

country profile											
<b>government structure</b>	<ul style="list-style-type: none"> <li>• <b>Executive:</b> The president is both the chief of state and the head of government. The president is directly elected by simple majority popular vote for a four-year term and is eligible for a second term. Cabinet is appointed by the president and is approved by the Transitional National Legislative Assembly.</li> <li>• <b>Legislative:</b> South Sudan has a bicameral National Legislature.</li> <li>• <b>Judicial:</b> The highest court is the Supreme Court. The subordinate courts are the Courts of Appeal, High Courts, and the County Courts (at the national level) and the High Courts, County Courts, customary courts, and other specialised courts and tribunals (at the state level).</li> <li>• <b>Next presidential elections:</b> Postponed until November or December 2024.</li> </ul>										
<b>economic data</b>	<table> <tr> <td>• Nominal GDP (USD billions):</td><td>5.67</td></tr> <tr> <td>• GDP per capita (USD):</td><td>366.78</td></tr> <tr> <td>• Inflation rate (% change):</td><td>14.06</td></tr> <tr> <td>• Government revenue (% of GDP):</td><td>33.56</td></tr> <tr> <td>• Government gross debt (% of GDP):</td><td>36.95</td></tr> </table> <p><i>*Source: IMF (July 2024 estimates)</i></p> <ul style="list-style-type: none"> <li>• South Sudan's economy is heavily reliant on oil, although oil production has fallen sharply since independence. There is potential for agricultural production to be a key economic driver, and it should become a larger share of the economy as the share of oil declines in the long term.</li> <li>• South Sudan has abundant natural resources including hydropower, fertile agricultural land, gold, diamonds, petroleum, hardwoods, limestone, iron ore, copper, chromium ore, zinc, tungsten, mica, and silver.</li> <li>• South Sudan's main export partners are China, Italy, Singapore, Japan, and the United Arab Emirates. The main export commodities include crude petroleum, refined petroleum, gold, forage crops, and barley.</li> <li>• South Sudan's main import partners are the United Arab Emirates, Kenya, China, the United States, and India. The main import commodities include garments, cars, trucks, packaged medicine, and malt extract.</li> </ul>	• Nominal GDP (USD billions):	5.67	• GDP per capita (USD):	366.78	• Inflation rate (% change):	14.06	• Government revenue (% of GDP):	33.56	• Government gross debt (% of GDP):	36.95
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<b>risk ratings</b>	<ul style="list-style-type: none"> <li>• S&amp;P Global Overall Country Risk (Q3 2024): 208/211</li> <li>• Corruption Perceptions Index (2023): 177/180</li> </ul>										

international treaties and memberships	
<b>international and regional organisations and customs unions</b>	<ul style="list-style-type: none"> <li>• African Continental Free Trade Area Agreement (Signatory)</li> <li>• African Development Bank Group</li> <li>• African Union</li> <li>• East African Community ("EAC")</li> <li>• Group of 77</li> <li>• International Monetary Fund</li> <li>• Intergovernmental Authority on Development</li> <li>• Nile Basin Initiative</li> <li>• United Nations</li> <li>• World Bank Group</li> <li>• World Customs Organization</li> <li>• South Sudan receives preferential treatment under the following agreements: <a href="http://ptadb.wto.org/Country.aspx?code=728">http://ptadb.wto.org/Country.aspx?code=728</a></li> </ul>
<b>bilateral investment treaties</b>	<ul style="list-style-type: none"> <li>• Treaties have been signed with Morocco and the United Arab Emirates, but these have not yet entered into force.</li> </ul>
<b>investment-related agreements / institutions</b>	<ul style="list-style-type: none"> <li>• Multilateral Investment Guarantee Agency</li> <li>• World Trade Organization (Observer)</li> </ul>
<b>dispute resolution</b>	<ul style="list-style-type: none"> <li>• Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID Convention)</li> </ul>
<b>intellectual property ("IP") treaties</b>	<ul style="list-style-type: none"> <li>• A comprehensive list of IP-related treaties signed by South Sudan is available at: <a href="https://www.wipo.int/wipolex/en/legislation/members/profile/SS?collection=treaties">https://www.wipo.int/wipolex/en/legislation/members/profile/SS?collection=treaties</a></li> <li>• See the trade marks section below for further detail.</li> </ul>

