



# Enabling the rural poor to overcome poverty in **Sudan**

## **Rural poverty in Sudan**

Poverty in the Sudan is deeply entrenched and is largely rural. In 2002 some 20 million people were living below the poverty line of less than US\$1 a day. About 19 million people – 85 per cent of the rural population – are estimated to be living in extreme poverty.

Most of them struggle to feed themselves and their families and have little or no access to safe drinking water and health services. The United Nations Development Programme's Human Development Index ranks Sudan 61<sup>st</sup> among the 77 least developed nations in the world.

The incidence of poverty varies considerably according to region. In part because economic growth has been unevenly distributed, but also because of the economic and social devastation caused by the conflict in certain parts of the country. Severe inequalities in terms of access to education, sanitation and clean water, to infrastructure and natural resources, income opportunities, justice and political protection exist between regions. For example, health services in southern Sudan only reach about 25 per cent of the population. People living in areas that have been or continue to be affected by drought and conflict – particularly the south and Darfur – are the most vulnerable to poverty.

A rapidly growing population is putting significant pressure on already fragile ecosystems, a situation which has been exacerbated by the displacement of peoples,

## Conflict leads to greater poverty

More than two decades of civil unrest in the Sudan have cost the lives of about 1.5 million people and had a devastating effect on the well-being of the population. Protracted civil conflict in the Sudan generally has its origin in socio-economic inequities caused by neglect of the agricultural sector, misguided land reforms, unfair distribution of resources for development between urban and rural areas and for irrigated and traditional farming, and exclusion of local communities from decision-making. These policies have led to the development of an economy based mainly on export and lease of natural resources, to competition over access to scarce land and water, and to inadequate nation-building.

After decades of internal conflict the Sudan signed a peace agreement in January 2005 and the new Government of National Unity and Government of Southern Sudan have now launched a six-year recovery, peace-building and development plan. International donors have pledged to contribute to the massive costs entailed in reconstructing the country.



either by drought or conflict. More than two million have been displaced by the Darfur conflict alone. In addition, erosion, loss of soil fertility and damage to watersheds are affecting resources. Agricultural productivity is decreasing as a result of a lack of technological breakthroughs in rainfed agriculture, and food security and livelihoods are threatened in turn. Malnutrition, tuberculosis and malaria have become rampant. The World Health Organization estimates that 22 per cent of children in the South and Darfur are suffering from acute malnutrition, and the incidence of diarrhoea in children may be as high as 45 per cent in southern Sudan.

In general, small-scale farmers and herders in the traditional rainfed farming and livestock sectors are more prone to poverty than those in irrigated areas. Those without land are dependent on cash earnings from casual labour, such as collecting firewood and making charcoal. Many depend on humanitarian aid. In 2006 about 2.5 million people in Darfur, and nearly 3 million in the south, east and transitional areas required food assistance.

Isolation is one of the key factors affecting poverty. Settlements located away from main thoroughfares have little or no access to social services and markets. Within rural communities, households without assets and labour power are the poorest – consisting of elderly or disabled people, or households headed by women with young dependants. Women and girls are the most disadvantaged members – less than one third of them have access to education.

Inadequate development strategies, slow adaptation to climatic volatility, and erosion of natural resources are the root causes of poverty. These causes have also fuelled the prolonged civil conflicts that have had a devastating effect on the rural population.

Poverty levels in the country are closely linked to the strengths and weaknesses of agricultural productivity. In the 1970s the Sudan, along with many countries of sub-Saharan Africa, began to introduce large-scale mechanized farms and to expand the irrigation sector in a bid to increase crop production, especially cash crops. The new farming systems and land allocation policies displaced subsistence farmers and nomads from their land, and dismantled traditional systems of communal ownership and management that had previously discouraged local conflict. They proved inappropriate for ecologically fragile areas that are much better suited to traditional agricultural methods characterized by livestock herding and the mobility of farmers.

