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# Policy Brief

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## The Economic Effects of the COVID-19 Pandemic in South Sudan

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## Summary

*The COVID-19 outbreak presents three lessons for South Sudan, with 156 confirmed cases to-date. First, the government's policy to clamp down on social gatherings is not as effective as assumed. Granted the streets are indeed empty now compared to the pre-policy period, but the crowds have shifted elsewhere—residences, neighborhoods' tea stalls, recreational clubs, and commercial facilities, including supermarkets and banks. This certainly sustains the potential risk of spreading the COVID-19 pandemic. Second, firms and individuals in South Sudan are going through severe economic stress. Some aspects of the government's intervention have not been helpful. Banks and firms are losing money due to the shortened hours of operation. Nevertheless, there is no proof that restricting the operational hours to just 4 a day indeed curbs increased exposure to the COVID-19 pandemic. In fact, following the introduction of the new policy, commercial banks have attracted more crowds than ever before, a recipe for health hazards the government is intended on abating.*

*The final lesson is that South Sudan remains unprepared for the COVID-19 pandemic. Both the public and private sectors demonstrate very little preparedness in response to the outbreak. The government, notably fiscally impaired, has allocated minuscule of resources to avert the attendant and impending impacts of the COVID-19 pandemic. This underlying lack of commensurate resources means fewer equipped health facilities for the care of the sick, fewer optimally trained health professionals deployed to manage the crisis, and strained health education. Health institutions, both public and private, are ill-prepared to adequately respond to the virus. Several obstacles abound. The increasing cost of medical and public health supplies is suffocating for a vast majority of health institutions. Demand for other health services at hospitals and clinics has drastically plummeted, slashing incomes that could be leveraged to support the COVID-19's preparedness and response. An escalating cost of transport, coupled with an early curfew, restricts the health facilities' operations. Personal protection equipment and hygiene items are highly scarce, making prevention efforts almost futile.*

*The government, UN, and development partners can ease these negative impacts on firms and individuals in South Sudan. Essentially, the Bank of South Sudan (BoSS) should lift the restrictions on operational hours for the banks and forexes. This eases the economic hardships the financial institutions are going through. By regularly moving funds around through forexes, mobile money operators, and banks, the lift can also broaden public access to financial resources required to cushion families during these difficult times. Returning to a full day work reduces the potential risk of infection. Smaller businesses, such as hardware stores, network kiosks, and charging stations hardly attract crowds and present minimal risks to the public. These businesses, like food stores and health facilities, should be exempted from closure.*

*Bodaboda remains an essential means of transport in South Sudan. It is also a livelihood source for many young people and their families. But it is also understood that a business-as-usual model expands the peril of the COVID-19 spread. Therefore, the government should make facemasks available at a subsidized rate. This support could be extended to public buses, possibly returning the rising cost of fares to the pre-policy period, which is more affordable to the general public.*

*To make it through these crunch times, firms will need an extra hand from the government, easing financial hardships of the COVID-19 pandemic. Extending stimulus packages and credit facilities could go a long way in shielding the firms and their workers. Tax breaks during the lockdown enable the firms to stretch the little incomes or savings they have to keep businesses operational and people employed.*

*The UN and development partners could strengthen the private sector's preparedness and response to the outbreak. They could finance the private sector practices, availing resources for treatment, research and training, and large-scale health education.*

*Both the government and its partners should consider food aid to the vulnerable households in Juba and other population centers. Many poor households are already hard hit by hunger, and this could only get worse as the scourge of the COVID19 outbreak continues menacing the world.*

*The COVID19 outbreak presents an opportunity for South Sudan to challenge the status quo—doing nothing to prepare the country for future disasters. The time for radical reforms is now, starting with notable investments in the country's health and economic sectors. It is inevitable that the country will accumulate more debt in response to the outbreak. Newly mobilized resources, either through loans or other means, should be dedicated toward strengthening the health, economic, governance and food production systems across the nation. Each of the ten states ought to have a state-of-the-art hospital, in addition to the three regional teaching hospitals located in Juba, Wau, and Malakal. In addition, the county agricultural departments can be established or revitalized to jumpstart food production, create jobs, and stimulate growth.*

