



STRENGTHENING SOUTH SUDAN'S FINANCIAL SECTOR

THE 3SF PROJECT

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Introduction

The Government of the Republic of South Sudan (GoSS), represented by the Central Bank of South Sudan, also known as the Bank of South Sudan (BoSS), is implementing the Strengthening South Sudan's Financial Sector (3SF) Project, which is financed through a grant from the International Development Association of the World Bank. The project's goal is to enhance the institutional and supervisory capacity of the Bank of South Sudan and improve the efficiency of core financial sector infrastructure. This goal will be achieved by strengthening and modernizing the Bank of South Sudan, which is essential for financial stability and key to transforming the banking sector and encouraging private-sector growth.

The 3SF project commenced on December 1, 2023, and is expected to run until September 27, 2028. It is supported by an 18-million-dollar IDA Grant from the World Bank. The project is undertaken on the premise that a strong Bank of South Sudan is central to South Sudan's financial stability, private sector growth, and economic advancement. The project also targets the attraction of increased investment in South Sudan, an increase in stakeholder confidence in the South Sudan market, and the increased enforcement of fiscal regulations. It is envisaged that these benefits will promote a critical shift in the World Bank's approach in its dealings with South Sudan, from providing emergency relief to realizing long-term development and ownership by South Sudan. The project is (also) premised on the notion that a strengthened central bank is crucial for developing a comprehensive approach to addressing financial sector challenges and transforming the banking sector growth.

Project implementation is mainstreamed within a Project Implementation Unit (PIU) housed within the BoSS and is responsible for overall implementation, fiduciary, and Environment and Social Commitment Plan (ESCP) compliance for the project. Therefore, BoSS has the institutional responsibility for coordinating and managing the project, including procurement of consultancies and goods and services, financial management and reporting, communication, and Monitoring and Evaluation.

The Pillars of 3SF Project

- **Mission:** To ensure price stability and sound financial systems in support of sustainable economic growth in South Sudan.
- **Vision:** To be a credible central bank in fostering price and financial system stability.
- **Core Values:** Transparency, Accountability, Professionalism, Excellence and Teamwork.
- **Project Themes:** Development of a Strong Financial Sector System in South Sudan.



3SF Project Director, Mr. Atem Bul Malang at work

The Project's Key Deliverables

It is envisaged that the project will see the actualization of a number of benefits, including Financial Sector Strategy and Policy, training of BoSS staff, transition from compliance supervision to risk-based supervision, implementation of at least two BCP vulnerabilities, establishment of the South Sudan Institute of Banking and Finance, upgrade of the Core Banking System (CBS) from CBS version 8.3 to CBS version 9 and installation of GoAML system.

The Project Components

The project has four critical components, which include:

1. Formulating Financial Sector Policies

- (a) Financial Sector Development Strategy and Roadmap: Development of a financial sector development strategy and roadmap for the Bank of South Sudan (BoSS) including, inter alia, carrying out of sector diagnostic studies; developing a monitoring framework to assess implementation and impact on the ground; carrying out consultation and sensitization workshops with sector stakeholders; and development of a dissemination plan for the developed strategy and roadmap.
- (b) Building the capacity of BoSS to formulate and implement financial sector policies: Providing technical assistance and capacity building to BosSS staff on financial sector development issues, including on strategy development and developing a detailed training plan.

2. Institutional Strengthening of the Central Bank

Carrying out the following program of activities designed to strengthen and modernize the BoSS, namely:

- (a) Enhancing the Supervisory and Regulatory Oversight of BoSS: Strengthening the supervisory and regulatory oversight capacities of BoSS through inter alia: development and implementation of a work plan for transition from a compliance based to a risk based supervisory framework; development and implementation of a timebound corrective and remedial action policy to address

identified vulnerabilities; and provision of technical assistance to implement International Financial Reporting Standards (IFRS).

(b) Supporting the establishment of the South Sudan Institute of Banking and Finance (SSIBF)

- Providing technical assistance and capacity building to support the establishment of SSIBF;
- Carrying out of an independent human resources development institutional assessment; development of new human resources policies based on the assessment and provision of related capacity building support;
- Carrying out of a market skills assessment to inform the medium-term curriculum of the SSIBF and outreach to another financial sector professionals;
- Provision of technical assistance and capacity building for the SSIBF, including preparatory activities towards its establishment and operationalization;
- Capacity building for BoSS staff including participation in exchange programs with regional banking institutes; and
- Upgrading the BoSS training center; and supporting sensitization workshops for the financial services industry to ensure their active participation in the SSIBF.

