

# **OF THE FRAMEWORK AGREEMENT**

## **ON WEALTH SHARING**

*SIGNED AT NAIVASHA, KENYA, 31<sup>ST</sup> DECEMBER, 2004*

**The Implementation Modalities of the Wealth Sharing Agreement**  
**31<sup>st</sup> December/2004**

<b>Activities</b>	<b>Timing</b>	<b>Executing Body</b>	<b>Funding Sources</b>	<b>Composition and Location</b>	<b>Procedures, Process or Criteria</b>	<b>Clause in the Agreement</b>
<b>A. Land Ownership</b>						
1. Institute a process to develop and amend the relevant laws to incorporate customary laws and practices.	During the Pre-interim Period after establishment of land commissions at all levels.	<ul style="list-style-type: none"> <li>• Land Commissions</li> <li>• Executive Bodies at all levels</li> <li>• Legislature at all levels</li> </ul>	<ul style="list-style-type: none"> <li>• NG</li> <li>• GOSS</li> <li>• States</li> <li>• International Community</li> </ul>	Location: Seats of land commissions, legislative and executive bodies	<ul style="list-style-type: none"> <li>• Land commissions to initiate the process and make recommendations to appropriate executive levels (NG, GOSS and States).</li> <li>• Ministry of Justice (NG, GOSS) to facilitate and support the process</li> <li>• Executive Bodies at all levels to approve and propose necessary bills to appropriate legislative bodies (NG, GOSS and States) to promulgate amended laws within their respective powers.</li> </ul>	2.5
2. Establish National Land Commission	After approval of Interim National Constitution	<ul style="list-style-type: none"> <li>• National Government and Presidency</li> </ul>	<ul style="list-style-type: none"> <li>• National Government</li> <li>• Donors and International community</li> </ul>	<ul style="list-style-type: none"> <li>• By the relevant legislation as per sub-section 2.6.10 of WSA.</li> <li>• Location: Khartoum</li> </ul>	<ul style="list-style-type: none"> <li>• The process to be initiated by the Presidency with facilitation and support from Ministry of Justice</li> <li>• National Land Commission Act</li> </ul>	2.6
3. Establish Southern Sudan Land Commission	After establishment of GOSS	<ul style="list-style-type: none"> <li>• President of GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• GOSS</li> <li>• Donors and International</li> </ul>	<ul style="list-style-type: none"> <li>• By legislature of Southern Sudan as per sub-</li> </ul>	<ul style="list-style-type: none"> <li>• Members recommended by GOSS and States</li> </ul>	2.7

Activities	Timing	Executing Body	Funding Sources	Composition and Location	Procedures, Process or Criteria	Clause in the Agreement
			Community	section 2.7.10 of WSA. <ul style="list-style-type: none"> <li>• Location: The Seat of GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• IGAD, IPF and World Bank/UNDP</li> <li>• Chaired by GOSS appointee</li> <li>• Decision by consensus</li> </ul>	
<b>B. Oil Resources</b>						
1. Consultation and participation of communities in the management of natural resources	Pre-Interim Period	<ul style="list-style-type: none"> <li>• GOS</li> <li>• GOSS</li> <li>• States</li> <li>• NPC</li> </ul>	<ul style="list-style-type: none"> <li>• NG</li> <li>• GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• Joint Technical committee of equal members from GONU, GOSS and producing States</li> </ul>	<ul style="list-style-type: none"> <li>• Create awareness on basic rights and process of participation and consultation as per the CPA.</li> </ul>	3.1.2, 3.1.5, 3.1.6, 3.1.7

2. Establish National Petroleum Commission (NPC)	Two weeks after the adoption of the Interim National Constitution and consequent formation of GONU and GOSS.	<ul style="list-style-type: none"> <li>• Presidency</li> </ul>	<ul style="list-style-type: none"> <li>• National Government</li> </ul>	<ul style="list-style-type: none"> <li>• As provided in sub-section 3.3 of WSA</li> <li>• Location: Khartoum</li> </ul>	<ul style="list-style-type: none"> <li>• To review current relevant legislation in oil sector so as to bring it in line and to comply with the CPA</li> </ul>	3.2
<b>C. Existing Oil Contracts</b>						
1. SPLM appoint a technical team, to have access to existing oil contracts	D Day + 30 Days	<ul style="list-style-type: none"> <li>• SPLM</li> <li>• Ministry of Energy and Mining</li> </ul>	<ul style="list-style-type: none"> <li>• SPLM</li> <li>• International community</li> </ul>	<ul style="list-style-type: none"> <li>• Technical Team of 6 members to be appointed by the SPLM</li> <li>• Technical Experts</li> <li>• Location: The Seat of SPLM and contracts to be accessed in Khartoum</li> </ul>	<ul style="list-style-type: none"> <li>• Decision by consensus</li> <li>• Reporting to GOSS within D Day +60 Days</li> <li>• Develop its internal regulations and procedures</li> <li>• Chaired by SPLM appointee</li> <li>• Sign confidentiality agreement as pre-condition as provided in sub-section 4.1 of WSA.</li> </ul>	4.1