*In a nutshell, borders and airports should remain closed, save for the import of essential commodities. The general public should continue to adhere to basic hygienic practices. Finally, the government should not lose sight of the need to diligently implement the Revitalized Peace Agreement, which has provided respite to the population. This entails an immediate establishment of state and county governments, harnessing the reach and response of subnational authorities/entities.*

# 1 Background

As of May 10, at least 4 million cases[1] of the novel coronavirus infections, popularly dubbed as COVID-19 (coronavirus disease 2019), have been reported globally.[2] Similarly, over 280,000 people have died of the virus worldwide. To this global picture, Africa contributes over 60,000 infections and 2,300 deaths[3]. COVID-19 causes respiratory infections and is transmitted via airborne droplets, which an infected person releases through coughing or sneezing. The virus enters through the mouth or nose, which is why facemasks are recommended. The virus incubates over a period of 5-6 days but can take as long as 14 days[4] for signs and symptoms to show. This prompts the basis for a commonly recommended 'self-quarantine and monitoring of symptoms lasting 14 days post exposure.

The infection has continued to rise hysterically, even as the governments around the world implement unprecedented measures to prevent and reduce infections and mitigate shocks, which are likely to be profound in the long term. The COVID-19 pandemic poses an immense threat to people's health and livelihood (Ferguson et al 2020). On the African continent, at least 50 countries have reported at least one case of the COVID-19 incident, according to the World Health Organization (2020). In the Sub-Saharan Africa region, South Africa has been hard hit, with transmission rate rising to over 7000 percent by the third week following the outbreak (UNDP 2020).

As COVID-19 spreads at an unprecedented rate, the global economic damages of this outbreak are likely to be colossal. If the current trajectory of the infections prevails for much longer, the world could plunge into a recession. The World Bank warns that China, where the disease first hit, could experience drastic declines in growth[5]. In Africa, the outbreak has

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[1] https://www.worldometers.info/coronavirus/

[2] See Johns Hopkins Coronavirus Resource Center, https://coronavirus.jhu.edu

[3] https://africacdc.org/covid-19/

[4]A recent study shows that the incubation period falls within the range of 2–14 days with 95% confidence and has a mean of around 5 days when approximated using the best-fit lognormal distribution. The mean time from illness onset to hospital admission (for treatment and/ or isolation) was estimated at 3–4 days without truncation and at 5–9 days when right truncated (Linton et al 2020).

[5] https://www.france24.com/en/20200331-world-bank-sees-coronavirus-outbreak-taking-huge-toll-on-china-s-economy

disrupted livelihoods, particularly for the poor households and small and informal enterprises, causing significant income losses (Jayaram et al 2020).

South Sudan has 156 confirmed cases of COVID-19. Its neighbors—Kenya, Uganda, and Sudan, have more cases of COVID-19. Because its borders are porous, South Sudan faces an elevated risk of infection, with grave consequences, as the country's health infrastructure and economy is evidently ill-equipped to adequately respond.

South Sudan, like the rest of the world, is on lockdown. A 7 PM to 6 AM curfew has been imposed, firms selling non-essentials are closed until further notice, street vendors, including tea stalls (mostly owned by poor women), have been banned, and the social distancing policy seems to only tackle over-crowding in public places—nonetheless, neighborhood clubs, and homes continue to entertain large gatherings, housing parties well above ten persons. While it is not yet clear what the actual health costs of the COVID-19 outbreak are going to be in South Sudan, its economic shocks are already evident. As firms close and inter-state trade dwindles, economic activity has plummeted and the average prices of basic commodities have since risen by at least 30%, with a 50kg bag of maize flour in Konyokonyo selling at about 50% more than usual (vam 2020).

As the COVID-19 pandemic wildly spreads and the governments scramble to stamp it, these impacts, short- and long-term, will need to be better understood. Thus, the present brief assesses the impacts of COVID-19 and government policy responses on firms/businesses and individuals in South Sudan. It focuses on the fears of infection and the recently instituted government's policy, particularly the imposed curfew, shortened business hours, and how a combination of these bears on social distancing and economic activity. Two of the main questions the brief answers include: (1) To what extent have firms been affected and how have they responded to the outbreak? (2) Is the social distancing policy effective?

# 2 Analytical Approach

This brief is informed by collecting and analyzing data on the impacts of COVID-19 on a set of sectors in South Sudan. We conducted a mini survey of 30 firms (both formal and informal), 5 banks (2 regional and 3 local), 14 transport enterprises (including aviation, public transport buses & bodaboda), and 15 ordinary citizens. The survey covers all major business hubs in the Juba municipality. Referenced materials from around the world have also been sourced.

