



# Project Information Document/ Identification/Concept Stage (PID)

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Concept Stage | Date Prepared/Updated: 02-Mar-2021 | Report No: PIDC242422



**BASIC INFORMATION**

**A. Basic Project Data**

Project ID	Parent Project ID (if any)	Environmental and Social Risk Classification	Project Name
P176302		Moderate	Sudan Household Budget and Poverty Survey
Region	Country	Date PID Prepared	Estimated Date of Approval
AFRICA EAST	Sudan	02-Mar-2021	
Financing Instrument	Borrower(s)	Implementing Agency	
Investment Project Financing	Republic of Sudan	Central Bureau of Statistics	

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**PROJECT FINANCING DATA (US\$, Millions)**

**SUMMARY**

<b>Total Project Cost</b>	2.20
<b>Total Financing</b>	2.20
<b>Financing Gap</b>	0.00

**DETAILS**

**Non-World Bank Group Financing**

Trust Funds	2.20
Miscellaneous 1	2.20

**B. Introduction and Context**

Country Context

**The secession of South Sudan in 2011 created several economic and social challenges for the country.** With the separation from South Sudan, Sudan lost three-quarters of its oil reserves. Domestic oil production has not been enough to satisfy domestic demand. This has resulted in a shortage of fuel, a loss of government revenues, and a shock in the balance of payments. The latter has been exacerbated by the presence of parallel markets for foreign currencies, which are in need of unification. Soaring inflation and high external debt ratios are further aggravating Sudan’s structural imbalances. Furthermore, the additional stress imposed by the COVID-19 pandemic have led to persistent social unrest and protests continue to mount. All



these developments are stifling growth prospects and posing risks to the broader population, particularly to those most vulnerable.

**Sudan's transition to a democratic government and its re-engagement with the international community could lay the foundation towards sustainable development.** The transitional civilian government formally assumed power in September 2019, and has since introduced important interventions and reforms, in an effort to re-engage with the international community and gain access to external financing. This re-engagement has included actions toward debt restructuring through securing credit under the Highly-Indebted Poor Countries Initiative (HIPC). In this process, the government has committed to improve the allocation of its scarce resources towards enhancing the livelihood of the most vulnerable people. The access to debt relief under the HIPC initiative, the implementation of a poverty reduction strategy, and the implementation of a comprehensive reform program, which included the removal of fuel subsidies among other measures, are expected to provide much needed relief to Sudan's economic and social imbalances.

**COVID-19 is exacerbating the economic, social, and political situation posing further challenges to the transitional government's stabilization efforts.** Severe shortages of necessities, such as staple foods and fuels, have contributed to the social discontent prior to the COVID-19 pandemic, but the lockdown imposed at the beginning of the pandemic generated massive economic consequences to the population. Additionally, the recent removal of fuel subsidies has contributed to rapid inflation. These new economic and social challenges required the government to act fast and direct resources towards interventions to protect the poor and vulnerable populations. Some of these interventions included emergency health programs and social programs, such as the Sudan Family Support Program. Despite the government's efforts to implement an ambitious reform agenda, managing the impact of the reforms and shielding the most vulnerable in the current context is proving significantly challenging.

**The lack of data limits the ability to adequately assess the magnitude of the economic crisis on the most vulnerable and to design evidence-based and targeted policies.** Sudan has been characterized by a high prevalence of poverty and inequality with marked spatial disparities. According to the most recent household survey from 2014/15 (NHBPS 2014-15), the poverty level (based on the national poverty line) was 36.1%, with approximately 11.15 million Sudanese residents living in poverty. At the state level, South Kordufan, West and Central Darfur experienced the highest poverty incidence. However, since 2014/15, Sudan has gone through severe economic and social problems that likely deteriorated the living standards of the population and that have been further intensified by the pandemic. The escalating food prices that Sudan has been experiencing since 2018 contributed to the shortages of food and fuel. Early in 2021, the country has also been experiencing high increases in health and transport prices. All of these developments have likely impacted populations differently by region and socioeconomic status. The lack of recent data limits the government's ability to direct resources to those most at need. The World Bank, in partnership with the Central Bureau of Statistics, is implementing a high frequency survey using mobile phones to monitor COVID-19 and its impact on households and enterprises. While this small panel survey provides a snapshot of living conditions across Sudan, it is not an appropriate platform to collect consumption data (needed to measure poverty) and more comprehensive information on social indicators.



