extend user rights documentation.

**Recommendation.** If this is proven to be correct it is recommended that the water user communities of boreholes and water yards provided and rehabilitated by Water for Lakes Programme are actually obtaining legal rights documentation of the respective water facilities. This should go hand in hand with the requirement of a responsible water user committee for which there are clear guidelines from the Ministry of Physical infrastructure already.

Likewise the legal right to land can be given to a cooperative society or association for taking on agricultural production and the documentation can be made by the local chiefs and the Payam and Boma public administrators. (as an example a Legal right/ title deed Document for 1000 Feddans of land which can be used by the Gok Akon Cooperative Society is enclose in Annex 3.).

4.2.2. Access to Credit.

**Commercial Banks lending to Small and Medium sized Enterprises (SME’s) and recruitment of BDA’s.**

It is positive that the Ivory Bank seems to be prepared to support private sector business investments in Lakes State by providing commercial lending to SME’s and it seems that if required that also KCB Juba office could provide such lending. It should therefore be interesting to test this as soon as possible with a few strong cases of cooperative societies or associations who are engaged in production and marketing of food commodities and with a few strong cases of a service business group cooperatives or associations.

**Recommendation.** It is suggested that two to three Business Development Adviser’s (BDA’s) should be recruited and it is proposed that one of the first tasks would be to assist the respective business groups with the preparation of a business plan and to hold meetings with the banks to be very clear on what they need in order to provide loans for the applicant groups priority needs for investments. They should work closely with the bank staffs, which has been trained to evaluate the assets and business plans.

Another Dutch funded Programme in South Sudan SSADP where Mott Mac Donald also provide technical assistance and management services should be consulted as they have already been through the process of identifying BDA candidates and recruiting a number of them.
It is believed that the Gok Akon Cooperative Society, Malith Blacksmith’s group and Community Health Workers Association (Rumbek North or Rumbek Center) could be some of the first SME’s to get support with such facilitation process to try to achieve loan arrangements. The very first case could be the Gok Akon Cooperative Society as they already have been registered as a Cooperative, they have a title deed on the land and they have a bank account with the Ivory Bank.

4.2.3. Access to Market

**Water facility users** in Lakes State are generally having serious difficulties when components in their water facilities break down partly to be able to buy the spare parts and the repair services as this is a rare service and in some localities not at all available. If available the transport issues are also often causing constraints. On foot, bikes, motorbikes, vehicles and minibuses are some options, but most access is not all weather roads.

When the **food producers** increase the production they also need to have organised access to the markets in order to be able to sell and to obtain good prices.

Access roads to be able to move with vehicles or tractors when-ever the products are ready to be marketed.

It also requires arrangements with transport facilities. Sometimes wholesalers could be providing transport so the sale could be at the “farm gate”. Wholesalers may also provide packing material, crates, bags etc.

**Market linkage to the market players like wholesalers and retailers is of high importance in order to make contractual arrangements for sales of the products and wholesalers may be able to provide transport arrangements to markets as part of the contractual arrangements.**

4.2.4. Access to inputs and Service Providers

It is essential for water facility users and for producers of food commodities to have access to the inputs and services they need in order to have continuous water supply and to be able to operate a viable agribusiness producing and marketing food commodities.

- For the water users to be able to have a reliable and continuous water supply and
- For the food producers to have the seeds, pest control inputs, tools, equipment, machinery and machinery services and extension advisory services.

**Reliable supply chains operated by private sector market players and service providers and facilitated in cooperation with the Lake State authorities must be a high priority and needs the highest attention.**

4.2.5. Access to business planning, business organisation and mentoring services

In order to be able to build on some of the existing SME’s private sector small successes it is important to strengthen their viability by providing services of business planning, registration process, applications for loans and various mentoring services. This is presently not available in Lakes State and it is therefore proposed below as a priority intervention to recruit some Business Development Advisors as a forerunner
for more business development services which is further elaborated below as a suggestion for an intermediary facility.

**Organisation of a “Comprehensive Lakes State Water, Agricultural and Rural Development-Facility” (Lakes State WARD-F)**

During the private sector development workshop held on 23rd March at the Ministry of Physical Infrastructure it was highlighted by the Hon Ministers and specifically by Hon Minister of Agriculture and Forestry Philip Kot Job, that there is a need to have more South Sudanese being responsible for implementing programmes and projects.

For that purpose it may be considered to establish a South Sudanese Facility which will be led by a South Sudanese management team. Such a Facility could become an intermediate operator for the Government and initially owned by the Government to be facilitating private sector business development within Water, Agriculture, Livestock and Fisheries. This Facility would be facilitating the services and the interventions with National South Sudanese professionals in a close participatory ownership process with the South Sudanese private sector stakeholders who will own and implement the activities.

The donors and the NGO’s could agree to provide funding to this Facility to cover their operation costs and the cost of a funding support facility to initiate matching grant support to some priority investments that the private sector businesses may need to do in order to develop the business (the main part of the investments would have to come from lending and own savings). The type of businesses that this Facility should support would initially be the ones which are identified in this private sector development process.

The Facility should operate independent of Government Ministries, but the Board/ Coordination Management Committee would have to include the direct relevant Ministries like Ministry of Physical Infrastructure, Ministry of Agriculture and Forestry, Ministry of Animal Resources and Fisheries and Ministry of Finance. The board should also include some representatives from the private sector one from the food production/marketing stakeholders, one from service providers and one from the commercial Banks.

Such a Facility could secure that capacity is developed within South Sudanese professionals to facilitate that private sector business is developed and will limit the continued dependency of foreign NGO’s and International Organisations directly doing implementation. The Facility could be seen as some sort of incubator which is developing business operation and management capacity by on the job training. Some of the trained people are expected to later take on private business management positions and some may go to credit institutes or other service institutes.

The Facility would need initially to have support services of some specific short term specialists in relation to the private sector development services and also regarding finance management services.

**Recommendation.** As a forerunner of possibly creating such a facility the two to three National Business Development Advisers (BDA’s) which are proposed to be recruited a.s.a.p could become the initial part of this suggested WARD-F. As the South Sudanese Government and Lakes State Government are looking for
ways to accelerate private sector development and at the same time decrease the dependency on Ngo and donor support and large food imports it could be discussed and agreed at the Steering Committee level as well as the Coordination Committee of Water for Lakes Programme if WARD-F should be developed as a pilot Facility with Water for Lakes Programme and later develop into a broader Lakes State Facility possibly open for funding support from other donors as well. The ownership could initially be with the Government with a schedule to become completely independent, but it should be able to operate as an independent facilitation operation.

4.2.6. Access to training
Training is generally needed at all levels and as mentioned above there are a number of training institutes already providing training services which are relevant for some of the needs of the Water for Lakes Programme. The consultant has not undertaken any type of comprehensive study of existing training facilities in South Sudan.

In addition to the present training facilities there may be a need to specifically promote the “Farmer field school approach” as an on the job training and learning by doing exercise to be applied as a concept by private sector extension agents and the private sector service providers as a practical follow up of the training courses and also specifically to provide hands on training with the small farmer groups of which most members are illiterate.

Business management, administration, finance and book keeping is also required and partly the BDA’s can support and guide how and where this can be done in Lakes State or elsewhere in close cooperation with Government institutions.

4.3. Proposed Interventions for initiating and accelerating the private sector development in relation to Water for Lakes Programme
On the basis of the study findings and the participatory dialogue process with the various stakeholder groups including the private sector workshop session outcome specific interventions are proposed for action in order to speed up the drive of private sector development towards a more sustainable overall impact of the Water for Lakes Programme and for optimizing the use of the resources in Lakes State to improve the livelihood situation and the food security situation.

As mention under methodology it is important to identify existing successes within Lakes State and South Sudan with private sector groups already established in some form and operating as responsible businesses and to strengthen and accelerate such successes so they can become “key driver” demonstration cases and possibly become centres for on the job training to multiply the effect.

It is appreciated that the Government of South Sudan and of Lakes State wish to keep the TAT services of the Water for Lakes Programme at a minimum level, however if further tasks are loaded onto the present TAT they may not be able to facilitate the additional services which is proposed for initiating more private sector engagement. Therefore the TAT may need to be strengthened by some short term support services as well as the National BDA’s which are proposed below.
Outline of proposed specific interventions for actions.

<table>
<thead>
<tr>
<th>Nos.</th>
<th>Time frame</th>
<th>Type of Intervention</th>
<th>Action to be taken and by whom</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>April – July 2015 Second half of 2015</td>
<td>Recruitment of 2 to 3 National Business Development Advisers (BDA’s) Facilitation of lending application process for a few SME cooperatives or association groups. To proceed with Gok Akon Cooperative, Malith Blacksmith group and Community Animal Health workers associations and in assisting supply chains service businesses to be formed and organised.</td>
<td>Water for Lakes Programme in consultation with SSADP This facilitation to start immediately when the BDA’s are recruited</td>
</tr>
<tr>
<td>2</td>
<td>From April 2015 and continuing</td>
<td>Legal documentation of ownership of water facilities for the users and land for producer groups to strengthen ownership feeling, responsibility and commitment needed to develop private sector business</td>
<td>The Lake State Public sector in cooperation with customary leaders to issue such documents confirming legal rights</td>
</tr>
<tr>
<td>3</td>
<td>Process to be commenced during 2015</td>
<td>Supply Chain for Water Facilities inputs and services – Private sector Water facility services centre with spare parts and repair service centre in Rumbek and with depots in all Lakes State Counties Standardization of pumps in Lakes State would be important for establishing a Supply Chain with spare parts and possibly with price stability</td>
<td>Water for Lakes A small wholesale spare part dealer in Rumbek, drilling contractors and possibly others should be consulted as potential private sector operators. Ministry of Physical Infrastructure and possibly Ministry of Finance</td>
</tr>
<tr>
<td>4</td>
<td>Process to be commenced during 2015</td>
<td>Supply Chain of farm inputs and services – Private Sector Farm service centre for machinery services, farm inputs and extension service as well as some spares for water facilities and agricultural machinery and repair services. Depots should be established in all Lakes State Counties</td>
<td>Water for Lakes Programme possibly with follow up support of a private sector consultant. Potential private sector entrepreneurs to be identified and encouraged to take on such operations</td>
</tr>
<tr>
<td>5</td>
<td>During 2015 and 2016</td>
<td>Gok Akon small farmer cooperative</td>
<td>Water for Lakes</td>
</tr>
<tr>
<td>Week</td>
<td>Year</td>
<td>Action</td>
<td>Description</td>
</tr>
<tr>
<td>------</td>
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<tr>
<td>6</td>
<td>2015</td>
<td>Malith Blacksmith’s Group of 60 blacksmith’s need to get organised as a business group</td>
<td>Needs to be allocated a site where they can build a shelter. Identify two or three people for training at St. Peter. BDA’s to support the business dev.</td>
</tr>
<tr>
<td>7</td>
<td>Possibly at the end of the rainy season 2015</td>
<td>Livestock and fisheries interventions. A visit is needed to some of the cattle camps and to some of the fishery sites to have participatory dialogue sessions with the pastoralists and with the fishermen to develop interventions which they want to own and operate in a responsible way in order to agree on interventions which will improve their livelihood and create value added. Water for Lakes Programme to make a short term private sector consultancy arrangement to facilitate this action.</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>2015</td>
<td>Community Animal Health Worker Associations need to be organised and registered as a business group and develop business plan to be able to procure in bulk</td>
<td>BDA’s to support the business dev.</td>
</tr>
<tr>
<td>9</td>
<td>During 2015 and continuing</td>
<td>Intermediate business development service Facility</td>
<td>Lakes State Water, Agriculture and Rural Development – Facility (WARD-F) to be initiated possibly as a pilot intervention as part of the Water for Lakes Programme for private sector facilitation. Government of South Sudan/Lakes State/EKN/Water for Lakes Programme To be addressed at Steering Committee and Coordination.</td>
</tr>
</tbody>
</table>
and to start with the 2 to 3 BDA’s which are proposed to be recruited as intervention no. 1.

