Reference no: P-SD-AA0-010
Investment Sovereign Operation

THE AFRICAN DEVELOPMENT BANK GROUP

PROJECT APPRAISAL REPORT

BOOSTING AGRIFOOD SYSTEMS RESILIENCE IN SUDAN

SUDAN

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AFRICAN DEVELOPMENT BANK GROUP

SUDAN

BOOSTING AGRIFOOD SYSTEMS RESILIENCE IN SUDAN

AHVP/RDGE/AHAI/COSD DEPARTMENTS

April 2026

ABBREVIATION AND ACRONYMS

ADF	African Development Fund
AEFPF	Africa Emergency Food Production Facility
AfDB	African Development Bank
ARC	Agricultural Research Corporation
BOOST	Boosting Agrifood Systems Resilience in Sudan
CIMMYT	International Maize and Wheat Improvement Center
E&S	Environmental & Social
EGS	Early Generation Seed
EIRR	Economic Internal Rate of Return
ENPV	Economic Net Present Value
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESCON	Environmental and Social Compliance Note
FAO	Food and Agricultural Organization of the United Nations
FC	Foreign Currency
FIRR	Financial Internal Rate of Return
FNPV	Financial Net Present Value
FPA	Fiduciary Principals Agreement
GAP	Good Agronomic Practices
GDP	Gross Domestic Product
GEF	Global Environment Facility
GoS	Government of Sudan
HIPC	Highly Indebted Poor Countries Initiative
IDEV	Independent Development Evaluation
IDP	Internally Displaced Persons
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
IRM	Independent Recourse Mechanism
ISS	Integrated Safeguards System
MERL	Monitoring and Evaluation, Reporting and Learning
M&E	Monitoring & Evaluation

MSME	Micro, Small and Medium Enterprises
NPV	Net Present Value
PCR	Project Completion Report
PCP	Project Coordination Platform
PD	Presidential Directive
PIU	Project Implementation Unit
PMT	Project Management Team
PSC	Project Steering Committee
R&D	Research and Development
RAP	Resettlement Action Plan
RSF	Rapid Support Forces
SAF	Sudanese Armed Forces
SEWPP	Sudan Emergency Wheat Production Project
SDG	Sustainable Development Goals
SEP	Stakeholder Engagement Plan
SME	Small and Medium Enterprises
SPIU	State Project Implementation Units
TPIA	Third Party Implementing Agency
TSF	Transition States Facility
UA	Unit of Account
UN	United Nations
UNICEF	United Nations Children’s Fund
UNOCHA	United Nations Office for the Coordination of Humanitarian Affairs
USD	United States Dollar
VPP	Vulnerable Peoples Plan
WFP	World Food Programme

PROJECT INFORMATION SHEET

CLIENT INFORMATION

Project Name	Boosting Agrifood Systems Resilience in Sudan
Sector	Agriculture and Rural Development
Grant Recipient	Republic of the Sudan
Project Instruments	ADF and TSF Pillar I Grants
Implementing Agency	World Food Programme (WFP)

COUNTRY AND STRATEGIC CONTEXT

Country Strategy Paper Period:	Country Brief (2017-2024, extended to 2026)
Country Strategy Paper Priorities supported by Project:	Pillar 2: Agriculture for job creation and livelihood improvement
Government Programme (PRSP, NDP or equivalent):	25-Year National Strategy (2007-2031)
Project classification:	SDG 1: No poverty SDG 2: Zero Hunger SDG 5: Gender equality SDG 8: Decent work and economic growth SDG 13: Climate action
Selectivity priority/ies[1]:	Feed Africa • 2.1 Strengthen agricultural value chains • 2.3 Improve nutrition and food security Improve the Quality of Life for the People of Africa Cardinal Point 3: Harnessing demographic transformation Cardinal Point 4: Building resilient infrastructure
Country Performance and Institutional Assessment[2]:	2.61
Projects at Risk in the country portfolio:	Red-flagged projects: 33% as of 25 March 2026