**A new household budget and poverty survey will not only help design and implement better policies, but it will be crucial to monitoring Sudan’s poverty reduction strategy and the World Bank Group’s twin goals of reducing poverty and boosting shared prosperity.** The lack of recent data has limited the ability to inform policymakers on the reforms most needed in the country. Up-to-date reliable household survey data will help the government better identify priority areas of intervention, allow for more efficient targeting, and show progress and success of the government’s policy agenda. The Central Bureau of Statistics (CBS) of Sudan is preparing a new household budget and poverty survey with the support of the World Bank. The new household survey data will not only benefit the Sudanese government, but enable the Bank's engagement with the government to be guided by relevant up-to-date information.

#### Sectoral and Institutional Context

**Established under the Statistics Act of 2003, the Central Bureau of Statistics is the agency responsible for the production of national statistics and the coordination of statistical work across government agencies.** CBS is a semi-autonomous institution under the Ministry of Finance and National Economy with branch offices in all 18 states in Sudan. It is responsible for the implementation of the major statistical operations in the country, including censuses and large-scale household surveys. Specialized sectoral surveys, such as health or industrial establishments, are usually designed and collected in collaboration with the respective ministries. In the last 20 years, CBS has led the implementation of various survey operations (listed in Table 1 below) and the latest population census which was carried out in 2008.

**Inadequate funding for statistical work and limited technical capacity has seriously limited the production and availability of timely and reliable (national and subnational) statistics.** With support from UNDP, the Central Bureau of Statistics developed a National Strategy for the Development of Statistics (NSDS) in Sudan for 2012-2016, which articulated ten goals, including strengthening the production of quality and timely statistics in line with international best practices and guidelines. However, the NSDS was not fully implemented because of inadequate funding and heavy reliance on donor funding. CBS started preparing a new NSDS a couple of years ago and is yet to finalize it.

**CBS has conducted two Household Budget Surveys in 2009 and 2014/15 under the financial support of the African Development Bank (AfDB).** These two surveys provide with the only two available poverty estimates in Sudan, and the latest survey constitute the foundational data source to inform central policy and planning documents, including the Poverty Reduction Strategy, the Systematic Country Diagnostics, and the analytical underpinnings of all the economic reforms under consideration. However, the magnitude of the social and economic transformations that have affected the country in the last few years make this source of information increasingly obsolete.

**Sudan is in great need to update various socio-economic surveys and censuses.** There has not been a major statistical operation since 2015, leaving the country with serious data gaps across multiple sectors. The latest population census was conducted in 2008, after which Sudan suffered a number of significant political and social changes, including the secession of South Sudan in 2011. Essential social and economic indicators



collected through surveys like the Multiple Indicator Cluster Surveys or Labor Force surveys have not been collected since 2014 and 2011, respectively. There has not been an agriculture survey or census in over 20 years, and the latest Industrial Establishments’ Survey was fielded in 2003. The Government of Sudan is currently trying to secure funding for the next Population and Housing Census and Agriculture census. The aim is to implement these by 2023. In addition, CBS is currently preparing new surveys as shown in Table 2.

**According to the World Bank’s Statistical Capacity Indicator (SCI), Sudan scored 54.44 out of 100 in 2019, just below the regional average of 57.14.** The SCI assesses the capacity of the country’s national statistical system (NSS) across three dimensions: statistical methodology, source data, and periodicity. *Statistical methodology* measures a country’s ability to adhere to internationally recommended standards and methods. In this area Sudan scores 40, and is mainly determined by macroeconomic indicators. *Source data* reflects whether a country conducts data collection activity in line with internationally recommended periodicity and whether data from administrative systems are available and reliable for statistical estimation purposes. In this dimension Sudan also scores 40 and is mostly affected by the lack of timely source information. There has not been any fully-fledged agriculture census or survey in Sudan before. The MICS, NHBPS, and the Population and Housing Census are not conducted as recommended internationally. Information was also unavailable to confirm completeness of vital registration system coverage. Lastly, *periodicity*, attempts to measure the extent to which data are made accessible to users through the transformation of source data into timely statistical outputs. Sudan’s score is 83.33, the highest among the three dimensions.

