

South Sudan

Chinese Development Finance, 2011-2023



Country Profile

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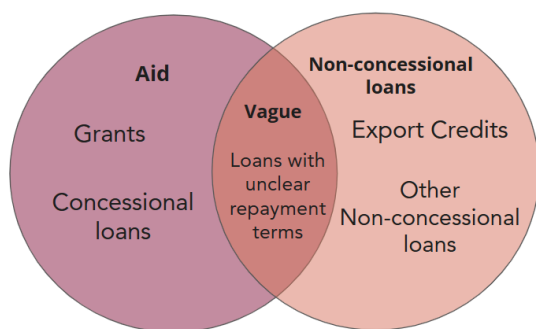
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Key concepts: aid, non-concessional loans, and vague flows

In this profile, China's official development finance portfolio is represented across three main categories: aid, non-concessional loans, and vague. Loans from Chinese state-owned entities can either qualify as aid or non-concessional loans, based on how their borrowing terms compare to regular market terms (i.e., the level of financial concessionality) and whether or not they have development intent (i.e., if the primary purpose of the financed project/activity is to improve economic development and welfare in the recipient country). Aid from Chinese state-owned entities includes grants, in-kind donations, and concessional loans with development intent. The "non-concessional loans" category captures loans from Chinese state-owned entities that are provided at or near market rates and those that primarily seek to promote the commercial interests of the country from which the financial transfer originated. An export credit is a specific type of loan issued by a Chinese state-owned bank or company that requires an overseas borrower to use the proceeds of a loan to acquire goods or services from a Chinese supplier. Export credits are not considered aid since they have a commercial rather than a development purpose. See Appendix B for more details.



Key concept: What is concessionality?

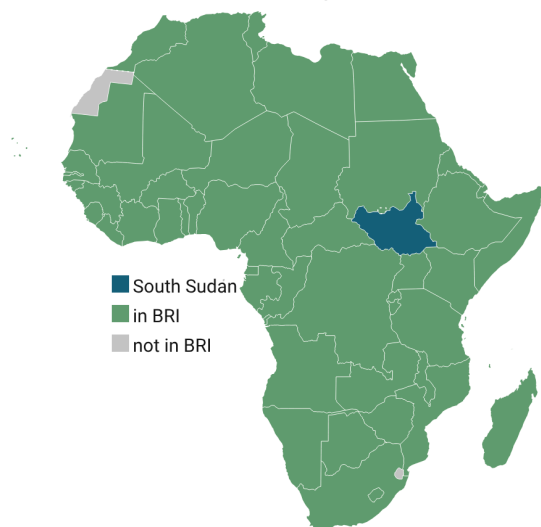
Concessionality is a measure of the generosity of a loan or the extent to which it is priced below-market rates. It varies from 0% to 100%, with higher values representing more concessional loans.

Non-concessional loans are those provided at or near market rates. The Organisation for Economic Co-operation and Development (OECD) determines which official sector financial flows constitute "aid" based on a grant element threshold for concessionality. Given that China does not report its loans or lending terms to the OECD, some of its official sector financial flows cannot be classified as "aid" or "non-concessional." In this report, such loans are assigned to the "vague" category.

Executive Summary

- Between 2011 and 2023, official sector lenders and donors from China committed \$5.2 billion across 180 projects, making South Sudan the seventh largest recipient of Chinese aid and credit in Eastern Africa.
- China's portfolio in South Sudan is dominated by emergency rescue lending. Seventy percent of all Chinese lending to the country consists of oil-backed commodity prepayment arrangements provided by CNPC and NORINCO Group in 2014 and 2015, designed to give the South Sudanese government immediate cash in exchange for future oil deliveries at discounted prices.
- The commodity prepayment model kept South Sudan's government afloat during the civil war but created severe fiscal problems. The two largest facilities, totaling \$3.4 billion from CNPC and NORINCO, were meant for short-term budget support, yet repayment stretched well beyond the original terms. South Sudan failed to repay a \$1 billion CNPC loan within its 45-day maturity, accruing principal arrears that were not fully cleared until November 2019. In June 2019, President Salva Kiir suspended all oil prepayment agreements, acknowledging that the discounted prices had deprived the government of revenues it could have otherwise captured at market rates.
- Outside of emergency lending, China's portfolio shifted toward infrastructure after South Sudan joined the BRI in 2018. China Eximbank committed \$765 million for the Juba-Terekeka-Yirol-Rumbek Road and \$250 million for an Air Traffic Management System. Infrastructure projects account for 30% of total lending. Both loans required the government to maintain minimum cash deposits in Chinese-controlled escrow accounts. No significant new loans have been issued since 2021.
- Half of China's cumulative loan commitments to South Sudan show signs of financial distress. Four loans totaling \$2.4 billion exhibit evidence of arrears, overdue payments, or failure to meet contractual obligations. The Air Traffic Management System project was halted in 2023 after the government fell \$40 million behind in arrears. Construction on the Juba-Terekeka-Yirol-Rumbek Road stopped in May 2025 for the same reason. The World Bank and IMF classify South Sudan at high risk of external debt distress.
- By the end of 2024, South Sudan owed an estimated \$935 million in outstanding PPG debt to Chinese creditors, equivalent to 20.1% of GDP. All nine Chinese loans to South Sudan are classified as public debt, contracted directly by the government. Virtually all lending (91%) is backed by collateral.
- The Juba-Terekeka-Yirol-Rumbek Road project illustrates how instability, construction failures, and corruption have compounded to undermine Chinese-financed infrastructure in South Sudan. Construction began in 2014, was suspended in 2016 due to civil war, resumed in 2019 under an oil-backed financing framework, and was further delayed after heavy rains washed away unpaved segments in 2020. A United Nations report found that South Sudanese officials siphoned funds into off-budget accounts—contributing to the payment defaults that halted construction in 2025.

African countries that have joined the BRI



South Sudan and China's Belt and Road

South Sudan, a landlocked nation in East-Central Africa, officially joined China's Belt and Road Initiative (BRI) in 2018. Its participation in the BRI builds upon a history of cooperation with China and its neighbors through the Forum on China–Africa Cooperation (FOCAC), which has provided a platform for South Sudan to pursue new opportunities in trade, infrastructure, and development.

Historic relationship

South Sudan officially became independent from Sudan in 2011. China officially recognized South Sudan's independence in 2011, although the two countries engaged before the start of the official diplomatic relationship with China opening a consulate in Juba in 2008.¹ China National Petroleum Corporation, one of the most significant Chinese actors in South Sudan, has been active in South Sudan's oil sector since the 1990s. Between 2013 and 2020, South Sudan experienced a civil war, which exposed the South Sudanese population to human rights abuses, displacement, and instability. Since 2020, South Sudan has been ruled by a government coalition composed of President Salva Kiir and opposition leader Riek Machar as his deputy.²

Present-day relationship

China's present-day engagement with South Sudan is primarily defined by South Sudan's large natural deposits of oil. When the young country faced significant liquidity pressures in the first few years of its independence, Beijing moved early to anchor its role as one of the country's key external partners. Some of China's earliest loans to the country provided up-front cash to the South Sudanese government, to be repaid later through future oil sales (called commodity pre-payment arrangements). These loans once kept South Sudan afloat, but the model has since become controversial, with South Sudanese officials claiming it deprived the government of vital revenues that could have been secured at market prices rather than the discounted prices agreed with Beijing during times of crisis. Even so, Beijing has extended other types of grants and loans to South Sudan, underscoring its drive to build its relationship beyond pre-payment facilities related to oil sales.

¹China recognizes the independence of South Sudan. (n.d.). From http://ss.china-embassy.gov.cn/eng/sbjw/201107/t20110711_7252414.htm

²For more information on South Sudan's coalition government, see Al Jazeera (2020) for more information at <https://www.aljazeera.com/news/2020/2/22/south-sudans-rival-leaders-form-coalition-government>.

Overview: Chinese development finance in South Sudan from 2011-2023

\$5.2 billion

in loans and grants provided by official sector donors from China.

93%

of Chinese development finance is provided via loans.