PROJECT CATEGORISATION

Environmental and Social Risk Categorization	Category 2, 2 Oct 2025
Does the project involve involuntary resettlement?	No
Climate Safeguards Categorization:	Category 2, Paris Aligned
Fragility Lens Assessment:	Yes
Gender Marker System Categorization:	Category 2

Source	Amount ('000)		Financing Instrument
	UA	USD	
Transition Support Facility (TSF) - Pillar I (Cancelled Resources)	52,846.38	72,325.56	TSF-Pillar I grant
African Development Fund (Cancelled Resources)	10,873.30	14,881.20	ADF grant
CIMMYT	6,646.37	9,096.22	In-kind
ARC	797.18	1,091.03	In-kind
UN WOMEN	533.85	730.62	In-kind
FAO	739.70	1,012.36	In-kind
WFP	277.93	380.37	In-kind
Total Project Cost:	**72,714.72**	**99,517.36**	

PROJECT DEVELOPMENT OBJECTIVE AND COMPONENTS

Project Development Objective:	To increase food production and availability and create agribusiness opportunities for women and youth in Sudan
Project Components:	Component 1: Improving Productivity and Production of Cereals and Legumes
	Component 2: Post-Harvest Management and Market Linkages
	Component 3: Boosting Women and Youth Agribusinesses
	Component 4: Project Management, Coordination and Learning

PROJECT PROCESSING SCHEDULE TO BOARD APPROVAL

PCN Approval:	N/A
Appraisal Mission:	13-12 October 2025
Planned Board Presentation:	18 March 2026
Effectiveness:	April 2026
Project Implementation Period:	April 2026 – March 2030
Planned Mid-term Review:	June 2028 – July 2028
Project Closing Date:	31 March 2030

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1. STRATEGIC CONTEXT

A. Country Context, Strategy and Objectives

1. Sudan's current political crises began with President Al Bashir's 2019 removal, intensified after the 2021 military takeover, and escalated into conflict between the Sudanese Armed Forces (SAF) and the paramilitary Rapid Support Forces (RSF) in April 2023. By the end of 2025, Sudan's GDP was projected to decline by 42% under the extreme scenario and 32% under the moderate scenario[3] and presented the worst humanitarian crisis in Sudan's history. By July 2025, there were 150,000 deaths, 12 million displaced people (7.7 million internally, more than half of whom are children), and 4.1 million refugees in neighboring countries[4].

2. The *Boosting Agrifood Systems Resilience in Sudan* (BOOST) Project is an emergency operation designed to increase the resilience of the people of Sudan against myriad challenges. The project supports the objectives of Sudan's 25-Year National Strategy (2007-2031), which includes revitalizing agriculture, improving food security, developing infrastructure, and expanding employment. BOOST is consistent with the second pillar (*"Agriculture for job creation and livelihoods"*) of Bank's Country Brief for Sudan (2017-2024, extended to 2026) and implements actions outlined in Sudan's Updated Nationally Determined Contributions (2022) which focuses on enhancing resilience in agriculture, livestock, and fisheries through climate-adaptive, low-emission methods. BOOST also contributes to Sustainable Development Goals (SDG) SDG-1 (No Poverty), SDG-2 (Zero Hunger), SDG-5 (Gender Equality), and SDG-13 (Climate Action), and aligns with the African Union's Agenda 2063 goals for inclusive and sustainable development in Africa. It is also aligned with the Comprehensive Africa Agriculture Development Programme (2026-2035) strategy to build sustainable, resilient and inclusive agrifood systems in Africa.