Table 1. Main statistical operations carried out since 2000

Survey	Date
Multiple Indicator Cluster Survey (MICS)	2000, 2010, 2014
Social Services Survey	2003
Comprehensive Industrial Survey	2003
Household Health Survey	2006 & 2010
Quick Household Consumption Survey	2007
The National Baseline Household Survey	2009
Household Health Utilization and Expenditure Survey	2009
Labor Force Survey	2011
National Household Budget and Poverty Survey (NHBPS)	2014/2015
Core Welfare Indicators Questionnaire	2014/2015

Table 2. Main statistical operations planned for 2021-2023

Survey	Date
Household Budget and Poverty Survey	2021



Financial Inclusion Survey	2021
Industrial Survey	2021
Multiple Indicator Cluster Survey 6 (MICS)	2022
Agriculture survey	2023
Comprehensive Agricultural Census (including livestock and crops)	2023
Population and Housing Census	2023

#### Relationship to CPF

The Project contributes to the FY21-FY22 Country Engagement Note. The Engagement is structured around two focus areas: (i) re-engagement, and (ii) contributing to a renewed social contract, and a cross-cutting theme of promoting inclusion and citizen engagement. Under the first focus area, this project directly contributes to the monitoring implementation of the Poverty Reduction Strategy which constitutes a requirement to achieving the HIPC completion point. Under the second focus area, the survey falls under the Core Analytics envisioned in the CEN to inform the World Bank engagement moving forward, particularly the expected CPF. Having updated nationally representative socio-economic indicators will also directly inform sectoral engagements across all focus areas and cross-cutting themes.

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### C. Project Development Objective(s)

#### Proposed Development Objective(s)

To support the Government of Sudan to collect quality data on key socio-economic indicators and produce provisional national-level poverty estimates to inform policy planning and monitoring.

#### Key Results

The project development objective will be achieved through successful implementation of the initial phase of the Sudan household budget and poverty survey, which consists of setting the infrastructure of the full survey and implementing the first round of the survey. Key results include: 1) increased CBS's capacity in the preparation and implementation of a household budget survey, 2) adoption of CAPI technologies to assist personal interviewing and real-time quality monitoring, 3) production of provisional poverty estimates, 4) public release of the anonymized microdata.

### D. Preliminary Description

#### Activities/Components

The Government has estimated the cost of US\$5.9 million for the survey, of which US\$2.2 has been secured so far and will be used under the current project to implement the first phase of the survey. The project is designed in order to maximize the value of the information produced under each potential outcome. If no more funds are secured while the first phase is being implemented, the project would produce provisional



poverty statistics at the national and rural/urban levels that could be used to provide an overall indication of the poverty incidence in the country. The two main limitations under this scenario include the inability to produce state-level poverty statistics, which are critical for state-level policy planning and monitoring, as well as the inability to properly account for seasonality effect on consumption and poverty. Regarding the seasonality point, data from the latest household survey will be used to indicate the expected level of potential under- or over-estimation of poverty rates due to seasonality. If more funds are secured on time, data collection would continue throughout the year through an Additional Financing restructuring, and official poverty statistics with state-level representation would be produced. The remainder of the project description is based on the current budget envelope.

The project is structured around the following components:

*A. Component 1. Preparation and design phase*

This component includes confirming a few remaining methodological decisions on the survey design and finalizing the survey instruments. This includes the update of the sampling frame, the sampling design, the field-work design, the questionnaire design, and the interviewing method, together with the initial pre-testing of the instruments. A number of consultants will be hired to support the various activities. This phase is expected to last until July 2021.