2. Assess contracts with social and environmental problems	During Pre-interim period and after the recommendation of the Technical Team as provided in subsection 4.1 of WSA.	<ul style="list-style-type: none"> <li>Joint Technical committee (GOSS and National Government) to be appointed by National Petroleum Commission (NPC)</li> </ul>	<ul style="list-style-type: none"> <li>National Government</li> </ul>	<ul style="list-style-type: none"> <li>Technical committee of equal members (National Government, GOSS and affected States)</li> <li>Location: Khartoum</li> </ul>	<ul style="list-style-type: none"> <li>The committee to set its own rules and regulation.</li> <li>Co-chaired by GONU and GOSS</li> <li>May seek technical assistance</li> <li>Decision by consensus</li> <li>Reporting to the NPC after its formation in D Day + 9 Months with actions taken within 60 days after the report.</li> </ul>	4.3
3. Remedy of persons whose rights have been violated by oil contracts	Upon signing the CPA	<ul style="list-style-type: none"> <li>Affected persons</li> </ul>			<ul style="list-style-type: none"> <li>Legal process as provided in subsection 4.5 of WSA.</li> </ul>	4.5
<b>D. Sharing of Oil Revenue</b>						
1. Define “net revenue from oil”.	During Implementation Modalities	<ul style="list-style-type: none"> <li>The GOS and SPLM Delegation to the implementation Modalities on WSA</li> </ul>		<ul style="list-style-type: none"> <li>The GOS and SPLM Delegation to the implementation Modalities on WSA.</li> </ul>	<ul style="list-style-type: none"> <li>Agreed Text on the definition and calculation of the net oil revenue attached as an appendix to the Implementation Modalities of WSA.</li> </ul>	5.3
2. Establish a system to monitor daily production of oil in all Sudan	Upon signing of CPA and within 60 Days	<ul style="list-style-type: none"> <li>GOS</li> <li>SPLM</li> </ul>	<ul style="list-style-type: none"> <li>GOS</li> <li>International community</li> </ul>	<ul style="list-style-type: none"> <li>Joint Technical Committee composed of equal members from GOS and SPLM.</li> </ul>	<ul style="list-style-type: none"> <li>The committee to review the existing monitoring system with a view of improving it and make necessary recommendations to NPC.</li> </ul>	5.3

3. Reveal to the SPLM production sharing formula between GOS and oil concessions	Upon signing of CPA and within 60 Days	<ul style="list-style-type: none"> <li>GOS</li> </ul>		<ul style="list-style-type: none"> <li>GOS</li> </ul>	<ul style="list-style-type: none"> <li>GOS will reveal this information to the SPLM Technical Team after signing confidentiality agreement</li> </ul>	5.3
4.a Agree on a mechanism to monitor Oil Revenue Stabilization Account (ORSA).	Upon signing of CPA and within 60 Days	<ul style="list-style-type: none"> <li>Joint Technical Committee</li> </ul>		<ul style="list-style-type: none"> <li>Equal members from GOS and SPLM/GOSS</li> </ul>	<ul style="list-style-type: none"> <li>To determine implementation of the mechanism to monitor ORSA</li> <li>Agree on coverage period of accumulated amount.</li> <li>Agree on method of having access and withdrawal by National Government and GOSS to the ORSA.</li> <li>Negotiations</li> <li>Building consensus</li> </ul>	5.4
4.b Agree on the benchmark price for 2005.	Upon signing of CPA and within the IMF quarterly review	<ul style="list-style-type: none"> <li>Joint Technical Team from GOS and SPLM</li> </ul>		<ul style="list-style-type: none"> <li>Equal Members from GOS and SPLM.</li> </ul>	<ul style="list-style-type: none"> <li>Co-chaired</li> <li>Building Consensus</li> <li>Approach and discuss with the IMF the agreed benchmark price through the GONU.</li> </ul>	

