

Republic of the Sudan

Ministry of Finance and National Economy

M O F – P . U

*Share of the Government of Southern Sudan (GOSS) in
crude oil revenue and payments made as of 2005*

January 2005

Share of the Government of Southern Sudan (GoSS) in crude oil revenue and payments as of 2005

First: Assignment of oil production quantities and shares

Percentage of shares are determined according to the actual quantities of oil produced from the wells of Southern Sudan . Percentage is applicable on crude oil consumed locally and the exported quantities as well. Shares differ from one month to another in conformity with the statistics of the Sudanese Petroleum Corporation.

Percentage of Oil produced by wells of Southern Sudan

January	74.94 %
February	74.84 %
March	75.24 %
April	73.40 %
May	71.57 %
June	71.90 %
July	71.05 %
August	71.42 %
September	71.13 %
October	71.61 %
November	71.78 %
December	72.40 %

Second:

Division of shares has been calculated starting from 10 January 2005 as per the terms of the CPA.

Third:

Calculations of the GoSS shares in the exported quantities are made as follows:

- A. Revenues actually received are transferred to GoSS account at Bank of Sudan on monthly basis.

- B. Deduction of the portion concerning price fixation of crude oil calculated in accordance with budget ceiling.
- C. Deduction of oil haulage expenses paid in the related month.
- D. Application of the above mentioned production percentage on the net revenues of the exported oil transferred to the account at Bank of Sudan.

Fourth:

Crude oil locally consumed

- a) Pricing of crude oil consumed by local refineries is determined according to the average of international price FOB for the preceding month.
- b) Administrative fees was deducted .
- c) Cost of crude oil purchased by local refineries is paid in the subsequent month
- d) Percentage of GoSS share each month is calculated according to the above-mentioned percentages.

Seventh

Total revenues forwarded to GoSS :

Total amount of revenues forwarded to GoSS is \$ 798.7 million detailed as follows:

Revenue of crude oil export	527.8
Revenue of crude oil consumed locally	270.9

Eighth:

Due to the delay adhered to formation of the government of national unity (GNU), the national government continued to meet the direct expenditure on GoSS. Accordingly, total transfers and direct expenditure on GoSS is amounted by \$ 720.8 Million, approx., for the year 2005.

Direct transfers to GoSS account at Bank of Sudan \$523.3 Million

Attached herewith detailed chart of monthly transfers and direct expenditure on GoSS.

Ninth:

Consequently, net payment forwarded to GoSS is around \$ 77.9 million . This resulted in :

- a) Continuation of direct expenditure by the GNU to cover the following sector:

Police
Judiciary
Higher education
Support of power consumption
Support of students
Support of medical treatment
Support of health insurance

GNU became responsible for support of local crude oil as pricing shares of GoSS is calculated according to international prices, while sale of local crude oil is offered to domestic refineries in prices much less than the international prices. Therefore support born y GNU for the payment of GoSS share of crude oil was amounted by 207.5 million, approximately.

- b) Settlements in favour of the directorate General of Customs Police against GoSS has not yet been calculated .

Chart showing the direct expenditures and transfers made in favour of GoSS for the period (Jan –Dec . 2005) in million dollars

Month	Direct expenditure	Transfers in favour of GoSS	Total
January	0.1	-	0.1
February	28.2	-	28.2
March	15.9	-	15.9
April	20.7	-	20.7
May	19.8	30	49.8
June	26.4	30	56.4
July	16.3	104.2	120.5
August	16.2	62	78.2
September	12.0	83	95
October	14.0	76.1	90.1
November	9.3	64	73.3
December	18.6	74	92.6
Total	197.5	523.3	720.8

Fifth:

Export revenue paid to GoSS (in million US Dollars):

Month	Total revenue of exported oil	Haulage expenses (export + local)	Net amount (available) for the NUG	Amount available for distribution (having deducted 20% for producing States)	Percentage of oil in Southern Sudan	Net amount due to GoSS
January*						
February**	76	23.8	51.2	50.1	74.94	18.8
March	98.3	31.2	67	65.7	74.84	24.6
April	160.5	26	124.4	121.9	75.24	45.8
May	137.5	30.5	107	104.8	74.4	38.6
June	87.8	30.2	57.5	56.4	71.57	20.1
July	204.9	29.7	175.2	171.6	71.9	61.7
August	229.1	23.4	205.6	201.6	71.05	71.0
September	208.4	26.9	181.5	177.9	71.42	63.5
October	165.7	24	141.6	138.8	71.13	49.3
November	196.7	28.3	168.4	165.1	71.61	59.1
December	239.1	26.5	212.6	208.4	71.78	74.7
Total	1,793.00	300.5	1492.1	1462.2		527.8

Sixth

Export revenues paid to GoSS (in million US Dollars):

Month	GoSS total revenue of local crude oil	Administrative fees (export + local)	Revenue (available minus admin. fees)	Revenue available minus share of producing states	Percentage of oil produced in S. Sudan	Net amount due to GoSS
January						
February	7.2	3.9	3.3	3.2	74.04%	2.4
March	71.3	10.3	61.1	59.8	74.84%	22.4
April	85.3	16.8	68.5	67.1	75.24%	25.1
May	101.4	14.9	86.6	84.8	74.40%	31.6
June	110.7	16.9	93.8	91.9	71.57%	33.7
July	85.8	16.8	72.9	71.5	71.90%	25.4
August	106.4	17.5	88.8	87.0	71.06%	30.0
September	27.8	15.0	12.2	11.9	71.42%	4.2
October	86.6	17.4	69.2	67.8	71.13%	24.0
November	122.2	15.3	106.9	104.8	71.61%	37.5
December	112.6	16.5	96.1	94.1	71.78%	33.7
Total	921.30	161.9	759.4	743.9		270.9