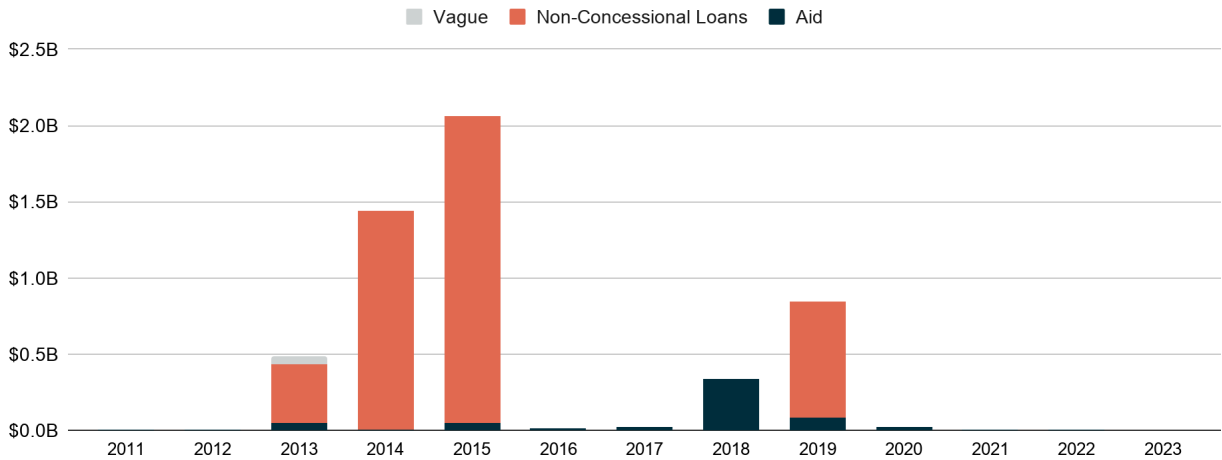
169

grants, technical assistance, and training activities offered.

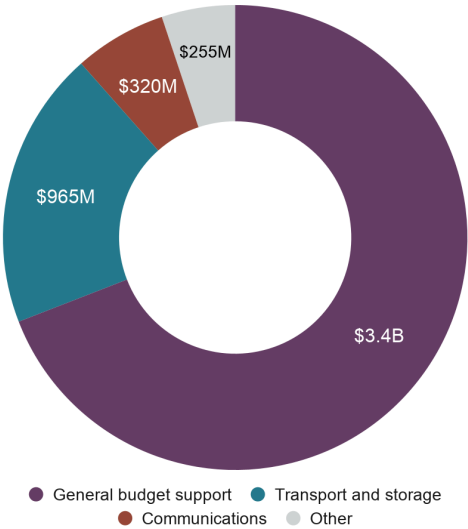
7th

largest recipient of Chinese aid and credit in Eastern Africa.

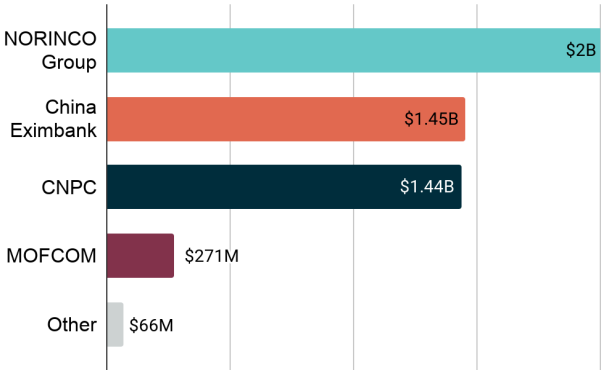
Official sector financial commitments from China to South Sudan, 2011-2023³



Portfolio by sector



Portfolio by funder



NORINCO Group: China North Industries Group Corporation Ltd.; China Eximbank: Export-Import Bank of China; CNPC: China National Petroleum Corporation; MOFCOM: Ministry of Commerce

³For definitions of the categories of aid, non-concessional loans, and vague, please see Key Concepts on page 2 or Appendix B.

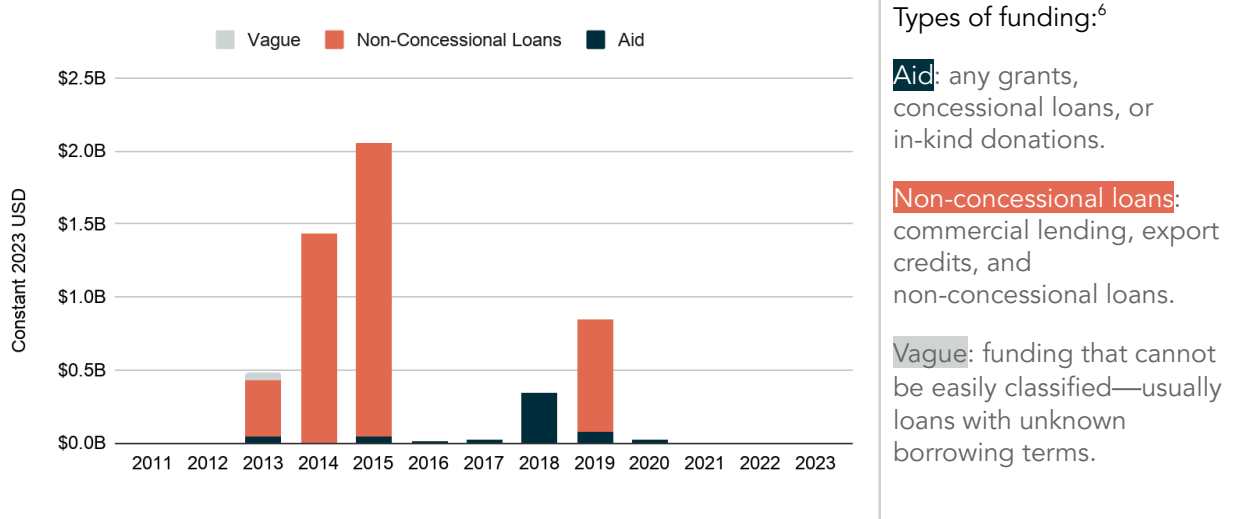
How much development finance has China provided South Sudan since 2011?

China’s financing to South Sudan started in 2013 shortly after the country gained independence in 2011 (see Figure 1.1). In 2013, China delivered development finance in the form of non-concessional loans, aid, and other means to South Sudan, specifically focusing on financing for infrastructure projects. In 2014 and 2015, following the outbreak of the civil war in South Sudan, China mostly provided general budget support. After South Sudan’s accession to BRI in 2018, China once again ramped up its financing in South Sudan.

Between 2011 and 2023, official sector lenders and donors from China provided grant and loan commitments worth \$5.2 billion for 180 projects and activities in South Sudan. That makes South Sudan—a country with a small economy (GDP: \$11.9 billion, as of 2015) and population (11.4 million residents)—the 7th largest recipient of Chinese aid and credit in Eastern Africa and the 76th largest recipient in the world.⁴

Before South Sudan joined the Belt and Road Initiative (BRI), nearly all (99%) of its financial flows from China (2013–2017) came through commodity prepayment arrangements. Under these deals, Chinese state-owned companies provided up-front cash to the South Sudanese government, to be repaid later through future oil sales.⁵ This early financing approach contrasts sharply with China’s post-2018 portfolio in the country, which shifted toward infrastructure projects such as the construction of the Juba-Terekeka-Yirol-Rumbek Road. Since 2021, however, there have been no significant new loans issued to South Sudan.

Figure 1.1: Official sector financial commitments from China to South Sudan



China’s portfolio of financing to South Sudan is significantly less concessional than other donors, and has been subject to scrutiny. Although the oil prepayment facilities provided by Chinese and other international institutions initially seemed like an attractive way to secure quick money to address government budget shortfalls during and after the civil war, over time they have created significant cash flow problems for the government of South Sudan. These

⁴The global ranking includes high income countries.
⁵See Appendix B for the definition of prepayment facility.
⁶For more information on these categories, please see Appendix B.

prepayment agreements charge interest on the amount prepaid to the borrower, while the financier receives a discount on the price of the commodity. In South Sudan, these prepayment facilities have left the government with debt, while also significantly reducing the potential revenue that could be obtained from the oil sales due to the agreed-upon discounted prices. According to the World Bank, oil accounts for 90% of South Sudan's revenue and almost all its exports. This lack of diversification makes the problems caused by the oil prepayment facilities even more acute.

In order to mitigate the risk of South Sudan failing to meet repayment obligations, Chinese lenders required that the government of South Sudan maintain minimum cash deposits in Chinese-controlled escrow accounts as a form of liquid collateral. The government of South Sudan was expected to deposit project revenues or the cash proceeds from oil export sales into these accounts, which can be seized by Chinese lenders should the sovereign fail to meet its repayment obligations. Of the two loans with this form of credit enhancement, both had overdue payments. The 2018 China Eximbank-financed Air Traffic Management System (ATMS) project was halted in 2023 since the government needed \$40 million to clear outstanding arrears. South Sudan's Transport Minister Madut Biar stated that this \$40 million needed to be deposited into the escrow account held by China Eximbank before the bank would release the remaining loan proceeds to fund completion of the project. The 2019 China Eximbank-financed Juba-Terekeka-Yirol-Rumbek Road project inaugurated one section of the road in 2022, but as of 2025, construction has halted due to failure to meet payment obligations. It's unclear whether China has seized any deposits from the associated escrow accounts for these underperforming loans.