Smallholder farmers are hindered by the limited size of their land holdings, low rates of productivity and an inability to improve their incomes. Because of the lack of rainfall and domestic water supplies, for most farmers the growing season is brief and crop failures are frequent. Pests and disease are problems they are ill-equipped to combat. Existing systems for research and agricultural support are unable to produce and disseminate new technical packages capable of overcoming these problems.

Because they have limited access to credit, distribution and marketing channels, and because of their inadequate technical knowledge and poor skills in production and marketing, farmers find it difficult to break out of the cycle of low productivity and income. Seasonal migration in pursuit of wage labour opportunities on mechanized and irrigated farms and in urban areas has become widespread.

## Eradicating rural poverty in Sudan

The Government of the Sudan is committed to making structural reforms and addressing the root causes of poverty in the country. The North-South Peace Agreement has allowed the government to take a new direction in addressing pressing socio-economic concerns. The tenets of the peace agreement have been designed to redistribute wealth and authority more evenly, and surplus revenue from oil exports will be allocated for poverty reduction.

In 2004 the Government of Sudan and the Sudan People's Liberation Movement reached an agreement regarding the main objectives of the policy framework for a National Poverty Eradication Strategy (PES). The PES has two overall objectives:

- achieving lasting peace and reducing the risk of future conflicts
- making substantial progress towards reducing poverty and other development goals

The strategy is based upon the need to share the benefits of economic growth widely and equitably throughout the country.

Rural development priorities focus on poverty reduction, restoration of livelihoods, provision of essential infrastructure and services and investments in agriculture, especially the rainfed sector. The PES addresses rural development from a number of aspects that are relevant to the structural causes of rural poverty, by:

- building a decentralized and multi-layered governance structure that is characterized by transparency, accountability and adequate resource allocation
- implementing comprehensive capacity building and institutional strengthening programmes
- creating an enabling environment for private sector development with special emphasis on rural development
- empowering local communities and vulnerable and marginalized social groups including women and young people
- implementing environmentally sound management of natural resources

In 2006 the Government of National Unity launched an investment campaign known as the Agricultural Revival, in which substantial funds will be directed towards the water sector and mechanization as a matter of priority.

## IFAD's strategy in Sudan

For more than 20 years the Sudan has been a priority country for IFAD. Since 1979 the organization has helped rural poor people in the Sudan by funding a total of 15 projects for a loan amount of US\$211.8 million. A further US\$316.5 million has been contributed for the projects by the government, cofinanciers and project participants.

To ensure a balanced allocation of public resources to the agricultural sector, IFAD's activities in the Sudan target areas in which poor rural people are concentrated. In the first half of the 1980s IFAD's work focused on rehabilitation of the irrigated farming sector. From the mid-1980s the emphasis began to shift towards developing the traditional rainfed farming sector. In 2002 the Government of the Sudan, together with IFAD, agreed that future IFAD investments will be concentrated in rainfed areas, which are characterized by a higher level of poverty.

Although some projects have been hindered by the prolonged conflict in the country, they have demonstrated how appropriate incentives can significantly improve agricultural production and consolidate peace initiatives. IFAD has tailored its strategy to the conflict situation, and its programme in the Sudan has adapted to successive shifts in government policies and priorities. IFAD supports the government's efforts to promote decentralization and strengthen local governance of natural resources as part of its commitment to reduce rural poverty and build social and economic stability in the country.

IFAD supports the efforts of the Government of the Sudan to improve the living conditions, income and productivity of poor rural people as part of a comprehensive development and peace-building process. In particular, as the country emerges from civil war, the principal aim of IFAD's work is to tackle issues that underlie conflict and aggravate poverty by promoting support for the agricultural sector, improved land reforms, equitable distribution of resources, participation of local communities in decision-making and poor people's access to water and land.