legal regime	
<b>applicable legal regime</b>	<ul style="list-style-type: none"> <li>South Sudan's legal system is based on an English common law framework.</li> </ul>
<b>dispute resolution</b>	<ul style="list-style-type: none"> <li>Investors are entitled to seek recourse in the courts system or alternative dispute resolution mechanisms, provided all parties are in agreement.</li> <li>Any investor in dispute with the government has recourse to internationally accepted dispute resolution mechanisms, such as mediation and arbitration.</li> </ul>
<b>land acquisition, planning and use</b>	<ul style="list-style-type: none"> <li>Foreign natural persons are prohibited from purchasing land under the Land Act, 2009 and are restricted to acquire land leaseholds for periods ranging between 30 and 50 years, which are renewable, but the land remains under the lessee's ownership unless compulsorily acquired by the government.</li> <li>Under the Land Act and the Interim National Constitution, purchase of land by both foreign and local entities is allowed, provided it is in compliance with the law, is in the public interest, and prompt and fair compensation is paid. The courts determine these criteria.</li> <li>The Investment Promotion Act, 2009 establishes procedures for facilitating access to land for private investment, including by foreign investors.</li> <li>Leaseholds for public land may be for periods of up to 30 years for agricultural investments, 60 years for forestry investments, and for the life of the mine or quarry, where the lease is for mines and quarries.</li> </ul>
competition	
<i>merger control</i>	<ul style="list-style-type: none"> <li>There is no domestic competition law regime governing merger control in South Sudan.</li> <li>South Sudan is a member of a regional competition body, the EAC. While the EAC has an operational competition law regime and a partially operational regulator, it is understood that its merger control regime is not yet functional.</li> <li>Merger activities in South Sudan should be conducted with this regional competition body in mind.</li> </ul>
<i>prohibited practices</i>	<ul style="list-style-type: none"> <li>There is no domestic competition law regime in South Sudan governing prohibited practices (whether horizontal, vertical, abuse of dominance or otherwise).</li> <li>South Sudan is, however, a member of the EAC. The EAC regulates prohibited practices in the EAC Common Market and has a partially operational regulator. Activities in South Sudan should thus be conducted with this regional competition body in mind.</li> </ul>

employment	
<i>immigration</i>	<ul style="list-style-type: none"> <li>Expatriates working in South Sudan must hold a valid work permit and/or long-term visa.</li> <li>The Investment Promotion Act gives investors the right to employ managerial and non-managerial staff of any nationality to conduct their investment activities. However, priority should be given to South Sudan citizens with similar qualifications and experiences as non-citizens when recruiting non-managerial staff.</li> <li>South Sudan imposes an expatriate employment quota of 80:20 in favour of South Sudanese nationals.</li> </ul>
<i>local employment vs secondment</i>	<ul style="list-style-type: none"> <li>In terms of South Sudan's employment legislation, an employee may be seconded to South Sudan, as it is not a legal requirement for either local or foreign employees to be employed by a local entity.</li> </ul>
<i>fixed term contracts and temporary employment services</i>	<ul style="list-style-type: none"> <li>Fixed-term contracts (employment contracts for a definite period or for a specified task) are allowed in terms of the Labour Act.</li> <li>The use of labour brokers (Private Employment Agencies — corporate bodies / recruitment firms / agents which act as intermediaries for the purpose of procuring employment for the employee or recruiting an employee for an employer) is permitted by the Labour Act and is common practice in South Sudan.</li> </ul>
<i>payment in local currency</i>	<ul style="list-style-type: none"> <li>It is not a legal requirement for remuneration to be paid in local currency.</li> </ul>
<i>restraint of trade agreements</i>	<ul style="list-style-type: none"> <li>Restraint of trade agreements are valid and are generally enforceable. Some of the factors which determine their suitability include geographical scope, duration of the restriction, and whether there is a legitimate interest to protect. The onus is on the party alleging a breach of a restraint of trade agreement to prove such breach.</li> </ul>
foreign investment regime	
<b>investment regime</b>	<ul style="list-style-type: none"> <li>The government has enacted various laws, including the Investment Promotion Act, the Land Act, the Contract Act, 2008, the Companies Act, 2012, and the Insolvency Act, 2011 that provide a legal framework for carrying on business in South Sudan.</li> <li>The Southern Sudan Investment Authority ("SSIA"), established under the Investment Promotion Act, is responsible for promoting investment in South Sudan.</li> </ul>
<b>registration / licensing requirements</b>	<ul style="list-style-type: none"> <li>Investors are required to apply to the SSIA for an investment certificate, which grants the holder various incentives and benefits under the Investment Promotion Act.</li> </ul>