3. BOOST is aligned with the Bank's 2024-2033 Ten-Year Strategy—especially its focus on youth centered and inclusive green growth, entrepreneurship, job creation and gender responsive climate investments. It is consistent with two of the African Development Bank's High 5 priorities: *Feed Africa*—investing in climate smart value chains, input supply and strengthening research and development and "*Improve the Quality of Life for Africans*." The project aligns with the Bank's Cardinal Points 3 (Harnessing Demographic Transformation) and 4 (Building Climate-Resilient Infrastructure and Value Addition). The project prioritizes empowering youth and women by providing access to climate-smart technologies, entrepreneurial training, mechanization, and support for women- and youth-led small and medium sized enterprises (SMEs). The project is strategically focused on enhancing value addition by advancing the storage and primary processing of cereals and legumes; and incorporating climate-resilient upgrades to storage and aggregation facilities.

4. The project aligns with the Bank's *Strategy for Addressing Fragility and Building Resilience in Africa (2022–2026)*, targeting social infrastructure to reduce fragility and gender inequality, and enhancing economic cooperation and access to basic services. It supports ADF-16 Pillar II on tackling climate resilience and fragility, the Climate Change and Green Growth Strategy for 2021–2030 on climate adaptation, as well as the Bank's Gender Strategy (2021-2025, extended to 2026) and Jobs for Youth in Africa Strategy (2016–2025, extended to 2026).

[3] : Mosab Ahmed, Mariam Raouf & Khalid Siddig (2026) What Are the Economic and Poverty Implications for Sudan If the Conflict Continues Through 2025? *The Journal of Development Studies*, **62**:1, 106-127.

[4] https://daleel-madani.org/sites/default/files/dtm_sudan_mobility_update_19.pdf

B. Sector and Institutional Context

5. The agriculture sector comprises approximately 35% of Sudan's gross domestic product and employs over 40% of the workforce. It has been identified as a key component for post-conflict recovery in Sudan. The ongoing armed conflict, combined with the effects of climate change, has had significant impacts on agriculture, including damage to infrastructure, displacement of farming communities, and reduced access to essential agricultural inputs. These factors have contributed to decreases in agricultural productivity and production, nutrition, and employment within the sector.

6. The traditional rainfed system, covering 52% of land—mainly with cereals like sorghum, millet, and wheat—remains crucial for Sudan, especially since sorghum is a primary staple food produced largely in this sector. According to a March 2025 report from the Food and Agriculture Organization of the United Nations (FAO), Sudan's cereal production in 2024 reached 6.7 million metric tons, up 62% from the previous year and 7% above the five-year average despite the ongoing conflict, indicating strong potential for recovery with targeted interventions. Sorghum output rose to 5.4 million metric tons, a 77% increase from 2023 (683,000 metric tons), and 30% above the five-year average, highlighting strong recovery. Millet production hit 792,943 metric tons, 16% higher than 2023 (683,000 metric tons), but 45% below the five-year average (1.44 million metric tons).

7. Sudan is expected to produce 6.7 million metric tons of cereal by 2025, leaving a gap of about 2.7 million tons compared to the country's estimated need of 8.42 million metric tons for its projected population of 50.7 million. Despite ongoing conflict and economic challenges, Sudan's agriculture sector remains a strong investment priority. The UN's Crop and Food Supply Assessment Mission report highlights that supporting domestic food production is crucial for food security and national recovery.

8. Sudan faces structural vulnerabilities such as weak institutions, economic instability, and climate issues including irregular rainfall and land degradation. The April 2023 conflict between SAF and RSF has severely disrupted governance, infrastructure, markets, and public services.The fighting between RSF and SAF in various states and heavy clashes in Khartoum have led to significant displacement of people, both internally and into neighboring countries. Agricultural activity has been disrupted by violence, displacement, and loss of inputs and equipment. Unemployment rose from 32% in 2022 to 46% in 2023, resulting in 4.6 million fewer jobs and household incomes down nearly 50% compared to pre-conflict levels.[5]

9. The agrifood processing sector in Khartoum has been heavily impacted, with many businesses halting or reducing operations[6]. Climate change—bringing frequent droughts, erratic rainfall, and flooding—has worsened the crisis, lowering crop and livestock yields. In 2023, severe floods affected over 499,000 people and disrupted aid efforts. The combined effects of conflict and climate events have severely damaged food security and livelihoods[7].

