Statement of Ambassador Princeton Lyman, U.S. Special Envoy to Sudan U.S. Senate Foreign Relations Committee Hearing "Two New Sudans: A Roadmap Forward"

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Chairman Kerry, Ranking Member Lugar, Members of the Senate Foreign Relations Committee, thank you for the opportunity to be here to discuss the historic achievement symbolized by South Sudan's independence and the opportunities and challenges ahead as Sudan and South Sudan seek to define their future relationship with each other and the international community.

I will discuss below the many tasks and challenges that lie ahead. But first we should recall that a fundamental objective of the 2005 Comprehensive Peace Agreement was to provide the people of southern Sudan a choice whether to continue within one country or to separate. The people made that choice in January, voting for separation, and the independence of South Sudan was achieved July 9 without major conflict and with the recognition of the Government of Sudan. All those, in the Congress, among the many public organizations and advocates, the government entities and individuals over two administrations, all those who worked for this over many years should take pride and joy in this achievement.

I was in Juba last Saturday for South Sudan's independence ceremony. It was a very moving occasion. As President Obama said in his statement recognizing South Sudan, the day reminded us "that after the darkness of war, the light of a new dawn is possible." Tens of thousands of people endured sweltering heat for hours to celebrate the birth of their new nation. Sudan was the first country to recognize South Sudan's independence. This was a historic achievement that represents a new beginning for the people of South Sudan as well as those of Sudan.

Mr. Chairman, this achievement was far from inevitable. Just a year ago, the peace process between the Government of Sudan and the Sudan People's Liberation Movement was stalled. Many doubted whether it would be possible to have an ontime, peaceful referendum for Southern Sudan and whether the Government of Sudan would ever accept the results. A return to open conflict seemed very possible.

During that time, President Obama committed to reenergizing the peace effort, and since then, we have intensified our diplomatic engagement with the CPA parties as well as our partners in the African Union, IGAD, Europe and the United Nations. The President himself, the Vice President and his entire national security team have been involved in this effort around the clock. We are grateful for the support that this committee and you in particular, Mr. Chairman, have given to this effort. We also appreciate the efforts that so many Americans have made to keep a spotlight on the situation in Sudan.

Over the last year, the leaders of Sudan and South Sudan have demonstrated their capacity to work together on the major task of separation and to overcome great odds in their search for peaceful completion of the CPA. Nevertheless, this period has also been marked by armed clashes along the border, a crisis in Abyei, and fighting currently under way in the northern state of Southern Kordofan. Several critical issues regarding relations between the two states that were to be negotiated by July 9 have not been resolved. Thus the situation remains fraught with serious threats to peace. The two states must work to rekindle the spirit of cooperation that was so evident after the referendum of January 9 and which was promised again by the two leaders in the ceremony of July 9.

The CPA parties have made some progress in their negotiations over the past few months, but as I indicated above some of the most important issues namely oil, Abyei and citizenship remain unresolved. How these outstanding issues are managed over the near term will define the future relationship between Sudan and South Sudan. At the IGAD Summit on July 4, President Bashir and President Kiir committed to continue negotiations beyond July 9. We are urging the parties to quickly return to the negotiating table in the coming days and set a firm deadline for completing this unfinished business. The parties should work with the support of the African Union High-Level Implementation Panel (AUHIP) to finalize mutually-beneficial arrangements, in particular, oil revenues, citizenship, Abyei, and their shared border. Allowing these issues to linger without resolution for too long could destabilize the future relationship between Sudan and South Sudan.

Of particular importance is the contentious issue of Abyei. After months of rising tensions and a buildup of forces by both sides, the Sudanese Armed Forces (SAF) forcefully took over the disputed area of Abyei in May. An estimated 100,000 people were forced to flee their homes. After weeks of intense negotiations, the parties signed an agreement on June 20 outlining temporary arrangements for Abyei, to include the establishment of a new UN peacekeeping force in Abyei and the redeployment of all Sudanese military forces from the area. Secretary of State

Clinton met with the parties in Addis Ababa during these talks and played an important role in finalizing this deal. We then led efforts in the UN Security Council to quickly secure a resolution authorizing this new peacekeeping force, which will consist of up to 4,200 Ethiopian peacekeepers.

The violence that flared in Abyei cannot be allowed to return and jeopardize the larger peace. It is critical that the parties move forward with genuinely implementing this agreement over the coming weeks as they continue to work toward a final arrangement on Abyei. The Ethiopian peacekeepers have begun deploying to Abyei. The SAF and Sudan People's Liberation Army (SPLA) must follow through with their commitment to withdraw their forces. Conditions must be put in place to allow those displaced from Abyei to voluntarily return home in safety and dignity as soon as possible. Enormous damage was done to homes and other structures in Abyei and much was looted during the SAF take-over. Considerable assistance will therefore be needed for those returning home. We are working closely with the Ethiopian peacekeeping force, the United Nations humanitarian agencies, and our own USAID to arrange support for a safe, voluntary return. At the same time, as part of their negotiations, the parties need to resolve Abyei's final status. Negotiations on this matter were delayed by the SAF take-over of the area and the extensive negotiations for assuring the departure of military forces from there. This delay was costly. It will take weeks for the Ethiopian forces to be fully deployed and some time for the displaced to feel it safe to return.