<table>
<thead>
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<tbody>
<tr>
<td>10</td>
<td>During 2015 and 2016</td>
<td>Lift the taxes which are imposed when transporting livestock and food products</td>
</tr>
<tr>
<td></td>
<td>Government of South Sudan and Lakes State</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>During 2015 and 2016</td>
<td>Awareness campaign promoting private sector development. Media broadcasts of best practices and successes</td>
</tr>
<tr>
<td></td>
<td>Government of South Sudan and Lakes State</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Possibly 2016</td>
<td>Farm Management Training</td>
</tr>
<tr>
<td></td>
<td>Training of trainers on the farmer field school approach</td>
<td></td>
</tr>
<tr>
<td></td>
<td>St Peter training school is considering to develop such training on their farm outside Rumbek Possibly at Gok Akon training trainers for the farmer field school approach</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>During 2015/2016</td>
<td>Water laboratory, Rumbek (see visit note annex 2) It is proposed to make a Public/Private partnership arrangement with a potential private sector operator.</td>
</tr>
<tr>
<td></td>
<td>Ministry of Physical Infrastructure and Water for Lakes programme</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>During 2015/16</td>
<td>New Abattoir, Rumbek (see visit note annex 2). It is proposed to identify a possible successful private sector abattoir operator and to make a Public/Private partnership arrangement.</td>
</tr>
<tr>
<td></td>
<td>Ministry of Animal Resources and Fishery, Town Council and Water for Lakes Programme with catalyst service</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>During 2015/16</td>
<td>Study tours to see successful private sector interventions in relation to: (Within South Sudan and/or to Kenya, Uganda or Ethiopia)</td>
</tr>
<tr>
<td></td>
<td>Water for Lakes possibly facilitated by some of the present TAT members, BDA’s and partly by a short term private sector development consultant</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• water use, payment and O&amp;M,</td>
<td></td>
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<tr>
<td></td>
<td>• livestock water yards and feedlot fattening,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• artisanal fishery, handling, processing and marketing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Farm service centres</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Water service centres</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Business development services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• SME cooperative society groups producing and marketing food products</td>
<td></td>
</tr>
<tr>
<td></td>
<td>“Seeing is believing”</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Representatives from the various appropriate stakeholder groups should attend.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lessons learned from the visit to be used for possible adaption to the interventions</td>
<td></td>
</tr>
</tbody>
</table>
Main focus of proposed interventions.

The main focus of the above proposed interventions is that Water for Lakes Programme should include facilitation of some of the existing private sector SME’s to become “key drivers” to optimize the role of the private sector in relation to:

- The use of resources to increase food production and marketing
- To provide required inputs and services “supply chains”.

The main focus of the Public sector is to enable such development through specific interventions in relation to:

- Provision of legal right ownership documentation to water facilities and to land
- Continue arrangements for public/private sector partnership in relation to services like urban water supply facilities, water laboratory, new abattoir
- Awareness campaigns promoting private sector development through media broadcasts of best practices and successes

Implementation of the proposed interventions. The private sector focus which is proposed with the above interventions is expected to be important for the sustainability of the Water for Lakes Programme and also for initiating economic growth in Lakes State with a private sector drive. It is therefore suggested that the interventions become an integrated part of the Water for Lakes work plan for the remaining programme period. It is also recommended that the Government of South Sudan and of Lakes State commit themselves by creating an improved enabling environment for the private sector development through the suggested interventions.

Due to the very long inception duration of the Water for Lakes Programme the actual implementation period of the first phase of the programme is probably too short and it may be considered to review and possibly revise the duration in order to make room also for the private sector development process within the overall work plan.

Follow up visit by Private Sector Development Consultancy. All the above proposed actions are related to private sector development and it is proposed to consider to have some short term follow up service to assist in the facilitation of the dialogue process with the stakeholders together with the BDA’s and to assist in tailoring the interventions with full stakeholder ownership. One of the BDA’s should develop the capacity of the continued need of coordinating the various private sector development initiatives and interventions.

If it is decided to proceed with the Intermediate business development service Facility WARD, it is proposed that the modalities for this arrangement are further developed as part of a follow up consultancy including dialogues with the various stakeholder representatives to secure the ownership and understanding of the concept.

The pastoral livestock related activities linked with water for livestock and similarly the fishermen will have specific needs for a participatory dialogue process, but it also applies to some of the other interventions
specifically the Farm service centre intervention. The short term support service should play a catalyst role together with the BDA’s who would then be facilitating directly the implementation process.

Annexes

Annex 1. People met, main events and places visited

<table>
<thead>
<tr>
<th>Date</th>
<th>Organisation</th>
<th>Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>2nd March</td>
<td>UNICEF, Wash Office, Juba</td>
<td>Ms. Lilian Okwirry, Chief, WASH and Ms. Maryam Said, WASH Specialist</td>
</tr>
<tr>
<td>3rd March</td>
<td>SSADP, Juba</td>
<td>Mr. Jan Hendrik Mulder, Team Leader</td>
</tr>
<tr>
<td>3rd March</td>
<td>UNIDO, Juba</td>
<td>Mr. Victor Cobby Baah, Technical Adviser from Vienna Head Office, Mr. John Benansio, Fisheries Development Officer, Ms.Teresa Loro, Gender officer</td>
</tr>
<tr>
<td>3rd March</td>
<td>Water for Lakes Programme</td>
<td>Mr. Bart Goes, IWRM Expert</td>
</tr>
<tr>
<td>4th March</td>
<td>Water for Lakes Programme</td>
<td>Mr. Steven Hind, Team Leader</td>
</tr>
<tr>
<td>5th March</td>
<td>Water for Lakes Programme</td>
<td>Mr. Benjamin Mading Amour, Deputy Team Leader and Mr. Mading Mariel Dor, Office Manager</td>
</tr>
<tr>
<td>5th March</td>
<td>Ministry of Physical Infrastructure, Directorate of Water, Sanitation and Hygiene, Lakes State, Rumbek</td>
<td>Deputy Director Dut Majok Maton SDWS</td>
</tr>
<tr>
<td>5th March</td>
<td>Ministry of Physical Infrastructure, Directorate of Water, Sanitation and Hygiene, Lakes State, Rumbek</td>
<td>Director Mr. Barnaba Makuac Magol</td>
</tr>
<tr>
<td>5th March</td>
<td>Ministry of Animal Resources and Fisheries, Lakes State, Rumbek</td>
<td>Director General Mr. Paul Maker Degal</td>
</tr>
<tr>
<td>5th March</td>
<td>Community Animal Health Workers, from Rumbek North</td>
<td>A group of Animal Health Workers from the Rumbek North Association (10 of which 2 were women)</td>
</tr>
<tr>
<td>6th March</td>
<td>Ministry of Agriculture and Forestry, Lakes State, Rumbek</td>
<td>Minister Hon. Phillip kot Job</td>
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<tr>
<td>6th March</td>
<td>Ministry of Agriculture and Fisheries, Lakes State, Rumbek</td>
<td>Director General Mr. David Bol Macok</td>
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<tr>
<td>7th March</td>
<td>NPA, Rumbek</td>
<td>Project Manager Mr. Samuel Deng</td>
</tr>
<tr>
<td>7th March</td>
<td>SORUDEP</td>
<td>Extension Service Specialist Mr. Tayo Alabi</td>
</tr>
<tr>
<td>10th March</td>
<td>Ministry of Physical Infrastructure, Lakes State, Rumbek</td>
<td>Minister, Hon. Mayan Kuc</td>
</tr>
<tr>
<td>10th March</td>
<td>Ministry of Physical Infrastructure, Water Laboratory, Lakes State, Rumbek</td>
<td>Technical staff, lab. technicians. Ms. Ayada Makur, John Bol and Samuel Kayok</td>
</tr>
<tr>
<td>11th March</td>
<td>Commodity market in Rumbek</td>
<td>Market traders, retailer, producers selling their products</td>
</tr>
<tr>
<td>11th March</td>
<td>Malith Blacksmith Group</td>
<td>Malith Blacksmith Group representatives</td>
</tr>
<tr>
<td>Date</td>
<td>Organization</td>
<td>Contact Person(s)</td>
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<tr>
<td>11th March</td>
<td>Indian Farm</td>
<td>Indian Farm Manager</td>
</tr>
<tr>
<td>11th March</td>
<td>Ministry of Animal Resources and Fisheries, Lakes State, Rumbek</td>
<td>Minister Hon. William Manyuon</td>
</tr>
<tr>
<td>12th March</td>
<td>Gok Akon Cooperative farming group, Rumbek East</td>
<td>Chairman Jakob Marial Ater and a group of some of the cooperative members</td>
</tr>
<tr>
<td>12th March</td>
<td>Women for Women farm project outside Rumbek</td>
<td>Talk to a women who was one of the members. The farm seem partly to have been abandoned, borehole not working.</td>
</tr>
<tr>
<td>13th March</td>
<td>Ministry of Finance, Chamber of Supply, Lakes State, Rumbek</td>
<td>Director Andrew Luk Jong and Deputy Joseph.</td>
</tr>
<tr>
<td>13th March</td>
<td>WFP, Rumbek office</td>
<td>Head of Sub-Office, Rumbek Mr. Wilfred Tokpah</td>
</tr>
<tr>
<td>13th March</td>
<td>Water for Lakes Programme</td>
<td>SWIS Expert David Karare</td>
</tr>
<tr>
<td>15th March</td>
<td>AGER-GUM Farmers Association and Cooperative, Wulu</td>
<td>Chairman Mr. Maker Amuom, Secretary General Mr. Sunday Ater and fee collector Mr. Martin Wade Cietjang</td>
</tr>
<tr>
<td>16th March</td>
<td>Rumbe New Abattoir and old Slaughter slab facility</td>
<td>DG Ministry of Animal Resources and Fisheries, Mr. Paul Maker Degal</td>
</tr>
<tr>
<td>16th March</td>
<td>Chamber of Commerce, Industry and Agriculture, Lakes State, Rumbek</td>
<td>Secretary General, Mr. Alfred Makur Nguec</td>
</tr>
<tr>
<td>16th March</td>
<td>Ministry of Local Government, Lakes State, Rumbek</td>
<td>Director General, Mr. Samuel Mabor Kedit</td>
</tr>
<tr>
<td>17th March</td>
<td>Ministry of Finance, Department of Cooperative, Lakes State, Rumbek</td>
<td>Deputy Director Mr. Ater Gai Yuot and Assistant Director Ms. Tinda Akot</td>
</tr>
<tr>
<td>17th March</td>
<td>Ivory Bank, Rumbek</td>
<td>Manager Mr. Mangui Dot</td>
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<tr>
<td>17th March</td>
<td>CDP Dutch Monitoring Consultant</td>
<td>Director Mr. Paul Sijssens</td>
</tr>
<tr>
<td>18th March</td>
<td>FAO, Rumbek</td>
<td>Senior Agricultural Adviser, Mr. James Taban</td>
</tr>
<tr>
<td>18th March</td>
<td>Kenya Commercial Bank, Rumbek</td>
<td>Manager of the Rumbek Branch office</td>
</tr>
<tr>
<td>18th March</td>
<td>St. Peter Claver Jesuit Technical School, Rumbek</td>
<td>Father Richard O’Dwyer and Mr. Nobert Demmelbauer</td>
</tr>
<tr>
<td>19th March</td>
<td>Obakki Foundation</td>
<td>Programme Manager Ms. Sandy Kooistra</td>
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<td>19th March</td>
<td>PUL CUM</td>
<td>Water User Community</td>
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<td>19th March</td>
<td>RUM CUR</td>
<td>Water User Community</td>
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<tr>
<td>20th March</td>
<td>Ministry of Physical Infrastructure, Directorate of Lands and Survey</td>
<td>Two inspectors Mr. Kaman and Mr. Michael</td>
</tr>
<tr>
<td>20th March</td>
<td>Town Council the Office of Rumbek Town Clark</td>
<td>Mr. Mabor Cawuop</td>
</tr>
<tr>
<td>23rd March</td>
<td>Ministry of Physical Infrastructure, Directorate of Urban Water</td>
<td>Director of Urban Water, Mr. James Kon Cadhor</td>
</tr>
<tr>
<td>23rd March</td>
<td>Ministry of Physical Infrastructure, Directorate of WASH</td>
<td>Workshop on Private Sector Development with attendance of representatives from the various concerned stakeholder groups.</td>
</tr>
<tr>
<td>24th March</td>
<td>Ministry of Physical Infrastructure, Directorate of WASH</td>
<td>Attended the Water for Lakes Programme first Coordinating Committee Meeting</td>
</tr>
<tr>
<td>24th March</td>
<td>Ministry of Physical Infrastructure</td>
<td>Director General Mr. Samuel Mading Mourwal</td>
</tr>
<tr>
<td>Date</td>
<td>Organization</td>
<td>Meeting Description</td>
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<tr>
<td>25th March</td>
<td>OMASKI Drilling contractors</td>
<td>Managing Director Mr. L. P. Kumar and Country Manager L.D. Kumar</td>
</tr>
<tr>
<td>25th March</td>
<td>Ministry of Physical Infrastructure, Directorate of WASH</td>
<td><strong>Debriefing of main findings, conclusions and recommendations of the assignment</strong> meeting with Director of Wash Mr. Barnaba Makuac Magol and the Team Leader of Water for Lakes Programme Mr. Steven Hind and Paul Sjissens, David Karare, Benjamin Mading.</td>
</tr>
<tr>
<td>26th March</td>
<td>Embassy of the Kingdom of the Netherlands, Juba</td>
<td><strong>Debriefing meeting</strong> with First Secretary Mr. Felix Hoogveld</td>
</tr>
<tr>
<td>27th March</td>
<td>Ministry of Electricity, Dams, Irrigation and Water Resources</td>
<td><strong>Debriefing meeting</strong> with DG Rural Water Supply and Sanitation Mr. Peter Hahal Dhieu Akat together with David Karare.</td>
</tr>
</tbody>
</table>
Annex 2. Visit and Meeting Notes