## 3 Findings

### *3.1 COVID19 Awareness*

Juba is largely aware of the ongoing COVID-19 outbreak. The respondents of the present study, both institutions and ordinary citizens, take note of the ongoing onslaught of the novel coronavirus. While there is evidently an ongoing awareness in Juba, lack of financial capacity is thwarting households and businesses to strictly follow the recently decreed health guidelines. For example, there is a serious shortage of facemasks, gloves, hand sanitizers and other personal hygiene and personal protection items. But this notable level of awareness in Juba cannot be said about the rest of the country. The bulk of the countryside remains inadequately sensitized. This could heighten the risk of infection if the prevailing level of interactions between the rural and urban settings is not effectively severed.

### *3.2 Health*

South Sudan has 156 confirmed cases of COVID-19. The High-Level Taskforce (HLTF) provides daily updates on the pandemic, assuring the public of its commitment to manage the outbreak in the country, as well as urging them to continuously observe safety measures and lead a healthy lifestyle. The HLTF, together with its technical secretariat, forms the Government's highest authority responsible for protecting the people of South Sudan from COVID-19. In support of the HLTF, the Government has allocated at least $5M to fund emergency preparedness and response, including securing isolation facilities, purchasing equipment, equipping the call and testing centers, creating awareness, and widening health services coverage in the country. These funds are yet to be disbursed.

The attendant level of preparedness, it is observed, appears to be very inadequate in containing the outbreak, especially if the infection rises. The government is likely to be overwhelmed if morbidity broadens. When this happens, the human and economic costs would be catastrophic (i.e., more deaths and substantial economic impacts). To this effect, the HLTF is now mobilizing more resources to revamp the country's current level of preparedness, including fully staffing the Testing and Call centers to monitor the virus.

Although South Sudan has relatively fewer cases of COVID19 compared to the rest of Africa[6], the country's health sector is overwhelmingly stressed. Demand for basic health services has drastically contracted due to the health fears of COVID19 itself. This suggests that people are reconsidering their priorities at these difficult times, with visiting the doctor for malaria or other familiar ailments becoming less of an immediate significance.

This downward sloping in demand for health services implies two disturbing consequences. The first is revenue losses incurred by the facilities, causing economic distress. Economic challenges facing the health facilities present grave concern for the COVID-19's possible outbreak preparedness. Some pharmacies, for example, now threaten to shut down if the situation prevails a bit longer, subsequently laying workers off. The second implication is that the health risks associated with other diseases, some of which are actually deadlier than COVID-19, such as malaria, hepatitis, and TB, are augmented.

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[6] https://www.africanews.com/2020/05/11/coronavirus-in-africa-breakdown-of-infected-virus-free-countries/

While most health facilities report having a supply level that could last between two and six months, prices for sanitizers and other personal protective equipment (PPEs) have risen more than ten-fold in the last two months alone. For instance, one of the health providers reports recently paying $60 for a bottle of sanitizer which previously cost $1. To enforce personal hygiene at the health clinics, the managements have to procure sanitizers and soaps in huge volumes, spelling a significant surge in operational cost.

The healthcare providers are wrestling with a rising cost of transporting health workers to and from work. Elsewhere, we note that the public buses have tripled the cost of fares, with a single fare between Juba and Gudele amounting to SSP500, from SSP70 previously. This amount is prohibitive for a vast majority of the health sector workers, particularly public employees. Some of the providers have responded with additional allowances or pay raises. For instance, one of the health clinics we visited has just raised salaries by $100 per month. For an employee who works a regular week (say 20-22 days per month), the raise fully covers the transport premium, which is roughly SSP20,000 a month. But this raise is obviously unaffordable for a vast majority of the health facilities. Still, observing social distancing on the buses implies an increased demand for public transport, which in turn increases transit time for health workers. Consequently, a number of health providers currently open an hour late, essentially losing money.

### *3.3 Economy*

The global economy has negatively responded to the COVID-19 outbreak and subsequent government policy responses. In South Sudan, this shock is readily observable through various pathways.