Negotiations on the oil sector are equally important, but they must move on a quicker timetable. By the end of July, there has to be an understanding of how oil will be marketed and sold and to what extent the SPLM will provide some tapering off of reductions of income to the north. Agreement is made more difficult, however, because the SPLM does not want to make such a decision without final agreements on Abyei, the border, and perhaps some other issues. We are thus faced with conflicting timelines. In this situation, it is imperative that if there is no final resolution of oil revenue distribution, there must be an interim agreement by the end of July. Each side has claimed it is ready to shut down the oil flow if there is no agreement, positions that if acted upon would only hurt both sides and above all the people of all Sudan. Thus this issue demands action very soon.

Mr. Chairman, beyond their negotiations with each other, Sudan and South Sudan must also work to establish peace within their respective borders. Despite their separation, both countries have significant diversity and must decide how they will manage that diversity over the coming years.

Most immediately, we remain deeply concerned about the situation in the northern border state of Southern Kordofan, an area that is home to tens of thousands of SPLA fighters. The people of Southern Kordofan and Blue Nile were promised in the CPA that their political interests would be addressed in a process of popular consultations. Unfortunately, those consultations have not occurred in Southern Kordofan. Tensions increased in Southern Kordofan following the state's heavilycontested elections in May. The SPLM refused to accept the results of the election in which the sitting Governor was declared the winner. It was in this atmosphere that the Government of Sudan issued an order to the SAF to dissolve the Joint Integrated Units and forcibly disarm SPLA units that remained in the state. On June 5, intense fighting broke out between the SAF and SPLA forces in the state. To date, the fighting has continued, with the SAF carrying out aerial bombardments of SPLA areas. We are extremely concerned by credible allegations of targeted and ethnic-based killings and other gross human rights abuses. These abuses must end, an investigation must be conducted, and perpetrators must be held accountable. The UN estimates that 73,000 people have been displaced by the fighting, and critical access and resupply routes for humanitarian agencies have been blocked.

Negotiations over Southern Kordofan began in Ethiopia in late June under the auspices of the AUHIP. The Government of Sudan and the SPLM-North signed a framework agreement on June 28 outlining new political and security arrangements for Southern Kordofan and Blue Nile states. This agreement has the advantage of calling for addressing political issues at the same time as security ones, which is indispensable for reaching an agreement to cease hostilities and lay the groundwork for a longer term settlement. Unfortunately, President Bashir has raised problems with the framework agreement, which puts negotiations at risk. We continue to call on the parties to return to the negotiating table, to recognize the need to address both political and security issues, and to agree on a cessation of hostilities which would allow unfettered humanitarian access. Despite the opposition of Khartoum, we also continue to call on the Government of Sudan to accept a continued UN presence in the two states of Southern Kordofan and Blue Nile to support a cessation of hostilities, humanitarian access, and the establishment of new security arrangements. We believe, and we know that much of the international community agrees, that it is in their interest to do so. The Security Council has expressed its readiness to authorize continued UN operations if Khartoum consents.

Within Sudan, we also remain deeply concerned about the security and humanitarian crisis in Darfur. Clashes continue to occur in North and South Darfur between the Government of Sudan and an alliance of Darfur rebel groups, notably the Sudanese Liberation Army and the Justice and Equality Movement. The SAF continues to use aerial bombardments as well as proxy militias as part of its military strategy against the movements, thereby resulting in civilian casualties. Conflict and widespread insecurity impact the humanitarian situation negatively and hamper humanitarian organizations from carrying out their activities in the deep field. The GOS continues to obstruct access of UN-African Union peacekeepers and humanitarian organizations struggle to obtain visas and travel permits from the GoS, which undermine the effectiveness and independence of humanitarian efforts. We have consistently pressed the Government of Sudan to provide full and unfettered access for aid workers and peacekeepers, in order to deliver humanitarian assistance across Darfur. Our own humanitarian staff is only able to access Darfur with high level visits. Otherwise, operational access is simply not possible. Although there has been some limited IDP resettlement in West Darfur and a significant increase in seasonal IDP returns for cultivation, around 2 million Darfuris overall remain in IDP camps. Approximately 70,000 additional persons have been displaced since December 2010.

We have invested considerable efforts in pushing the Government of Sudan and the armed movements to commit to serious negotiations in Doha. Two of Darfur's rebel groups, the Liberation and Justice Movement (LJM) and the Justice and Equality Movement (JEM) have participated in the Doha negotiations. The LJM may sign a peace agreement with the Government of Sudan this week; however LJM has little military strength on the ground. Negotiations between JEM and the Government of Sudan have been suspended since early May, and JEM is currently reconsidering its position on the results of the Doha process. We have emphasized to the Government of Sudan that an agreement with the LJM would be a positive step toward peace, but that it must continue to negotiate with the other armed movements. We also will be applying pressure on the non-negotiating armed movements to return to peace talks.