The meeting and visit notes are reflecting some of the visits and meetings held during the visit to Lakes State by the private sector consultant and they are as follows:

1. Meeting with Community animal health workers on 5th March 2015.
2. Meeting with staff of the Water Laboratory under the WASH Directory on 10th March 2015
3. Visit to Market in Rumbek on 11th March 2015
4. Visit to the Malith Blacksmith group in Rumbek on 11th March 2015
5. Visit note to Indian Farm on 11th March 2015
6. Visit to Gok Akon Agricultural Cooperative on 12th March 2015
7. Visit to Ager – Gum Farmers Association and Cooperative Society in Wulu on 15th March 2015
8. Visit to the new Abattoir and the old slaughter slab facility in Rumbek on 16th March 2015
9. Meetings with Chamber of Commerce, Industry and Agriculture, Rumbek on 16th and on 19th March 2015
10. Meeting with the Cooperative Department, Rumbek on 17th March 2015
11. Meeting with Ivory Bank, Rumbek on 17th March 2012
12. Meeting with FAO, Rumbek on 18th March 2015
13. Visit to St. Peter Claver Jesuit Technical School, Rumbek on 18th March 2015
14. Visit to Obakki Foundation, Rumbek office, a Canadian NGO, on 19th March 2015
15. Visit to two Water User Communities in the rural urban areas of Rumbek town on 19th March 2015
16. Meeting at the Town Council in Rumbek with the Mayor/Town Clark on 20th March 2015
17. Meeting with OMASKI drilling Company management on 25th March 2015 in Rumbek.

1. Meeting Note

Meeting with a group of Community Animal Health Workers on 5th March 2015.

Participants: Benjamin Mading and Ole Stokholm Jepsen

A meeting was held with a group of Community Animal Health Workers.

They operate as a private sector animal health service and people come to them to have their sick animals treated for which they pay for. They don’t receive a salary and their income is based on their profit on the medicine and payment for their service.

They explained they had been trained as part of three different training courses by Oxfam in the 1990’s.

They would like to import the medicine in bulk, but they don’t have the capital to do so and therefore they don’t make much profit. Some NGO’s have from time to time assisted them with import of medicine in bulk. The latest was the Belgian NGO VSF.
When the Ministry of Animal Resources and Fisheries are undertaking a vaccination campaign then the animal health workers also take part in this and make some income on that.

They would like to be able to buy their medicine in bulk and if this could be done by registering as a business group as a cooperative society or association they would consider this.

Water for Lakes recruited BDA’s could assist with the preparation of a business plan and with the registration process. The BDA’s could also assist in making an application for a loan with a commercial bank.

05.03.15

OSJ

2. Meeting Note

Meeting with staff of the Water Laboratory under the WASH Directory on 10th March 2015

Participants: Benjamin Mading and Ole Stokholm Jepsen

The meeting was held with the Water Laboratory staff, which was available in order to get some understanding of the present operation of the laboratory and the challenges and opportunities for a more optimal use of the laboratory facilities.

John Bol, Ayida Makur and Samual Kayok who are all three Lab. Technicians, who have received training. The total staff is 8 persons of which one is manager and one is assistant manager, but none of them were available.

The lab was established (~2011) with support from: UNICEF, Italian Company and Multi Donor Fund.

The status of the Water Laboratory was assessed in October 2014 by Bart Goes from Mott Mac Donald and the present situation is more or less the same.

The overall situation of the Water Laboratory is that it is functioning at a very low level. Reagent material is lacking and there is very little motivation of the staff. No budget for operation and only a few customers and UNICEF as a main customer does not pay for the services.

It is therefore recommended that it should be assessed as soon as possible if there may be a successful private sector operator of a water laboratory in South Sudan and then consult with them for possible entering an agreement for a public/private partnership arrangement based on an agreed business plan or for the private operator to take it over and operate it as a private sector competitive business.

10.03.15

OSJ

Ole Jepsen together with Benjamin Mading.

The visit was made to the market to obtain some understanding of the private sector in the trade of commodities and service.

The visit confirmed that there is a thriving private sector entrepreneurship and that people are ready to take responsibilities when it is worthwhile. People seem to be prepared to take on a business if there is an opportunity to make profit.

Some of the business observed on the market. Many commodities are coming from Uganda and also Kenya like Maize grain, sugar, eggs, some fruits and vegetables seasonally. Many produce are produced seasonally in South Sudan and some are and can be produced year round with irrigation.

Water vendors. An interesting feature in the center of Rumbek is that water vendors are pushing their carts with water jerry cans around and selling water at 1 SSP per jerry can.

Women selling Egyptian Spinach at water points 5 to 10 miles away. The women are producing Egyptian spinach all year round together with men at the boreholes and hand pumps where they live with their families. They work together at the water point to grow the Egyptian spinach and they collect money between each other to pay for repair and spares for the water pump when and if needed. They hire someone with a motorbike to take them to the market in the morning. They make about 10 to 15 pounds a day and they buy flour and other commodities to take back home for the family by paying for a lift by car. They can produce the Egyptian spinach the year round and they have a good market in Rumbek.

Photo OSJ. Women selling their Egyptian Spinach at the Rumbek market.
Photo OSJ. Onions and Irish potatoes at the Rumbek market.

Photo OSJ. Dried okra and dried fish at the Rumbek market.

Photo OSJ. A pile of eggs from Uganda and Irish potatoes, onions, tomatoes, cabbage and fruit at the Rumbek market
Eggs from Uganda. Sold at 3 pcs for 5 pounds. These eggs are not fresh. This is an area of major opportunity for women to produce fresh eggs for the local market. There seems to be quite a demand for eggs even if they are not fresh and at this relatively high market price. Women could organise scavenger poultry egg production in producer groups and deliver eggs to the market throughout the year. They could make a very good business even in the short term.

Live poultry produced in the rural areas

Meat which come from the slaughterhouse

Dried fish market

Milling facilities for sorghum, maize, cassava and for groundnuts into paste. Small private millers.
Photo OSJ. Tomatoes, green peppers, okra

Retail shops with fruit (papaya, mango, orange), vegetables (tomatoes, green pepper, okra, Egyptian spinach, chili, potatoes, onions, cabbage) and herbs, nuts, eggs, flour sugar and various food produce

Beverage

Bakeries

Wholesale shops with grain, flour and sugar

Carpenter workshops

Firewood

Grass for roof thatching.

Shea nut oil

There is also a thriving business in mobile telephone service, charging of telephone batteries, workshops and spare parts for vehicles, motorbikes and bicycles etc.

OSJ

11.03.15
4. Visit note to the Malith Blacksmith group in Rumbek on 11th March 2015

The visit was taking place with two people from NPA Arup and Emanuel and Benjamin Mading and Ole Jepsen.

This group of blacksmith started to work together as a group of individuals about seven years ago.

Presently they are about 60 blacksmith in this headquarter with connection to other blacksmith in other counties.

They are producing a whole range of products which are sold on the markets in Rumbek and people also come to their headquarters to buy. The products includes, axes, knives, spears, swords and a range of other hand tools, cooking gear and metal boxes. They are also manufacturing spare parts for ox ploughs and more than 20 of them attended recently some training in Uganda on the manufacturing and maintenance of ox ploughs arranged by NPA through SORUDEV funding. The training took place at a centre which was private owned and where they were manufacturing ploughs and a lot of various tools and equipment which was their business and at the same time they could facilitate on the job training.

Photo OSJ. Manufacturing of tools, spare parts, knives etc.

The metal raw material they buy locally from people who are scrapping vehicles.

Through a dialogue session with about 20 of the blacksmith group the following conclusions can be made:
They wish to develop their group further to become a commercial service centre for all types of blacksmith work and manufacturing of tools and spares and where they could provide a service of on the job training to blacksmith from other counties and even other States.

Opportunities:

• They hope they could develop their group into a proper business group to become registered and organised as a professional business centre.

• Some of their group trained in water pump maintenance and repair including hand pumps, boreholes, piping, metal water tanks etc.

• The training they have already received for which they have got training certificates may provide the group for better chances to qualify for credit.

Challenges:

• To buy a generator and a cutting machine and procurement of material for which they need a loan

• Building of a Shelter to protect against the rain so they can continue to work throughout the rainy season. The shelter should also provide for storage capacity for machinery and spare parts.

• A land area for them to lease or own. They are in the process of negotiating this with the Rumbek Town Council and they also plan to talk to the Ministry of Physical Infrastructure.

11.03.15

OSJ

5. Visit note from visit to Indian Farm on 11th March 2015

Participants: Benjamin Mading and Ole Jepsen

A visit was made to see the operation of the Indian Farm.

The farm was established some years ago just outside Rumbek and funded by some private investment and there is an Indian Farm Manager responsible for the operation of the farm.

The farm covered 6 acres initially and they have now expanded to 8 acres. On the farm they also have a number of net green houses to protect some crops against direct sunshine.

They only crop half of the land each year and the other half is fallow.

The farm manager expressed that it is not worthwhile to produce during the rainy season as the fruits and vegetables are then produced all over so the market prices are very low.

During the dry season the market prices are good and so is the farm business.
The best crops to produce are Okra, tomatoes for which there is a good demand. Also green pepper and eggplant are good products. There are problems with decease in the tomatoes.

Photo OSJ. Banana, Indian variety.

Fruits are Banana which is an Indian variety, papaya and orange which is growing well.