<b>non-industry specific registrations / licences</b>	<ul style="list-style-type: none"> <li>The following general non-industry specific registrations / licences may be required:</li> </ul>
<i>Department of Economic and Finance Crimes, General Directorate of the Criminal Investigation Department ("CID") and Crimes Prevention General Headquarters</i>	<ul style="list-style-type: none"> <li>Companies must register with the CID and Crimes Prevention General Headquarters, which issues various documents, including a Letter of No Objection Certificate, Stamp Approval Letter and Alien Supervision Registration Certificate.</li> </ul>
<i>National Revenue Authority ("NRA")</i>	<ul style="list-style-type: none"> <li>Companies must register with the NRA and apply for a Tax Identification Number and a Tax Clearance or Tax Compliance Certificate.</li> </ul>
<i>Jubek State Revenue Authority</i>	<ul style="list-style-type: none"> <li>Investors are required to apply for an operating licence from the Jubek State Revenue Authority by submitting a certificate of incorporation indicating the address of the company headquarters.</li> </ul>
<i>The Payam (Juba City Authority)</i>	<ul style="list-style-type: none"> <li>Companies must apply with the Executive Director at the Payam (Juba City Authority) to obtain a trading licence.</li> <li>The Payam would conduct an inspection of the business premises prior to issuing the licence.</li> </ul>
<i>South Sudan Chamber of Commerce, Industry and Agriculture ("SSCCIA")</i>	<ul style="list-style-type: none"> <li>All businesses must register with the SSCCIA and obtain a membership card / SSCCIA certificate.</li> <li>The membership card is required to obtain a tax clearance certificate, conduct certain commercial operations, and open a bank account.</li> </ul>
<i>Ministry of Labour</i>	<ul style="list-style-type: none"> <li>Companies must register with the Ministry of Labour, deposit their basic work regulations with the competent labour office and obtain approval for employment contracts from the Ministry.</li> </ul>
<b>industry-specific licences</b>	<ul style="list-style-type: none"> <li>Industry-specific licences may also be required.</li> </ul>

