

Lam Akol dismissed from SPLA-United; challenges Riek Machar and claims to command forces in mid-west Upper Nile under the name SPLA-U. SPLA-United commanders Faustino and Kerubino advance into Wunrok, northern Bahr al-Ghazal. Thousands die in faction fighting.

March 94: 14 years after gaining exploration rights over 120,000 sq.km in Bahr al-Ghazal province, **French oil company Total suspends all activities and withdraws because of escalation of civil war.**

March 94: Lundin family buys 8.2 percent of Arakis stock through their holding in Swedish company Sands Petroleum AB.

11 May 94: Arakis acquires State Petroleum, gains control of the Sudan concessions in Unity and Heglig.

(All of the issued and outstanding common stock in exchange for 6,000,000 Arakis shares + finder's fee of 150,000 shares with aggregate deemed value of \$13m, according to Arakis 1996 report)

May 94: **Malaysian** telecommunications company signs memorandum to take shares in Sudatel, the privatised Sudan Telecommunications Company.

June 94: Liquidation of the General Petroleum Corporation. Energy Minister **Salah ad-Din Karrar** admits that Sud£238m were stolen by a businessman who was given the money to buy dollars from the black market on the corporation's behalf. Recent petrol shortage was due to one client of the GPC diverting a sum of US\$7m to his personal account and failing to deliver the goods. The deficit in the GPC budget is Sud£9bn.

August 94: Hassan al-Turabi makes clandestine visit to Paris, invites French involvement in oil exploration

September 94: **Peace negotiations:** "Despite reservations", John Garang's Mainstream SPLM/A endorses the Inter-Government Authority on Development (IGAD) **Declaration of Principles** for talks in Nairobi with the Sudan government, **stressing self-determination and separating religion from state.**

September 94: Reconciliation conference in Akobo, Upper Nile, between the **Lou** and **Jikany** clans of the Nuer, organised by local SPLA splinter groups, local chiefs and Presbyterian church. For two years disputes between the clans had intensified, with over 1000 dead. Soldiers in the area supported their own clans, becoming involved in fighting rather than intervening to stop it.

30 September 94: Riak Machar's breakaway SPLA-United "Nasir" faction announces change of name to Southern Sudan Independence Movement (SSIM). Lam Akol, dismissed from the movement earlier this year, had announced separately that he was the chairman of the United faction, and claimed to have deposed Machar.

Arrears with the African Development Bank: **Dr Muhammad Khair al-Zubair**, Minister of State for Finance, says the near future will see more co-operation with international and regional financial institutions.

September-October 94: **Eritrea accuses Sudan** of training more than 400 'terrorists' with a view to undermining its security. Sudan accuses Eritrea of training 300 Sudanese opposition guerrillas for cross-border raids; Eritrea severs diplomatic relations with Sudan.

October 94: **Foreign Ministry delegation visits Russia, Ukraine, Kazakhstan and Azerbaijan.** Visiting Iranian delegation sees the Construction Jihad of Iran active in agriculture, hospital building and road building in Sudan.

November 94: Foreign Minister **Hussein Suleiman Abu Salih** visits China; his delegation looks at textile and oil industries.

1995

1995: Government begins strategy of "peace from within", wooing smaller rebel groups and individual dissident SPLA commanders.

6-17 July 95: Arakis' Terry Alexander announces deal to sell 40% of Arakis to Saudi investors for \$345m and a line of credit of \$400m. Under the deal, Arab Group International will buy 23m newly-issued shares in Arakis at \$15 per share in four tranches from July 27 to 15 September. The AGI representatives will also get three board seats, with Prince **Sultan Bin Saud Abdullah al Saud** becoming chairman of Arakis. **Abbas Salih** will be vice chairman, Alexander will remain president and **Lutfur Khan** will remain president of State Petroleum.

mid-1995: Maj-Gen **Salah Karrar**, Minister of Energy, negotiates with Russia, China, Iraq and Iran over oil development.

August 95: Arakis claims to have completed the pipeline design and says construction equipment and materials are being shipped to Sudan. However, Finance Minister **Abdallah Hassan Ahmed** tells al-Sharq al-Awsat that the agreement between the government and Arakis is due for renewal.

7 August 95: Worries that Arakis' financial agreement with Arab Group International (AGI) are in jeopardy cause the share price to fall 40% in two weeks from a high of \$25.6 in late July to \$16.5.

After announcing a financing deal, Arakis shares reach a record market value of approximately \$1 billion. But the deal vapourises and the company's shares plummet, forcing out chief executive "Terry" Alexander and forcing a major restructuring of Arakis's finances.

15 August 95: Arakis' shares rise to over \$22 amid renewed optimism.

17 August 95: Khartoum government announces Qatari interest in developing two minor former Chevron concessions.

21-22 August 95: Arakis shares drop sharply again to a new low of \$10-\$12. The rapid fall is prompted by Arakis' admission that AGI would put up only \$40m in cash of the anticipated \$345m in equity finance, with the remainder paid in letters of credit, which might include physical assets.

24 August 95 - Arakis delists from Vancouver Stock Exchange and is suspended from trading on Nasdaq for a month.

26 September 95: Bashir in China: his delegation signs agreements on mining, oil, textiles, sugar industry and rehabilitation of Sudan railways. Preferential loan of 150m yuan (US\$20m) is negotiated with Finance Minister **Abdullah Hassan Ahmed**, and a grant of 1m yuan obtained for "projects for poor families".

December 95: Terry Alexander leaves Arakis and is replaced by **John McLeod**, described as former **Amoco Canada** engineer who was in charge of Sudanese project from 1991. Arakis shares rise three cents to \$3.62 after the news of Alexander's departure is announced. They had peaked in July at \$26.62.

1996

January 96 **China votes against Sudan** in the UN Security Council (it abstains on 26 April).

April 1996: Government's Supreme Council for Peace puts forward its Political Charter, a non-binding general framework for a political solution to the civil conflict.

April 96: President Clinton signs the Anti-Terrorism Act, barring Americans from engaging in financial transactions with governments on the US list of terrorism sponsors, including Sudan.