They don’t use fertilizer but are buying animal manure from the villages in bags.

They have two boreholes and are applying furrow irrigation.

They buy seeds from Uganda or India.

They also have a plant to make mango juice, but they claim it does not pay to do this business.

OSJ

11.03.15

6. Visit to Gok Akon Agricultural Cooperative on 12th March 2015

Participants: Steven Hind, Benjamin Mading and Ole Jepsen

We met with the Gok Akon Cooperative Chairman Jacob Marial Ater and a number of the members (25 to 40). We were shown the farm activities, informed about their history and their plans. Also a dialogue was held with regard to discussing challenges and opportunities and being developing a responsible sustaining business.
Location. The Gok Akon Agricultural Cooperative farming area is located in Rumbek East at Naam River.

Water for Lakes relation. The Gok Akon Cooperative farm is scheduled to be provided with a borehole with a water yard concept from Water of Lakes Programme.

Members and beneficiaries. There are 200 members in this cooperative with a further 12 sub-groups of cooperatives each with 20 to 50 members. The majority of the group we talked to were living 5 to 10 kilometres away. The wife of the local chief is also a member.

Registered as a cooperative business. The Gok Akon Cooperative was registered with the Ministry of Rural Development/Cooperative Department in 2011 and they are operating in accordance with by-laws and the members pay an annual fee. (minimum 25 SSP and up to 50 SSP per annum). The sub groups of cooperatives have also been registered as independent cooperatives with the assistance of the Gok Akon Chairman Jacob Marial Ater.

Land ownership. In 2011 the Gok Akon Cooperative obtained a legal title deed/letters signed by the customary leaders and the Government Authorities for 2000 Feddans (one feddan is 4,200 m²). (One letter documenting right to 1000 feddans is enclosed in Annex 3.)

Photo OSJ. Engine and water pump at the Naam riverside pumping water for irrigation.
PRESENT SITUATION

Farm production and marketing activities.
Present activities during the dry season are cultivating onions, Sukuma/Smaviki (Kale) by pumping water for irrigation with an engine running the pump. They only cultivate a small piece of their land now during the dry season. They also do fishing in the river with nets. They dry the fish and they sell the vegetables and the dried fish on the markets which is mainly Rumbek. During the rainy season they also grow, maize, sorghum, groundnuts, sesame and green grams/mung beans. Even during the rainy season they could expand the cropping, however they would need machinery and equipment to cover larger areas.

They can only cultivate limited areas with irrigation during the dry season, by limited capacity of pump and fuel and also by the water as the river sometimes dry out during the dry season.

Agro forestry is providing shea nuts which they could harvest and process at good market prices. Also they have mango and have initiated production of lemon and banana.

They have tried to grow many other vegetable crops which do well like okra, tomato, green pepper, egg plants, carrots, potatoes, cabbage.

They get the best vegetable seeds, which originates from Kenya.

They don’t apply fertilizer or use chemicals at present, so the production is in principle organic.

The soil type seems to be a clay/sandy loam which indeed is ideal for vegetable production.

Training and Extension service. The Chairman and some women are providing training on cultivation practices to the various subgroups. A few times Gok Akon farm has also received the Ministry of Agriculture Extension agent who has given the some cultivation and irrigation training.

Savings and accounts. They have a metal box with three locks (the keys are kept with three different people). They have a US Dollar account with KCB and a SSP account with Ivory Bank.

FUTURE VISION AND PLANNING.

They have quite big visions and plans for the future which also was discussed as part of the dialogue session.

Water yard with borehole, solar energy driven pump and tank etc. from Water for Lakes Programme would make a large difference to their potential for cultivating much more land under irrigation during the dry season (November to February) when there are good prices on the main markets for a large range of vegetables. It was made very clear to the group that by actually getting a water yard package on their farm would mean that they would have to be very responsible in making sure that the water facilities are maintained and repaired by their own means and furthermore, that they develop their cooperative business so it can be aspiration for many other in Lakes Stat and the whole of South Sudan.

The cooperative members want to become self-reliant as a business and to use the profit to invest in further development of the farm and the business.
Production. The plan is to increase production of a large range of products of vegetables and cereals etc. during the dry season and also during the rainy season. Also to expand on the agro forestry and the fishery activities.

In addition it should be considered to initiate a scavenger poultry production for producing chickens/pullets for the member household to produce eggs which are then collected for sending to the main markets. This would mean local fresh eggs which should easily compete with imported “old” eggs from Uganda which at present are sold at 3 pieces for 5 SSP.

They would also consider a small dairy unit with some crossbred dairy cows.

As part of a Water Yard purpose also to water livestock it could be considered to produce alfalfa hay to remain for the dry season close to the water yard to be able to feed the sick animals as well as calves and pregnant cows during the dry season so they can remain at the water yard. Even a small feedlot fattening operation may be arranged for fattening cattle to provide to the markets at the time of special holiday periods or for hotels required good beef.

Storage and postharvest handling. The Cooperative needs to invest in storage facilities for their produce before they are taken to the markets.

Market access and market demand. They have access to the markets in Rumbek and elsewhere but they need to improve the access roads even more than they have so it is possible to get to the markets by vehicle in the future. They have of course to consider market demands, so they don’t overproduce some food items which cannot be sold or can only be sold at below cost price.

Access to credit. It is important that the cooperative in the future can be provided with loans for procurement of farm inputs, tools, farm machinery, vehicle, storage facilities etc. on the basis of their bank accounts and a business plan for the operation.

Farm inputs access. Many of the farm inputs that the cooperative would require would have to be imported for some time and they may be able to join forces with “a farm service centre” or wholesalers to get the quality and quantities they need.

Farm business and management training and mentoring as well as technical training. There is a very clear need and interest by the cooperative to be able to get business and management training so they could run it as a business. They would require support to develop a business plan and they should also be prepared to have a manager who actually is paid for his work. It could be a member who is trained with this skill. Members also need technical training to be able to undertake the various production most beneficial. They would require frequent visits of a professional business mentor to assist and correct the management process as and when require the first years. Technical training may be undertaken by extension agents and animal health service by animal health workers who both would need to be paid for their service.

Center. The Akon Gok cooperative group and the related sub cooperative groups seem to be off at a good start and it may just be possible to facilitate a process as it appears they are willing and keen to take to develop this into a centre so it becomes a key driver and demonstration for Cooperative Farm
development with many members and thus benefit many households to become food secure but also to get an income so they can afford other needs as well as school fees.

OSJ

13th March

7. Visit Note

Visit to Ager – Gum Farmers Association and Cooperative Society in Wulu on 15th March 2015.

Participants: Benjamin Mading and Ole Stokholm Jepsen

Meeting with the Ager – Gum farmers Association leaders at their site at Wulu. Chairman Mr. Joseph Maker Amuom, Secretary General Mr. Sunday Ater and fee collector Mr. Martin Wade Cietjang. Total numbers of members who have paid fee are 48. Most are from Wulu but the member is from 5 different counties. As it is an investment the members have paid in 2000 SSP and they are required to pay in when needed. So far they are running at a loss, but they hope they will be able to expand and make good profit.

They registered as an Association and as a Cooperative Society in 2013 and they also have import export licence.

They decided to establish this Association and Cooperative to initiate production of cereals and vegetables as food prices were high and they could see opportunities in investing in food production activities.

They have entered agreement with the local chief that they can cultivate food crops in that location and the agreement has to be renewed every year. The understanding is also that the local community should be able to buy grain from the Association at prices below the market price.

In 2013 they cultivate 8 feddan with sesame and they got only 6 bags.

In 2014 they cultivated 100 feddan of sorghum long variety and they got 50 bags (each 100kg)

In 2015 they hope to cultivate 200 feddan of cereals. They also grow various vegetables during the dry season around a number of dug wells. The vegetables are partly for consumption of the community and partly for sale on the market. They have got the vegetable seeds free from FAO.

The tractor is kept in Wulu township and they hire a driver to use it for cultivation. The tractor is an old Massey Ferguson and it does not seem to be in good shape. They also have a disc plough.

The main challenges are:

• They have so far no long term agreement on the land either as a long term lease or as a title deed. They are working on getting this in place.
• They only have water during dry season from a number of hand dug wells. The water is at a level of about 5 to 6 meters and this is the end of the dry season so there is indeed a good ground water resource. They want to develop water points which can be kept clean and which can be used for expanding the dry season irrigation and also take care of watering livestock during the dry season.

• They have difficulties with cattle coming into their crops to graze and also birds feeding on the cereal crops. They employ guards to address this problem.
Photo OSJ. Dug well. Ground water available at about 4 meter depths at the end of the dry season, however such open wells are unhygienic.

The overall problem with this type of association is that they invest in order to try to make production and to get a profit, but they have no organised management on side (it is absentee management) and they do not quite know what it takes to operate this professional. They need to get their legal land rights in place and then to take on management and to be organised with machinery services required. They would need to develop a business plan and also prioritize investment requirements and then apply for a loan to be able to undertake such investments including improved water facilities.

17.03.15

OSJ

8. Visit Note.

Visit to the new Abattoir and the old slaughter slab facility in Rumbek on 16th March 2015

Participants: DG for Ministry of Animal Resources and Fisheries Mr. Paul Maker Degal, Benjamin Mading and Deputy Team Leader Benjamin Mading and Private Sector development Consultant Ole Stokholm Jepsen.

The purpose of the visit was to get some understanding of what has been built new slaughter facility for Rumbek and to assess how it may become a responsible private sector business operation if at all possible.

The visit to the old facility was made in order to get some understanding of the present reality.

New Abattoir.

The New Abattoir facility was funded by the EU and the Belgian organisation VSF was contracted to be responsible for implementing the project. It is a little unclear when it was contracted, when it was built and when it was handed over to the Ministry of Animal Resources and Fisheries. From an earlier visit report 24th May 2014 by Mott Mac Donald people it is noted that it was completed 2013.

This visit by Mott Mac Donald staff was not carried out by abattoir specialists and the undersigned private sector consultant is also not an abattoir specialist.
The visit in May 2014 and the visit on 16th March 2014 both concluded that there are a number of shortfalls for the abattoir to be functional. Without knowing the conditions of contract for implementation it seems obvious that it is not operational the way it is completed and handed over. Some of the main shortfalls which are observed are: i) the location is in a flood prone area which can provide serious constraints for access and for sewage manure and offal at the site, ii) there is no proper access road, iii) There is no parking area for offloading live animals or for loading animal carcases and various by-products, iv) There is no proper holding ground for the animals to stay and be fed and watered a day before slaughter, v) the present holding ground area for animals just in front of the abattoir is too cramped.

The new Abattoir could clearly benefit from having also a small cold storage facility to keep the fresh carcasses the night over or even a few days to hang and mature.

However instead of attempting to list the present shortfalls any further it was discussed that it should already now be considered to have a successful private sector operator of a slaughterhouse business in South Sudan to look at this Abattoir and if he is interested to consider to operate it as a viable business an agreeable model of a public/private partnership arrangement should then be negotiated for him or a management team to bring the Abattoir up to an agreeable and functional standard. The DG informed that such a local slaughterhouse business operator existed in Awerial. The Town Council does not have the capacity to operate the abattoir professionally.

It is therefore the recommended to investigate this option very soon and if it is found viable then to go ahead and negotiate an arrangement on the basis of an agreed business plan so the Abattoir can be operational in the foreseeable future.
The recommendations for actions made by the Mott MacDonald team in May 2014 could be part of the negotiation with the potential private sector operator.

The potential private sector operator should make a business plan which could also provide support to obtaining credit for some investments he may need to make in order to optimize the operation of the facility and this could include cold storage as mentioned above. The Town Clerk/Mayor of the Rumbek Town Council was later consulted on the issue of considering a private sector operator for the Abattoir which he favoured if such an arrangement could be made.