<b>incentives</b>	<ul style="list-style-type: none"> <li>Incentives are limited to: <ul style="list-style-type: none"> <li>tax exemption for specified types of income, including income earned by public benefit organisations and foreign contractors from contracts for the supply of goods and services to the United Nations and international governmental donors; and</li> <li>a reduced corporate income tax rate for companies operating in the insurance sector.</li> </ul> </li> </ul>
<b>exchange control regulation</b>	<ul style="list-style-type: none"> <li>Foreign exchange is regulated under the Investment Promotion Act, which grants investors the right to freely repatriate their money in freely convertible currency or dispose of it in a manner they deem fit, subject to fulfilling tax and other regulatory obligations.</li> <li>However, in practice, the foreign exchange market rules and regulations in South Sudan are highly restrictive. The Central Bank of South Sudan tightly regulates the allocation of foreign currency to companies and, due to a shortage of foreign currency, it may be difficult to transfer foreign currency outside South Sudan.</li> </ul>
<b>types of entities available for foreign investment</b>	<ul style="list-style-type: none"> <li>Public limited company;</li> <li>private limited company;</li> <li>limited liability partnership; and</li> <li>registered branch of a foreign company.</li> </ul>
<b>private limited liability company</b>	
<b>minimum number of shareholders</b>	<ul style="list-style-type: none"> <li>A minimum of two shareholders is required and the maximum allowed is 50.</li> </ul>
<b>minimum share capital</b>	<ul style="list-style-type: none"> <li>In terms of the Companies Act, the minimum share capital shall not be less than such amount as may be prescribed by the Minister of Commerce. Companies are allowed to issue shares of different classes including preference shares.</li> <li>In terms of the Companies Act, at least 31% of the shares must generally be held by South Sudan citizens. Shareholding in small-sized private companies is restricted to South Sudan citizens.</li> </ul>
<b>directors</b>	<ul style="list-style-type: none"> <li>A private company must have a minimum of one director, who must be ordinarily resident in South Sudan.</li> </ul>
<b>company secretary</b>	<ul style="list-style-type: none"> <li>Every company must appoint a company secretary who is a legal practitioner, a qualified auditor, or a member of a professional association of company secretaries approved by the Minister.</li> <li>The company secretary may be a natural person who is ordinarily resident in South Sudan or a firm or corporation of which at least one member of the firm or one director of the corporation is ordinarily resident in South Sudan.</li> </ul>

<b>auditor</b>	<ul style="list-style-type: none"><li>A private company must appoint an auditor who is a member of the Institute of Chartered Accountants of South Sudan or the Association of Chartered Certified Accountants of South Sudan.</li></ul>																					
<b>registered address</b>	<ul style="list-style-type: none"><li>Every company must have a registered office in South Sudan to which all communications and notices may be addressed, and which must constitute the address for service of legal proceedings on the company.</li></ul>																					
<b>shelf companies</b>	<ul style="list-style-type: none"><li>Shelf companies are available for purchase in South Sudan.</li></ul>																					
<b>registration process</b>	<ul style="list-style-type: none"><li>Companies are registered with the Registrar of Companies, and it takes approximately two weeks to complete registration once all the required documents have been submitted.</li></ul>																					
<b>tax</b>																						
<b>tax system</b>	<ul style="list-style-type: none"><li>South Sudan has a residence-based tax system in terms of which residents are subject to tax on their world-wide income, whereas non-residents are subject to tax only on their South Sudan-sourced income.</li></ul>																					
<b>corporate residence</b>	<ul style="list-style-type: none"><li>A company is resident in South Sudan if it is incorporated in or if its place of effective management is in the country.</li></ul>																					
<b>corporate tax rate</b>	<ul style="list-style-type: none"><li>Resident companies and permanent establishments of foreign companies are subject to corporate income tax at the rate of 30%.</li><li>Insurance businesses are subject to tax at the rate of 10%.</li></ul>																					
<b>capital gains tax</b>	<ul style="list-style-type: none"><li>Capital gains are included in ordinary taxable income and subject to corporate income tax at the relevant rate of corporate income tax.</li></ul>																					
<b>withholding tax ("WHT") rates</b>	<table><tr><th colspan="3">WHT rate</th></tr><tr><th>payment to</th><th>residents</th><th>non-residents*</th></tr><tr><td>branch profits</td><td>N/A</td><td>N/A</td></tr><tr><td>dividends</td><td>10%</td><td>10%</td></tr><tr><td>interest</td><td>10%</td><td>10%</td></tr><tr><td>royalties</td><td>10%</td><td>10%</td></tr><tr><td>management, consulting, and technical service fees</td><td>N/A</td><td>20%</td></tr></table> <p><i>*The withholding tax rate may be reduced in terms of a relevant double tax agreement.</i></p>	WHT rate			payment to	residents	non-residents*	branch profits	N/A	N/A	dividends	10%	10%	interest	10%	10%	royalties	10%	10%	management, consulting, and technical service fees	N/A	20%
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management, consulting, and technical service fees	N/A	20%																				
<b>double tax agreements ("DTAs")</b>	<ul style="list-style-type: none"><li>South Sudan does not currently have any DTAs in force.</li></ul>																					