Sampling design. In the absence of a recent census, the sampling frame had to be updated. CBS updated the estimated population of the smallest administrative unit in the country (called Popular Administrative Unit, PAU) between January and October 2020. These are villages in rural areas and quarters in urban areas. For PAUs that have not suffered any change in boundaries or structure since 2014 (when the sampling frame was latest updated), the population is estimated based on the share of the population of the PAU in the locality in the 2008 census and the population projection for that locality. For PAUs that have change, or that are known to have suffered significant transformations due to conflict, migration or displacement, local authorities at the PAU level were asked to provide with population estimates. These PAUs constitute the primary sampling unit of the survey. In a second stage, select PAUs will be segmented into pieces that contain an estimated 150 to 200 households. In a third stage, select segments will be listed. In order to save on field costs, the segmenting and listing operations will be integrated into field operations and done immediately preceding household interviews. However, the selection of segments and household will be done at the central level. The process started as part of the preparations for a new MICS survey.

The latest survey followed a 3-wave panel approach, where close to 14,000 households were interviewed during one month in the summer, rainy, and winter seasons respectively. In addition to the increased burden on selected households and the challenge to minimize attrition across rounds, this design comes with two additional important limitations. On the one hand, the design is still subject to potential variations in weather patterns within seasons across years. On the other hand, this design requires a significantly larger sample size to ensure state-level representativeness. In addition to higher costs, the main risk relates to the significant increase in potential non-sampling errors and their corresponding impact in data quality. The new survey will move to a repeated cross-sectional design, with about 3,000 households interviewed per round



and one round per season (winter, summer, rainy season). State-level representation would be achieved after the three rounds of data collection.

Field work design. The new survey will depart in a significant way from the last survey (2014/15) in its approach to fieldwork design. The last survey was designed to collect all the necessary information in one month per round. In addition to the potential seasonality consequences mentioned above, this means having a large number of teams in the field at the same time and spending very little time (approximately 3 days) per location. Such an approach has significant consequences for quality control. Most notably, one month of field work does not allow sufficient time to do real-time field monitoring, and therefore problems cannot be corrected in real time. Relatedly, so few days per location is not enough time to ensure high response rates and complete interviews in each Enumeration Area (EA). Finally, the quality of the work also improves significantly if there are fewer teams to train and supervise. For all these reasons, the new strategy will be to have fewer teams working for longer periods of time. There is going to be one team per state, and the final duration of the fieldwork is going to be set once the optimal 'field-identity' is defined (i.e. the working calendar per team per EA). It is estimated that the initial phase will be fielded over approximately 3 months.

CAPI adoption. The new survey will be implemented using CAPI (Computer Assisted Personal Interviews). This is a significant change from the last survey, and one that will require substantial technical assistance and up-front investment. Survey modernization through CAPI technology can significantly reduce the time lag between data collection and data analysis, dramatically improve data quality, and reduce survey costs. The ability to integrate household survey data with Global Positioning System coordinates, sensor data, time stamps, audio/video recordings and more, opens new and greater possibilities of tackling innovative, policy-relevant questions. At the same time, such a change comes with risks. CBS has some experience with CAPI, but mostly limited to surveys of limited regional coverage or pilot surveys.

The survey will be implemented in CSPRo. The decision was based following a pilot test implemented in December 2020 under the recently closed Statistical Capacity Building (StatCap) project, which compared the results and experience between using CSPRo and Survey Solutions (SS). Two teams of 5 people, 4 enumerators and 1 supervisor, were given a 4-day refresher on both software using a draft version of the household and community questionnaires. This was followed by a 2-day field test, where each enumerator covered 6 households, 3 households with each software. The pilot was run in Khartoum State, in both rural and urban areas. After data collection was completed using the two programs, a workshop was held that included both Interviewers, Team leaders, programmers, and also a presence from the network department in addition to the project supervisors for assessment and evaluation and selection of the program. The main justifications for the selection of CSPro were: (a) more experience and familiarity with CSPro (teams were not well-equipped to use SS in such a complex survey); (b) SS requires internet connection to transfer forms between supervisors and interviewers, which proved very difficult in some areas of the country.