The Ministry of Animal Resources and Fisheries and the Town Council would still be responsible for the control and regulatory services like meat inspection.

Existing Slaughter slab facility.

The existing slaughter slab facility which is being used at present was also visited. It is located fairly close to the new Abattoir outside town.

This facility is quite unhygienic and very simple with no hygienic and sanitation facilities.

Photo OSJ. Existing slaughter slab facility, constructed 2008

The butchers/traders come here with the animals they have procured from livestock holders and they take the meat into the Rumbek market.

The hides and skins are treated on site by some workers who are paid by the butchers when they sell the hides. The conditions on site for the skins and hides treatment are just with a simple tent providing
shade when they put salt on the fresh hides and skins. Otherwise the hides and skins are lying open in the sun which is very bad for the quality.

It will certainly improve the situation, standard and hygiene of slaughtering in Rumbek if the new Abattoir could be completed and become operational and it is recommended to go ahead with that agenda in order not just having a “white elephant” project standing idle.

17.03.15

Ole Stokholm Jepsen

Private Sector Development Consultant

9. Visit and meeting Note

Meetings with Chamber of Commerce, Industry and Agriculture, Rumbek on 16th and on 19th March 2015

Participants: Bejamin Mading and Ole Stokholm Jepsen

Meeting on 16th March with the Secretary General Mr. Alfred Makur Nguec and Assistant office manager Mr. Chamson Dhieu Dut.

The Chamber of Commerce, Industry and Agriculture has its own constitution provided by the Government of South Sudan. It refers to the Ministry of Finance, Directorate of Commerce and it has cooperation with a large number of private sector organisations.

The private sector development consultant asked if it was possible to get a list of the different categories of private sector organisations with whom they cooperate as a special interest would be to meet and discuss with some of these business leaders about the challenges and opportunities they see in relation to the private sector business development in Lakes State and South Sudan. The dialogue with these business leaders should also include discussions regarding possible interventions which could facilitate that the private sector can play a larger role in development. Some of the business leaders which would be of interest to meet are:

- leaders of wholesaler and retailer associations in food commodities and other goods
- entrepreneurs undertaking construction, drilling, logistics, various repair and maintenance services
- leaders of associations trading with machinery and tools import and manufacturing locally
- Leaders of private sector training institutes
- Others
It was agreed that they would prepare a list of the private sector organisations they cooperate with and that they would try to call some of these leaders for a meeting with us within two days.

A meeting with business leaders had to be postponed as the Chairman had gone to Yirol East.

A follow up meeting was held on 19th March.

Information was provided about the membership categories and fees as follows:

<table>
<thead>
<tr>
<th>Categories of membership</th>
<th>Registration fee SSP</th>
<th>Annual Membership fee SSP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Golden Club Member</td>
<td>1,000</td>
<td>4,000</td>
</tr>
<tr>
<td>2 Multinational Companies</td>
<td>1,000</td>
<td>4,000</td>
</tr>
<tr>
<td>3 International Companies (not qualifying as multinational)</td>
<td>1,000</td>
<td>2,500</td>
</tr>
<tr>
<td>4 Companies with Local and Foreign shareholding capital</td>
<td>1,000</td>
<td>1,500</td>
</tr>
<tr>
<td>5 Local Incorporated Companies (100% South Sudanese)</td>
<td>1,000</td>
<td>600</td>
</tr>
<tr>
<td>6 Business Association/Chamber/Council/Non Profit Organisations</td>
<td>1,000</td>
<td>5,000</td>
</tr>
</tbody>
</table>

The total number of individual registered members is around 550 and many of these represent the businesses on the market wholesalers, retailers of food commodities and all other type of goods being traded including owners of workshops, tailors, it service, photocopying, mobile phone traders etc.

The individual members can get an ID card by paying 100 SSP.

There are eight private companies operating in Lakes State which are registered in Juba and another eight private companies which are registered in Lakes State, Rumbek with the Chamber of Commerce, Industry and Agriculture. (A letter is enclosed in Annex 3 from Chamber of Commerce, Industry and Agriculture is containing the names of the companies).

19.03.15

OSJ

10. Meeting Note

Meeting with the Cooperative Department, Rumbek on 17th March 2015

Participants: Benjamin Mading and Ole Stokholm Jepsen
A meeting was held with Cooperative Department in Rumbek, Deputy Director Mr. Ater Gai Yuot and Assistant Director Ms. Tinda Akot

The Cooperative Department is under The Ministry of Finance.

They are very limited in their capacity to promote cooperative societies mainly due to the security situation which is limiting their travel to communities which may be prepared to form cooperatives and register as such.

The Cooperative Department in Rumbek has a total of 33 employees and 14 of these are women of which 4 are cleaning and service employees whereas 10 are educated staff of which one is at the assistant Director level. This is seen as quite progressive and positive and it is no doubt important in relation to promote and service the cooperative societies.

There are presently a total of 24 cooperative societies registered with the Cooperative Department in Lakes State and 9 of these are active. One of these is a prison family cooperative society and eight are within the agricultural sector as follows:

<table>
<thead>
<tr>
<th>County</th>
<th>Name of Cooperative Society</th>
</tr>
</thead>
<tbody>
<tr>
<td>WULU</td>
<td>Wulu Farmer’s Cooperative Society</td>
</tr>
<tr>
<td>CUEIBET</td>
<td>Agay Farmer’s Cooperative Society</td>
</tr>
<tr>
<td>RUMBEK Center</td>
<td>Malek Farmer’s Cooperative Society</td>
</tr>
<tr>
<td>WULU</td>
<td>* Ager – GUM Farmer’s Cooperative Society</td>
</tr>
<tr>
<td>RUMBEK East</td>
<td>* Gok Akon Farmer’s Cooperative Society</td>
</tr>
<tr>
<td>RUMBEK East</td>
<td>Ajaba Farmer’s Cooperative Society</td>
</tr>
<tr>
<td>RUMBEK Center</td>
<td>Abene Ajuk Farmer’s Cooperative Society ,Women group</td>
</tr>
<tr>
<td>YIROL West</td>
<td>Banliet Farmer’s Cooperative Society, Women group</td>
</tr>
</tbody>
</table>

Even though this is a fairly small number of cooperatives registered so far there are active cooperatives in most counties and two of them are specific women groups.

The cooperative societies clearly need guidance and training on how to go about developing their business which also can be seen for the visit notes to two of the above cooperatives (*).

17.03.15
11. Meeting Note

Meeting with Ivory Bank, Rumbek, Manager Mr. Mangui Dot on 17th March 2012

Participants: Benjamin Mading and Ole Stokholm Jepsen

Meeting with the Ivory Bank Manager to learn to what degree the Ivory Bank in South Sudan can provide credit for investments and/or business operations within the water sector, agriculture, livestock and fisheries and related service businesses for maintenance and repair of the water facilities, contractors in the water drilling business and wholesale and retail of food commodities and tools and machinery and other farm inputs.

Generally he explained that they have an insurance arrangement with Lloyd International which is supporting them with regard to running certain risks.

They are presently having staff attending training sessions in Juba and after another two month they will have staff who can evaluate businesses of individuals or groups who apply for loans. In principle they will therefore be able to give loans to a business which seem viable and have some assets.

If a private person or a group apply for a loan for a new building they will assess the legal right of the person to build on that site and they can give loans up to 80% of the total construction cost.

For loan applications for procurement of machinery, equipment, goods and spares etc. from within the country also loans can be approved if evaluated as viable investments.

For loan applications for procuring goods from other countries (import) they will have to process the loans through the Bank of South Sudan.

There are a number of important arrangements which will increase the options for being granted a loan in the food and agriculture sector including the following:

1. The individual or group have a current bank account with the bank.

2. The individual or group has formally been registered as an Association and/or a Cooperative Society

3. The individual or group have in their name a legal right to the assets (water borehole), land they use for their buildings and for agricultural production in the form of a title deed or a long term lease.

4. They have developed a business plan which document the present situation of the business and the plans for the coming years.

It is positive that the Ivory Bank seems to be prepared to support private sector business investments in Lakes State and it should be interesting test this with a strong case.
It also confirm that it could be very useful to have some national Business Development Adviser’s (BDA’s) assigned to work with the Water for Lakes Programme to provide advice and mentoring support to the most promising businesses which could become demonstration businesses.

17.03.15

OSJ

12. Meeting Note

Meeting with FAO, Rumbek, Senior Agricultural Adviser Mr. James Taban on 18th March 2015

Participants: Ole Stokholm Jepsen

FAO is active in all States of South Sudan.

In Lakes State they are presently engaged with four development projects and one emergency project.

Two development projects are mainly focussing on training and education of Pastoralists.

- One with farmer field school approach on livestock, fisheries and agriculture activities. This is taking place in 3 counties, Rumbek East, Cuibet, and Rumbek North. It is a four year project and it is just moving into the second year now.
- Another project taking place at the pastoralists cattle camps training animal husbandry practices. This takes place in the remaining 5 counties of Lakes State, Rumbek Center, Wulu, Yirol East, Yirol West and Awerial. It is a three year project and it started last year.
- A third project: Improved Food Security and Income for Rural Smallholders in South Sudan (ZEAT-BEAD) (EU funded) is covering four States including Lakes State and is just launched and has four years duration.

   - Main focus is: Privatizing input supplies for livestock, fisheries and agriculture
   - Development of value chain activities
   - Training of extension agents and animal health workers.

They had also undertaken a project feasibility study on Water Harvesting, but so far this project had not taken off.

It would be interesting to get more information about the actual activities and especially with the livestock Pastoralists there could be some common interest. They promised to send us some detailed information.

18th March

OSJ
13. Visit Note

Visit to St. Peter Claver Jesuit Technical School, Rumbek on 18th March 2015

Participants: Benjamin Mading and Ole Stokholm Jepsen (The school was visited also in September 2014 by Bart and Cor from the Mott Mac Donald team see below).

A visit was made to St. Peters Technical School and Training Center in Rumbek. Discussions were held with Father Richard O’Dwyer and Mr. Nobert Demmelbauer and we were recommended to take contact to Father Georges Kimonge when he is back as he is overall in charge. – Tel 0955870668 He is returning next week from Kenya.

The St, Peters Technical School in Rumbek has over the last 6 years undertaken training on WASH and solar power systems for pumping and electricity supply. The courses start in August and have a first semester for 4 months and the second semester start in February for another 4 months. Some of the participants go out in private business, some go to institutions and some go for further studies.

As also recommended by Bart it should be considered by Water for Lakes Programme to link in with these training courses and even have some special tailor made training organised if possible.

About 12 kilometres outside Rumbek they also have an area of 120 Hectares available for them of which most is bush land at present. They have one borehole with a solar driven pump and they expect to cultivate about 25 hectares this year during the rainy season. They are using ox plough, but plan to buy a tractor.

They are planning to establish another borehole and also to do crop production during the dry season.

They are presently trying to initiate some poultry egg production and they have procured an incubator.

They plan sometime in the future to be able to do some training on the farm possibly including hands on farm management training.

18.03.15

OSJ

Notes by Bart & Cor

St Peter Claver Jesuit Community (24/9/2014) – Training Centre

Contact: George Kimonge – Director Training Centre – Tel 0955870668

Pictures taken
Notes:

- they give 8 months training courses that includes construction including, plumbing, wash and O&M hand pumps (they have all the common models), course 2 is on electricity and solar. On course 1, a one week special on hand pumps is included that can be made tailor made for our program to train local mechanics or villagers for O&M

- also 7 weeks basic computer training in afternoons (Driver Bill attended)

- they are purchasing / receiving a Blue Pump (NL) - that have recently been introduced (14x by Obakki as they are easy to install and for O&M) because apparently more durable – for training purposes

- they are starting to order and sell spare parts for HP and solar powered water yards (a container from Juba will arrive in dry season)

- they can build water yards (all except drilling & casing)

- Potential for Lakes Project: a) trainings (hand pump, solar water yard), b) alumina may be suited for work for Lakes Project (e.g. supervision of contractors), c) work together on their spare parts initiative (the proposed spare parts shops), d) part of tendering

14. Visit Note

Visit to Obakki Foundation, Rumbek office, a Canadian NGO, on 19th March 2015

Participants: David Karari and Ole Stockholm Jepsen (Meetings have been held earlier with Obakki by Mott Mac Donald team members)

Meeting with Programme Manager Ms. Sandy Kooistra.

