



## **BANK OF SOUTH SUDAN (BoSS)**

### **Office of the Governor**

June 10<sup>th</sup>, 2025

#### Press Statement

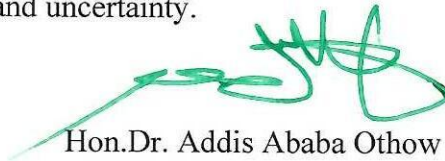
1. The Monetary Policy Committee (MPC) of the Bank of South Sudan has recently convened an extraordinary meeting at the Bank's head office in Jonduru. The meeting was chaired by Hon.Dr. Addis Ababa Othow, the Governor and Chairperson of the MPC, and all the members of the committee were present, except the external members, who are yet to be appointed.
2. The meeting reviewed recent macroeconomic developments and noted that the global economic environment is characterized by downward trends due to elevated risks and policy uncertainty amidst shrinking finance space. As a result, in its April 2025 economic outlook, the International Monetary Fund (IMF) downgraded the world economic growth to 2.8 percent in 2025 from 3.3 percent in 2024, and global inflation is expected to deviate from its course.
3. The meeting raised concern about the continued geopolitical tensions, and in particular the conflict in the Gulf of Aden and Sudan. The decision by the US Administration under President Trump to slash the USAID budget will have profound negative impacts on the developing and emerging economies, especially the nascent economy like South Sudan that depends on the USAID budget to support critical social sectors such as education and health.
4. The committee welcomes the ongoing government efforts of investments in agriculture and mining sectors to diversify the economy. Economic diversification is the only viable way that will help the country to avert and minimize the negative impact of external shocks.
5. The Committee recognized the challenges facing the financial and banking sectors and observed modest improvement in some of the key macroeconomic Indicators. For instance, inflation declined from an average of about 60 percent in December 2024 to about 19.8 percent in the first quarter of 2025 due to the tight monetary policy stance adopted by the central bank.
6. However, it is worth noting that South Sudan's economy is dependent on a single export commodity, which is crude oil. The sharp decline of the oil prices in the international market will undermine the prospects of positive economic growth.
7. Considering the above, the MPC commended the bank's management for resolving to adopt appropriate measures aimed at restoring confidence in financial and banking sectors.



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8. To achieve these measures, the MPC revised the key policy instruments and unanimously agreed to reduce the central bank rate (CBR) by 200 percentage points, from 15 percent to 13 percent, to spur and stimulate credit to the private sector and support robust economic growth.
9. The MPC also revised the Reserve Requirement Ratios (RRR). The MPC maintained the Reserve Requirement Ratio (RRR) for South Sudan Pound (SSP) at 20 percent of total deposits and raised the RRR for foreign currency (e.g., US dollars, Euro or pound sterling) from 20 percent to 25 percent of total deposits with immediate effect.
10. The Bank of South Sudan remains committed to supporting the economy at these tough times, and we are confident that the banking sector will navigate successfully through the fears and uncertainty.



Hon. Dr. Addis Ababa Othow

Governor and Chairperson, Monetary Policy Committee,

Bank of South Sudan-Juba