4.c Agree on the annual benchmark price.	Annually within the budget process	<ul style="list-style-type: none"> <li>• NG</li> <li>• GOSS</li> <li>• CBOS</li> </ul>		<ul style="list-style-type: none"> <li>• National Ministry of Finance</li> <li>• GOSS Ministry of Finance</li> <li>• CBOS</li> </ul>	<ul style="list-style-type: none"> <li>• GOSS to fully participate in the determination of the benchmark price.</li> <li>• NG and GOSS to build a consensus on a benchmark price before discussion with the IMF.</li> <li>• Benchmark to be determined within the national macroeconomic framework.</li> <li>• After building consensus on the benchmark price with GOSS, NG with representation of GOSS to negotiate with IMF the final benchmark price.</li> </ul>	
5. Establish a system to calculate and monitor net oil revenue.	Upon signing of CPA and within 30 Days	<ul style="list-style-type: none"> <li>• GOS</li> <li>• SPLM</li> </ul>	<ul style="list-style-type: none"> <li>• GOS</li> <li>• International community</li> </ul>	<ul style="list-style-type: none"> <li>• Joint Technical Committee composed of equal members from GOS and SPLM.</li> </ul>	<ul style="list-style-type: none"> <li>• The committee to review the existing monitoring system with a view of improving it and make necessary recommendations to NPC.</li> </ul>	5.3

<p>6. Transfer of (2%) of producing State share of net oil revenue.</p>	<p>D Day</p>	<ul style="list-style-type: none"> <li>• National Ministry of Finance for Oil Producing States in the North</li> <li>• Ministry of Finance of GOSS for Southern Sudan Oil Producing States</li> </ul>	<p>-</p>	<p>-</p>	<ul style="list-style-type: none"> <li>• Transfer to start after establishing governments of the States.</li> <li>• Money to be transferred monthly according to actual receipt of revenue.</li> <li>• MOF (NG and GOSS) will transfer to States through their designated accounts.</li> <li>• Ministries of Finance of Producing States in the South shall open accounts in the BOSS in which MOF of GOSS shall transfer 2% of oil revenue.</li> </ul>	<p>5.5</p>
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<p>7. Transfer of the GOSS share of 50% of net oil revenue.</p>	<p>D Day</p>	<ul style="list-style-type: none"> <li>• Oil Revenue Allocation Committee composed of representatives of: MOF (NG, SPLM/GOSS), NPC, CBOS, BOSS and relevant States.</li> </ul>	<ul style="list-style-type: none"> <li>• NPC</li> </ul>	<p>Location: National MOF, Khartoum</p>	<ul style="list-style-type: none"> <li>• The Committee to calculate the actual share of each Party in accordance with CPA and to ensure the transfer of these shares.</li> <li>• GOSS prepares its Foreign Exchange budget requirements within the overall approved budget of GOSS. This budget shall be incorporated in CBOS Foreign Exchange budget.</li> <li>• Foreign Exchange of GOSS is considered part of the National Reserve. GOSS shall use its share of this National Reserve to meet its Foreign Exchange requirements. All domestic operations and transactions of GOSS shall be in the national currency and any other circulating currencies in Southern Sudan until a new currency is issued as per sub-section 14.9 of WSA provided that GOSS foreign exchange transactions should only be conducted through BOSS.</li> </ul>	<p>5.6</p>
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					<ul style="list-style-type: none"><li>• CBOS shall authorize BOSS to open foreign correspondent account in a prime bank of the latter's choice in favour of GOSS. This authorization shall include instruction to the foreign correspondent to provide the CBOS with a copy of the statement of the weekly position of this account.</li><li>• GOSS all foreign exchange resources shall be deposited in this foreign correspondent account as mentioned above.</li><li>• BOSS shall manage this account on the basis of the best banking practices in favour of GOSS and disburse it in a way to ensure macro-economic stability and national monetary policy objectives and requirements.</li><li>• BOSS shall provide CBOS with relevant data as per sub-section 14.4 of Wealth Sharing Agreement.</li></ul>	
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8. Establish Future Generation Fund.	Upon reaching a ceiling of 2 million barrels a day production	<ul style="list-style-type: none"> <li>• Joint Technical Team (GOS and GOSS)</li> </ul>	<ul style="list-style-type: none"> <li>• National Government</li> <li>• GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• Equal members from NG and GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• Joint Team to be appointed by the Presidency</li> <li>• Decision by consensus</li> <li>• Establish internal regulations and procedures</li> <li>• Co-chairing between the GOSS and NG</li> <li>• Report regularly to Presidency.</li> </ul>	5.7
<b>E. Sharing of Non-oil Revenue</b>						