Obakki Foundation started to operate in South Sudan in 2009.

They are having focus on supporting water supply activities and have good cooperation with Water for Lakes and there have been a few dialogue meetings between the parties

They are providing funding for some activities and they also take on implementation services for other donor funding arrangements.

Of special interest could be their experience from Water Yards for livestock at some cattle camps 1 in Lakes State (“Barja”) and 2 in Warrap State. The borehole pump is solar energy driven and there is a 10,000 litre tank. The watering capacity is 400 animals per hour. The pastoral livestock people at the camp are also cultivating tobacco around the borehole partly for own use and partly for sale and cash income.

Obakki also is full aware of the needs for a supply chain of spares.
Obakki is buying vegetable seeds from Kenya which they sell to water user groups at cost price which indeed is still making it difficult for the private sector.

There is indeed good scope for some lessons learned to be used also by Water for Lakes Programme specifically in relation to the Livestock water yards.

19.03.15

OSJ

15. Visit Note

Visit to two Water User Communities in the rural urban areas of Rumbek town on 19th March 2015

Participants: Mr. Dut Majok Maton, Paul Sijssens, David Karare and Ole Stokholm Jepsen

The first visit was to a WUC at Pul Cum to a borehole which needed rehabilitation, which the Water for Lakes Programme is scheduled to undertake within the next few weeks.

This water facility was established in 2006 with a borehole and a hand pump. Now the concrete construction has cracked which is due to cattle drinking around the construction and thus over time undermining the construction.

Photo OSJ. Cattle drinking at broken hand pump foundation on a borehole

The present five WUC members were all women and none of them have been trained. There used to be around 80 households using this facility, but due to conflicts and fighting quite a few have let and more may still leave. At present there are about 50 households.
They collect money from users in order to be able to pay for repair and the money are deposited with the WASH Directory so they can take the money when spares and repair has to be paid for.

Each household is supposed to pay 150 SSP per month during the rainy season and 300 SSP per month during the dry season. (Some don’t pay during the rainy season.)

The second visit was made to a WUC at Rum Cur where a borehole with a hand pump had just been established by Water for Lakes Programme.

The borehole was drilled in January and completed with the concrete construction and a hand pump in February.

The community members expressed that they were very happy with the facility and that the water quality was very good.

They were waiting for people to come and train them which would be part of organising a proper WUC/Water Management Committee.

During the selection of location 2 local chiefs were involved together with the communities.

There are about 180 households who now take water from this facility and some of them walk for more than half an hour. No people have moved from this area due to conflict and it is not expected that anybody will move. There have actually been people from elsewhere moving into this community.

The community members are cultivating land mainly for their own consumption. They use ox ploughs as some people in the community have ox teams and ploughs. They pay 150 SSP per feddan for renting this
service. The grow sorghum, millet and cow peas during the rainy season. Each household cultivate around 5 to 8 feddans.

From the forest they make charcoal and timber poles which are sold on the market and provide cash income.

They asked if it could be considered that they could get a Water Yard by upgrading the present facility with a submersible pump and a solar power unit and a water tank. With pipes to a few locations a bit further away and a cattle watering facility this would meet there requirements better. They would also expand their dry season cultivation of vegetables. As an alternative they would appreciate another borehole and hand pump a distance away.

The community members were challenged on this request by the private sector development consultant. He suggested that they by their own contribution could hire a local drilling entrepreneur to establish another water facility if they required that. Also he suggested that if Water for Lakes Programme may consider the request for a Water Yard then the community should contribute to the cost as this is a big investment which they could have good value added from.

They informed that they would discuss this within their community and would inform the outcome of their discussion soon.

21.03.15

OSJ

16. Meeting Note

Meeting at the Town Council in Rumbek with the Mayor/Town Clark Mr. Mabor Cawuop on 20th March 2015

Participants: Benjamin Mading and Ole Stokholm Jepsen

The Mayor is very keen on the private sector taking a larger role and he stated that this also goes with ownership and responsibility.

He informed that already some of the water supply system in Rumbek i.e. the Rumbek market which require plenty of water and also many household around the market. This used to be very problematic for the State authorities to operate and maintain these water facilities and since they made a public/private contact arrangement with some private sector spare part dealers the water supply situation has been very good. The users pay to the private operator for water use the State authorities are monitoring the situation. It is considered a win win situation and it is something to build on.

It is understood that there are more cases of private sector operators of water facilities in Rumbek which is also informed by the Director of WASH Mr. Barnaba.
The Mayor was very clear that water users have to change mentality and become more responsible with regard to the water resources and land resources they use, but that they also should be able to have legal rights documentation.

The Mayor was invited to the workshop on 23rd March and he expressed that he also wanted to take his Deputy.

20.03.15
OSJ

17. Meeting note

Meeting with OMASKI drilling Company management on 25th March 2015 in Rumbek.

Meeting with the Managing Director of OMASKI drilling company, Mr. L. P. Kumar and the South Sudan Country Manager, Mr. L.D. Kumar.

The headquarters of their South Sudan operation is in Wau.

They inform that they have 9 borehole drilling rigs in South Sudan.

Most of their work of drilling boreholes has been funded by NGO's and International organisations.

The main challenges are:

- Logistic mainly during the rainy season
- Insecurity
- Only able to work at full level about 5 month in a year due to the rainy season

OMASKI have been involved in two projects where they inform that they have participated in establishing a supply chain of spare parts and in providing the repair teams as part of the arrangement. It is understood that this was a project implemented by UNICEF with Swiss funding in Awerial and another project implemented by ACTED and OXFAM in Warrap and in Western Bahr El Ghazal. It would be useful to see details from these two projects for possible lessons learned for designing the supply chain in Lakes State.

OMASKI management team informed that they generally have spare parts of the pumps they are providing and also of the solar units in their warehouses.

25.03.15
OSJ
Annex 3. Specific supporting scanned documents

1. Legal right/ title deed Document for 1000 Feddans of land which can be used by the Gok Akon Cooperative Society. They have another title deed for another 1000 Feddan.
2. Chamber of Commerce, Industry and Agriculture. A list of companies in Lake State of which some are registered in Juba and some in Rumbek.

These are names of the companies that are registered in the ministry of legal Affairs in Juba South Sudan and State chambers of commerce.

1. Gun Ayol trading company Ltd.
2. Manec Trading Company Ltd.
3. Zinc construction Company Ltd.
4. Achiengwei trading Company Ltd.
5. J – Jalap trading Company Ltd.
6. Combine trading & Investment Ltd.
7. Dom De Eden co-operative farming union
8. Pancual' development Co. Ltd.

These are local companies being registered in the State level

9. Laat Mabor Manec Co. Ltd.
10. Mary Akur Mayor Co. Ltd.
11. Majuec Mading Dhiu Co. Ltd.
12. Makueng Air Mading Co. Ltd.
13. Akol Chol Arew Co. Ltd.
14. Elizabeth Agok Anyiorg Co. Ltd.
15. Yuol and Son trading & Investment Co. Ltd.
16. Adorikom Company for Investment Co. Ltd.

The State chambers of commerce has registered 530 both companies and members of our private sector.

Thanks

Sign:.............

Alfred Makur Nguec
Secretary General for Lakes State chamber of commerce
Industry and Agriculture

Tell: 0926738976 - 0926333157 - 0927182914
Annex 4. Workshop on Private Sector Development on 23rd March 2015 in Rumbek

The workshop was organised to be a participatory dialogue process of consultation with and between the key stakeholder groups. The purpose is to discuss the challenges, opportunities of the Private Sector in the context of sustainability of the Water for Lakes Programme.

The notes contained in this Annex are:

1. Workshop instruction note
2. Agenda
3. List of participants
4. Workshop Power Point presentation by Private Sector Development Consultant
5. Results of working group number 1.
6. Results of working group number 2

1. Workshop Instruction Note

Water for Lakes

The Role, Challenges and Opportunities of the Private Sector

In the context of

Sustainability of the Water for Lakes Programme

Introduction Note

A workshop will be held at the Water for Lakes Programme office in Rumbek in the meeting hall of the Directorate of Water, Sanitation and Hygiene, Ministry for Physical Infrastructure, on Monday 23rd March 2015.

Representatives from the various stakeholder groups of the Water for Lakes Programme are invited to attend a workshop session to participate in a dialogue process in order to jointly discuss the challenges and opportunities with regard to having the private sector playing a larger role towards sustainable development.

The Water for Lakes Programme is tasked to address this in relation to the main focus areas of the programme: water for people, water for livestock, water for agriculture and water for fisheries. A workshop is called with the purpose of having a dialogue between the various stakeholders to jointly discuss main challenges and opportunities and suggest specific interventions which can facilitate the private sector to be able to take on a larger role.

The private sector consultant has had meetings, dialogues and field visits with some of the stakeholder groups to get some understanding of the present situation for private sector business operators. It is
considered important at this stage to have this workshop dialogue session between the stakeholder group representatives as listed below to discuss the main subject matters listed as 1 to 5 below.

The stakeholder groups are:

- **People – communities.** Using water for community water supply from wells/boreholes with hand pumps, boreholes with water pump run by an engine or a solar energy unit and water tanks.

- **Livestock holders/pastoralists and settled communities.** Using water for livestock and people from wells/boreholes with hand pumps or boreholes with water pumps run by an engine or solar energy unit and water tanks (water yards).

- **Farmers using water for irrigation purposes** for crop production. Cooperatives, Associations, individuals.

- **Private sector service providers.** Entrepreneurs, pump mechanics, workshops, retailers and traders who hold spare parts for water facilities and solar energy units and provide repair services. Also farm input retailers and traders, animal health workers, millers, credit providers/commercial banks.

- **State Government Authorities** who are presently having the major role in providing water utility services and various extension services to livestock agriculture and fisheries. State Government also have the role of providing regulatory and control services and together with the South Sudan National Government to provide policy framework enabling the private sector.

- **Customary tribal/community leaders.** If possible this stakeholder group should also be represented as they still play an important role in the communities and in relation to customary land rights they are part of the regulatory authority which can give land rights to specific groups for cultivation purposes.

- **NGO’s and international organisations** who are working within the focus areas of the Water for Lakes Programme, providing funding and technical support to development activities.

The main focus areas of the workshop will be around the following subject matter areas and the workshop participants will be divided into four or five working groups (2 and 5 may be considered as one group) and thus all will participate in the discussions around these subject matters.

The outcome of discussions between stakeholders should identify the main challenges, main opportunities and suggest interventions which are considered possible in making optimal utilization of the resources and is likely to establish stakeholder ownership and responsibility towards a high level of sustainability in relation to:

1. **Owner’s users of water facilities.** Responsible community ownership of water use facilities with user’s arrangements for paying for required services securing continued operation, repair and maintenance. The possibility of some water users also paying at least part of the cost of establishing/drilling the borehole should also be addressed.

2. **Private sector commercial service providers.** This includes service providers who have spare parts and can undertake the required repair and maintenance service as and when required of the water facilities to be paid for by the users. It also includes services by animal health workers and agricultural extension agents.
as well as farm machinery services, drilling entrepreneurs, logistic services, as well as a range of required technical training services.