How does China compare to other development partners?

China is South Sudan’s second largest development partner in aid and non-concessional lending behind the United States (see Figure 1.2). In terms of aid provision only, almost all development partners rank above China, who only provided \$337 million in aid over the same time period. In contrast, the majority of China’s portfolio in the country (87%, representing \$4.6 billion) involves non-concessional lending, including export credits. EU institutions emerge as the largest multilateral development partner, providing \$1.7 billion. While South Sudan has undergone significant instability due to civil war in recent years, most aid operations have continued. However, recent developments may affect South Sudan’s development portfolio in 2025 and beyond:

Developments over 2025 will impact South Sudan's development portfolio. The United States, which focuses primarily on providing humanitarian aid in South Sudan, drastically downsized USAID in February 2025 and reduced its broader foreign assistance budget, which will impact aid delivery to a country heavily reliant on external support. The United Kingdom has separately announced plans to reduce its aid budget to 0.3% of gross national income starting in 2027, which will likely decrease its contributions to South Sudan as well.

Figure 1.2: Top bilateral and multilateral development partners, 2000-2023

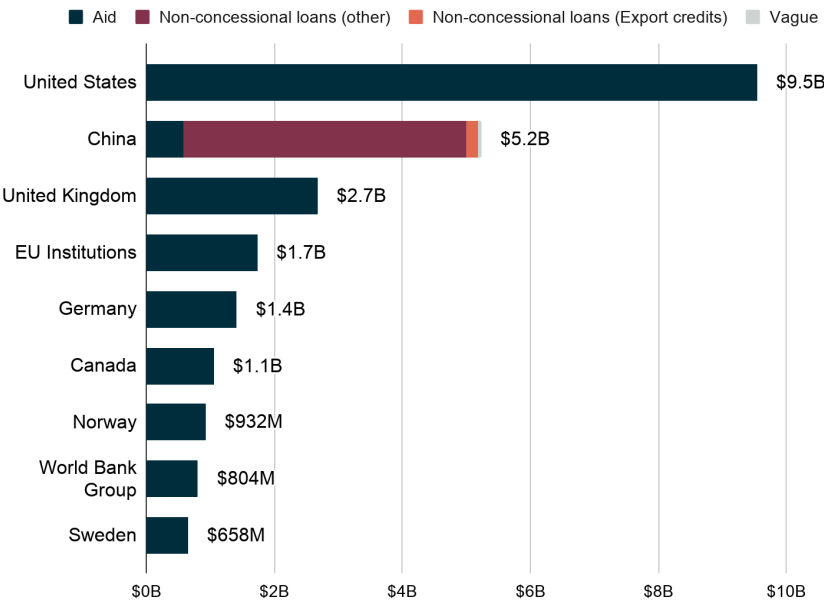


Figure 1.2 contains the top nine development partners providing aid and other financing to South Sudan. However, only China has detailed bilateral export credit flows to South Sudan. This level of granularity is not available for other development partners as the OECD does not provide export credit data for bilateral relationships, it only provides data on total export credit flows by two aggregate donor groupings, G7 and DAC Countries.

Total export credits from G7 Countries: \$198 million.

Total export credits from DAC member countries (including G7): \$377 million.

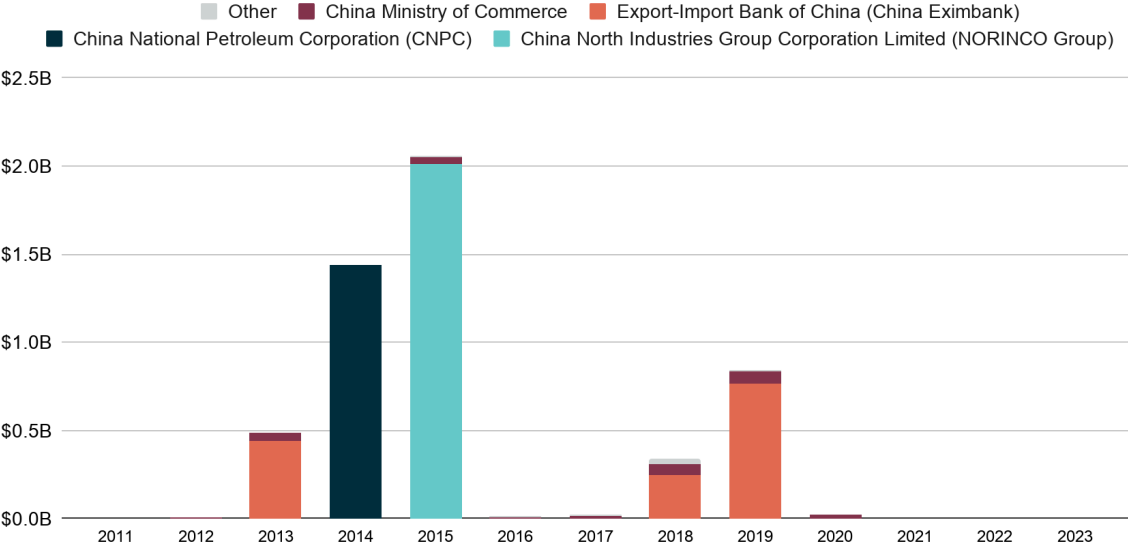
How does China use export credits?

The central role that export credits play in China’s overseas lending portfolio sets it apart from other official sector creditors: Under a so-called “Gentlemen’s Agreement” on Officially Supported Export Credits, OECD member countries agreed in 1978 to “tie their own hands” and voluntarily abide by a set of international rules that limit the provision of subsidized export credits to domestic companies with overseas operations. However, China never agreed to participate in the “Gentlemen’s Agreement” and it has consistently used concessional export credit to help its firms gain a competitive edge in overseas markets.

Which donors and lenders from China are active in South Sudan?

Between 2011 and 2023, 20 official sector donors and lenders from China provided aid and non-concessional loans to South Sudan. 98% of China’s development finance portfolio is provided through four main donors and lenders (see Figure 1.3). The other 2% is provided by a diverse array of government agencies (including central, regional, or municipal government agencies), state-owned commercial banks, and state-owned companies.

Figure 1.3: Top Chinese donors and lenders



The first major wave of Chinese lending in South Sudan came in 2013, two years after South Sudan gained independence. China Eximbank provided \$438 million for various infrastructure projects including a \$207 million loan for the National Broadband Network project and a \$24 million buyer’s credit loan for the 1.95 MW Kinyeti Hydropower Plant and Associated Transmission Lines project. Then, in 2014, China National Petroleum Corporation (CNPC) provided two oil-backed loans worth a total of \$1.4 billion. These loans were used by the South Sudan government to meet their outstanding debt obligations and pay for general operating expenses. Another Chinese state-owned enterprise, China North Industries Group Corporation Limited (NORINCO Group), followed in CNPC’s footsteps. NORINCO Group signed an oil prepayment facility with the government of South Sudan in 2015 for \$2 billion, representing over a third of China’s total financial commitments in South Sudan between 2011 and 2023.

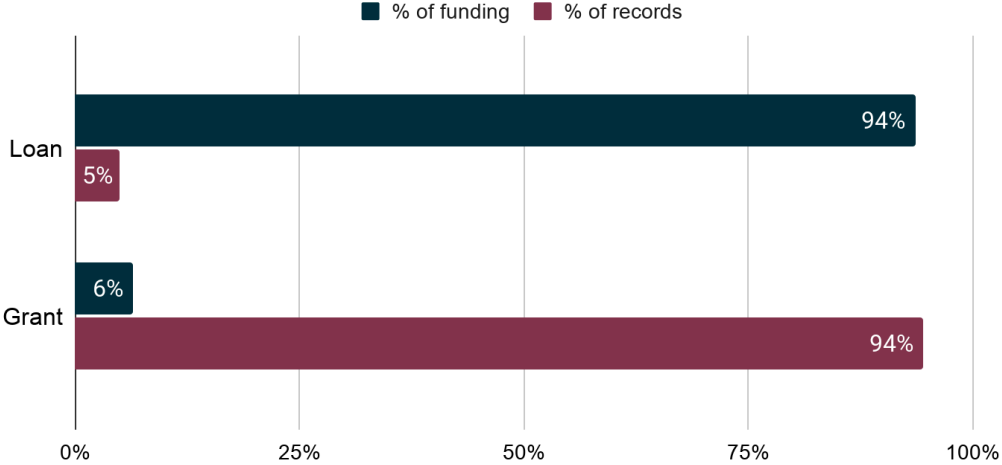
China Eximbank reentered South Sudan in 2018 with a \$250 million loan for a new Air Traffic Management System (ATMS) and a new oil-backed lending agreement which could provide up to \$1.3 billion for multiple road construction projects like the Juba-Terekeka-Yirol-Rumbek Road project in 2019. The implementation of both of these projects was contingent upon the government of South Sudan maintaining minimum cash deposits in Chinese-controlled escrow accounts as a form of liquid collateral.