#### *A. Trade, Firms, Inflation, and Income*

South Sudan is strangled by a declining regional trade and a fall in oil prices in the global market. While goods from the region, such as Uganda and Kenya, continue to flow into the country, travel time has increased due to COVID-19 testing requirements and curfew. This has considerably affected supply level. In addition, the cost of rental trucks has also gone up, in turn affecting the market value of goods delivered to South Sudan. The lockdown in the region has also reduced loading time, as warehouse and factory workforce has been reduced to observe social distancing. These changes in the economy call for a strategic increase in local production to substitute imports and provide alternatives to oil.

The imports sector is heavily disrupted, with local firms responding with price hikes, reductions in operations, and in some cases, closure. Prices for at least 60% of basic food items, as Table 1 illuminates below, have since swelled following the lockdown. The basket of beans, for instance, rose 50% of the usual cost between March 2 and March 30 alone.

Table 1. Cost of goods in South Sudan, March 2020.

| S/N | Commodity | 3/2/20 | 30/3/2020 |
|---|---|---|---|

| | | Unit price (SSP) | Unit price (SSP) | Difference |
|---|---|---|---|---|
| 1 | Sugar 50kg | 11,000.00 | 11,000.00 | - |
| 2 | Azam 1 Box (flour) | 5,500.00 | 7,000.00 | 1,500.00 (27%) |
| 3 | Cooking Oil 20 Ltr | 8,000.00 | 8,000.00 | - |
| 4 | Dura 1 Jerdel (basket) | 2,000.00 | 2,000.00 | - |
| 5 | Somalina 1pc | 800.00 | 800.00 | - |
| 6 | Beans 1 Basket | 4,000.00 | 6,000.00 | 2,000.00 (50%) |
| 7 | Onions 1 pkt (2 Jerdel) | 5,000.00 | 5,000.00 | - |
| 8 | Suksukania 1 Box | 4,000.00 | 5,000.00 | 1,000.00 (25%) |
| 9 | Tea Leaves 1 Dozen | 3,000.00 | 3,500.00 | 500.00 (16.7%) |
| 10 | Nescaffe 1 Tin (big) | 1,500.00 | 2,000.00 | 500.00 (33%) |
| 11 | Chocolate 1 Tin | 1,500.00 | 2,500.00 | 1,000.00 (66.7%) |
| 12 | Groundnuts 1 Jerdel (Basket) | 4,000.00 | 6,000.00 | 2,000.00 (50%) |
| 13 | Rice 25kgs | 6,000.00 | 7,500.00 | 1,500.00(25%) |
| 14 | Majet/Benny 1 pkt | 800.00 | 1,000.00 | 200.00 (25%) |
| | Total | 57,100.00 | 67,300.00 | 10,200.00 |

A small-scale restaurant in Jebel Market is paying more for cassava flour, goat meat, and oil. Prior to the outbreak, this establishment paid SSP200 per kilo of cassava flour; today, it pays SSP250 (+25%) per the same kilo. The same experience is reflected in other markets. Mrs. Elizabeth Nyayual Gach, a small restaurant owner in Suk Sita, says a kilo of fish cost SSP800 before the COVID-19 outbreak; today it costs SSP1200 (+50%).

The aviation sector is overwhelmingly hurt, as this industry is nearly grounded to a halt, essentially earning little to no revenue. Some aviation firms have lost 100% of their business; others are operating at 70-80% capacity. One of the airlines, which previously transported cargo and people daily, now operates a passenger plane twice or three times a week as the number of customers has significantly declined. To fly domestically, the plane has to wait for three to four days to get enough passengers and COVID19 clearance. Many people are afraid to fly due to the potential risk of infection.

Fear may not be the only reason people are not flying; saving money for vital needs such as food or medical emergencies is paramount. A flight at times like this may be considered a luxury, forcing people to substitute ground transport, which is cheaper.

The employees of the aviation industry are concerned that the sector might go bust, posing an imminent threat to jobs; some of the workers may not even be paid for an already spent labor. Some of the firms have had their employees sent home already, taking unpaid leave indefinitely. A few essential staff remain on schedule but could also be sent home if the situation persists. If the airlines close down, airports are likely to follow suit, terminating the businesses that depend on the aviation industry. This also means that the government loses taxes levied on airline tickets, landing, parking, and fuel sales.