10. The Integrated Food Security Phase Classification (IPC) indicates that by September 2025, acute food insecurity in Sudan had slightly improved, with an estimated 21.2 million people – 45% of the

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[6] https://africa.ifpri.info/2025/01/22/impact-of-conflict-on-employment-income-and-household-welfare-in-sudan/?utm_source=chatgpt.com

[7] https://www.ifpri.org/blog/sudans-ongoing-conflict-disrupts-agrifood-processing-and-aggravates-unemployment/?utm_source=chatgpt.com

population – facing high levels of acute food insecurity. About 3.4 million people are no longer facing crisis levels of hunger compared to the previous analysis of June 2025. However, malnutrition in Sudan remains critical, with 3.7 million children and pregnant or breastfeeding women affected. Recovery requires targeted support for vulnerable groups, rebuilding food systems, strengthening extension services, and promoting climate-resilient farming. BOOST will use evidence-based methods to strengthen local agriculture, nutrition, resilience, and empower youth and women with better resources and opportunities.

C. Rationale for Bank's Involvement

11. Sudan is facing a catastrophic humanitarian crisis, with over 30 million people in need of ass istance[8], and nearly 22 million people experiencing acute food insecurity, with close to 9 million in emergency and catastrophic levels of hunger, the highest number of people in the world in IPC 5[9].
Due to the ongoing de facto situation and armed conflict, the Bank suspended disbursement and procurement processes on most of its projects in Sudan, except those implemented by the United Nations agencies under third party implementing arrangements. Consequently, many projects closed in December 2024 with significant undisbursed balances. To ensure continuous engagement during the de facto situation and maintain support to vulnerable populations, the Bank has restructured its Sudan portfolio, leading to the cancellation of several operations with significant undisbursed balances. As of 31 December 2025, all the designated projects were cancelled according to the Bank's rules and procedures, leaving undisbursed balances amounting to UA 94,168,682.75, including UA 15.53 M of the African Development Fund (ADF), UA 75.49 M from Transition State Facility (TSF) and USD 3.14 M from the Global Environment Facility (GEF)[10].

12. Following dialogue with the Sudanese authorities, the Bank approved the restructuring of the Bank's portfolio in Sudan and reallocation of the undisbursed balances to enable the Bank to respond to urgent needs—including food insecurity and the delivery of basic social services—and to position the Bank for timely re-engagement once the political situation normalizes and the de facto situation is lifted. The BOOST project addresses this need.

13. Most of the resources in the projects identified in the portfolio were financed under Pillar I TSF funds, and ADF Performance Based Allocations. Under the TSF guidelines paragraph 2.24, "The general rule for cancelled resources stipulates that 30% should be returned to the TSF Pillar I Unallocated Reserve, and the remaining 70% can be retained by the concerned country for commitment to ongoing or new operations within the timeframe of the ADF cycle during which the cancellation occurred"[11]. Under the Revised ADF Cancellation Guidelines, paragraph 3.3.3 stipulates that 70% of the cancelled resources will be retained by the country and 30% returned to the general pool.

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[8] United Nations Office for the Coordination of Humanitarian Affairs (OCHA). (2025, August). Sudan: Humanitarian crisis update. UN News. Retrieved from: https://news.un.org/en/story/2025/08/1165739

[9] Integrated Food Security Phase Classification (IPC). (2025, November). Sudan: Acute food insecurity analysis, October 2025–January 2026. ReliefWeb. Retrieved from:https://reliefweb.int/report/sudan/sudan-ipc-acute-food-insecurity-snapshot-l-september-2025-may-2026

[10] GEF financing is currently excluded from the project financing as it requires approval from GCF, that may delay processing; subject to confirmation, an addendum will be prepared to include it as additional financing to the BOOST project.