In line with current government policy to decentralize local government, IFAD's programme in the Sudan helps empower local communities, protect and assert traditional rights to resources, and promote good local governance. Empowering local management of land and water rights is an important feature of IFAD-funded projects.

All of IFAD's projects in the Sudan feature community-based and community-driven processes, working with local people to ensure food security and income from agriculture within a framework of sustainable natural resource management. Establishing self-reliance is an essential aim of all projects. Community members are encouraged to form organizing groups to manage newly introduced credit services. The projects tend to bring together a broad range of community members representing different socio-economic groups, and they actively involve women in the development process.

Number of loan-financed projects/programmes: 15  
Total cost: US\$550.1 million

Amount of IFAD financing: US\$211.8 million

Directly benefiting: 410,900 households

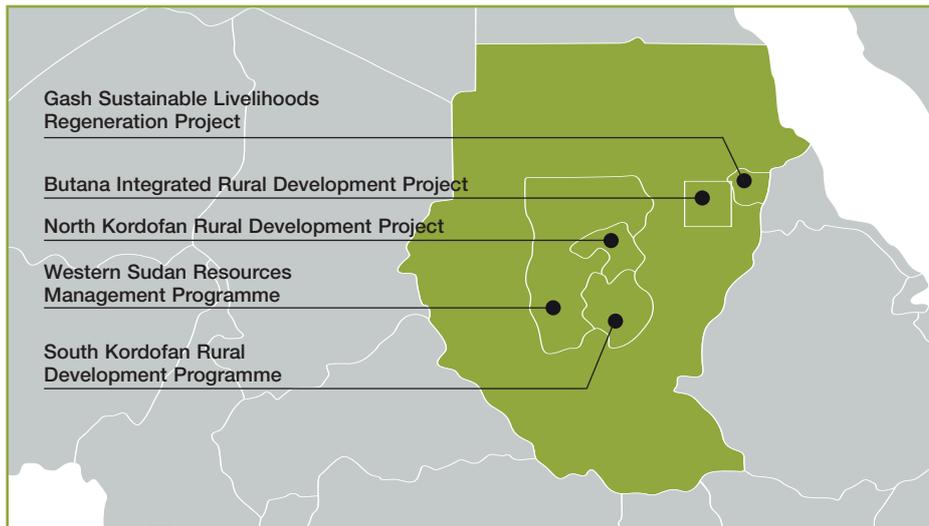
Co-financing:

- Islamic Development Bank
- OPEC Fund
- Finnish Department of International Development Cooperation
- The Federal Republic of Germany
- International Development Association
- Overseas Development Association
- African Development Fund
- United Kingdom

Projects financed by IFAD have helped increase agricultural production and provide crucial infrastructure. Through women-oriented activities, in recent years projects have worked to ensure representation of women in grass-roots organizations and on project management teams.

IFAD's programme will continue to target rural poor people in the rainfed sector. Here it is possible to reach a larger number of households than in the irrigation rehabilitation sector, and at a more affordable cost. Rainfed agriculture is less dependent on imports for equipment and produces high value export crops and livestock, contributing more to foreign-exchange earnings.

## APPROVED OPERATIONS



### Butana Integrated Rural Development Project

The Butana region was for many centuries a socio-economic and political unit, and is nowadays divided into different administrative localities. The overall project goal is to improve the livelihoods of poor rural households in the target area, and strengthen communities' resilience in the face of drought. The project targets smallholder pastoralist households in the sand dunes and clay plains of the region, households engaged in irrigated farming and smallholders who migrate seasonally with their herds. Open access to range and water resources in the region has led to severe environmental damage around water facilities and also led to acute water shortages.

Livestock production and marketing is the most viable economic activity in the Butana region, and raising productivity is an effective way of creating lasting improvements in living conditions and household food security for the poorest farmers in the project area. It is also a good way of increasing women's economic status in the community and home. The project helps develop crop production, and small off-farm enterprises, especially dairy processing.