Bodaboda riders and buses are losing large proportions of their earnings. One bodaboda rider made between SSP2,000 to SSP4,000 per day before the lockdown. He now makes between zero and a thousand pounds a day. This is quite a dramatic revenue contraction. As the government enforces the social distancing policy, the transport sector as a whole incurs income deficits. The social distancing policy restricts the number of passengers each transport vehicle should carry. All public transport vehicles have been instructed to operate at half capacity. In response, transport businesses have now doubled the fares to recover the cost of empty seats. Passengers currently scramble for seats at bus stations owing to reduced seating capacity, compromising the prevailing social distancing measures. Alternatively, the passengers may resort to walking, possibly forcing the transport sector to go out of business, at least temporarily, which affects incomes for many families who depend on the sector.

*B. Employment & wages*

Both private and public sectors in South Sudan are experiencing depressed employment and wages, as businesses reduce operation, close down, and/or lay off workers. This ultimately disrupts supply chains and devastates livelihoods, stifling in turn the entire economy. Greater effects are felt in the informal sectors. Furthermore, South Sudan has a large international presence, which relies on workforce from the region and abroad. As borders remain locked to prevent infections, South Sudan will be less accepting of immigrants, a silver lining. This opens up labor opportunities for the South Sudanese, as the border restrictions retard future employment recruitments from the region and abroad[7]. An international health institution in Juba is now recruiting locally to temporarily replace expatriates who were caught outside by the closure of borders.

*C. Growth and public spending*

Oil makes up a large proportion of the South Sudanese economy. Recent drops in global oil prices, now averaging $30[8] per barrel, are excruciatingly hurting South Sudan. Oil prices before the most recent shock stood at an average of about $60 per barrel. The Government of South Sudan planned its current fiscal year by projecting the price of oil at $55 per barrel. This reduced value of oil sales could still sustain South Sudan. Unfortunately, South Sudan owes Sudan roughly $30 per barrel ($26) for perhaps another year, a consequence of a badly negotiated financial transitional arrangement deal, practically a price tag for South Sudan's

[7] According to the Economist, "More countries may seek to become self-sufficient in the production of "strategic" commodities such as medicines, medical equipment and even toilet roll, contributing to a further rollback of globalisation."

[8] https://oilprice.com

secession. Under the prevailing oil prices, South Sudan will be receiving from its major source of income only $4 or fewer dollars per barrel. This situation is compounded by the fact that the recent efforts to boost non-oil revenues collection have stalled, partly owing to the COVID-19 and partly due to the politically motivated disruption of the NRA's activities. That is, a combination of these has resulted in significant reductions in non-oil revenues. Lastly, the Government struggles to fully settle the present wage bill, lagging behind by at least 5 months in salary payments.

As businesses grind to a halt, South Sudan will experience increased, significant revenue shortages, especially in taxes. This economic shock, both in short- and long-term, depresses growth potentials and poses substantial risks for jobs. A receding economy has serious implications for the country's fiscal capacity to fund the current budget and equally respond to the outbreak. These considerable reductions in revenues hamper the government's ability to deliver services, including funding the COVID-19 intervention and the implementation of the revitalized peace agreement. What all this really means is: the government will be forced to borrow/print more money in an attempt to respond to the COVID-19-induced economic shocks, burdening the future generations with debt.

*D. Banking*

Liquidity at most banks is increasingly declining. Customer deposits have plummeted since the lockdown, as people are staying indoors in observance of social distancing policy. One of the banks assessed has seen a deposit reduction by 18.2% in March. While social distancing may explain the drops in bank deposits, people fear that in the long run the banks may shutdown, so they figured it would be wise to have cash at hand. As well, non-food item shops, a huge segment of customers who make large, regular deposits are closed. Importers of big-ticket items cannot travel, putting their operations on standstill and losing revenues. Customers are withdrawing a little more than usual in response to the rising cost of living and to keep some cash reserves at home. Basic goods in the market have significantly appreciated since the government introduced restrictions. This situation is compounded by the fact that people and firms in South Sudan largely transact in cash. The withdrawal rate for the USD at one of the local banks, for example, stood at 36% this past March.

The lockdown is producing other problems for the banks. The Bank of South Sudan (BoSS) now restricts banks to operate for half a day. This policy presents serious economic and health implications. First, the reduction in operational hours cuts into the banks' business frontiers, losing money. Firms that are still functional are not depositing funds partly because of the long lines at the banks, which pose health risks. Second, as the activities of the banks dwindle, some of the staff are getting sent home but still have to be economically protected (i.e., they are continuing to earn salaries), a cost the banks cannot recover. Third, shortening the business hours results in an overcrowding at the banks, raising serious health concerns and vexing the social distancing policy.