[11] Operation Guidelines of the Transition Support Facility (TSF), June 2023

14. A total of UA 63.72 million (ADF and TSF) in undisbursed resources has been identified from eight closed or canceled projects.[12] Sudan faces an unprecedented crisis, with agricultural collapse threatening millions of people. All the cancelled projects share the common Feed Africa's goal of transforming agriculture—ranging from integrating climate-resilient food systems, fostering youth skills development, upgrading key agricultural value chains, and promoting innovative finance for women and youth. The BOOST Project directly addresses food production, availability, and livelihoods on a national scale.

15. The BOOST project is timely as it would ensure that (i) the Bank remains strongly engaged in supporting the people of Sudan affected by high levels of food insecurity and malnutrition; (ii) the Bank expands partnerships with development partners with the capacity to implement emergency food production and nutrition security for effective delivery; (iii) there is continued technical dialogue on the Bank's support and operations in Sudan; and (iv) the available resources from the portfolio are freed for immediate use to support the people of Sudan.

16. The Bank is well-placed to support Sudan's shift from humanitarian aid to longer-term development. Its investments in local food production have boosted agricultural resilience and recovery. Building on the successful Sudan Emergency Wheat Production Project, the new initiative will support other crops like sorghum, millet, and dryland legumes, and complement projects in Sennar such as the Crisis Response for Women and Affected Communities and the Sudan Integrated Social Sector Infrastructure Rehabilitation Project (SISSIRP). BOOST will synergize with SISSIRP by expanding vocational training for youth and agri-SMEs across multiple safe locations in three additional states (Jazira, River Nile and White Nile), strengthening the Bank's role in tackling fragility and supporting vulnerable populations.

D. Development Partners Coordination

17. The Bank actively participates in the Development partner coordination group and holds regular consultations with most multilateral and bilateral donors, the UN agencies and international organisations in the framework of humanitarian-peace-development nexus. BOOST is designed to complement ongoing initiatives by several development partners, including the World Bank's Community Resilient Emergency Operation, implemented by WFP and UNICEF, and the European Union EUR 95 million youth, women, and disability-focused conflict stabilization programme in Sudan.

18. This project's preparation and appraisal included consultations with donors at the Sudan Resilience Workshop (January 2025, Nairobi), the third meeting of Development Partner Group on the Sudan regional refugee group (November 2025), and the Bank's visit to Port Sudan in December 2025. The Bank also consulted with the World Bank, IFAD, UN agencies (WFP, FAO, UNICEF, UN Women), KfW and agricultural research and development (R&D) organizations (CIMMYT, IFPRI and ARC) active in Sudan's humanitarian-peace-development nexus.

[12] The total undisbursed balance from cancelled grants is UA 94,168,682.75 (ADF, TSF, and GEF). In line with Bank rules, up to 70% may be retained; however, only ADF and TSF resources are retained for this project, amounting to UA 63.72 million.

2. PROJECT DESCRIPTION

A. Project Development Objective

19. The project development objective is ***" To increase food production and availability and create agribusiness opportunities for women and youth in Sudan".*** The specific objectives of the project are to (i) improve productivity and production of cereals and legumes; (ii) enhance food processing and reduce postharvest losses; and (iii) create business and job opportunities for women and the youth of Sudan.

B. Theory of Change

20. **Development Challenge:** Sudan's agriculture has been significantly affected by conflict and climate change through the destruction of production and storage facilities, farmer displacement, limited access to inputs, and declines in productivity, leading to high levels of acute food insecurity and malnutrition, and youth unemployment. Droughts, variable rainfall, and floods have contributed further to these challenges. The BOOST project seeks to increase food production and availability and foster agribusiness opportunities for women and youth in Blue Nile and Sennar states.