losses	<ul style="list-style-type: none"><li>Losses may be carried forward for a period of five years.</li></ul>												
transfer pricing	<ul style="list-style-type: none"><li>In terms of South Sudan's transfer pricing rules, transactions entered into between "related persons" must be entered into on an arm's length basis.</li><li>Persons are related if they have a special relationship that may materially influence the economic results of any transaction between them, including:<ul style="list-style-type: none"><li>persons where one holds or controls 50% or more of the shares or voting rights in the other legal person;</li><li>persons where one directly or indirectly controls the other person; and</li><li>persons who are directly or indirectly controlled by a third person.</li></ul></li></ul>												
limitations on interest deductibility	<ul style="list-style-type: none"><li>There are no thin capitalisation rules applicable in South Sudan.</li></ul>												
employee taxes	<ul style="list-style-type: none"><li>The income tax rates applicable to resident individuals are as follows:<table><tr><th>annual chargeable income (SSP)</th><th>tax rate</th></tr><tr><td>up to 240 000</td><td>0%</td></tr><tr><td>240 001 – 480 000</td><td>5%</td></tr><tr><td>4800 001 – 684 000</td><td>10%</td></tr><tr><td>684 001 – 1080 000</td><td>15%</td></tr><tr><td>over 1 080 000</td><td>20%</td></tr></table></li></ul>	annual chargeable income (SSP)	tax rate	up to 240 000	0%	240 001 – 480 000	5%	4800 001 – 684 000	10%	684 001 – 1080 000	15%	over 1 080 000	20%
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social security contributions	<ul style="list-style-type: none"><li>The Pension Fund Act, 2012 governs social security contributions in South Sudan. Employers must collect and hold pension contributions in a separate account and pay the accumulated contributions to employees on termination of their employment.</li><li>In practice, employers are required to make monthly contributions at 17% of the gross salary of each employee, while employees are required to make monthly contributions at a rate of 8%.</li></ul>												
payroll taxes	<ul style="list-style-type: none"><li>There is no payroll tax in South Sudan.</li></ul>												
stamp duty	<ul style="list-style-type: none"><li>The Companies Act imposes stamp duty on <i>inter alia</i> the allocation of shares and the transfer of shares and debentures. However, the applicable stamp duty rates are not specified.</li><li>In practice, stamp duty is levied on the transfer of immovable property at the rate of 15% of the value of the property.</li></ul>												
sales tax													
taxable supplies	<ul style="list-style-type: none"><li>Sales tax is levied on the production of goods in South Sudan, the importation of goods into South Sudan and specified services such as hotel, restaurant and bar services, telecommunication services and commissions.</li></ul>												

<i>sales tax rate</i>	<ul style="list-style-type: none"> <li>18%</li> </ul>
<i>registration threshold</i>	<ul style="list-style-type: none"> <li>A person who imports goods into South Sudan, produces goods in South Sudan or supplies specified services in South Sudan must register for sales tax purposes.</li> </ul>
<i>imported services</i>	<ul style="list-style-type: none"> <li>Non-residents engaging in taxable transactions are subject to sales tax.</li> </ul>
<b>trade marks</b>	
<ul style="list-style-type: none"> <li>The South Sudanese Ministry of Justice and Constitutional Affairs has confirmed that the country's Intellectual Property Bill of 2015 is still before Parliament and awaiting enactment.</li> <li>As a result, it is still not possible to renew trade mark registrations, but existing registrations shall remain valid in the meantime.</li> <li>The Ministry has also lifted the suspension on trade mark reservations. This means that trade mark owners can reserve their trade marks, and the registration process will be completed once the Bill is enacted. The Ministry maintains a database of reserved trade marks and conducts searches to ensure that identical or similar trade marks are not reserved in the names of different proprietors.</li> <li>Importantly, trade marks that were reserved or filed before the suspension of registration operations in 2014/2015 need not be reserved afresh.</li> </ul>	

ENS is a full-service law firm with significant experience and specialist expertise that spans all commercial areas of law, tax, forensics, and IP across Africa. For more information or assistance please contact:

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