These high value loans from NORINCO Group, CNPC, and China Eximbank fully eclipse the grants and other in-kind donations that China provided over the years. For instance, China’s Ministry of Commerce (MOFCOM) has provided over \$271 million in grants since 2011. Some major contributions include a \$60 million grant to South Sudan’s Broadcasting Corporation for upgrading and modernization of a broadcast tower and production studio as well as a \$45 million grant for the construction of Jur River Bridge.

What kinds of financial and in-kind support does China offer South Sudan?

AidData captures each instance of a grant or in-kind donation as one record, so analyzing the record counts can help provide a better picture of China’s activities in South Sudan. When looking at record counts, grants account for 94% of all activity records in South Sudan (representing 169 records capturing activities taking place between 2011 and 2023).

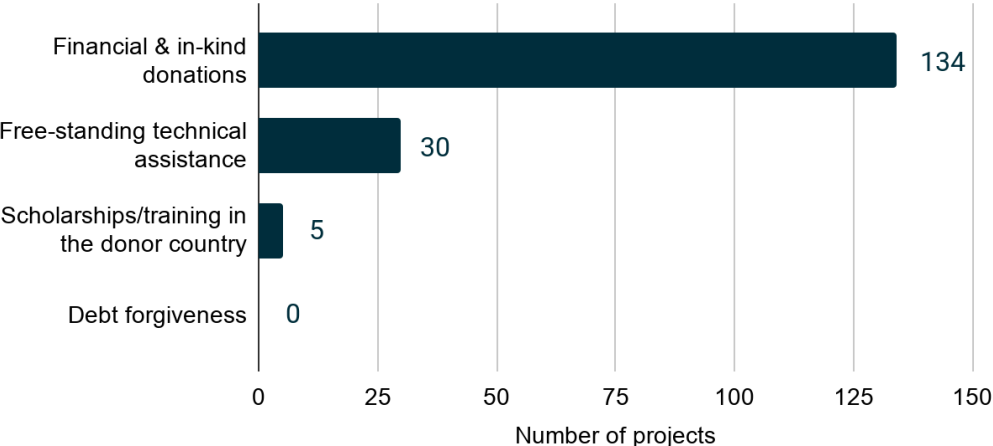
Figure 1.4: Top financial instruments used by China in South Sudan



Note: Debt rescheduling and Vague records (1%) are excluded from this visual.

94% of China’s official sector financial commitments to South Sudan take the form of loans (totaling \$4.8 billion), while 6% (\$337 million) comes in the form of grants and in-kind donations. In-kind donations are difficult to monetize, so the monetary values of these activities are likely underrepresented.

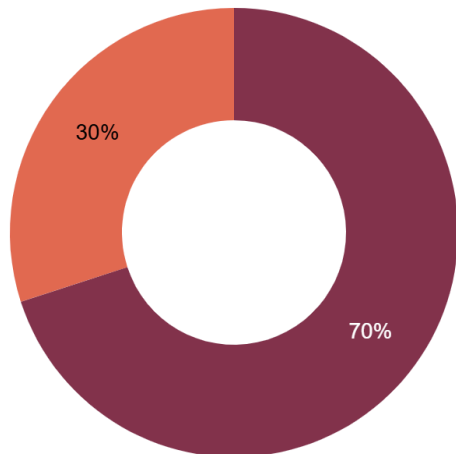
Figure 1.5: Breakdown of grants by project count



From 2011 to 2023, South Sudan received \$337 million across 169 grants from official sector Chinese entities. Around 21% (\$72 million) went towards cash and food aid for citizens of South Sudan during periods of major internal displacement, flooding, and other crises. MOFCOM has also provided \$179 million in infrastructure grants for bridges, hospitals, and a broadcasting tower. Free-standing technical assistance included dispatching 11 medical teams and various

peacekeeper teams. For scholarships and training activities, China awarded 269 scholarships for students in South Sudan and provided training activities on road and bridge construction and maintenance as well as political strategy. Despite South Sudan’s struggles to repay various Chinese loans, China has not provided any debt forgiveness to South Sudan.

Figure 1.6: Breakdown of lending by purpose

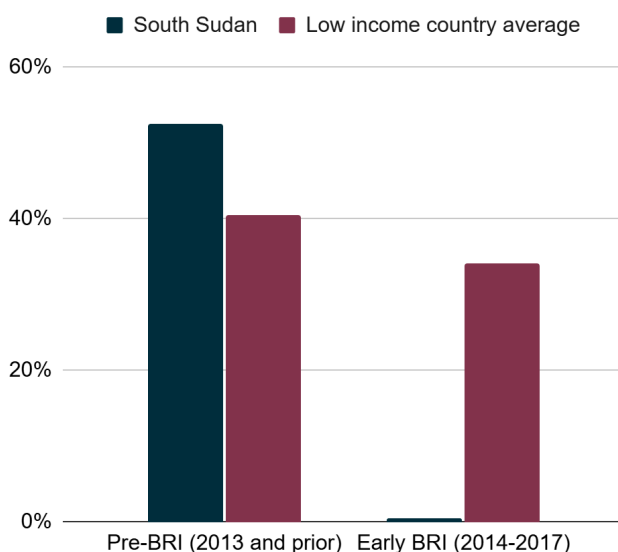


Infrastructure: loans to support the construction, rehabilitation, or maintenance of a physical structure.

Emergency Lending: emergency rescue loans and rollovers meant to support a country’s liquidity.

Seventy percent of China’s lending to South Sudan consists of three emergency rescue loans. These emergency rescue loans are unique in that they are also collateralized against oil sales. These loans, provided by CNPC and NORINCO Group, allowed the government to service existing debts and ease liquidity pressures when they were first issued. Compared to the average among low- and middle- income countries—where emergency lending accounts for just 10% of China’s lending portfolio—South Sudan’s unusually high share highlights both the country’s acute fiscal vulnerabilities and Beijing’s role as a lender of last resort. In contrast, roughly 30% of China’s official sector lending to South Sudan supports infrastructure projects. All infrastructure project lending in South Sudan is implemented by at least one Chinese entity, such as a Chinese state-owned or private sector company.

Figure 1.7: Grant element over time



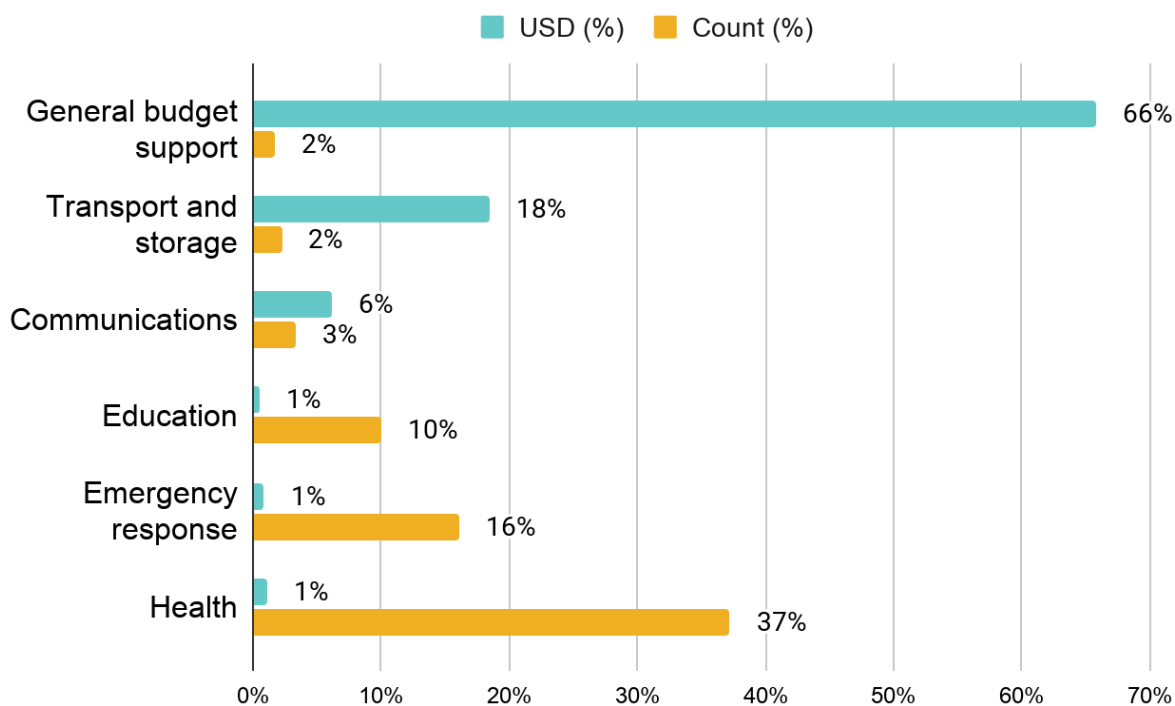
A loan’s grant element is a measure of how concessional (i.e. favorable) its terms are relative to market rates. It ranges from 0% (not concessional) to 100% (fully concessional). In South Sudan, key details needed to calculate the grant element of a loan are missing. Only two loans met the criteria: China Eximbank’s \$150 million preferential buyer’s credit for Juba International Airport Reconstruction and Extension provided in 2013 and CNPC’s 2014 rescue loan for \$400 million. All preferential buyer’s credit are concessional, but CNPC’s rescue loan was not due to its extremely short maturity (45 days).