Past experience demonstrates that implementing a budget survey with CAPI requires significant up-front investment in the development and testing of the questionnaire. In order to mitigate the risks, significant





outside support will be provided on the development of the CAPI program and the real-time monitoring platform.

Questionnaires. Following the design of the last survey, the survey consists of two questionnaires: a household and a community questionnaire. Drafts of both questionnaires were developed under the StatCap project. The household questionnaire is relatively standard in scope, consisting of 11 modules covering household identification; roster and demographics; health; education; employment; housing; durables; household transfers; cash, credit, savings, and shocks; consumption; agriculture and livestock; and income. The community questionnaire contains 12 sections including general characteristics; educational services; health services; various public services; transportation services; industry and employment; agriculture; microfinance; non-governmental organizations; recent developments in the community.

While building on the previous survey, the household questionnaire is expected to have substantial changes. As a result of a poverty methodology revision done under the previous StatCap, a couple of suggestions were raised including the change from a 10-day recall period for food consumption to 7-days recall, and the revision of the food list. The team also requested a more comprehensive assessment of the questionnaire to the Living Standards Measurement Study team. While the focus of the request centered around the consumption module which is critical for poverty measurement, the request also highlighted other potential areas of improvement including the housing module (housing is currently not included in the consumption aggregate and the module is very limited to estimate hedonic models); employment (the survey does not follow current ILO guidelines); income and agriculture modules (this information is very limited). The assessment has just been completed and it revealed several limitations throughout the whole questionnaire. The advice is divided into “recommended changes” and “necessary changes”, which are now going to be shared with CBS to then work on the final design. Mindful of not adding additional complexity to the survey and taking into account respondent burden, additional modules to be considered include migration/displacement, food security, and mental health. The team is also waiting to receive feedback on the community questionnaire.

The preparatory stage includes a small field pre-test of the questionnaires of about 40/50 interviews in Khartoum, in both urban and rural areas.

Non-Standard Unit Survey. A significant source of measurement error in consumption surveys comes from the widespread use of non-standard units with which households measure food consumption. To address this concern, a Non-standard Units Survey will be implemented ahead of the household survey so that the information can be used to improve the quality of the data. The survey will be implemented by the CPI team and collected in select markets that are regularly visited to collect the CPI. For all states other than Khartoum, the sample consists of two markets per state - one rural and one urban - both visited by a team of two enumerators per state. Khartoum is divided into three districts, with two markets – one rural and one urban – per district. In each market, pre-identified food items (informed by the latest household survey) will be carefully weighted to provide with appropriate conversion factors, and pictures of those items will be taken. Pictures will follow specific protocols to ensure they convey accurate information. The outputs of the survey are a list of pre-identified non-standard units with associated conversion factors that will be build-in



the CAPI survey, and a photo referenced aid of the most relevant NUSs to assist households' responses during the main fieldwork.

Restoring comparability over time. When new survey rounds implement improvements, it is advisable to look for ways of accounting for such changes so that poverty estimates remain comparable over time. The closest way to replicate the old survey would be to run a parallel 'bridge survey' under the old field strategy and questionnaire design. However, the changes are quite substantial, making the replication of the old survey technically challenging. Additionally, the capacity of CBS is very limited, and the technical assistance required to implement the new survey is already quite substantial. Therefore, the current plan is for this survey to become a new baseline moving forward, and therefore results will not be comparable with past rounds.

Stakeholders engagement. The survey design and implementation will be overseen by two committees. A steering committee composed of 8 members from various ministries and CBS will meet at least three times during survey preparation and implementation, to 1) provide overall oversight and supervision of the survey, and 2) endorse the work plan, budget, and final results. Additionally, a Technical Working Group, headed by the Director General of CBS, will meet more regularly to discuss and agree on the technical details of the survey. This committee is comprised of 15 members from the statistical divisions of various ministries and different departments from CBS.

