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Investing in rural people in **Sudan**

Sudan has faced substantial changes since the independence of South Sudan in 2011, including the loss of human and land resources and three quarters of the country's oil wealth. Sudan's land area today is 1.9 million km² and it has a population of approximately 45 million, of whom 65 per cent live in rural areas.

With oil reserves lost, growth has faltered and government revenues have slumped. Poverty and undernourishment, already serious, have worsened. Unemployment is 19.8 per cent in rural areas, and 24.7 per cent for women. The national poverty level stands at 52.3 per cent according to the United Nations Development Programme (2019). Rural poverty is higher, at 58 per cent, in the rainfed sector as a result of fragility, remoteness, limited employment opportunities, and poor natural resource management and governance.

Enhancing the performance of agriculture, including crops, livestock, fisheries and forestry, is vital for poverty reduction. Agriculture generates around 43 per cent of GDP, according to the Food and Agriculture Organization of the United Nations, and has a labour share of approximately 48 per cent, which increases to 70-80 per cent in rural areas. However, productivity is low and variable because of erratic climate conditions, degraded soils, low use of technology and lack of knowledge.



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Livestock productivity is also low because of disease and parasites, sub-optimal breeding and reduced access to traditional range resources. Ongoing armed conflict also impairs farming in some areas. The main constraints on rural livelihoods are access to markets, access to financial services, unpredictable water shortages and barriers to livestock migration.

The Government of Sudan is committed to making structural reforms and tackling the roots of poverty, introducing several measures to benefit farmers and poor people.

Eradicating rural poverty in Sudan

Sudan is counting on its National Strategic Plan (2007-2031), which sets forth a strong commitment to achieving the Sustainable Development Goals. The current government is highly committed to enhancing smallholder agriculture in rainfed areas and has recently approved the implementation of a full-fledged Poverty Reduction Strategy Paper (PRSP).

As the top priority policy framework, the PRSP will address the following causes of poverty:

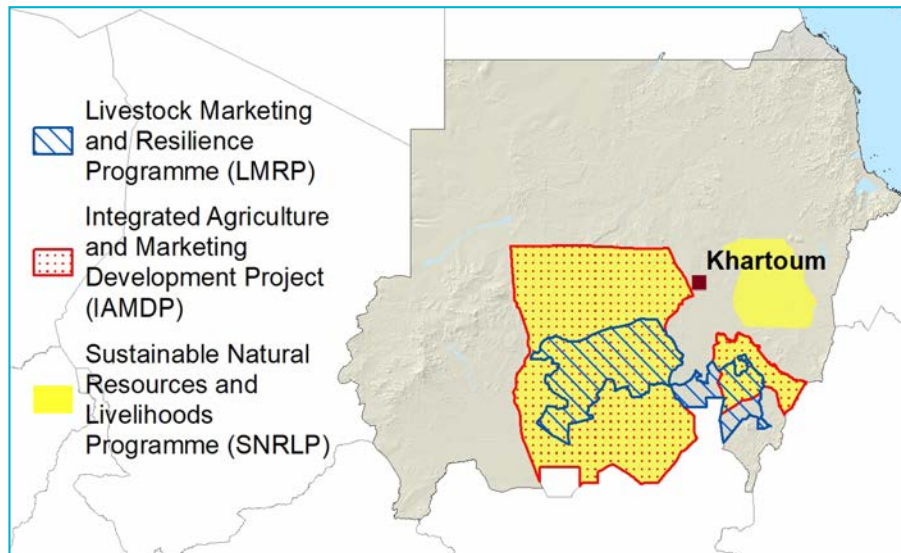
- Governance issues underpinned by the lack of pro-poor policies.
- Systemic institutional weaknesses that render institutions incapable of delivering core services to poor people.
- The lack of a vibrant and organized civil society able to influence pro-poor government policies and programmes.
- Limited, untimely and poorly accessible microfinance services for agricultural activities.
- Poorly tapped natural resources, coupled with destructive climate change impacts and successive droughts, resulting in a stagnant rural economy.
- A proliferation of community-level conflicts between pastoralists and farmers over land, water, pastures and livestock routes.

IFAD's strategy in Sudan

Sudan became a Member State of IFAD in 1977, with the first IFAD loan being approved in 1979. Having provided uninterrupted support throughout the period when economic sanctions were in effect, at a time when most aid was directed at humanitarian assistance, IFAD is widely seen as one of the few financial institutions and development partners with a high profile in supporting agricultural and rural development in the country. Since 1979, IFAD has funded 22 projects for a total project cost of US\$875 million, including financing from IFAD of US\$381 million. These projects have directly benefited 613,000 households. IFAD finances mainly agricultural and rural development projects in the rainfed sector, where the deterioration in natural resources and greater vulnerability to climate change have aggravated the poverty situation of smallholder producers.