<p>1. Collection of non-oil revenue by GOSS and states.</p>	<p>After establishment of GOSS and governments of States</p>	<ul style="list-style-type: none"> <li>• Ministry of Finance of GOSS</li> <li>• Ministry of Finance of States</li> </ul>	<ul style="list-style-type: none"> <li>• GOSS</li> <li>• States</li> </ul>		<ul style="list-style-type: none"> <li>• GOSS and States to start collecting revenue as spelled out in the WSA in sub-sections 6.2 and 6.3.</li> <li>• Amending national taxation laws within 60 days after signing of CPA to conform to the WSA.</li> </ul>	<p>6.2, 6.3</p>
<p><b>F. Equalization &amp; Allocation of Nationally collected Revenues</b></p>						

1. Establishment of National Revenue Fund (NRF)	D Day +1	<ul style="list-style-type: none"> <li>National Ministry of Finance</li> </ul>	-	-	Account to be in CBOS administered by Ministry of Finance for all revenues collected by the NG including net oil revenue due to GONU.	7.1
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<p>2. Agree on mechanisms to transfer to GOSS 50% of national non-oil revenues collected in Southern Sudan.</p>	<p>After establishment of GOSS</p>	<ul style="list-style-type: none"> <li>• National Ministry of Finance</li> <li>• Fiscal and Financial Allocation and Monitoring Commission (FFAMC)</li> </ul>	<p>GONU</p>	<ul style="list-style-type: none"> <li>• As provided in subsection 7.3 and 8.3 WSA.</li> </ul>	<ul style="list-style-type: none"> <li>• The National Ministry of Finance will open an account in BOSS and instruct national bodies in charge of collecting national non-oil revenues, taking into consideration cost effectiveness, to collect national non-oil revenues in the South and to be deposited in the designated account, after deducting collection charges.</li> <li>• The National Ministry of finance shall instruct BOSS to transfer 50% of revenues deposited in the above account to Ministry of Finance of GOSS, and the remaining 50% to be transferred to the National Revenue Fund.</li> <li>• Account of the national non-oil revenues collected in the South will be submitted to FFAMC on quarterly basis.</li> </ul>	<p>7.3</p>
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<p>3. Review of allocation of 50% of national non-oil revenue collected in Southern Sudan to GOSS.</p>	<p>Mid-term Interim Period</p>	<ul style="list-style-type: none"> <li>• Joint Technical Committee (National Ministry of Finance and Ministry of Finance of GOSS)</li> </ul>	<ul style="list-style-type: none"> <li>• National Government</li> </ul>	<p>Equal Members (GOSS and GONU)</p>	<ul style="list-style-type: none"> <li>• Disagreement to be resolved by FFAMC</li> <li>• FFAMC to initiate the process.</li> <li>• Co-Chair between GONU and GOSS</li> <li>• Decision by consensus</li> <li>• Set its own regulations and procedures</li> <li>• Report back to the FFAMC within one month after its establishment</li> <li>• Seek relevant international assistance.</li> </ul>	<p>7.3</p>
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<p>4. Agree on an approach to appeal for donor funds for the reconstruction of South Sudan.</p>	<p>Immediately before the signing of CPA</p>	<ul style="list-style-type: none"> <li>• Joint Assessment Mission (JAM) Core Coordinating Group (CCG)</li> </ul>	<ul style="list-style-type: none"> <li>• National Government</li> <li>• International community</li> </ul>	<ul style="list-style-type: none"> <li>• JAM CCG</li> </ul>	<ul style="list-style-type: none"> <li>• JAM Core Coordination Group to initiate appeal strategy programme</li> </ul>	<p>7.4</p>
<p><b>G. Fiscal and Financial Allocation and Monitoring Commission (FFAMC)</b></p>						