There are arguably a range of reasons for a recent foreign exchange deficit in South Sudan. Primarily, BoSS no longer facilitates an inter-bank trade; private banks have lost confidence in BoSS after spending their savings in response to severe economic shocks in 2015. Accordingly, the regional and international banks operating in South Sudan source their foreign currencies from the region, regularly couriering them to Juba on commercial flights. The commercial flights to Juba have been suspended alongside other businesses, essentially terminating the banks' easy access to the US dollar and other foreign currencies. The result is a foreign exchange liquidity stress. This liquidity strain, in turn, strengthens the Pound, presently selling at 280/$1, compared to SSP 300-310/$1 the previous months, a gain of about 6.7-13%.

### *3.4 Government Policy*

The Revitalized Transitional Government of National Unity (RTGONU) recently introduced restrictions, including a curfew, which is supposed to facilitate social distancing to inhibit or reduce the COVID-19 spread. There is little evidence suggesting that such a policy is effective. Nonetheless, all of the businesses and people we interviewed for this study appreciate the government's response. It is generally presumed that the High-level Taskforce's recommendations to enforce social distancing, essentially closing down all nonfood establishments, are effective. This is not the case, according to our field observations. For example, banks are drawing more crowds than usual due to the reduced hours of operation. The bodaboda operators continue to function, in some cases loading more than two people at the same time. Large crowds of people can still be observed at social clubs, at religious institutions, and in the markets.

The government will have to do more than it has already done—emphasizing social distancing and delivering publicized COVID19 incident updates. A social distancing policy, which is evidently ineffective, is not sufficient to cushion the firms and vulnerable households. Globally[9], governments are adopting policies that lend access to resources for the vulnerable people and businesses. In particular, the central banks are cutting interest rates and buying bonds to safeguard economic functionality. They are also directly lending to firms. The Bank of South Sudan should draw from these global and regional experiences. Although BoSS does not have ready resources to disburse to firms, it could aid in stimulating the economy. An economic stimulus to support the firms during these difficult times is urgently desired, even as the government's intervention could potentially instigate inflation in the long run.

Some examples of the regional economic interventions are in order. In Kenya, the government is settling arrears worth $460M to firms, as well as refunding business taxes to

[9] https://www.economist.com/briefing/2020/03/26/rich-countries-try-radical-economic-policies-to-counter-covid-19

keep the economy afloat[10]. The Bank of Uganda[11] is issuing liquidity guarantees to financial institutions, intervening in the foreign exchange market to smooth out volatility, relaxing credit restrictions to broaden access to finance, and partnering with the Mobile Network Operators (MNOs) and commercial banks to keep the cost of financial transactions low. The National Bank of Rwanda has offered Rwf 50 billion[12] (about $52M) stimulus to boost the commercial banks' liquidity mainly to sustain private sector lending.

The aviation and transport sectors could benefit from tax breaks, enabling the industry to stretch its limited resources to wither some of the impacts of the pandemic. The smaller aviation companies could appreciate government backed social safety net, to cushion the most vulnerable families and informal business owners/employees. The bodaboda riders could make use of the fuel subsidy and government's subsidized facemasks/PPEs. The government can also pay arrears to public workers and issue income tax reliefs for both public and private sector employees.

# 4 Conclusion and Recommendations

From this analysis, three fundamental lessons stand out. First, the government's policy to clamp down on socializing is not as effective as expected. Although the streets are becoming less crowded, the crowds have actually shifted elsewhere—residences, social clubs, religious settings, and commercial facilities, such as supermarkets and banks. This certainly sustains the risk of spreading COVID-19. Residential crowding is difficult to outlaw because of the significance attached to large families in South Sudan. Nonetheless, large families should maintain healthy behaviors—maintain basic hygienic practices and minimize interaction with the rest of the public. Police units could be deployed to the neighborhoods to monitor and disperse large gatherings. Second, firms and individuals are going through severe economic stress owing to policies aimed at controlling the spread of COVID-19. Banks and firms are losing money due to the shortened hours of operation, even as there is no proof that this restriction curbs the spread of COVID-19. Instead, commercial banks are now receiving more crowds than ever before, a recipe for health hazards the government is intended on abating.