In which sectors is China most active?

Top sectors for China's aid and credit in South Sudan differ greatly when comparing monetary value and record count. Certain sectors, such as health and education, often represent a large percentage of records but offer small or no transaction amounts. In Figure 1.8, AidData provides the top sectors by both monetary value and record count to demonstrate this dichotomy.

Figure 1.8: Selected top sectors

Sectors by monetary value and record count



In terms of monetary value, 90% of China's grant and loan commitments to South Sudan supported three top sectors: general budget support, transport and storage, and communications between 2011 and 2023.

- **General budget support:** This sector is the largest sector by financial commitment with \$3.4 billion in funding (66% of China's entire portfolio), and refers to development finance provided in support of general government cash flow. This sector accounts for all the emergency rescue lending provided to South Sudan, and all of the financing was provided in 2014 and 2015 via oil prepayment facilities from CNPC and NORINCO. None of the rescue lending in South Sudan represented short-term rollover facilities used to refinance existing debt (as seen in Argentina and Egypt). Since 2015, Chinese agencies have not contributed more general budget support.
- **Transport and storage:** This sector refers to the construction and maintenance of road, rail, air, and water transit infrastructure and is characterized by high-value infrastructure projects. 18% of China's development finance portfolio in South Sudan is specifically dedicated to transportation and storage, representing \$965 million in aid and

non-concessional loans. The largest financial commitment from a single source was a \$765 million loan in 2019 from China Eximbank for the first phase of the 392 km Juba-Terekeka-Yirol-Rumbek Road Construction Project. No new transport and storage projects have been financed by Chinese creditors since 2020.

- **Communications:** This sector encompasses the provision and access of telecommunications and information services, such as telephone, radio, and TV networks. Projects in the communications sector account for \$320 million in funding (or 6% of China's development finance portfolio). Activities in the communications sector include a \$207 million loan in 2013 from China Eximbank for South Sudan's national broadband network project, which included the laying and linking of fiber optic and underwater cables. No new communications projects financed by Chinese state-backed creditors have emerged since 2020.

China is also heavily engaged in "software" sectors, such as health and education, when looking at the number of projects and activities. China's footprint in these sectors is often difficult to represent, because the activities in these sectors usually attract smaller grant and loan commitments, or represent some form of in-kind donation or technical assistance.

- **Education:** This sector encompasses schooling at the primary, secondary, and post-secondary levels, as well as technical and advanced training activities. Education activities represent \$27 million in funding and 10% of China's total record count, with 18 activities recorded. Education activities include embassy donations of school bags and soccer balls to a school, and ZTE donating school equipment and a dormitory.
- **Emergency response:** This sector encompasses activities that address the preparation, management, and response to public disasters. In total, activities in the emergency response sector represent 29 records (or 16% of total record count) with commitments totaling \$44 million. China's activities in the emergency response sector include flood relief donations from PetroChina and the embassy following large-scale flooding in November 2021, as well as rice and food donations by the Chinese government, including a donation of emergency food aid in May 2023.
- **Health:** This sector includes medical care, infrastructure, equipment, and disease control activities. This sector is the largest sector by record count, representing a total of 67 records for \$59 million (or 37% of the total record count). Notable activities in the health sector include a MOFCOM grant in 2015 worth \$35 million for the Juba Teaching Hospital renovation and expansion. In response to the COVID-19 pandemic, Chinese donors provided a total of \$4.3 million in COVID-19 donations to South Sudan, including over 100,000 doses of Sinovac vaccines in 2020 and 2021. In 2023, health aid included services and donations from medical teams.

At a glance: last 5 years (2019-2023)

- The transport and storage sector dominates China's portfolio in South Sudan between 2019 and 2023, accounting for 93% (\$810 million) of all financing during this period. All of this financing was committed in 2019, with the vast majority allocated by China Eximbank for the Juba-Terekeka-Yirol-Rumbek Road Construction Project.
- China supports the largest number of activities in the health sector, accounting for 53% of all activity records between 2019 and 2023.

What are the characteristics of South Sudan’s debt to China?

9 loans issued	\$4.8 billion total loan commitments	100% of total loan commitments are public debt	50% of total loan commitments show signs of financial distress	\$935 million total public debt outstanding as of 2024
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What is “public debt”?

Public debt (PPG debt)

Loans issued directly to public institutions, loans that have sovereign repayment guarantees, or loans extended to special purpose vehicles or joint ventures that are majority-owned by one or more public sector institutions. Often referred to as public and publicly-guaranteed (PPG) debt.

Potential public debt

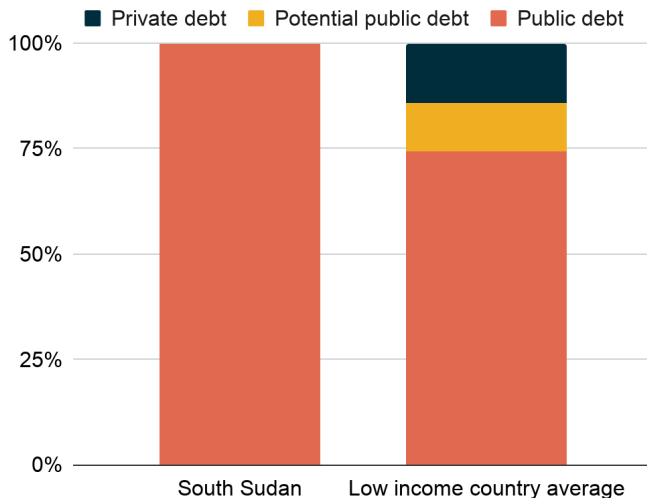
Loans to special purpose vehicles or joint ventures in which recipient governments hold minority equity stakes.

Private or opaque debt

Loans to private sector borrowers and entities with opaque ownership structures.

Figure 1.9: Composition of debt from China by public liability

Total debt, 2011-2023— South Sudan: \$4.8 billion. Low income country average: \$5.5 billion.



With only nine loans over a 12 year period, China’s lending in South Sudan is much less diverse than other low- and middle-income countries.

100% of South Sudan’s debt is classified as public debt, which is higher than the average of 74% across low income countries. All of the loans extended by Chinese lenders in South Sudan were contracted directly by the South Sudanese government.

When AidData examines South Sudan’s public debt to China, there are four instances of financial distress that account for 50% of all China’s cumulative loan commitments to South Sudan. Financial distress can include borrowers accruing principal or interest arrears, defaulting on their repayment obligations, filing for bankruptcy, or renegotiating loan terms (including suspensions of principal or interest payments). One such loan is the \$250 million loan from China Eximbank for an Air Traffic Management System (ATMS). The government of South

Sudan accrued arrears worth \$36 million on this loan.⁷ By 2023, \$40 million was needed to clear outstanding arrears owed to the implementer, China Harbor Engineering Company (CHEC). Another infrastructure loan provided by China Eximbank experienced similar issues. One section of the four section Juba-Terekeka-Yirol-Rumbek Road project was completed in 2022, but construction halted in May 2025 due to overdue payments.