1. Establish FFAMC	Pre-Interim Period after National Constitution Review Commission (NCRC) report approved as per sub-section 2.10.1.6 and 2.12.9 of Power Sharing Protocol	<ul style="list-style-type: none"> <li>• National Government, GOSS and States</li> <li>• Presidency to appoint the Chairperson</li> </ul>	<ul style="list-style-type: none"> <li>• National Government</li> <li>• International community</li> </ul>	<ul style="list-style-type: none"> <li>• As provided in sub-section 8.3 of WSA</li> <li>• Location: Khartoum</li> </ul>	<ul style="list-style-type: none"> <li>• As provided in sub-section 8.4 and 8.5 of the Wealth Sharing Agreement</li> </ul>	8.1
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<p>2. Establish formulae for allocating resources to war affected areas</p>	<p>Pre-interim period after establishing FFAMC</p>	<ul style="list-style-type: none"> <li>• FFAMC</li> </ul>	<ul style="list-style-type: none"> <li>• GONU</li> <li>• International community</li> </ul>	<p>FFAMC and may establish technical committee if necessary</p>	<ul style="list-style-type: none"> <li>• Formulae to be determined by FFAMC after receiving technical assistance report as per sub-section 8.10 of the Two Areas Protocol.</li> </ul>	<p>8.2.3</p>
<p><b>H. Division of Government Assets</b></p>						

<p>1. Establish a joint technical committee to assess and allocate assets between various levels of government</p>	<p>After establishment of GONU and GOSS and when disputes arise</p>	<ul style="list-style-type: none"> <li>• Joint Technical Committees for each level of government</li> </ul>	<p>-</p>	<p>As provided in sub-section 11.1 of WSA</p>	<ul style="list-style-type: none"> <li>• Assets to be divided according to the function of each level of government as in schedules of powers A,B and C</li> <li>• In case of conflict joint technical committees will be formed from each party involved in the dispute and mutually agreed expert</li> <li>• Committees should observe schedules A, B, C, D, E and F of powers</li> <li>• Decision by consensus</li> <li>• Set its own regulations and procedures</li> </ul>	<p>11.1</p>
<p><b>I. Accounting Standards</b></p>						

1. Establish National and Southern Sudan Audit Chambers	Immediately after establishment of GONU and GOSS	<ul style="list-style-type: none"> <li>• Presidency</li> <li>• National Assembly</li> <li>• GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• National Government</li> <li>• GOSS</li> </ul>	As provided in sub-section 12.2 of WSA	<ul style="list-style-type: none"> <li>• As provided in sub-section 12.2 of WSA.</li> <li>• Until establishment of audit chambers, status quo will continue.</li> </ul>	12.2
<b>K. Financing the transition</b>						
1. National Government assists the SPLM/A in the establishment of the new transitional governments at GOSS and State levels	After signing of the CPA	<ul style="list-style-type: none"> <li>• National Government</li> <li>• Joint National Transition Team (JNTT)</li> </ul>	<ul style="list-style-type: none"> <li>• International community</li> </ul>		<ul style="list-style-type: none"> <li>• National Government will provide technical assistance to the extent possible.</li> <li>• SPLM prepares financial basic urgent needs for the Pre-Interim Period.</li> <li>• The estimated amount of the urgent needs to be presented to the International Community for funding.</li> </ul>	13.1

<p>2. Establish a Joint National Transition Team (JNTT)</p>	<p>Upon signature of CPA</p>	<ul style="list-style-type: none"> <li>• GOS (President of the Sudan)</li> <li>• SPLM Chairman</li> </ul>	<ul style="list-style-type: none"> <li>• GOS</li> <li>• International Community</li> </ul>	<ul style="list-style-type: none"> <li>• Equal members from GOS and SPLM</li> <li>• Location: To be agreed upon by the Parties</li> </ul>	<ul style="list-style-type: none"> <li>• JAM -CCG non-Sudanese members to be observers</li> <li>• Co-chaired by GOS and SPLM.</li> <li>• Free access to all places in Sudan for data collection</li> <li>• Reporting to the leadership of the two Parties</li> <li>• May seek relevant technical assistance</li> <li>• Decision by consensus</li> <li>• Set its own regulations and procedures</li> </ul>	<p>13.2</p>
<p><b>L. Banking &amp; Currency</b></p>						