3. Supporting the Development and Modernization of Key Infrastructure for the Financial Sector

Supporting the following program of activities designed to upgrade critical information technology infrastructure and provision of related technical assistance in BoSS and the Financial Intelligence Unit (FIU), in particular:

- a) Upgrade and Customization of the Core Banking System: Supporting the upgrade and customization of the core banking system (CBS) through, inter alia: carrying out a comprehensive review of business requirements and mapping of CBS9 functionalities to BoSS departments; carrying out gap analysis and development of business/technical specifications to support customization of CBS functionalities; upgrading and customizing CBS9 based on identified

business needs; and conducting capacity building and training for BoSS staff on CBS 9 functionalities.

- b) Enhancing the Effectiveness of the Financial Intelligence Unit: Through inter alia: provision of technical advisory services for identification of business process requirements and customization of applications for strengthening financial analysis and data collection mechanisms within the FIU; customization of applications to enhance fitness of purpose; provision of training and capacity building to FIU staff and AML/CFT stakeholders; provision of operating costs for the purpose; and provision of training to build the capacity of selected AML/CFT stakeholders

4. Project Management and Coordination

Supporting the management, coordination, reporting, and monitoring and evaluation (M&E) of project financing, activities and results, through: the establishment and operationalization of a Project Implementation Unit ("PIU") in the BoSS; the recruitment of key PIU staff (including project coordinator, financial management specialist, a procurement specialist, an M&E specialist, and an environmental and social specialist); (c) provision of non-consulting services, goods, operating costs and training for the PIU staff; and (d) establishment of project monitoring, including a geo-enabled monitoring system and beneficiary feedback/grievance redress mechanism.

Meet the Experts

The 3SF project has marshalled a team of prominent professionals to implement its objectives. The team comprises of:

- (c) Joseph Atem Bul – Project Coordinator.
- (d) James Batali – Senior Procurement Specialist.
- (e) Geoffrey Imbayi – Financial Management Specialist.
- (f) Peter Makokha, Ph.D. – Monitoring and Evaluation Specialist.
- (g) Duncan Ochieng Elly, Ph.D. – South Sudan Institute of Banking & Finance Consultant.
- (h) Japhet Ngura – International Financial Reporting Standards 9 Consultant.
- (i) Ceaser James Odhiambo - Oranga, Ph.D. - Communication Consultant.

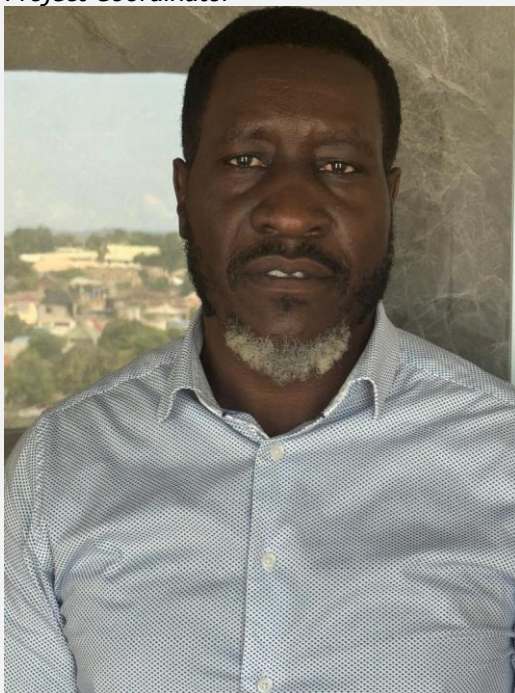
- (j) A Technical Advisor for the Bank of South Sudan (in the process of being recruited).
- (k) Specialised consulting firms (KPMG – Financial Sector Development Strategy, Implementation Roadmap, and Diagnostic Studies, Ernest & Young – Institutional Assessment, EMC – Environmental and Social Impact Assessment, etc).