3. **Farmers, pastoralists and fishermen.** Responsible use of the water resources by the people doing agriculture, pastoral livestock and fisheries, to optimize the production, handling and marketing of food products, including cereals, vegetables, fruits, nuts, fish, livestock, poultry etc. Operating as responsible private sector businesses, as cooperatives, associations or individuals. Establishing boreholes for this group should be considered on the basis of a matching grant arrangement as it will be an investment which should improve the business.

4. **Market players.** Wholesalers and retailers of farm inputs and farm outputs are important private sector players and there is a joint interest between the producers and the market players to understand farmers’ needs and financial capacities to buy and the consumer markets needs of food commodities.

5. **SME credit and business development providers.** Commercial banks should be able to provide loans for viable SME’s on the basis of a good business plan as well as some cash savings. In order to establish and operate a healthy business there is a need for the SME to be able to get support to prepare a business plan, to get all relevant registration and licences in place, to make contractual arrangements for procuring inputs and selling products and to help setting up the management team and to provide mentoring services over a period.

The recommendations from the working groups will be presented to the plenum workshop by each working group and they will be used in the final preparation of the consultant’s study report recommendations for policies and actions for specific interventions.

15.03.15

OSJ

2. **Agenda**

   Workshop

   Water for Lakes

   The Role, Challenges and Opportunities of the Private Sector

   In the context of

   Sustainability of the Water for Lakes Programme
## Agenda

### Date and Venue

Monday 23rd March 2015 at Ministry of Physical Infrastructure, Rumbek.

<table>
<thead>
<tr>
<th>Time</th>
<th>Session topic presentation</th>
<th>Person presenting</th>
</tr>
</thead>
</table>
| 08:30 to 09:00 | **Opening Session**  
Opening the session  
Water for Lakes Programme main focus and the importance of sustainability.  
Remarks  
Remarks  
**Keynote remarks** |  
Director of Water: Barnaba Makuac Magol  
W4L Team Leader: Steven Hind  
Act. DG of Physical Infrastructure: Mr. Samuel Mading Muorwel  
Director: Barnaba Makuac Magol  
State Minister for Physical Infrastructure: Hon. Mayan Kuc |
| 09:00 to 09:15 | Coffee or tea                                                  |                                                                                  |
| 09:15 to 09:30 | Presenting and highlighting the private sector focus areas of this workshop to give overall introduction and guidance to the dialogues between the participants in the working groups | Private sector consultant, Ole Stokholm Jepsen                                    |
| 09:30 to 09:45 | Dividing the participants into four working groups             | The Water for Lakes team members will facilitate the formation of the working groups |
| 09:45          | **Working Group Session.**  
The participants will be divided into 4 working groups as described in the workshop introduction note. In each working group the participants will identify one person who will write the groups list of challenges, opportunities and recommendations as they have concluded and one person to present to later to all workshop participants. | The Water for Lakes team members will facilitate the working groups |
| 12:00 to 13:00 | Lunch                                                           |                                                                                  |
| 13:00 to 14:00 | The working groups finalise the discussions and the write-up of their findings and conclusions. | The Water for Lakes team members will facilitate the working groups |
| 14:00 to 15:00 | The working groups present their findings to all the workshop participants of the group conclusions of challenges, opportunities and recommendations |                                                                                  |
| 15:00 to 16:00 | **Closing Session**  
Chairing of the closing session | Director Barnaba Makuac Magol Private Sector Development |
There were a few changes to the agenda as follows:

1. The participants were divided into two working groups instead of four mainly due to fewer participants.
2. The Hon. State Minister for Animal Resources and Fisheries William Manyuon was unable to participate in the closing session.

3. **List of participants** (22 persons registered as participants and 30 were invited. The Water for Lakes Programme team members who were also facilitators also registered).
4. Workshop Power Point presentation

Workshop
Rumbek, Lakes State, South Sudan
23rd March 2015
The Role, challenges and opportunities of the Private Sector
in the context of
Sustainability of the Water for Lakes Programme
Mott MacDonald
Ole Stokholm Jepsen

Human and Natural Resources in Lakes State and South Sudan
- Land resources are available and are generally not being depleted and is underutilized
Water is available as rain, rivers, lakes and groundwater and the fishery resources are underutilized. Forest providing trees for timber, for agro-forestry and grazing areas for livestock and wildlife. The people generally wish to improve their livelihood and food security by utilizing the resources.

**Dependency of hand outs**
- In emergency situations free hand outs are required to save people’s life.
- In Lakes State this it is still needed in some places, but generally it is not required for the majority of the population.
- Unfortunately free hand outs can if continued create a beggar mentality so people are not aware they themselves can take initiatives and be responsible for improving their own livelihood.

**Present situation – Conflicts, food insecurity, lack of community drive to help themselves through private sector development**
- Presently many communities are food insecure partly due to conflicts and partly due to not having organised themselves in responsible user groups and responsible producer/marketing groups.
- There is also a lack of private sector service providers.
- There is a great dependency on Government, NGO’s and International Organisations to provide food, water facilities and many other needs including farm inputs – mostly as free hand outs.

**Import of most food products and other basic required commodities**
- All types of basic needed food commodities are imported in large quantities including, maize, rice, sorghum, wheat, sugar, live cattle, poultry and eggs, fruits and vegetables, beverages etc. Most of these products are sold commercially on the markets, but some are provided as food aid.
- Farm inputs are only available on a limited basis on the market and most are provided by NGO’s.

**The Public Sector can enable a thriving private sector**
- South Sudan as a new Nation and Lakes State have the opportunity to enable and build a strong private sector where people help themselves to improve their livelihood, improve food security, driving economic growth towards sustainability, stability and peace.
- SME development through cooperative or association business groups are going hand in hand with developing the tribal communities.
Private sector development opportunity in South Sudan-Lakes State

- In principle all which are not public sector are private sector. However most people are living in communities at subsistence level and are not considered as private sector.
- More people in communities should be enabled in a responsible way to help themselves to improve their family livelihood by using the resources to produce and market food products to the benefit of themselves, their communities, the State and the Nation.

Ownership/Responsibility

- The feeling of ownership is key to also feel responsibility and to possibly make investments.
- By investing own means to buy something it is more likely that you will take care of it.
- This is also the case with natural resources, water, land, livestock, fisheries and trees.
- If we want people to be more responsible we need to establish legal rights and ownership.

Main risks

- The various ongoing conflicts in South Sudan are presently the main risks facing sustainable development.
- Another risk area is the continuation of free hand outs providing dependency and hampering the opportunities for a competitive private sector to develop.

How to promote the private sector to take a larger role in relation to sustainable development

- Water users may need to have legal rights to water and land and they need to contribute to the investment of the water facilities and to take care of O&M services.
- The communities organise themselves in producer/marketing groups and need to obtain legal rights to the land.
- The service, input providers and market players need to experience that there are users and producers who will require their services and goods.

How can the South Sudanese Government enable the private sector in relation to sustainable use of resources

- Overall policy framework and promotion of private sector development in relation to use of water and production and marketing of food products.
- Provide legal rights to users, producer/marketing groups like cooperatives and associations.
• Facilitate development of private sector service providers
• Provide regulatory services

How can the NGO’s and International Organisation’s support the process of the private sector playing a larger role

• Stop free hand out to the private sector producers of farm inputs and equipment and facilities as it undermines the possibilities for the creation of a viable competitive business service which is needed to make it sustainable
• Support facilitation services which are in line with Government private sector enabling policy

How to speed up the drive of Private Sector Development

It is important to identify existing successes within Lakes State and South Sudan with private sector groups operating as a responsible business and to strengthen and accelerate such successes so they can become “key driver” demonstration cases and possibly become centres for training to multiply the effect

Workshop Working groups

The participants of this workshop will now be divided into 4 working groups to identify main challenges, main opportunities and suggest interventions towards improved sustainability.

1. Owner’s users of water facilities.
2. Private sector commercial service providers.
3. Farmers, pastoralists and fishermen.

Best wishes for a good dialogue session in the working groups

Only two working groups were established.

5. Results of Working group 1 which was addressing the following two areas:
   • Owner’s users of water facilities.
• Private sector commercial service providers. The SME lending services are included in this component.

MONDAY 23RD 2015

PRIVATE SECTOR DEVELOPMENT STAKEHOLDER WORKSHOP

MAIN CHALLENGES. OPPORTUNITIES AND SUGGESTED INTERVENTIONS WHICH ARE CONSIDERED POSSIBLE TO MAKE OPTIMAL UTILISATION OF THE RESOURCES AND LIKELY TO ESTABLISH STAKEHOLDER OWNERSHIP AND RESPONSIBILITY TOWARDS HIGH LEVEL OF SUSTAINABILITY.

Owners and Users of Water Facilities

1. Owners of water facilities
   - Government
   - Private sector a) those with permit (hotels, businesses and groups)
     b) those with no permit (individuals and communities)
   - Providers (NGO’s)
   - Communities

2. Users of Water facilities
   - Institutions: Government, Cooperatives, Farmer groups Schools, Hospitals, Factories
   - Communities: Individuals, families
   - Livestock: Cattle, sheep and goats, poultry
   - Crops: Cereals, vegetables, trees

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Opportunities</th>
<th>Possible interventions for sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of respect for Government laws and regulations(e.g. permits, taxation etc.)</td>
<td>Turning water to be recognized as a resource with a value</td>
<td>Community mobilization and sensitization on Government regulations and ownership</td>
</tr>
<tr>
<td>Poor organizational and management skills</td>
<td>If rules and regulations are respected, then there is</td>
<td>Training and targeted self-help groups e.g. Malith blacksmith</td>
</tr>
<tr>
<td>Challenges</td>
<td>Opportunities</td>
<td>Possible interventions for sustainability</td>
</tr>
<tr>
<td>------------------------------------------------</td>
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<td>-------------------------------------------</td>
</tr>
<tr>
<td>Lack of infrastructure: roads, electricity</td>
<td>Community mobilization sensitisation</td>
<td>Integration in planning</td>
</tr>
<tr>
<td>Lack of credit or access to credit facilities</td>
<td>Provision of credit facilities</td>
<td>Lending from credit institutions</td>
</tr>
<tr>
<td>Lack of skilled manpower</td>
<td>Invest on roads and electricity</td>
<td>Training</td>
</tr>
<tr>
<td>Inadequate funding</td>
<td>Peace and reconciliation</td>
<td>Employment of skilled</td>
</tr>
</tbody>
</table>
6. Results of Working Group 2 which was addressing the following two areas:

- Farmers, pastoralists and fishermen.
- Market players.

MONDAY 23RD 2015

PRIVATE SECTOR DEVELOPMENT STAKEHOLDER WORKSHOP

MAIN CHALLENGES, OPPORTUNITIES AND SUGGESTED INTERVENTIONS WHICH ARE CONSIDERED POSSIBLE TO MAKE OPTIMAL UTILISATION OF THE RESOURCES AND LIKELY TO ESTABLISH STAKEHOLDER OWNERSHIP AND RESPONSIBILITY TOWARDS HIGH LEVEL OF SUSTAINABILITY.

FARMERS

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Opportunities</th>
<th>Possible interventions for sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of water in agricultural protected areas during dry season</td>
<td>Manpower</td>
<td>Search for partners to provide training in farming and water management</td>
</tr>
<tr>
<td>Flooding</td>
<td>Fertile arable land available</td>
<td>Construction of water and irrigation systems preferably using solar power</td>
</tr>
<tr>
<td>Lack for materials for irrigation</td>
<td>Enough yearly rainfall</td>
<td>Improve roads for transporting produce to the market</td>
</tr>
<tr>
<td>Lack of capacity /training in agricultural practices to farmers</td>
<td>Ready market for produce</td>
<td>Creation of co-operative centres and shops for wholesale of produce</td>
</tr>
<tr>
<td>Lack strengthened of local guidelines</td>
<td>Some trained personnel and presence of NGOs working in the state</td>
<td>Secondment of extension workers for monitoring and evaluation</td>
</tr>
<tr>
<td>Lack of Storage of agricultural produce</td>
<td>Good practices in neighbouring states which can be learning</td>
<td>Creation of “service centres” that provide inputs and materials for</td>
</tr>
</tbody>
</table>
### Opportunities through exposure visits.