1. Enact/modify legislations to set up a dual banking system	Immediately upon signing CPA and within 90 Days	<ul style="list-style-type: none"> <li>National Legislature</li> </ul>	<ul style="list-style-type: none"> <li>CBOS</li> </ul>	<ul style="list-style-type: none"> <li>Technical team of equal numbers from National Government (CBOS) and GOSS.</li> </ul>	<ul style="list-style-type: none"> <li>CBOS to initiate the process</li> <li>Recommend amendments in all relevant laws to comply with the CPA.</li> <li>Chair to be agreed upon by GONU (CBOS) and GOSS.</li> <li>Technical team Appointed by the Presidency.</li> <li>Decision by consensus</li> <li>Set its own regulations and procedures.</li> </ul>	14.1
2. Appoint Board of Directors (BOD) of Central Bank of Sudan (CBOS)	Immediately within one week after ratification of CBOS Act	<ul style="list-style-type: none"> <li>Presidency</li> </ul>	<ul style="list-style-type: none"> <li>CBOS</li> </ul>	As provided in sub-section 14.8b of WSA.	<ul style="list-style-type: none"> <li>According to provision 14.8 of the Wealth Sharing Agreement</li> <li>Decisions on matters that may affect adversely the interest of either Party to WSA shall be by consensus</li> </ul>	14.8
3. Restructure CBOS	Within 30 days after appointment of BOD	<ul style="list-style-type: none"> <li>CBOS BOD</li> </ul>	<ul style="list-style-type: none"> <li>CBOS</li> </ul>	<ul style="list-style-type: none"> <li>CBOS BOD</li> </ul>	<ul style="list-style-type: none"> <li>Restructuring CBOS banking system, general administration and departments and their functions to comply with the CPA.</li> </ul>	14.3

4. Establish Bank of South Sudan (BOSS)	Within 30 days after appointment of BOD	<ul style="list-style-type: none"> <li>• CBOS BOD</li> </ul>	<ul style="list-style-type: none"> <li>• CBOS</li> <li>• International community</li> </ul>	<ul style="list-style-type: none"> <li>• Location: Seat of GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• BOSS shall perform all activities stated in WSA to manage conventional banking in South Sudan.</li> <li>• BOSS shall manage these activities as a window of CBOS and in accordance with CBOS policies, rules and regulations as per WSA.</li> <li>• In performing these activities, the Deputy Governor of CBOS who is heading BOSS shall be accountable to the Governor of CBOS.</li> </ul>	14.2, 14.10
5.a Establish a joint committee to design national currency.	Immediately upon signing of CPA.	<ul style="list-style-type: none"> <li>• Joint Technical Committee from (GOS and SPLM)</li> </ul>	<ul style="list-style-type: none"> <li>• Donors</li> </ul>	<ul style="list-style-type: none"> <li>• Technical Team of equal members (GOS and SPLM)</li> </ul>	<ul style="list-style-type: none"> <li>• Co-chaired by GOS and SPLM</li> <li>• Decision by consensus</li> <li>• Reporting within 60 Days</li> </ul>	14.9
5.b. Assess circulating currencies in South Sudan	Within 30 days after signing the CPA.	<ul style="list-style-type: none"> <li>• Joint Technical Committee (GOS, SPLM )</li> </ul>	<ul style="list-style-type: none"> <li>• GOS</li> <li>• Donors</li> </ul>	<ul style="list-style-type: none"> <li>• Equal members (GOS, SPLM) and technical experts to be agreed upon</li> </ul>	<ul style="list-style-type: none"> <li>• Co-chaired by GOS and SPLM</li> <li>• Decision by consensus</li> <li>• Reporting within 60 Days to CBOS</li> </ul>	

5.c Issuing new currency	After designing and assessing currencies circulating in South Sudan.	<ul style="list-style-type: none"> <li>• CBOS</li> </ul>	<ul style="list-style-type: none"> <li>• International community</li> <li>• NG</li> </ul>	-	<ul style="list-style-type: none"> <li>• Printing will start within one month after designing, plating and engraving and will finish within 18 months.</li> <li>• CBOS will create awareness about the new currency</li> <li>• CBOS and BOSS to agree on preparation and arrangement for replacement of the circulating currencies in South Sudan.</li> <li>• Priority will be given to meet currency demand and replacement of the circulating currencies in South Sudan.</li> </ul>	
<b>M. Borrowing</b>						

<p>1. Enacting borrowing standards and requirements by CBOS</p>	<p>After amendment of CBOS Act to comply with the CAP and after establishment of GOSS and States.</p>	<ul style="list-style-type: none"> <li>• CBOS BOD</li> </ul>	<ul style="list-style-type: none"> <li>• CBOS</li> </ul>	<ul style="list-style-type: none"> <li>• CBOS BOD and technical experts if needed</li> </ul>	<ul style="list-style-type: none"> <li>• To be determined by CBOS BOD</li> <li>• Reporting within 30 Days after the appointment of the CBOS BOD</li> </ul>	<p>6.2.13,14.1, 14.15, 14.16</p>
<p><b>N. Reconstruction &amp; Development Funds</b></p>						