*Mr. Atem Bul
Project Coordinator*



*Dr. James Oranga
Communications Consultant*



*Geoffrey Imbayi
Procurement Consultant*



*Dr. Duncan Elly
SSIBF Consultant*



*Japhet Ngura
International Financial Reporting
Standards 9 Consultant*



*Dr. Peter Makokha
Monitoring and Evaluation Consultant*



*Mr. James Btali
Senior Procurement Specialist*

Project Progress

Since the commencement of the project, the following milestones have been realized:

4. Monitoring and Evaluation

The project's monitoring and evaluation are structured as follows:

- (a) Development of the project results framework with an in-built M&E plan that entails the 3SF theory of change, the results chain, and the risk matrix.
- (b) Development of the project risk matrix with detailed risk-scenario mapping where all the project-related risks were mapped alongside their severity, residual impact, probability of occurrence, and mitigation measures.
- (c) The identification of key training areas for staff capacity building and the development of their training programme.
- (d) Review and update 3SF M&E Framework by developing a results chain, a results measurement framework, and an M&E plan.
- (e) Development of a logical framework with an in-built results template to be used for results measurement for the four (4) project components, viz, financial sector policies, institutional strengthening, development and modernization of key infrastructure, and project management and coordination.
- (f) Development of two results reporting templates (logical framework and the results chain) to enable smooth and timely collection of monitoring data.
- (g) Undertaking of training needs identification in consultation with the M&E unit at the Bank's corporate planning department.
- (h) Development of an M&E training plan for the bank's staff in consultation with the corporate planning department.
- (i) Development of the Terms of Reference (ToR) template to be used in mid-term review of the bank's strategic plan (2023-2027).
- (j) Development of a post-training evaluation template for adoption across the Four project components.
- (k) Finalized and submitted the project's M&E inception report.
- (l) Currently finalizing the project's 2024 M&E report and the project progress report to update project indicators in preparation for the upcoming WB supervision mission scheduled for 15th September, 2025.
- (m) The status of the three indicators to be realized before the mission is as follows:

Indicator	Status
Development of the financial sector development strategy and implementation roadmap.	This was to be achieved in Sept 2024. It was, however, delayed due to long procurement processes. KMPG recruited & is working on it. It is anticipated for December 2025.
South Sudan Institute of Banking and Finance (SSIBF).	To be operational by Aug 2025. Three key metrics must be achieved to unlock funding, including official registration, board formation, and the development of an operational plan.
Software solutions (GoAML) for the FIU acquired by June 2025.	This is a software solution for FIU to be used for capturing suspicious transactions. It was to be achieved by June 2025. Challenges experienced were beyond the project scope. The Kenyan FRC is currently assessing the infrastructure requirements of the solution.

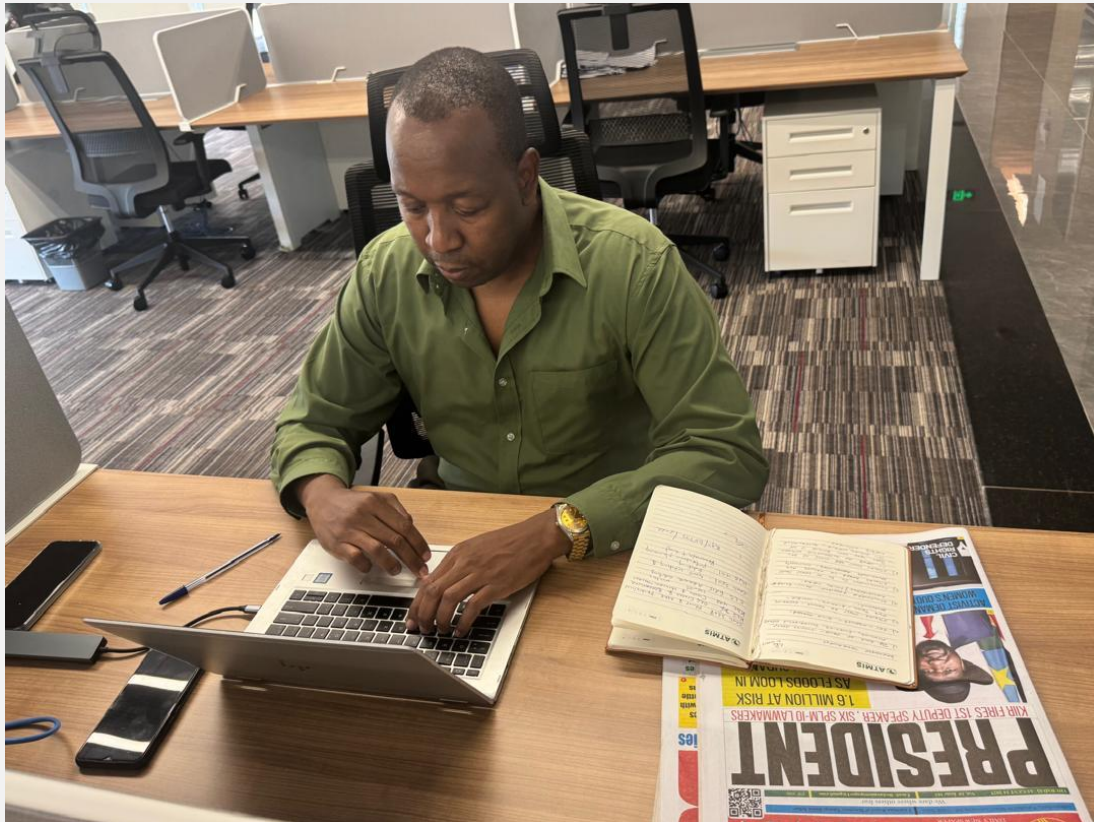
- (n) Secured virtual data collection software (KoboCollect) that will be used by the project team in data collection. The SPSS software that will be used in training data analysis approaches for the PIU and M&E unit of the Corporate Planning Department (CPD) has also been obtained.
- (o) Familiarized the M&E staff of the BoSS Corporate Planning Department on the results framework, including the Theory of Change (ToC) and the Logical Framework Approach (LFA).
- (p) Developed the M&E activity plan in liaison with the M&E unit at the Corporate Planning Department.
- (q) Developed the post-training evaluation tool for the 3SF PIU for use during satisfaction ratings by trainees in capacity-building events.
- (r) Development of the M&E training manual.
- (s) Developed and rolled out the M&E Bank champions' programme on the 15th August 2025.