#### A. Component 2. Survey Implementation phase

Training and pilot. The training is organized in stages, with a central training of principal trainers in Khartoum, followed by 18 state-level trainings. State-level trainings will be followed by a 5-day field pilot to test survey instruments, field logistics, and quality monitoring protocols. The pilot will also serve to identify and correct poor performance of interviewers and to reinforce the material covered in the training. The training is targeted to take place in July 2021.

Fieldwork. The first phase of the field work funded under this project is estimated to take approximately 3.5 months and carried out by one team per state. This time includes the segmenting and listing activities that teams will do before interviewing selected households in each location. Upon arrival to the specified location, teams are going to contact local authorities of the neighborhood or village to introduce themselves, introduce the survey, and ask for collaboration. The first round is currently scheduled around August-November.

With the adoption of CAPI, and the corresponding integration of questionnaire administration and data capture, quality control is built in three stages. During interview, data checks are built into the application to flag potential outliers or inconsistency in the information provided. This reduces the amount of post-collection cleaning required, thus speeding up the pace at which results can be made available while reducing the number of potentially invalid values. Additional monitoring will be done from the state offices and HQ, tracking interview completion and quality of information at the enumerator and team levels. This information is going to be shared with teams on an on-going basis, to ensure adequate completion rates before teams move to a different location. The transfer of information within team members will be done



through Bluetooth, but the transfer of information to the State offices and HQ may require supervisors to look for areas with internet reception, which may be more challenging in certain areas.

A. Component 3. Analysis phase / data processing and dissemination

The project will support basic data processing (cleaning and preparing the data for analysis), including the anonymization process before making it publicly available. The entire survey process will also be properly documented and archived.

The team will look to secure additional funding to further support the data analysis and dissemination phase. This includes sampling weights and attrition corrections, the production of a statistical abstract and a report, and dissemination workshops. Additional support will also be sought to support the development of a new poverty methodology and the estimation of transitory poverty numbers based on this data.

**Project financing**

The project is financed by the Sudan Transition and Recovery Support (STARS) TF.

The activities mentioned above will be implemented through the financing of survey equipment (i.e. tablets, back-up system, power banks), hiring of external technical support (i.e. programmers, sampler, data analyst), trainings of technical and field staff (CBS and non-CBS), field-work (displacement of survey teams through the country and monitoring field trips from survey management).

The estimated breakdown of activities is the following:

	US\$
Preparation and design*	249,795
Survey implementation	1,741,163
Data processing and dissemination	71,242
Project management	137,800
<b>Total cost</b>	<b>2,200,000</b>

Capacity building is included through all project components.

\* Additional BB funds will be used to finance outside technical assistance to support the preparation stage.

**Environmental and Social Standards Relevance**

**E. Relevant Standards**

ESS Standards

Relevance



ESS 1	Assessment and Management of Environmental and Social Risks and Impacts	Relevant
ESS 10	Stakeholder Engagement and Information Disclosure	Relevant
ESS 2	Labor and Working Conditions	Relevant
ESS 3	Resource Efficiency and Pollution Prevention and Management	Not Currently Relevant
ESS 4	Community Health and Safety	Relevant
ESS 5	Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
ESS 6	Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
ESS 7	Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Relevant
ESS 8	Cultural Heritage	Not Currently Relevant
ESS 9	Financial Intermediaries	Not Currently Relevant

**Legal Operational Policies**

Safeguard Policies	Triggered	Explanation (Optional)
Projects on International Waterways OP 7.50	No	
Projects in Disputed Areas OP 7.60	No	

**Summary of Screening of Environmental and Social Risks and Impacts**

The proposed project finances only capacity building and household survey without any on-the-ground activity with potential negative environmental risks or impacts, the environmental risk is assessed low. The social risk of the project is considered moderate; mainly due to the activities related to the survey in remote, conflict and post conflict areas. The risks could be due to: (i) OHS and security-concerns as well as GBV/SEA requirements for project workers and participating community members; (ii) insufficient community engagement, including on data privacy and consent; (iii) operational concerns due to remoteness and security, including monitoring and supervising as well as grievance redress; and (iv) weak implementation capacity with limited prior experience on environmental and social risk management in Bank-supported projects.

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