The other two loans—worth a combined \$1.4 billion—are commodity-backed agreements between China National Petroleum Corporation (CNPC) and the government of South Sudan from 2014. These loans were meant to help the government meet its outstanding debt obligations and pay for general operating expenses. Under the oil prepayment arrangement, the government of South Sudan was expected to repay the loan within 45 days. It failed to meet this obligation, and still had outstanding debt related to these loans five years later. In June 2019, the president of South Sudan suspended all oil prepayment agreements due to the significant cash flow problems these types of agreements created for the economy. The financial distress in China’s development finance portfolio in South Sudan is reinforced by the World Bank and IMF’s Debt Sustainability Analysis which rates South Sudan at high risk of external debt distress as of 2025.⁸

⁷ The South Sudanese authorities did not disclose the existence of the ATMS loan to the World Bank and the IMF until it “came to light during [a] debt stocktaking exercise conducted by an international auditing firm.” See <https://www.elibrary.imf.org/view/journals/002/2023/108/article-A002-en.xml#A002fn04>

⁸World Bank. *Republic of South Sudan - Joint World Bank-IMF Debt Sustainability Analysis (English)*. Debt Sustainability Analysis (DSA) Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/099073024144525704>

What does South Sudan’s current public debt exposure to China look like—and what payments are due?

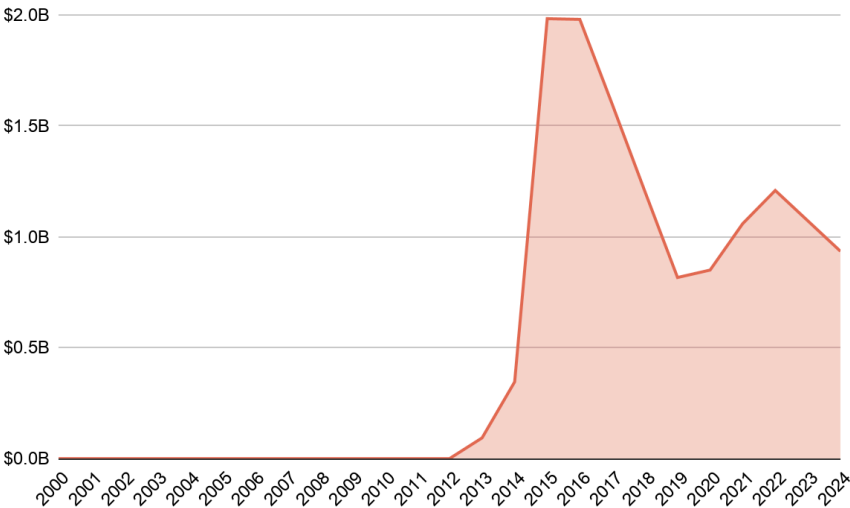
What is “public debt exposure”?

After a loan agreement is signed, financial outflows and reflows take place over many years through a sequence of disbursements (from the creditor to the borrower) and repayments (from the borrower to the creditor).

To understand the timing and magnitude of these financial flows, the 2.0 version of AidData’s Chinese PPG Loan Performance Dataset (LP 2.0) tracks PPG loan disbursements, repayments, arrears, and restructuring events—and how much debt is owed—over time.

Unlike loan commitment totals—that measure what was initially promised—LP 2.0 measures what is still owed at specific points in time and how repayment pressures evolve over time. A country’s level of “public debt exposure” refers to its outstanding PPG repayment obligations. All financial amounts in this section are reported in nominal USD.

Figure 1.10: Outstanding Chinese PPG Debt Stock (nominal USD)



Note: This data is drawn from AidData’s Chinese PPG Loan Performance Dataset, Version 2.0. For more information, please see the methodology.

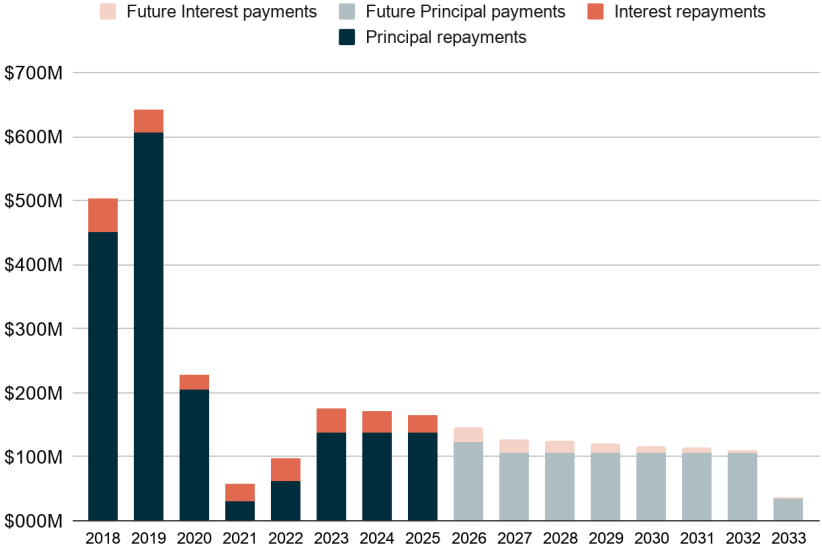
Figure 1.10 shows South Sudan’s outstanding Chinese PPG debt stock, which is the total amount of principal that has been disbursed and remains unpaid at the end of each year as well as any unpaid interest or fees. These estimates are based on loan-level data on disbursements and repayments, which are used to track how outstanding balances evolve over time.

By the end of 2024, South Sudan owed an estimated \$935 million in outstanding PPG debt to official sector creditors in China. The total PPG debt stock owed to China represented 20.1% of GDP.⁹

South Sudan’s outstanding debt to China is tied to six loans currently in their repayment period. By contrast, two loans have been fully repaid. Based on existing loan commitments through 2023, South Sudan is expected to continue paying down its debt to Chinese creditors until 2033.

⁹The most recent GDP data available from the World Bank is from 2015. Any calculations against GDP are using the 2015 value.

Figure 1.11: South Sudan’s principal and interest payments to Chinese creditors under PPG loans (2018-2033)



Note: This data is drawn from AidData’s Chinese PPG Loan Performance Dataset, Version 2.0. For more information, please see the methodology.

Figure 1.11 shows South Sudan’s principal and interest payments due to Chinese creditors. Specifically, it displays principal and interest payments 2018-2025 and future principal and interest payments from 2026-2033. The estimated principal payments are calculated by adding all principal payments due each year. Future interest and principal payments are projected from loan terms.

Principal payments in 2018 and 2019 were elevated due to payments associated with paying off two large loans. The first was a 2014 \$1 billion oil-backed facility from CNPC with an initial maturity of 45 days; an outstanding balance of \$154 million remained past the maturity date, causing principal arrears to accrue until the loan was fully repaid in November 2019. The second was a \$2 billion oil prepayment facility issued by NORINCO in 2015 to address South Sudan's short-term liquidity needs, with an estimated repayment schedule of over \$400 million per year between 2016 and 2019 and a final payment of approximately \$170 million in 2020. Once both loans were fully repaid, required principal payments against outstanding obligations declined significantly from 2021 onward. A marginal increase followed in 2022, when the \$250 million China Eximbank loan for South Sudan's Air Traffic Management System (ATMS) project entered repayment. A further increase occurred in 2023 as the \$765 million China Eximbank loan for Phase 1 of the 392km Juba-Terekeka-Yirol-Rumbek Road Construction project entered its repayment period. Principal payments remained steady through 2025, before declining steadily through 2033.

What kind of project implementation challenges has China faced in South Sudan?

Chinese-financed infrastructure projects in South Sudan:	Examples of infrastructure implementation risks:
31 infrastructure projects supported by grants and loans from China	Environmental: increase in air or water pollution, biodiversity loss, deforestation, increased carbon footprint, or natural resource depletion.
\$1.4 billion in loan and grant commitments supporting infrastructure projects	Social: poor labor law compliance, human rights abuses, displacement of local residents, or archaeological or cultural heritage site degradation.
	Governance: corruption, money laundering, lack of transparency, and non-competitive bidding processes.

From 2000 to 2023, infrastructure projects accounted for 64.5% of China’s development finance portfolio in low- and middle-income countries. These infrastructure projects often face project implementation delays caused by environmental, social, and governance (ESG) risks, episodes of debt distress, or political instability in the recipient country. In South Sudan, the Juba-Terekeka-Yirol-Rumbek Road construction project, also called the Juba-Bahr el Ghazal Highway project, illustrates a case of implementation delays due to both in-country instability, issues regarding the quality of Chinese-contracted construction, and internal corruption.