In line with the Government of Sudan's new national poverty reduction strategy, IFAD's collaboration will address food insecurity, vulnerability to climate change and youth unemployment during the period 2021-2027. To achieve this goal, IFAD investments will support selected value chains that have high positive impact on the livelihoods of the poor rural people and their fragile environments. These value chains include gum arabic, sesame seeds, livestock for meat and organic herbal, and medicinal and aromatic plants such as hibiscus and baobab.

Ongoing operations



Livestock Marketing and Resilience Programme

This programme is designed to increase the food security, incomes and climate resilience of poor households in pastoralist communities. The programme intervenes in five states: Blue Nile, North Kordofan, Sennar, West Kordofan and White Nile. It works with economically marginalized and poor households, focusing on poor rural women and young men responding to income-generating opportunities. Private-sector value adders, service providers and operators in the principal livestock value chains will be secondary targets. The programme made a major breakthrough by establishing a unit that facilitates public-private partnerships for livestock marketing and exports within the Ministry of Animal Resources supported by experts. The project is due to end in March 2022.

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Integrated Agriculture and Marketing Development Project

This project is intended to increase household incomes and enhance the climate change resilience of smallholder producers, rural women and youth in rainfed areas of Sudan by improving access to quality agricultural inputs and services, enhancing business skills, facilitating access to rural finance and appropriate market support, and improving the organization and entrepreneurship skills of producers' associations. The project builds upon, and consolidates, investments supported by previous IFAD projects, moving from demonstration to the scaling up of public-private partnership models between farming households and private sector suppliers of inputs and services. The project supports the following commodities: sesame, groundnuts, gum arabic and sorghum. The project intervenes in North Kordofan, South Kordofan, West Kordofan and Sennar states. It is due to end in March 2024.

IFAD is open to partnering with other development partners to **jointly cofinance both sovereign and non-sovereign operations**

Sustainable Natural Resources and Livelihoods Programme

The project's goal is to increase the food security, incomes and resilience of pastoralists, agropastoralists and smallholders engaging in joint natural resource-related activities. The project will scale up community-based natural resource governance practices, technologies and business models. The project intervenes

in the states of River Nile, Khartoum, Gezira, Gedaref, Kassala, Sennar, and the North, South and West Kordofan states. The project was recently ratified and only became effective in February 2021. Its completion is scheduled for 31 March 2027.

Rural Poor Stimulus Facility

To mitigate the disastrous consequences of COVID-19, IFAD has committed itself to supporting affected rural people in many countries, including Sudan, through the IFAD-established Rural Poor Stimulus Facility (RPSF). Additional support of US\$747,650, requested by the Government of Sudan to help 5,000 families of small-scale farmers in the three states of Kordofan and in Sennar state, has been approved. This will contribute to mitigating the negative impacts of COVID-19 on small-scale producers. A new proposal to obtain additional financing of US\$913,179 under the RPSF is in the pipeline. If approved, the second allocation will help a further 7,000 households of small-scale farmers in the project area, again with the objective of improving the resilience of rural livelihoods in the context of the COVID-19 crisis by ensuring timely access to inputs, information, markets and liquidity.



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IFAD invests in rural people, empowering them to reduce poverty, increase food security, improve nutrition and strengthen resilience. Since 1978, we have provided US\$23.2 billion in grants and low-interest loans to projects that have reached an estimated 518 million people. IFAD is an international financial institution and a United Nations specialized agency based in Rome – the United Nations food and agriculture hub.

Contact:

Rasha Omar
Country Director
Petronas Complex, Plot 290
Nile Street, Building B 506
Khartoum, Sudan
Tel: +249 15655 6323
Mobile: +249 96 414 8651
Email: r.omar@ifad.org

Ahmed Subahi
Country Programme Officer
Petronas Complex, Plot 290
Nile Street, Building B 506
Khartoum, Sudan
Tel: +249 15655 6324
Mobile: +249 91 283 6138
Email: a.subahi@ifad.org

Wisam Mohamed
Country Programme Assistant
Petronas Complex, Plot 290
Nile Street, Building B 506
Khartoum, Sudan
Tel: +249 15655 6381
Mobile: +249 91 264 2258
Email: w.mohamed@ifad.org



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International Fund for Agricultural Development
Via Paolo di Dono, 44 - 00142 Rome, Italy
Tel: +39 06 54591 - Fax: +39 06 5043463
Email: ifad@ifad.org
www.ifad.org

facebook.com/ifad
instagram.com/ifadnews
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