The position of the armed movements is also of concern. Several of them insist that they do not wish to negotiate on Darfur so much as on changes to the regime in Khartoum, and in some cases are determined to pursue that objective through fighting in and beyond Darfur. This position does not permit realistically peace talks with the Government of Sudan. We will also continue to encourage the nonnegotiating armed movements to return to peace talks on Darfur. While the Doha process has now come to an end, other venues can be developed if talks are

possible. In this regard, we are currently consulting with the AU, the UN and our international partners on a way forward after Doha that builds on progress achieved in Doha and leads to a more comprehensive settlement.

Any successful peace process must engage not only the armed movements, but also the people of Darfur. The UN and the AU have put forward the initiative of a Darfur Political Process, through which Darfuris would express their views on the way forward for a political settlement. However, we feel strongly that the current security and political environment would not lend itself to a credible or legitimate peace process in Darfur. For this reason, we will be coordinating with the AU and the UN on the necessary enabling conditions that we believe must be in place before the U.S. will support a Darfur-based process.

Mr. Chairman, Sudan needs to end its isolation in the international community and secure a more prosperous future for its people. It has a historic opportunity to do so with the completion of the CPA. Sudan faces an uncertain economic future as it adjusts to a significant loss of oil revenue and continues to shoulder nearly \$38 billion of debt. Undoubtedly, Sudan is in need of debt relief, access to the resources of the International Financial Institutions, and a sustainable climate for private investment. Provided Sudan fulfills its obligations under the CPA, the United States is prepared to help.

We have laid out a roadmap to normalize our bilateral relations and taken initial steps in that direction. In February, following a successful referendum, the President began the process of reviewing Sudan's designation as a state sponsor of terrorism. Last month, the President dispatched Deputy National Security Advisor John Brennan to Khartoum to discuss this review and to demonstrate our commitment to this process. Additionally, we have been actively involved in the World Bank technical working group to review the process for Sudan's debt relief. We have also approved licenses for several American companies wishing to participate in agricultural development in the north.

However, we can only move forward with improved bilateral relations, as outlined in the roadmap, if the Government of Sudan fulfills its obligations under the CPA and demonstrates its commitment to peace within its borders and with its neighbors. A failure to reach a cessation of hostilities will negatively impact this process. U.S. government action to lift remaining U.S. economic sanctions and to request legislative assistance with the removal of applicable foreign assistance restrictions also will be dependent on Sudanese actions in Darfur. We will expect to see concrete actions on humanitarian access, freedom of movement for

UNAMID peacekeepers, engagement in peace talks, an end to the use of proxy militias and targeting of civilians, and an improvement in justice and accountability so the reign of impunity in Darfur does not continue. This is not just the position of the United States. It is also the view of other members of the international community and international creditors.

Mr. Chairman, the Government of South Sudan will also depend on international support as it seeks to address its many challenges. South Sudan has some of the lowest development indicators in the world, and its people have high expectations that their lives will improve with independence. Many of its people also remain vulnerable to the activity of armed militias in the border states of Unity, Jonglei, and Upper Nile to the North, and the Lord's Resistance Army (LRA) in the state of Equatoria regions to the south. The United States has provided significant support for South Sudan over the years, and we will remain a steadfast partner as South Sudan seeks to peacefully meet these challenges. The strong ties between our peoples go back many decades, and we want to continue to build on that partnership.

Over 15 countries have offered capacity building assistance to the GOSS. Following the Troika development ministers' visit in May, USAID is working closely with the AU, UN, ADB, EU, India, China, South Africa, Uganda and others to ensure that the ROSS has a viable human capital plan in place to build capacity for key functions in Juba and state governments. This builds upon the work USAID has done over the last 7 years in the Ministry of Finance, the Central Bank of South Sudan, health, education, and agriculture. USAID is working with partners to scale up to ensure that stop gap measure along with medium to long term capacities are being addressed. The United States, the UN, the UK, and other donors will focus on building a human rights culture throughout the GOSS, including the SPLA. All the donors will help in economic development. The United States plans in particular to make a major effort in agricultural production, which can help the vast majority of South Sudanese and for which there is much promise.

To succeed and to sustain international support, the Government of South Sudan must demonstrate its commitment to building an effective, democratic and inclusive government that embodies South Sudan's diversity, respects human rights and delivers services with transparency and accountability. The eyes of the world will indeed be on South Sudan in the weeks and months ahead. The government must deliver on its commitment to a broad-based, inclusive process to write its permanent constitution. The government must also put in place

safeguards to prevent corruption and avoid the pitfalls that have befallen many other oil-producing nations. President Kiir made a strong statement in his inaugural address on these very issues. The United States will work with other international partners to provide advice and support for the government to help him implement those pledges.

Mr. Chairman and other members of the committee, the challenges ahead are great, but the historic occasion last Saturday offers a new beginning for the people of South Sudan and Sudan. Now it is up to the leaders and people of South Sudan and Sudan to turn this moment of promise into lasting peace. We will continue to assist them in this hard work. Over the coming months, the Obama administration's engagement will be unwavering, and we will be a steadfast partner to all those in Sudan and South Sudan who seek a better future of peace and prosperity.