5. Communication

The project's communication is structured as follows:

- (a) The undertaking of a communications audit of the BoSS and identification of the professional needs for both internal and external communication.
- (b) The commencement of capacity-building programs for the Department of Communication and Public Relations. To date, four training sessions have been completed in the areas of improved communication skills, enhancing corporate communication, conducting communication audits, and etiquette and protocol.
- (c) Mapping of the stakeholders of the Bank of South Sudan, both internal and external, in preparation for the development of the Bank's stakeholders' engagement plan.
- (d) The review of the existing BoSS communications strategy and identification of existing gaps and the required inputs.
- (e) The development of a template for an improved communications strategy for the Bank of South Sudan and the 3SF project.
- (f) The formal request for the procurement of communication tools to enhance the digital communication capacity of the Department of Communication and Public Relations and the BoSS.
- (g) The development of a systematic framework for capacity-building exercises to be conducted outside of South Sudan.
- (h) The development of a webpage on the BoSS website specifically dedicated to highlighting activities and milestones of the 3SF project.
- (i) The commencement of content creation to inform stakeholders on the specific activities being undertaken for the 3SF project and their respective benefits to the financial sector. So far, an informative article and an analytical documentary that outlines a comprehensive exposé of what the project is all about have been completed.
- (j) The completion of the communication specialist's inception report.
- (k) The development of a comprehensive year-long communications and corporate affairs training schedule for all BoSS staff, including protocol and etiquette issues.
- (l) The development of a photo gallery that captures all 3SF.

- (m) The planning of a media breakfast briefing ahead of the World Bank Observer mission to enlighten the public on the 3SF project, its progress, and its accomplishments.
- (n) The constant monitoring of mainstream media for mentions of BoSS and 3SF activities.



3SF Communication Consultant, Dr. James Oranga at work.

6. South Sudan Institute of Banking and Finance

- (a) The approval of the Board of Directors of the Bank.
- (b) The formal registration of the South Sudan Institute of Banking and Finance in on-going.
- (c) The Upgrading of the facility to be used as the Juba campus of the SSBIF is also on-going.
- (d) The commencement of the construction of the Wau campus of the SSBIF.
- (e) Refined draft Memorandum and articles of association for registration of SSIBF with Ministry of Justice as a company limited by Guarantee.
- (f) Developed Terms of Reference for the Legal expert to register SSIBF with Ministry of Justice.

- (g) Identified members of the Bank of South Sudan who are the initial subscribers to the MEMARTs for registration.
- (h) Developed a draft board Charter that will guide the nomination and governance for SSIBF Board of Directors.

