

East or West? How geopolitics, policy formulation shape mining development prospect

By Charles Lotara

Discourse around South Sudan's selection of international development partners to assist in guiding the industry along that trajectory has obscured the country's direction as its mining sector emerges from the ashes to shine.

However, Dr. Andu Ezbon, a technical advisor at the Ministry of Mining, has ended the debate about whether South Sudan should lean East or West to draw in investors.

In an exclusive interview with the South Sudan Mining Journal, he provided an honest assessment of this important matter, illuminating the historical backgrounds, real-world encounters, and political conundrums that influence the future course of the country's mining industry.

Dr. Ezbon emphasized the controversial legacy of the West when considering South Sudan's colonial past. He recounted how resources were taken during British colonial authority without the consent of or benefit to the local populace.

"You know the West—the British, for example—ruled us; they were getting things without our permission. So, I think they would have loved to continue cheating us," he stated.

In contrast, he highlighted the East's more cooperative approach. "The East, which never colonized us, tried to genuinely work with us," the advisor argued.

Dr. Ezbon highlighted the stark difference in engagement between Western and Eastern companies, pointing out the limited presence of American firms compared to the numerous Chinese companies active in South Sudan.

"The United States has got only one company working here in South Sudan. But the East are coming. China has got several companies working with us," he explained.

Making reference to Chevron, the entity that made history in 1977 by becoming the first company to discover oil in Sudan, Ezbon recounted his experiences in the oilfields, noting that American companies often delayed exploration work, whereas Chinese firms expedited the process.

"When I started working at our oilfields, I came to visit several oil exploration companies. There were Americans in the South at the time. They were delaying the completion of the exploration work. When the Chinese came in, the oil came out," he said.

However, Dr. Ezbon did not overlook the concerns regarding the quality of Chinese products.

He said, "As Africans, we are aware that the Chinese, for example, may come with cheap things which are not good for us. But we're saying we want something that we can build on, something we can modify other than waiting for somebody who is not coming to help us produce our minerals. I'm not a politician, but I think it would be better for our country to move more East than West."

Several Chinese companies have made substantial investments in the South Sudan's oil sector. Until recently, the Chinese government, through the Geological Exploration Technology Institute (GETI), signed a seven-year agreement with the Ministry of Mining to undertake the systematic mapping of the country's minerals.

On the policy front, Dr. Ezbon addressed the complex interplay between regulations and the issuance of mining concessions, emphasizing the need for flexibility and inclusivity in policy-making.

"In this field, every hour counts when you are working. Since South Sudan became independent, we should have moved quite a lot. But the war has been pushing us behind," he asserted.

Dr. Ezbon advocated for incorporating diverse perspectives into the mining laws to achieve a balanced outcome, adding that: "When it comes to policy formulation, we should not hesitate to incorporate different views into our laws so that, in the end, we get a win-win result."

Acknowledging feedback from companies about the current mining law, Ezbon noted that some companies found them disorganized and overly generous.

"Some companies privately tell us that sometimes the rules are not orderly. I tried to develop what I call exploration blocks because foreign and local companies were given the freedom to decide on the size of the block they wanted. Some of them were too greedy; taking 6,000 square kilometers, that's too big," he said.

To address this, the government proposed smaller, more manageable blocks. "We came up with a solution to allocate up to 400 square kilometers," he continued.

"The company should get all the 400 square kilometers because, from my personal experience, that will take one to one and a half years to complete the surface work and then even to start drilling."

Dr. Ezbon also criticized the lengthy exploration periods currently stipulated by law, saying: "The mining law, which we're trying to amend, says the exploration period is five years, then to be renewed by another five years. A second renewal of five years means 15 years working without starting production. Are you ready to wait for that? No, it's too much."

The views provided by Dr. Andu Ezbon are indicative of a sophisticated comprehension of the potential and problems facing South Sudan's mining industry.

Interestingly, since South Sudan gained its independence in 2011, the US has been a major development partner.

The 2005 Comprehensive Peace Agreement, which set the stage for the 2011 self-determination referendum in which South Sudan's people decisively chose independence, was largely crafted with assistance from the US administration.

The United States government is the largest international donor to South Sudan, offering millions of people affected by conflict and natural disasters vital services like food, nutrition support, emergency water and sanitation interventions, health care, and education, as well as life-saving humanitarian assistance like food, nutrition, protection, clean water, and sanitation.

Though Washington and Juba enjoy robust diplomatic ties, their bilateral ties have historically been quite shaky.

Due to the absence of political and economic changes, the Departments of State, Labor, and Commerce released a business advice in August 2023 outlining the dangers for American companies and persons doing business in South Sudan or considering doing so.

Dr. Andu Ezbon, technical advisor at the Ministry of Mining, speaks to the South Sudan Mining Journal in an exclusive interview. | Credit | Jacob Mogga/South Sudan Mining Journal