Initial construction on the roadway project began in late 2014 with Shandong Hi-Speed Group Co., Ltd (SDHS)—a Chinese state-owned company—serving as the engineering, procurement, and construction (EPC) contractor. Then, in July 2016, construction was suspended due to a resurgence of violence in South Sudan. The South Sudanese civil war came to a close in September 2018 with a revitalized peace agreement. In the same year, the government of South Sudan and China Eximbank entered into a \$1.3 billion ‘oil-for-roads’ lending framework agreement which promised to finance multiple road construction projects. In exchange, South Sudan would deposit the proceeds from the sale of 30,000 barrels per day of crude oil into a lender-controlled escrow (special) account in order to meet its repayment obligations.

In March 2019, funds were secured for the South Sudan Ministry of Roads and Bridges to finalize a new EPC contract with SDHS for 392 kilometers of road. That May, the government of South Sudan identified the nine road projects to finance via this ‘oil-for-roads’ program that would connect the capital city of Juba with the remote countryside: the Juba-Terekeka-Yirol-Rumbek Road construction project. In October 2019, the project was recommenced, now funded by the oil-back financing mechanism. At the time construction restarted, the project was slated to be completed in 36 months.

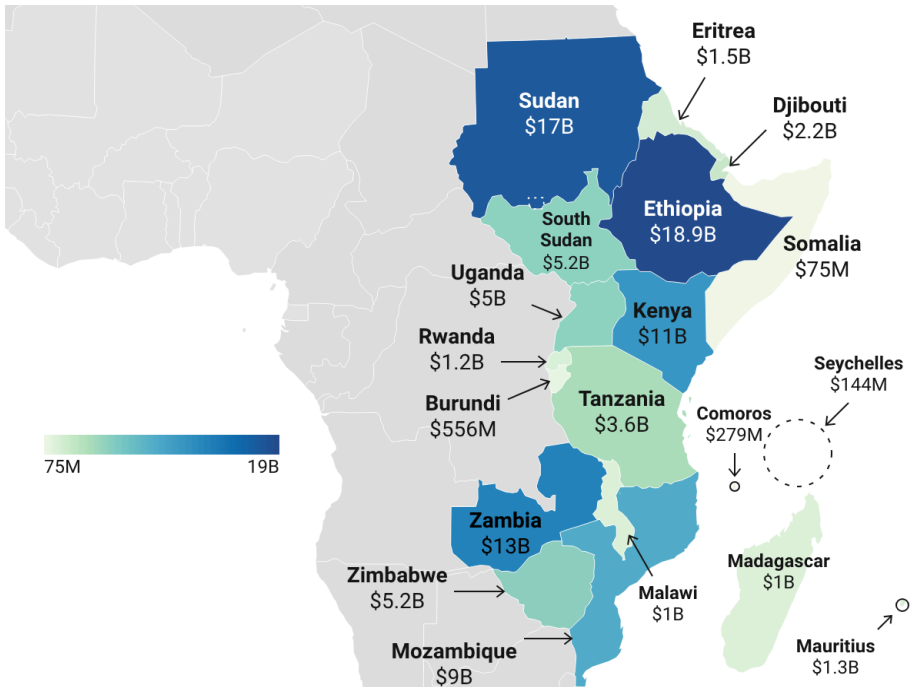
Then, in May 2020, heavy rain washed away segments of unpaved road, calling the quality of the Chinese-contracted work into question. Construction was suspended in June. South Sudanese lawyers threatened to sue the Ministry of Roads and SDHS over the subpar construction and demanded the public release of the commercial contract for the project. The Chinese ambassador to South Sudan assured the public that SDHS would undertake the necessary internal improvements. In light of the public scrutiny, SDHS and the Ministry of Road and Bridges agreed that 80% of the project workforce would be sourced locally to ensure compliance with national labor law in December 2020. The government of South Sudan reviewed the project progress and quality, and in January 2021, allowed SDHS to resume work.

As of November 2021, the first phase of the Juba-Terekeka-Yirol-Rumbek Road construction project—a 63 km road section from Juba to Terekeka—had achieved 75% completion. Shortly afterwards, SDHS’s EPC contract was then rescoped in 2022 to increase its value, and the project’s timeline was extended to October 2025. In December 2022, the first section of road was officially inaugurated and opened to traffic use. In May 2025, the Chinese ambassador to South Sudan announced that construction of the remaining sections of the road would halt as a result of overdue payments. A United Nations Commission on Human Rights report from September 2025 found that South Sudanese officials improperly siphoned funds from the program into ‘special project’ funds that operated outside of government budgetary oversight, leading to the defaults in payment to the Chinese agencies involved in the agreement. It is unclear whether the remainder of the Juba-Terekeka-Yirol-Rumbek Road project, or the eight additional planned roads, will be completed.

How does Chinese financing to South Sudan compare to other countries in Eastern Africa?

Between 2000 and 2023, Chinese official sector financiers directed 3,423 loans and grants to Eastern Africa worth \$98 billion. In Figure 1.12, AidData provides a cumulative view of China’s aid and credit portfolio in the region. 89% (\$88 billion) of China’s financing to the region occurred between 2000 and 2017, the pre-BRI and early BRI periods. The average annual financing during these years was \$4.9 billion, with commitments exceeding \$10 billion in peak years (2013 and 2014), and a notable dip in 2021 and 2022 during the COVID-19 pandemic, with annual commitments falling below \$1 billion. South Sudan received 5% (\$5.2 billion) of all Chinese financing to the region, making it the seventh-largest recipient in Eastern Africa.

Figure 1.12: Cumulative financial commitments from China to Eastern Africa, 2000-2023¹⁰



The largest recipients of Chinese financing in the region between 2000 and 2023 include Ethiopia (\$19 billion), Sudan (\$17 billion), and Zambia (\$13 billion), while the lowest ranking recipients include Seychelles (\$144 million) and Somalia (\$75 million). Priority sectors for China’s portfolio in the region include transport (27% of the region’s financing), energy (21%), and industry, mining, construction (15%). Although, similar to regional trends, 18% of China’s portfolio in South Sudan was allocated to the transport sector, the majority (66%) of financing to South Sudan was provided as general budget support.

The majority (70%) of Chinese financing to South Sudan was provided as emergency rescue lending, which is unusual for the region. Other countries that received rescue lending include Sudan (23% of China’s portfolio in the country), Malawi (10%), Tanzania (7%), and Kenya (6%). Collateralized lending, which accounts for 36% of China’s lending portfolio in the region, is more pronounced in South Sudan than in other countries. Virtually all (91%) of China’s lending to South Sudan has an underlying source of collateral.

¹⁰Seychelles is a high income country.

Appendix A: Public opinion and bilateral diplomatic visits between China and South Sudan in the BRI era

Approval rates of the South Sudanese population toward Chinese leadership were only collected between 2014 and 2017 by Gallup.¹¹ Over these four years, South Sudanese citizens held an average approval rate of 72%, compared to the global average of 59.5% between 2000 and 2024. No additional data for South Sudan is available after 2017.

Figure A.1: South Sudan’s approval of Chinese leadership, 2006-2024¹²

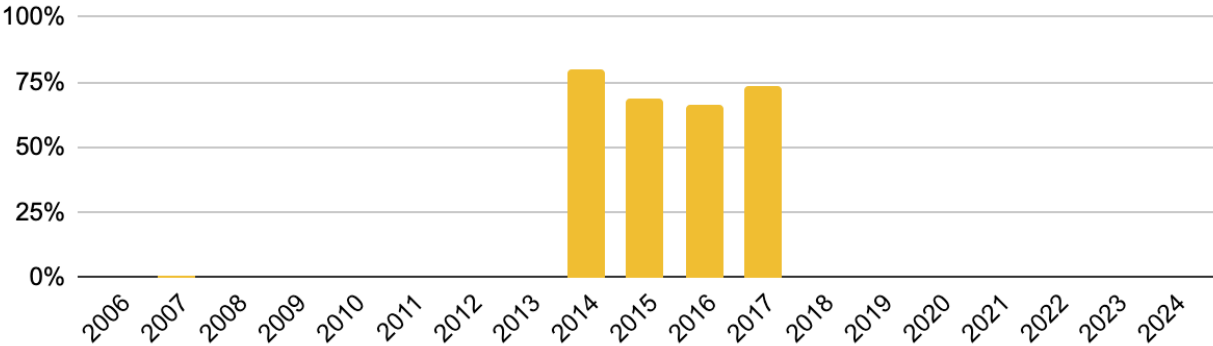


Figure A.2: Bilateral diplomatic visits between China and South Sudan

2014 AUG	South Sudanese Minister of Foreign Affairs and International Cooperation Barnaba Marial Benjamin visited China and met with State Councilor Yang Jiechi to hold diplomatic talks.
2015 JAN	Chinese Foreign Minister Wang Yi visited South Sudan and met Sudanese Foreign Minister Ali Karti where diplomatic talks were held.
2018 SEP	Sudanese Minister of Foreign Affairs and International Cooperation Nhial Deng Nhial visited Beijing and met Vice Foreign Minister Le Yucheng where diplomatic talks were held ahead of the Forum on China-Africa Cooperation (FOCAC).
2022 MAR	The Special Envoy for the Horn of Africa Affairs, Xue Bing, visited South Sudan and met with President Salva Kiir where diplomatic talks were held.
2024 SEP	President Salva Kiir Mayardit visited Beijing for FOCAC and met with President Xi Jinping where their diplomatic ties were elevated to a strategic partnership.