7. International Finance Regulatory Standards 9

- (a) Key stakeholder departments and divisions have been mapped out based on the new BoSS organogram. The leadership from all these departments has been met and informed about their relevance in the IFRS 9 implementation process.
- (b) The key financial sector players under supervision by BoSS have been mapped out.
- (c) A TOR for the IFRS 9 implementation committee consisting of representatives from BoSS stakeholder departments as well as the regulated sectors, has been developed. The TOR has been approved by the BoSS leadership, and nomination for membership on the committee is currently underway.
- (d) IFRS9 Compliance diagnostics and Gap Analysis have been produced for both the supervision department as well as BoSS financial reporting function.
- (e) Sector sector-facing questionnaire has been developed to gather information on IFRS 9 Compliance and gap analysis for the financial sector. The questionnaire is currently under review by BoSS management.
- (f) A two-day stakeholder engagement forum for IFRS 9 adoption is currently being planned for the first week of September 2025.
- (g) The review of the BSA manual has been completed, the gap analysis report submitted, and comments from BoSS are being addressed.
- (h) The process of organizing the first meeting of the sector representatives and the supervision department members of the IFRS 9 team for the stakeholder engagement forum has commenced.
- (i) The process of organizing the first training and migration awareness with the industry has also commenced.
- (j) The gap analysis process has been completed for the supervision department to identify areas where guidance is needed.
- (k) A database for the financial sector players has been obtained, and a formal communication has been made to organize an engagement.

Other Activities Under 3SF

Word from the Governor on Institutional Assessment of Bank of South Sudan (BoSS)

The Bank of South Sudan (BoSS) plays a critical role as the central bank of the Republic of South Sudan, in ensuring monetary and financial stability within the country. However, like many central banks in developing and post-conflict economies, BoSS faces numerous challenges, including structural inefficiencies, capacity constraints, and operational gaps that impede its ability to effectively deliver on its mandate.

Recognizing these constraints, BoSS has initiated an institutional assessment as part of its strategic effort to strengthen its operational capacity and align with international standards. This assignment, supported by the World Bank Group, aims to provide a comprehensive evaluation of BoSS's organizational structure, internal processes, human resources, and governance frameworks.



Meeting with Hon. Dr. Addis Ababa Othow, the Governor of the Bank of South Sudan & the Bank's top brass in a strategic planning meeting.

The assessment will identify existing gaps and propose actionable recommendations to address these gaps, ensuring that BoSS is equipped to respond to the dynamic needs of South Sudan's financial sector. It is therefore important to respond to key assignment expectations:

i. The type of BoSS that will emerge from the institutional assessment

The gist of the proposed institutional assessment is that BoSS will leverage the findings of the assessment to understand the current operational and institutional gaps at BoSS and, in response, design a needs-based capacity building and training program to be adopted by the upcoming South Sudan Institute of Banking and Finance (SSIBF).

ii. The role of the different stakeholders including the Board, management and staff in the assessment and possible change process

BoSS attributes its continued strength and performance to a team of committed employees who have duly supported the Board and Management to register the successes that the Bank has enjoyed over the years. BoSS wants staff to continue in the same spirit so that all parties benefit from the ongoing Institutional assessment process.

Management is convinced that we can only get the best out of this institutional assessment initiative if all stakeholders not only have a shared understanding of the strategic direction for the new BoSS but are also prepared and committed to be actively involved the course of events that will lead to this desired assessment and change.

iii. The implication of the change to staff

Staff would naturally be interested in the impact of the proposed changes on them individually and as a group in respect to organizational and reporting relationships, job roles and responsibilities and how BoSS will support them to cope with any changes that might come with it.

The assignment undertaken by the Consultant is aimed at providing an enabling environment for implementing our strategies through the following:

- a) Building and embracing a shared understanding of the strategic direction for BoSS.

- b) Carrying out a review of the existing organizational structure and its appropriateness in terms of hierarchies, reporting, internal synergies, roles and responsibilities, and internal movements.
- c) Analyzing data to identify areas where staff capacity and skills may need improvement.
- d) Analyzing the gap between BoSS's current capacity and the desired competencies needed to achieve its strategic objectives.
- e) Evaluating existing training initiatives.

I would therefore like to confirm that the BoSS Board and management are fully committed to supporting this exercise and will deploy all the required resources necessary for the successful implementation of relevant recommendations.

iv. Supporting staff

BoSS has contracted Ernst & Young, to work with our HR team/ Counterpart project team to undertake this institutional assessment and propose recommendations thereof. This team will need our total commitment and cooperation to be able to fully work through the assignment.

Finally, I firmly believe that this institutional assessment and change process will result into positioning the Bank with a better working environment to achieve both our organizational and individual aspirations as the stakeholders of BoSS.

Governor

Bank of South Sudan