<p>1. Establish South Sudan Reconstruction and Development Fund (SSRDF)</p>	<p>After establishment of GOSS</p>	<ul style="list-style-type: none"> <li>• SPLM Economic Commission/ GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• GOSS Revenues</li> <li>• Direct bilateral Grants</li> <li>• Low Income Countries Under Stress (LICUS).</li> </ul>	<ul style="list-style-type: none"> <li>• Steering Committee appointed by President of GOSS and including Ministry of Finance of GOSS, South Sudan Audit Chamber, all Southern States, representative of donors, representative of national MOF and National Audit Chamber as provided in sub-section 15.3. of WSA.</li> </ul>	<ul style="list-style-type: none"> <li>• The procedures related to SSRDF shall be similar to the procedures provided in activity D.7 of transfer of 50% of net oil revenues to GOSS.</li> <li>• SPLM to establish a committee to initiate the process of establishing SSRDF</li> </ul>	<p>15.1</p>
<p>2. Establish monitoring and evaluation system for accountability and transparency</p>	<p>Pre-interim Period</p>	<ul style="list-style-type: none"> <li>• GOSS</li> <li>• Project Implementation Authority</li> </ul>	<ul style="list-style-type: none"> <li>• LICUS</li> <li>• International community and donors</li> </ul>	<ul style="list-style-type: none"> <li>• Oversight committee appointed by the SPLM Chairman or President of GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• Oversight committee appointed by GOSS as per sub-section 15.3 of WSA to establish accountability and transparency monitoring and evaluation system</li> </ul>	<p>15.2</p>

<p>3. Establish an oversight committee for SSRDF</p>	<p>Pre-interim Period and after the establishment of SSRDF</p>	<ul style="list-style-type: none"> <li>• GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• GOSS</li> <li>• SSMDTF</li> <li>• Donors</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Finance of (National (1), GOSS (2) and Southern States (10))</li> <li>• Southern Sudan Audit Chamber (1) and National Audit Chamber (1)</li> <li>• International community (1)</li> </ul>	<ul style="list-style-type: none"> <li>• Chaired by Ministry of Finance of GOSS</li> <li>• Internal and decision making procedures to be established by the Committee after its establishment.</li> </ul>	<p>15.3</p>
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<p>4. Establish National Reconstruction and Development Fund (NRDF)</p>	<p>Pre-interim Period</p>	<ul style="list-style-type: none"> <li>• Ministry of Finance</li> <li>• JNTT</li> </ul>	<ul style="list-style-type: none"> <li>• GOS</li> <li>• Donors</li> <li>• NMDTF</li> </ul>	<ul style="list-style-type: none"> <li>• Technical steering committee composed of Ministry of Finance (National and GOSS), Ministry of International Corporation, Audit Chambers (National and GOSS), representatives of war-affected States and least developed States in the North, one representative of international community if agreed upon by the technical steering committee</li> </ul>	<ul style="list-style-type: none"> <li>• Annual resource envelope to be determined within the budget.</li> <li>• Priority projects can be submitted to NMDTF.</li> <li>• Chaired by National Ministry of Finance</li> <li>• Allocation as spelled in 8.6 and 8.7 of the Two States Protocol.</li> <li>• May seek technical assistance when necessary</li> </ul>	<p>15.4</p>
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<p>5. Establishment of two multi-donor trust funds (MDTFs) – one for Southern Sudan and other national.</p>	<p>Pre-Interim Period before the donors conference</p>	<ul style="list-style-type: none"> <li>• National MDTF (National Government and World Bank)</li> <li>• South Sudan MDTF (SPLM/GOSS and World Bank)</li> </ul>	<ul style="list-style-type: none"> <li>• International community</li> </ul>	<p><u>National MDTF</u></p> <ul style="list-style-type: none"> <li>• Management consists of:             <ol style="list-style-type: none"> <li>1. MDTF Donors Group for coordination, consultation and mobilization</li> <li>2. Oversight Committee (NG and Donors), and observer from GOSS/SPLM</li> <li>3. Technical Secretariat (WB Administrator, NG designated body)</li> </ol> </li> <li>• Programme Implementation Agency : NG</li> </ul>	<ul style="list-style-type: none"> <li>• Governance including fiduciary to be set by World Bank and National Government for NMDTF and SPLM/GOSS for SSMDTF in consultation with International Community and stakeholders.</li> <li>• NG to determine projects to be implemented by UN agencies, NGOs, local governments, communities, National Government agencies, private sector and others in the North.</li> <li>• SPLM/GOSS to determine projects to be implemented by UN agencies, NGOs, local governments, communities, SPLM/GOSS agencies, private sector and others in the South.</li> </ul>	<p>15.5</p>
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				<p><u>South Sudan MDTF:</u></p> <ul style="list-style-type: none"> <li>• Management consists of: <ol style="list-style-type: none"> <li>1. MDTF Donors Group.</li> <li>2. Oversight Committee (SPLM/GOSS, Donors) and observer from NG.</li> <li>3. Technical Secretariat (WB Administrator, SPLM/GOSS designated bodies)</li> </ol> </li> <li>• Programme Implementation Agency: SPLM/GOSS</li> </ul>	<ul style="list-style-type: none"> <li>• UN Agencies to be allowed to operate within their rules and regulations with special arrangement on external audit to be agreed between the World Bank and UN.</li> <li>• Earmarking will not be allowed but sectoral preference can be expressed.</li> <li>• Project Implementation Agency to assign and oversee project implementation by a variety of entities</li> </ul>	
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<p>6. Set criteria for eligible financing from MDTFs.</p>	<p>Pre-Interim Period before the donors conference</p>	<ul style="list-style-type: none"> <li>• To be determined by MDTF systems.</li> </ul>	<ul style="list-style-type: none"> <li>• Donors</li> </ul>		<ul style="list-style-type: none"> <li>• To be determined by MDTF systems in accordance with the findings of the JAM.</li> <li>• Priorities will include:             <ol style="list-style-type: none"> <li>1. Programmes submitted to MDTFs are part of annual budget and determined by NG and SPLM/GOSS in consultation with MDTF Steering Committees respectively.</li> <li>2. Rehabilitation and reconstruction in war affected areas</li> <li>3. Rehabilitation and reconstruction in least developed areas</li> </ol> </li> </ul>	<p>15.7</p>
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					<ul style="list-style-type: none"> <li>4. Priorities of Poverty Eradication Strategy Concept Note.</li> <li>5. Capacity Building and decentralization</li> <li>6. Peace Building and security (DDR, IDPS, ..etc).</li> </ul>	
7. Establishment of special accounts in a commercial bank in Southern Sudan for GOSS	Pre-interim Period	<ul style="list-style-type: none"> <li>• Ministry of Finance of GOSS</li> </ul>	-	-	<ul style="list-style-type: none"> <li>• As provided in sub-section 15.11 of WSA</li> </ul>	15.11