¹¹This data comes from Gallup’s World Poll which started in 2005. Gallup conducts the survey in various frequencies on a country-by-country basis; therefore, the years we have data for vary and there are gaps pre-2006 and, in some cases, between 2006-2024. For South Sudan, there is no Gallup data prior to 2014 and after 2017. For more information on the Gallup methodology see <https://www.gallup.com/178667/gallup-world-poll-work.aspx>

¹²The data for the graph and approval rate is based upon Gallup’s Rating World Leaders’ report and dataset.

Appendix B: Methodology & definitions

Capturing Chinese development finance methodology:

The insights in this profile are derived from AidData's China Global Loans and Grants 1.0 dataset. For more details regarding the methodology used to assemble the data, please refer to the Tracking Loans and Grants from China to Low-, Middle-, and High-Income Countries: An Application of AidData's TUFF 4.0 Methodology. All financial values reported in this profile represent USD Constant 2023 prices, unless otherwise stated.

Definitions of finance types:

- Aid: Includes any grant, in-kind donation, or concessional loan (i.e., loans provided at below-market rates and categorized as ODA in CLG 1.0).
- Non-concessional loans: Captures export credits and loans that are priced at or near market rates (i.e., non-concessional and semi-concessional debt categorized as OOF in CLG 1.0).
- Vague: Any official financial flows that could not be reliably categorized as "aid" or "non-concessional loans" because of insufficient information in the underlying source material.

Definitions of instrument types:

- Grant: The donation of money or an in-kind donation of goods from an official sector institution in China (e.g. donations of supplies or equipment, humanitarian aid or disaster relief, or financing for the construction of a government building, school, hospital, or sports stadium).
- Free-standing technical assistance: Skills training, instruction, consulting services, and information sharing by official sector entities and experts from China. Training provided by Chinese entities outside of China is classified as technical assistance.
- Scholarships/training in the donor country: Funding from an official sector institution in China that allows a citizen from the host country to study at a Chinese university or other educational institution. This includes training programs and activities that are sponsored by an official sector institution in China and held for host country citizens in China.
- Debt forgiveness: The total or partial cancellation of debt owed by a borrowing institution in the host country to a Chinese government or state-owned entity.

Development finance to South Sudan from other donors

All data on development finance from other donors came from the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD DAC) Creditor Reporting System (CRS). The CRS is the OECD's aid activity database, which compiles activity-level statistics from all providers who report to the OECD. For the analysis in Figure 1.2, 'Aid' represents Official Development Assistance (ODA) grants and loans. Non-concessional loans represent the Other Official Flows (OOF) measure. However, the flows captured in CRS (which are project-level records) specifically exclude export credit flows (due to their potentially sensitive nature). Data on export credits is available in OECD's DAC2B database in aggregate form. DAC2B provides data on OOF loans and grants and gross export credits. However,

consistent and comprehensive data on export credits from one development partner to a specific country are not available. Gross export credits to a specific country are available at an aggregate level, such as G7 or all DAC Members.

Financial Distress:

This profile includes a measure of “financial distress,” defined as loans that show evidence of principal or interest arrears, default on repayment obligations, borrower bankruptcy, or the renegotiation of loan terms (including suspensions of principal or interest payments). The inclusion of restructured loans in this definition represents a methodological change; as a result, the share of cumulative loan commitments classified as distressed in this version of the profile may be higher than in previous versions.

Project implementation challenges methodology:

To better understand the implementation challenges within China’s overseas infrastructure portfolio, AidData developed a new coding framework to systematically identify and categorize environmental, social, and governance (ESG) problems associated with Chinese-financed infrastructure projects in low- and middle-income countries. Under this framework, AidData flags projects when there is credible evidence of a significant environmental, social, or governance issue arising before, during, or after the implementation of a Chinese-financed infrastructure project.

Common ESG challenges in infrastructure projects:

- Environmental: Negative effects on the environment due to building, rehabilitating, or maintaining a physical structure. These include an increase in air or water pollution, biodiversity loss, deforestation, increased carbon footprint, or natural resource depletion.
- Social: Negative effects on different groups of people due to the infrastructure project, such as employees, nearby residents, Indigenous populations, or community members. Such negative effects include poor labor law compliance, human rights abuses, displacement of local residents, or archaeological or cultural heritage site degradation.
- Governance: Negative effects related to the infrastructure project’s financial, legal, and ethical management during the design and implementation of the project. These can include corruption, money laundering, lack of transparency, and non-competitive bidding processes that lead to higher project costs and/or poor project quality.

Loan Performance Methodology

AidData’s Chinese PPG Loan Performance Dataset 2.0 is a loan-level dataset that tracks the disbursement, repayment, arrears, restructuring, and outstanding debt trajectories of public and publicly guaranteed (PPG) loans issued by Chinese state-owned creditors to low- and middle-income countries. Building off the detailed loan commitment records captured in the 3.1 version of AidData’s Global Chinese Development Finance dataset, the 2.0 version of the Loan Performance dataset tracks 3,100 Chinese PPG loans issued to 124 borrowing countries between 2000-2022. The dataset synthesizes over 11,000 independently-sourced, loan-level performance observations drawn from public debt reports and repositories, stock exchange filings, bond prospectuses, and audited financial statements. These pieces of information are leveraged in conjunction with amortization schedule modeling techniques to create the best approximation of each loan’s financial performance over time.

Each loan is represented through three complementary amortization models. The “planned model” constructs an amortization schedule based only on original commitment terms and assumes full and timely repayment without deviations. The “perfect compliance” model incorporates observed disbursements and time-varying interest rate benchmarks (for floating-rate instruments) while still assuming payments occur as scheduled. The “actual performance” model integrates observed disbursement and repayment behavior, time-stamped debt stock values, and credit events including arrears, missed payments, and restructuring agreements (e.g., DSSI-related deferrals) to reconstruct each loan’s realized trajectory. Together, these models enable comparisons between the repayment burdens implied at signing and the repayment burdens realized over time, and they support consistent aggregation of debt service and debt stock across loans and countries.

The debt stock statistics in this profile are calculated from “actual performance” model outputs and are aggregated across all PPG loans for a given borrower country and calendar year. Figure 1.10 displays the country’s outstanding Chinese PPG debt stock by year. This measure captures the estimated balance of loan amounts outstanding at the end of each calendar year across all Chinese PPG loans to the borrower. The measure combines observed debt stock data with modeled amortization schedules and includes both remaining principal and any unpaid interest charges. Figure 1.11 shows the country’s annual debt service payments on Chinese PPG loans, including both principal and interest payments. These variables include normal debt service as well as altered payments associated with debt service suspensions and restructuring agreements.

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The insights in this profile are primarily derived from the 1.0 version of AidData's China's Global Loans and Grants dataset and the 2.0 version of AidData's Chinese PPG Loan Performance Dataset, although it also draws upon ancillary data from other sources. CLG-Global 1.0 is a uniquely comprehensive and granular dataset that captures 33,580 projects across 217 low-, middle-, and high-income countries supported by loans and grants from official sector institutions in China worth \$2.2 trillion. It tracks projects over 24 commitment years (2000-2023) and provides details on the timing of project implementation over a 26-year period (2000-2025). An accompanying report, [Chasing China: Learning to Play by Beijing's Global Lending Rules](#), analyzes the dataset and provides myth-busting evidence about the changing nature, scale, and scope of China's overseas finance program.

For the subset of grant- and loan-financed projects and activities in the dataset that have physical footprints or involve specific locations, AidData has extracted point, polygon, and line vector data via OpenStreetMap URLs and produced a corresponding set of GeoJSON files and geographic precision codes. The GCDF 3.0 geospatial data and precision codes are provided in [AidData's Geospatial Global Chinese Development Finance Dataset, Version 3.0](#) (Goodman et al, 2024).

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