The specific objectives of the project are to:

- support improvements in natural resource governance to ensure regulated access to land and water resources in the region for all
- improve the access of women and men to livestock markets and strengthen their bargaining position within markets, by rehabilitating market infrastructure and by establishing market information systems and organizing producers' groups
- build the capacity of grass-roots organizations to design and implement environmentally sound development initiatives that include women and marginalized social groups

**Total cost: US\$29.8 million**

**IFAD loan: US\$24.8 million**

**Duration: 8 years**

**Geographical area: a rectangular area, historically known as Butana, within the eastern states of Khartoum, Gedaref, River Nile, Gezira and Kassala**

**Directly benefiting: 40,000 households**

## ONGOING OPERATIONS

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### Western Sudan Resources Management Programme

The programme will cover an area that is inhabited by a large proportion of poor or extremely poor small-scale farmers and herders. Families have a limited food and water supply and no sources of income other than what they earn through herding and farming.

The long-term objective of the programme is to build up traditional rainfed agriculture and improve economic conditions in communities in the three Kordofan states. The programme focuses on the importance of appropriate natural resource management in resolving land and water-based conflicts. Establishing land rights for herders and for traditional and mechanized farming, improving access to water, and providing or strengthening basic infrastructure are essential elements of the programme. In the poorest areas the programme will invest in livestock restocking, vocational training and the introduction of alternative income-generating enterprises. Overall, the programme will work towards strengthening community organization, particularly by involving rural women.

Total cost: US\$49.0 million  
IFAD loan: US\$25.5 million  
Duration: 8 years  
Geographical area: North, South and West Kordofan  
Directly benefiting: 65,000 farming households

### Gash Sustainable Livelihoods Regeneration Project

The project area is the Gash Delta in the eastern part of the Sudan, where there has been civil unrest. With its important water resources, the area has drawn large numbers of poor people displaced by the civil war and by drought, placing immense pressure on the resource base. As the population has increased drastically in this region in recent decades, the total area of cultivated land has decreased and livelihoods have suffered. The project promotes equitable and sustainable use of land and water resources.

The overall goal is to regenerate the livelihoods of poor people in the area and secure their access to irrigated land and water supplies. Specific objectives of the project are to:

- rehabilitate the flood irrigation scheme to increase availability of cultivable land
- improve forestry production and livestock productivity
- refurbish existing water facilities to increase access of local communities to safe water
- improve outreach of rural financial services to small tenant farmers and herders, landless people and women
- help institutions support improved management of local resources

The project has already begun the process of guiding reforms to land and water governance and has helped mobilize institutional structures that will enable farmers to manage these resources.

Total cost: US\$39.0 million  
IFAD loan: US\$24.9 million  
Duration: 2004-2012  
Geographical area: Kassala State  
Directly benefiting: 67,000 households

### South Kordofan Rural Development Programme

The programme covers the entire rural domain of the state of South Kordofan, focusing on the poorest people in the region. The area has been the scene of civil unrest in past decades and its rural communities have been considerably disrupted. Civil strife has severely affected agricultural productivity and the infrastructure that sustains it. Women are particularly vulnerable to the effects of civil strife on services.

The overall goal of the programme is to improve the incomes of the poorest people in the state – smallholder and herder families, particularly those headed by women – and to provide them with access to social services. The programme supports the peace process through post-crisis rehabilitation and development.

Specific objectives of the programme are to:

- enhance incomes and productivity by providing community-based services and technical support
- encourage equitable management of communal rangelands and farmland
- establish community-run safe drinking water supplies and basic health-care facilities
- create sustainable rural credit services
- improve the rural road network
- establish local and state institutions that can help rural communities improve their livelihoods
- enable people in local communities to plan, implement and manage their own development activities and resolve group conflicts

Total cost: US\$39.6 million  
IFAD loan: US\$17.9 million  
IFAD grant: US\$150,000  
Duration: 2001-2011  
Geographical area: the state of South Kordofan  
Directly benefiting: 26,200 households

The project is making a major contribution to the re-establishment of peace in the region by providing social and economic support to rural poor people who have been affected by civil strife. Agricultural starter packs have been distributed to nearly 20,000 of the poorest farmers in the programme area.