<table>
<thead>
<tr>
<th>Problems with transportation of produce to the markets</th>
<th>Private extension workers - agriculture and livestock</th>
<th>Media broadcasts on best practices in farming</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weak Farmer group organization challenges,</td>
<td>Creation of “service centres” that provide inputs and materials for farmers</td>
<td></td>
</tr>
<tr>
<td>Lack of agricultural tools and equipment’s for planting and irrigation</td>
<td></td>
<td></td>
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<tr>
<td>Lack of crop protection against livestock, wildlife and birds</td>
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<td></td>
</tr>
<tr>
<td>Lack of variety of seeds mostly for vegetables and horticultural produce</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insecurity</td>
<td></td>
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</tr>
</tbody>
</table>

### PASTORALISTS

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Opportunities</th>
<th>Possible interventions for sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of water for livestock during dry season</td>
<td>Training for pastoralists through extension services in management of livestock, breeding, nutrition, range management, health, quality vs. quantity, etc.</td>
<td>Creation of “service centres” that provide inputs and materials for pastoralists</td>
</tr>
<tr>
<td>Lack of market for selling livestock</td>
<td>Creation of feed lots for animal production, health, and fattening prior to sale in the market</td>
<td>Media broadcasts on best practices in animal production and husbandry</td>
</tr>
<tr>
<td>Lack of production (milk, meat, skins, horns, hooves, dung, etc.)</td>
<td>Building water systems for livestock</td>
<td></td>
</tr>
<tr>
<td>Lack of drugs for blood sucking insects</td>
<td>Creation of “service centres” that provide inputs and materials for pastoralists</td>
<td></td>
</tr>
<tr>
<td>Lack of veterinary services for animal health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long distance movement of livestock and humans leading to insecurity and poor health</td>
<td></td>
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</tbody>
</table>
**FISHERMEN**

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Opportunities</th>
<th>Possible interventions for sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of fishing materials and boats</td>
<td>Abundance of rivers and lakes for fishing</td>
<td>Field training schools (practical education)</td>
</tr>
<tr>
<td>Lack of training (nets, fishing line, drying methods, etc.)</td>
<td>Provide jobs for men and women</td>
<td>Media broadcasts on best practices</td>
</tr>
<tr>
<td>Lack of fish pools</td>
<td>Improved nutrition</td>
<td>Co-operative shops in the market for sale of fresh fish</td>
</tr>
<tr>
<td>Lack of refrigerated transport</td>
<td>Boost to economy</td>
<td></td>
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<tr>
<td>No hygienic drying methods</td>
<td>Training in fisheries management</td>
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<tr>
<td>Seasonal changes</td>
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<tr>
<td>No water catchments for fish</td>
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<tr>
<td>No dredging has occurred to deepen rivers and lakes (leads to flooding during rainy season)</td>
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</table>

**MARKET PLAYERS**

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Opportunities</th>
<th>Possible interventions for sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shortage of, low quality, or expired goods being sold</td>
<td>Production of local crops and goods by women (lulu, tompring, timber, etc.)</td>
<td>Centres for necessary spare parts/materials/goods and access to skilled/experienced professionals</td>
</tr>
<tr>
<td>High prices in market due to low production</td>
<td>Training for local traders to increase capacity to operate stalls in the market</td>
<td>Repair of the roads so that goods can move easily through all seasons</td>
</tr>
<tr>
<td>Transport, especially rainy season</td>
<td>Diversification of goods in the market</td>
<td>Warehouses to stockpile goods for rainy season to assist in regulating the price of goods when there are shortages.</td>
</tr>
<tr>
<td>High taxation and road blocks for traders</td>
<td>Regulation, overview, and accountability by the government to address taxation issues, road blocks, and delays/insecurity.</td>
<td>Co-operatives producing larger amounts of goods that can be sold in the market and reduce dependency on imported goods.</td>
</tr>
<tr>
<td>Delays due to road conditions</td>
<td></td>
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<tr>
<td>Floods</td>
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<tr>
<td>No domestic industry so everything has to be imported and sold using middlemen</td>
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<tr>
<td>Insecurity along the roads and in</td>
<td></td>
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<tr>
<td>the market</td>
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<tr>
<td>---------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No ownership and responsibility by traders because they don’t own their shops (high rent)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Annex 5. References
These references are reflecting the main documents and notes which have been reviewed as part of the consultancy work in relation to understanding the development situation in Lakes State.


- Cor Verduijn – ZOA for Mott Mac Donald. MISSION REPORT WATER FOR LIVESTOCK, WATER FOR LAKES PROGRAM, WATER FOR LIVESTOCK COMPONENT, October 2014.


- Government of South Sudan, Ministry of Physical Infrastructure, Lakes State Lakes State Water Management Policy, January 2014 (DRAFT)

- Government of South Sudan, Ministry of Water Resources and Irrigation, Directorate of Rural Water supply and Sanitation Water Supply and Sanitation Project (WSSP) Environment and Social Assessment Framework, May 2010

- Bart Goes, Mott Mac Donald, Water Directorate Laboratory Review 9th October 2014

Terms of Reference for the

Recruitment of a Short Term Private Sector Development Specialist

Basic Programme Data

Title: Water for Lakes Programme

Duty station: Rumbek, Lakes State, South Sudan

Total duration: 3 Years (with possible 2 years extension)


Donor: Dutch Government

Financing Agency: Netherlands Ministry of Foreign Affairs

Client: Embassy of the Kingdom of the Netherlands, Juba

Consortium lead: Euroconsult Mott MacDonald

Consortium partners: 1. SNV South Sudan  2. VNG International

Budget: 31.8 Million Euros

1. Background and Introduction

A. About the Programme

The Water for Lakes Programme (ProWaS/SSN-Lakes) is funded by the Dutch Government through the Embassy of the Kingdom of Netherlands (EKN). The Programme is part of the broader bilateral water programme funded through the Dutch Multi Annual Strategic Plan 2012-2015 for South Sudan. The other component is the Water for Eastern Equatoria (ProWaS/SSN-EES). The vision of the Water for Lakes Programme is the balanced development and management of natural resources in order to contribute to (national) security and reduce dependency on food aid. The programme aims to stimulate economic development by:

(i) unlocking the potential of integrated development and management of land and water resources for production in agriculture, livestock and fisheries; and

(ii) improving community health conditions.

The programme consists of five integrated components, three of which represent the envisaged productive use of water resources:
1. Water for livestock;

2. Water for agriculture;

3. Water for fish and habitats;

4. Water for people (safe water and improved sanitation); and

5. Knowledge and capacity development for integrated water resources management.

At the national level, the programme is implemented under the guidance and supervision of the Ministry of Electricity, Dams, Irrigation and Water Resources (MEDIWR) of the Republic of South Sudan. The Embassy of the Kingdom of the Netherlands as the main financier is charged with the programme management in accordance with the agreements of the conduct of bilateral programmes between the Netherlands and South Sudan. Together, both EKN and the MEDIWR form the Programme Steering Committee (PSC).

At the state level, a Programme Coordinating Committee (PCC) coordinates and guides the programme activities in order to align the ProWaS/SSN-Lakes programme with State policies and planning process and priorities. The PCC is chaired by the State Ministry of Physical Infrastructure, which is responsible for facilitation and guidance of the programme implementation in accordance with its mandate and responsibilities vis-à-vis local government functions.

At the local level, the County Level Administrations (CLA) facilitates the link between the programme activities and the local communities.

Euroconsult Mott MacDonald (MM), an International Consultancy Company, was contracted by the EKN in November 2013 to form the Technical Assistance Team (TAT) charged with the responsibility of Programme Management, Programme Development and implementation of activities of the ProWaS/SSN-Lakes Programme. The TAT is based in the State Ministry of Physical Infrastructure in Rumbek.

2. Scope of Work

The TAT is now seeking input from an experienced Private Sector Development Specialist to serve as a Short Term Expert (STE). The Private Sector Development Specialist will be based in the field where the investigations are to take place and at the TAT duty station in Rumbek.

2.1 Background

There are many sustainability questions on the implementation of sub-projects on: water & sanitation (water for people), dry-season watering points for livestock, water for agriculture (e.g. infrastructure for dry-season irrigation) and support to the development of the fisheries. This especially relates to Operation & Maintenance issues (e.g. spare parts for hand-pumps). So far the focus of most development projects in South Sudan has been on encouraging the State Government (mainly Water and Agriculture Ministries) and the local communities in picking up the O&M role with limited involvement of the private sector.
2.2 Central question

What role could the private sector play in making the proposed development projects (water for people, livestock and agriculture) in Lakes State more sustainable? The role of the private sector in the development of the fisheries also needs to be addressed at relatively high level. Fisheries does not (yet) have the full focus of the Water for Lakes Project.

2.3 Scope of Services

In close cooperation with the Water for Lakes State team, both national and international, the Private Sector Development Specialist will:

1. Collect and review information on private sector development initiatives in South Sudan that may be relevant for the Water for Lakes Project;

2. Do a high level review of the private sector in Lakes State (focus on the five target counties Rumbek) as far as potentially relevant for the Water for Lakes Project (an overview of contractors has been made by the WASH and Procurement Expert on the Project). The results of the value chain study done by another consultant will be useful for this task;

3. Analyse the existing situation on O&M arrangements of past development projects in Lakes State, that are relevant for the Water for Lakes Project, and provide professional judgement on what leads to its failure or success.

4. Analyse the potential benefits and avenues for the private sector involvement in the supply chain of spare parts in Lakes State and the challenges involved drawing from experiences from other similar countries. Advise on the involvement of the private sector for proposed spare part shops for handpumps in the various counties. Take into account the issue of affordability and pricing mechanisms for handpump spare parts. Work closely with the Project WASH expert who is developing the idea.

5. Advice on the (potential) involvement of the private sector on the development and O&M of dry-season cattle water points (hafirs, groundwater yards, open watering holes, etc.). Work closely with the Project IWRM Expert and livestock consultant on this.

6. Advise on the (potential) involvement of the private sector in the agricultural component of the program.

7. Give concrete suggestions on the potential for involving and strengthening the private sector in the next phase of the project in the fields of WASH, livestock, agriculture and fisheries.

8. Conduct a one day workshop in Rumbek for relevant stakeholders to discuss findings on above.

9. Provide a draft final report in Rumbek and use this as a base for the workshop (see 8 above).

10. Provide a second version of the report (home-based).
11. Finalize report after two rounds of feedback (home-based).

3. **Deliverables**

At the end of the investigations, the following outputs will be provided by the expert to the Client:

i. A first draft report based on the scope of work;
ii. A second draft report; and
iii. A final report integrating feedback received;

4. **Qualifications, Experiences and Skills**

i. MSc. in agricultural economics.

ii. Minimum of 10 years of experience in private sector development.

iii. Specific experience in the water sector;

iv. Preferably previous experience in South Sudan or other comparable fragile states

v. Must have the ability to execute the work to the required standard.

4. **Duration of Assignment**

The duration of the above mentioned services shall be 24 working days inclusive of mobilisation, demobilisation and travel between sites.

6. **Role of the Client**

i. Provide the expert access to relevant technical data / reports available within the project;

ii. Facilitate the issuance of work permits and entry visas for the expert.

iii. Facilitate the provision of necessary local (Lakes) technical support staff.

iv. Provision of transport to and from Rumbek during the field assignment.

v. Accommodation while in South Sudan.

7. **Expected commencement date**

1st December 2014.