**Appendix**  
**Implementation Modalities of Wealth Sharing Agreement**  
**Definition and Calculation of Net Oil Revenue**

**1. General Definitions:**

**(a) Cost Oil:** It is a percentage from the daily production to cover the production cost (exploration, development and operating cost). Exploration and development costs are classified as capital cost amortized within four years. The operating cost is paid annually. If the cost oil is greater than the recoverable cost (actual cost) the difference (Excess Oil) will be added to the government share. If recoverable cost is greater than the cost oil then the difference shall be carried over for the next year. However the Division of Excess Oil between the Government and Contractors is subject to the variables of each agreement.

**(b) Profit Oil:** It is the remaining balance from the daily production after deducting the cost oil.

**(c) Government Share:** It is the percentage share of the government from the profit oil after deducting the contractor's share that is subject to contract agreements. It increases with the increase in production.

**(d) Government Entitlement:** It consists, at Intake Point, of (Government Share plus excess oil plus under lifting less over lifting). Part of the Government Entitlement is either used for local refineries or for export.

**(e) Intake Point:** is the injection point between the pipeline network operated by contractor under the Agreement and the transportation system operated by or under the control of the transporter.

**2. Calculation of Government Net Oil Revenue:**

Government Entitlement x Export price<sup>1</sup>

Less Tariff (transport/pipeline fee)

Less Management fee

***Equal Government net oil revenue***

**3. Calculation of Oil Revenue Stabilization Fund:**

Government Net Oil Revenue from export

Less Actual Export Quantities x benchmark price

***Equal Total Oil Revenue Stabilization Fund***

**4. Government Net Oil Revenue Available for Allocation:**

Government net oil revenue

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<sup>1</sup> Export shall be valued at the actual Free On Board (FOB) export price and oil delivered to the refineries shall be valued at the average FOB export price of the last calendar month.

Less oil revenue stabilization fund

*Equal Total government net oil revenue available for allocation*

**5. Producing States Share of Net Oil Revenue:**

<sup>1</sup>

Two Percent (2%) Percent of the total government net oil revenue available for allocation as per WSA.

**6. GOSS Share:**

Fifty Percent(50%) Percent of (percentage of the oil produced in the South from the total production multiply by net oil revenue available for allocation after deducting States share)