## North Kordofan Rural Development Project

Irrigated farming is limited in the provinces of Um Ruwaba and Bara in western Sudan, which were hit by a series of droughts in the 1980s and early 1990s. The massive influx of displaced persons from the south has placed further pressure on already fragile resources, and livelihoods have suffered considerably.

The overall goal of the project is to improve the standard of living of target communities in the area, and in particular to assure their food security and make them more resilient in the face of drought.

Specific objectives include:

- increasing the capacity of village communities to plan, execute and manage development schemes
- establishing support systems to assist communities in development
- promoting communal natural resource management
- creating sustainable participatory financial institutions

Although the project has faced difficulties caused by inconsistencies in the decentralization process, it has helped form village development committees in the project area, which have been successful in mobilizing the local community and resources for development activities. It is working to improve its targeting of the poorest in communities. Farmers have already registered benefits in productivity.

Total cost: US\$23.7 million

IFAD loan: US\$10.5 million

Duration: 2000-2007

Geographical area: Um Ruwaba and Bara provinces in the state of North Kordofan

Directly benefiting: 17,600 households

Cofinancing: Islamic Development Bank (US\$9.1 million)

## COMPLETED OPERATIONS

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### White Nile Agricultural Services Project

Total cost: US\$15.0 million

IFAD loan: US\$10.7 million

Duration: 1995-2002

Geographical area: Ed Dueim, El Geteina, Jebelein and Kosti provinces in the Central state

Directly benefiting: 6,000 households

### En Nahud Cooperative Credit Project

Total cost: US\$16.7 million

IFAD loan: US\$9.5 million

Duration: 1989-1998

Geographical area: En Nahud district in North Kordofan province

Directly benefiting: 16,400 households

Cofinancing: Finnish Department of International Development Cooperation (US\$2.5 million)

### Northern Province Irrigation Rehabilitation Project – Phase II

Total cost: US\$32.5 million

IFAD loan: US\$12.0 million

Duration: 1993-1998

Geographical area: Merowe district in the North State

Directly benefiting: 12,600 households

Cofinancing: Islamic Development Bank (US\$9.6 million), Organization of Petroleum Exporting Countries Fund for International Development (OPEC Fund) (US\$5.4 million)

### Northern Province Irrigation Rehabilitation Project

Total cost: US\$27.2 million

IFAD loan: US\$9.5 million

Duration: 1987-1998

Geographical area: three districts of the Northern Province

Directly benefiting: 13,400 households

Cofinancing: The Federal Republic of Germany (US\$12.5 million)

### Southern Roseires Agricultural Development Project

Total cost: US\$14.7 million

IFAD loan: US\$10.3 million

IFAD grant: US\$50,000

Duration: 1992-2000

Geographical area: the Southern Roseires area, in the Blue Nile Province in the Central region

Directly benefiting: 4,700 households

### Western Savannah Project – Phase II

Total cost: US\$43.6 million

IFAD loan: US\$10.0 million

Duration: 1986-1994

Geographical area: South Darfur province

Directly benefiting: 50,000 households

Cofinancing: International Development Association (US\$10.7 million); Overseas Development Association (US\$10.3 million)

## Stock Route Project

Total cost: US\$19.6 million

IFAD loan: US\$6.0 million

Duration: 1985-1992

Geographical area: Darfur and Kordofan regions and the White Nile province of the Central region

Directly benefiting: herder groups in the area

Cofinancing: International Development Association (US\$5.5 million)

