

Tuesday, 11 June 2013

## Sudan formally orders firms to shut South's oil flow



Sudan's oil ministry formally told oil companies on Tuesday to block the export flow of South Sudanese crude oil, following an order from President Omar al-Bashir.

Oil Minister Awad Ahmad al-Jaz presented the written directive in a meeting with senior executives of the GNPOC joint operating company and Petrodar, the ministry said.

It orders them "to stop the process of transportation and exporting South Sudanese oil within 60 days starting from Sunday June 9," the ministry said.

On Sunday, Khartoum froze nine security and economic pacts with South Sudan, including a deal to restore economically vital oil shipments through the Red Sea export terminal.

A day earlier, Bashir had said the oil minister must issue a formal order effective Sunday to close the pipeline.

An expert told AFP 45 days would be required to complete a shutdown without damaging the infrastructure.

Despite these moves, Khartoum said it remained committed to good relations if the South's government ended what it claims is support for rebels on Sudanese soil.

Bashir had earlier warned the South over backing rebels, who analysts say humiliated the authorities with recent attacks.

Juba denies supporting insurgents in the north and, in turn, has accused Khartoum of backing rebels on southern territory.

South Sudan became independent two years ago under a peace deal that ended a 22-year civil war. It separated with most of Sudan's 470,000 barrels per day of oil production but the export infrastructure remains under northern control.

Until March, when the two countries reached detailed timetables to implement the nine agreements, the two sides had not been able to agree on how much Juba should pay to use the pipeline.

The deals had been held up for months because of Sudan's concerns that the South was backing rebels.

Those concerns have now resurfaced publicly even though the two sides had begun jointly monitoring a demilitarized border buffer zone along with United Nations peacekeepers.

On Tuesday, the oil minister told the companies that "South Sudan is not serious about implementing the security agreement."

On Sunday, Juba accused Khartoum's troops of pushing through the buffer zone and into South Sudan. Khartoum in turn said the South had not withdrawn from six areas along the frontier.

The United States said that, if carried out, Sudan's order to shut the pipeline would be a violation of the nine accords signed in September.

The pacts "only allow for a shutdown with 60 days of notice for economic or technical reasons. This is neither," State Department spokeswoman Jen Psaki said on Monday.

South Sudanese President Salva Kiir urged his people to remain calm and said on Monday he would not take his nation back to war despite Khartoum's "aggressive attitude."

GNPOC is 40 percent owned by China's CNPC, 30 percent by Petronas of Malaysia, with 25 percent held by India's ONGC and five percent by SUDAPET of Sudan, according to its website.

Petrodar is a Chinese-Malaysian joint venture with Khartoum.