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Sudan, S. Sudan Fail to Reach Agreement

by Gabe Joselow

Sudan and South Sudan have failed to reach agreement on disputes left over from their separation last year, as a U.N.-imposed deadline expires. The two countries could face sanctions as negotiations continue in the Ethiopian capital, Addis Ababa.

Negotiators from both countries meeting remain hung up on several issues, including a final deal on the fees South Sudan will pay to move oil through the north.

South Sudan had offered to pay Sudan more than \$9 per barrel to transport oil, and to pay more than \$3 billion in compensation to Khartoum for losses the north suffered from their separation.

The offer would be a compromise for both countries, if accepted. South Sudan had previously insisted on paying about \$1 per barrel, while Sudan had demanded a price around \$36.

A spokesperson for the South Sudanese negotiators, Atif Kiir, said Khartoum is responsible for holding up a deal.

"For the oil still we did not reach any agreement because the government of Sudan is still sticking to the prices that have nothing to do with the oil industry," he said. "They are sticking to their position regardless of the offers we have presented to them."

South Sudan cut off oil production in January in the midst of the pricing dispute. The shutdown has seriously damaged both countries' economies.

Kiir said there has been some progress on other issues, including agreement to hold a referendum to determine the final status of the disputed Abyei region by the end of the year. It was not clear if controversial voting registration procedures had been sorted out.

He said the talks will continue even after a U.N. deadline for agreement passes.

A United Nations Security Council resolution passed in early May called on both sides to reach a deal by August 2 or else face possible sanctions.

Amanda Hsiao, field researcher with the Enough Project, which monitors the talks, said the major sticking point for Khartoum has been security.

"It's clear from public statements from Sudanese officials that Khartoum's priority issue out of these negotiations is to secure their border and in particular they have emphasized their concern over the South's support to rebel groups in the north and as such they have held up talks over this issue," Hsiao said.

She noted that the African Union panel mediating the talks has proposed establishing a 10-kilometer-wide demilitarized zone along the border, but Sudan has rejected its boundaries.

She attributed the scant progress in the talks to a lack of political will.

“The range of solutions are there, there's a number of different compromises, and it's simply that the leadership on both sides have not made that leap,” Hsiao said.

U.S. Secretary of State Hillary Clinton is expected to push for more progress in the negotiations Friday when she meets with South Sudanese President Salva Kiir in Juba.