## Northern Region Agricultural Rehabilitation Project

Total cost: US\$23.1 million

IFAD loan: US\$10.0 million

Duration: 1984-1993

Geographical area: Merowe, Ed Debba and Dongola districts in the Northern Province

Directly benefiting: 40,000 households

Cofinancing: the OPEC fund for International Development (US\$8.2 million)

## New Halfa Irrigation Rehabilitation Project

Total cost: US\$128.8 million

IFAD loan: US\$15.1 million

Duration: 1981-1988

Geographical area: Kassala province, northern Sudan

Directly benefiting: 22,000 households

Cofinancing: International Development Association (US\$40.0 million), African Development Fund (US\$10.0 million)

## Southern Region Agriculture Project

Total cost: US\$55.9 million

IFAD loan: US\$15.0 million

Duration: 1980-1985

Geographical area: the Southern region

Directly benefiting: 44,000 households

Cofinancing: International Development Association (US\$15.0 million), United Kingdom (US\$18.5 million), Federal Republic of Germany (US\$1.9 million)

Status: closed

# IFAD's strategy for rural poverty reduction in the Near East and North Africa

IFAD's strategy for the region covers borrowers from North Africa and the Middle East, and more recent Member States from Central and Eastern Europe, and the newly independent states.

The gradual transition of countries in the region from economies that were heavily controlled by the state to more market-oriented economies presents many opportunities and risks for rural poor people. They have more choices about what to produce and how to produce it, better access to markets and services and greater potential for entrepreneurial and creative approaches to generating an income. However, rural poor people are not seen as a 'profitable' segment of society, and without a strong political voice they risk being excluded from decision-making and access to services. IFAD's role in the region is to improve rural poor people's access to these new opportunities and minimize the risks that the transformation process may bring.

IFAD's strategic objectives in the region focus on four main areas:

- Empowerment of rural poor people, so that they can have more say in the decisions and policies that affect their lives and perpetuate their poverty.
- Income diversification, so that rural poor people can find ways to make a living to feed their families, send their children to school and improve their standard of living. IFAD's objective is to assist in creating an enabling environment and to support institutions that may help the poor diversify their incomes.
- Gender issues. Despite the important role that women play in the rural sector, significant gender inequalities exist in the region and there is a need to focus on improving the status of women.
- Natural resource management. People in the region face severe natural resource constraints. Water scarcity is the most critical problem and needs to be addressed urgently. Sustainable environmental management is closely linked to growth in the agriculture sector and to the reduction of rural poverty.

To achieve its objectives in the region, IFAD's investments support:

- community development and institution building
- promotion of appropriate technologies for marginal and dry-land areas
- long-term on-farm investment
- rural infrastructure
- rural financial institutions
- microenterprise development



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For further information on rural poverty in  
Sudan, visit the Rural Poverty Portal:  
<http://www.ruralpovertyportal.org>



## Building a poverty free world

IFAD is a specialized agency of the United Nations dedicated to combating poverty in the most disadvantaged regions of the world.

Through low-interest loans and grants, it develops and finances programmes and projects that enable rural poor people to overcome poverty themselves.

Since starting operations in 1978, IFAD has invested US\$9.5 billion in 732 programmes and projects around the world. These operations have enabled more than 300 million small farmers, herders, fishers, landless workers, artisans and members of indigenous communities to take steps to achieve better lives for themselves and their families.

But this represents only part of the total investment in IFAD programmes and projects. In the past 28 years, a further US\$16.1 billion in cofinancing has been provided by governments, project participants, multilateral and bilateral donors and other partners.

Working with partners, including rural poor people, governments, NGOs, financial and development institutions, and the private sector, IFAD tackles poverty not just as a lender but also as an advocate for rural poor people. One of its priorities is to assist rural poor people in developing and strengthening their organizations so that they can advance their interests and remove the obstacles that prevent so many people, especially women, from creating a better life for themselves. In this way, rural poor people are able to participate more fully in determining and directing their own development.



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