Evidently, South Sudan is unprepared for COVID-19. Both the public and private sectors demonstrate very little preparedness in response to the outbreak. The government, notably fiscally suffocated, has allocated minuscule of resources to avert the attendant and impending impacts of COVID-19. Health institutions, both public and private, are ill-prepared to adequately respond to the virus. The cost of medical and public health supplies is

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[10] https://www.monitor.co.ug/News/National/Coronavirus-BoU-announces-key-stimulus-measures-save-economy/688334-5498216-j3owxuz/index.html

[11] https://www.monitor.co.ug/News/National/Coronavirus-BoU-announces-key-stimulus-measures-save-economy/688334-5498216-j3owxuz/index.html

[12] https://www.newtimes.co.rw/news/covid-19-central-bank-announces-rwf50-billion-stimulus-spur-lending

unaffordable for a vast majority of health institutions. Demand for other health services at hospitals and clinics has drastically plummeted, slashing incomes that could be leveraged to support the COVID19's preparedness and response.

The government, UN, and development partners can ease these hurtful impacts on firms and individuals. Therefore, BoSS should lift restrictions on operational hours for the banks and forexes. This eases economic hardships the financial institutions are going through. By regularly moving funds around through forexes, mobile money outlets, and banks, the lift also eases public access to financial resources required to cushion families during these difficult times. It is possible that returning to a full day work reduces the potential risk of infection, as it reduces the number of clients seeking services at the same time. Smaller businesses, such as hardware stores, network kiosks, and charging stations hardly attract crowds, thereby presenting minimal risks to the public. These businesses, like food stores and health facilities, should be exempted from closure.

Bodaboda remains an essential means of transport in South Sudan. It is also a livelihood source for many young people and their families. But it is also understood that a full capacity of the bodaboda transport expands the peril of COVID19 spread. Thus, the government should make facemasks available at a subsidized rate. This support could be extended to public buses, returning the rate of fares to the pre-policy time, which is more affordable to the general public.

To make it through these crunch times, firms will need an extra, strategic support from the government, easing financial hardships associated with COVID-19. Extending stimulus packages and credit facilities could go a long way in shielding the firms and their workers. Income tax reliefs for 6 months to one year for small businesses and individual workers could form an essential cushioning tool. The government should increase wages and settle the outstanding salary arrears to cushion families.

The UN and development partners could strengthen the private sector's preparedness and response to the outbreak. The sectors could finance the private sector practices, availing resources for treatment, research and training, and health education. A vast majority of the country is not sufficiently educated about the virus. As the government confronts fiscal constraints, inhibiting its reach in terms of services, the private sector with support from the UN and development partners can fill this enormous gap.

The COVID19 outbreak presents an opportunity for South Sudan to challenge the status quo—doing nothing to prepare the country for possible disasters. The time for radical reforms is now, starting with notable investments in the country's health and economic sectors. It is inevitable that the country will accumulate more debt in response to the outbreak. Newly mobilized resources, either through loans or other means, should be dedicated towards strengthening the health and food production systems across the nation. Each of the ten states ought to have a state-of-the-art hospital, in addition to the three regional teaching hospitals located in Juba, Wau, and Malakal. In addition, the county agricultural departments can be established or revitalized to jumpstart food production, create jobs, and stimulate growth.

Both the government and international partners should consider food aid to vulnerable households in Juba and other population centers during this health crisis. Many poor households are already hard hit by hunger, and this could only get worse as the scourge of the COVID19 outbreak continues to menace the world.

In a nutshell, borders and airports should remain closed, except for the import of essential commodities. The general public should continue to adhere to the basic hygienic practices. Finally, the government should not lose sight of the need to diligently implement the Revitalized Peace Agreement, which has provided respite to the population. This entails the immediate establishment of state and county governments, harnessing the reach and response of subnational authorities.

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### About Sudd Institute

The Sudd Institute is an independent research organization that conducts and facilitates policy relevant research and training to inform public policy and practice, to create opportunities for discussion and debate, and to improve analytical capacity in South Sudan.

The Sudd Institute's intention is to significantly improve the quality, impact, and accountability of local, national, and international policy- and decision-making in South Sudan in order to promote a more peaceful, just and prosperous society.

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