The secession of Southern Sudan has been decided upon. Economic observers now draw their attention towards the future cooperation between the North and the South. In focus is the oil industry.

Oil extraction in the South, the use of the Northern pipelines and oil exports are the issues and themes Shadia Saied Ahmad discussed with the head of the Energy and Mining Committee's oil subcommittee at the National Assembly, Dr Yasir Abu Kasawi, in the following interview:

*Q: What is the role of the the Energy and Mining Committee in the near future, especially after the oil of the South is now expected to be subtracted from the state's general revenue?*

A: Oil plays an important role in the economy of Sudan, and there is oil in the North with a share of not less than 150 thousand barrels. We now as well have alternatives to oil, as the Ministry of Minerals has already drafted plans for the discovery of minerals in the North. In addition, the Energy and Mining Committee's oil subdivision at the National Assembly has started the revitalization of the legislative and supervisory role of the parliament, and is encouraging foreign companies to invest in Sudan. We have as well visited six oil companies affiliated with the Ministry of Oil in order to draft plans for furthering the development of the oil industry in Sudan.

*Q: There are reports of oil discoveries in the North. Is this a strategy for reassuring the Sudanese people and for reducing the consequences of missing the oil revenues generated in the South?*

A:  Yes, these discoveries will soon become a real alternative to the oil of the South. We visited the Indonesian company, Petromina, which carries out explorations in the Red Sea. There are alsol companies working in the Bayuda desert, as well as Sudapak company working in the Gezira. These companies are working hard so that Sudan achieves sufficiency with the oil from the North alone, and there will be more discoveries to come.

*Q: Sudan is an oil state, but that is not reflected in the lives of citizens. The low standards of living shed doubts on these oil revenues.*

A:  No, the opposite is true. Perhaps citizens do not notice the impact of oil revenues through their income, but Sudan has now become a viable destination for investment. Sudan benefits now from abundant goods, sustainable development and bursting real estate development. Investing in the country has become a prize international companies compete for. If compared to other developing countries, Sudan is found to be be ahead of all by 10% in economic growth, all thanks to the oil revenues.

*Q: In the short term, how can the government bridge the financial gap, which would result from the oil of the South no longer being part of the budget revenues of Sudan? Should we expect additional increases in the prices of goods?*

A: We do not want to call it a gap, but let us say that the Ministry of Finance has been supporting this sector [oil and gasoline] with large amounts of money. However, the procedures undertaken by the Ministry of Finance were approved by the Parliament, as it was satisfied and convinced by the the justifications put forward. The economy of the country will recover, as investment plans have been drafted for all sectors, including mining, import, export and manufacturing. After the increase in prices, the markets have been stable, goods became available, and the Sudanese people accepted these 'surgeries' with an open mind, trusting that this is only a transition period the country will soon overcome.

*Q: Can we expect further increases in the coming days?*

A: We do not expect any more increases. The Ministry of Electricity has confirmed that there will be no price increases in the electricity sector, and neither in the petroleum sector. The alternatives that have been developed go along the lines of continuous state support in the areas of export, determining the necessary imports and encouraging the agricultural and the industrial sectors. The implementation of all these plans has already started, and the Sudanese economy starts to recover.
 *Q: As a member of a competent committee, how do you see the future cooperation between the states of North and South Sudan, especially in regards to the oil sector? Were issue of oil pipeline renting, refineries and export services discussed?*

A: This question is premature, but I assure you that the separation between the North and the South will be on paper only. We consider the North-South relationship to be intimate and cooperative. Concerning the oil issue, the partners will have to come to an agreement, as cooperation will serve the interests of both.

*Q: There has been a lot of talk about problems with services in the areas where the oil companies are located. Environmental issues and lack of employment opportunities for the people living in these areas, among many others. Have you investigated these problems?*

A:  As a committee, these problems were not presented to us. If, in the future, these issues are put on our table, we will exercise our supervisory and legislative prerogatives as fit.

*Q: There is as well talk of discovered metals in large quantities. Will these metals be the alternative to the oil of the South to bridge the gap in the budget?*

A: The Ministry of Minerals is making promising discoveries every day. Gold and silver, among many other precious metals, will be alternatives and will contribute to offset the financial balance of Sudan.

*Q: Do you see a point in telling the Sudanese citizens about these new discoveries, be it about oil or precious metals, especially given that the oil revenues did not improve their livelihoods?*

A: I do not agree with you that citizens did benefit from oil revenues. As I have mentioned above, there are numerous  sustainable projects of development both on local and state levels, all thanks to oil revenues. Whoever says there are no tangible benefits drawn from oil revenues is wrong. To take the example of Jebel Awlia, ongoing development is taking place and the State of Khartoum reserves continuous attention to the locality through the opening of a number of health centers and the distribution of free health cards. In addition, the planning of villages and roads for the locality is as well ongoing, and citizens in the area will soon be benefiting from electricity at a cheap price: Convenient installments for a period of five years after a prepayment of 500 Sudanese Pounds is made. All this was achieved through oil revenues.

*Q: Citizens speak of increases in prices recently, and all the achievements you have reported concern one locality only and not the country as a whole.*

A: The increases in the prices of sugar and petroleum products have been occurring throughout the world, and Sudan is no exception. This, however, has no effect on the development of the citizens and the country. Sustainable development is carried out without interruption and the Sudanese citizens will benefit from all new discoveries of oil and minerals.