21. **Strategic Interventions:** To address these challenges, the project will implement three sets of strategic interventions: (i) improving the production and productivity of cereals and legumes by investing in seed systems development, promotion of climate smart agricultural technology and strengthening of national agricultural research and extension systems; (ii) enhancing postharvest management and market linkages by investing in postharvest operations including aggregation, storage, processing and value addition and facilitating linkages among certified seed producers, aggregators/off-takers and institutional buyers and (iii) empowering women and youth to scale up agribusiness and create jobs through support to women and youth owned and led cooperatives and SMEs, facilitating access to technologies, finance, mentorships and digital innovations.

22. **Key Outputs** will include the provision of climate resilient quality seeds of cereals and legumes; large scale demonstrations of climate resilient technologies; extension staff trained in Climate Smart Agriculture, production infrastructures rehabilitated, cooperatives and aggregation centres rehabilitated, women and youth agripreneurs accessing inclusive financial products and business development services, and community service centres established to provide mechanization services.

23. **Expected Outcomes:** When combined, these interventions will generate both short and medium-term results contributing to improved food and nutrition security and agribusiness development in Sudan. In the short term, over 232,050 farmers will adopt climate-smart technologies to increase the production and productivity of cereals and legumes, reduce postharvest losses by 25%. National R&D and extension institutions will also be strengthened in quality seed production and distribution. At community level, capacity for nutritious food production will also be increased. Based on the Bank's current multipliers for investment in agriculture, the project is estimated to generate 32,000 direct jobs, and 18,663 indirect jobs[13]. The project will also support over 140 women-owned and youth-owned MSMEs and revitalize or consolidate food distribution chains between conflict-affected and conflict-free production and consumption markets.

[13] Based on the Banks sector multipliers calculated from all PARs 2018-2024. The Bank's current investment multipliers for Direct jobs created per US$ millions of AfDB funding are 367, and 214 for Indirect jobs created per US$ millions AfDB funding.

24. **Assumption**: The key assumptions underlying the project include the improvement in security conditions and de-escalation of active conflicts and prolonged crisis, manageable climate variability alongside favorable economic conditions, societal norms that support the participation of women and youth, and active engagement with sustained partnerships from the private sector and local institutions. A visual representation of the Theory of Change is provided in **Annex 2-1**.

C. Assumptions: Project Components

25. **Component 1—Improving Productivity and Production of Cereals and Legumes (UA 31.50 million excluding contingencies)** This component aims to increase crop productivity by scaling up production and supply of quality, climate-adapted seed and facilitate the adoption of climate-resilient cereals and legumes while strengthening local research and development infrastructure.

26. ***Sub-component 1.1: Production and uptake of quality seeds*** **—**Activities under this sub-component will aim to: produce and supply 367 MT of early generation seed (EGS); scale up production of 12,250 MT of quality certified seeds; and facilitate inclusive access to and use of quality seed by at least 232,050 farming households.

27. ***Sub-component 1.2: Dissemination of climate-resilient, Good Agronomic Practices (GAP)—*** Activities under this sub-component will include: conducting an integrated climate risk and conflict risk analysis and identify priority interventions to inform climate-resilient GAP adoption; conducting mega-demonstrations and hands-on training on integrated crop, pest and disease management; and disseminating integrated soil fertility and fertilizer management technologies..

28. ***Sub-Component 1.3: Strengthening agricultural research and extension services*** —Activities under this sub-component include: conducting technical capacity building for maintenance breeding and EGS seed production; rehabilitating irrigation facilities, screenhouses for controlled pollination and seed storage facilities; retooling the department of seed production in the Ministry of Agriculture and Natural Resources for seed quality control; and equipping extension staff and facilitating their ability to support quality seed and grain production nexus.

29. **Component 2—Post Harvest Management and Market Linkages: (UA 15.84 million)** This component aims to enhance food quality, minimize food losses and increase availability and consumption of dietary diversity among communities in Blue Nile and Sennar states.

30. ***Sub-component 2.1: Improved storage and primary processing of cereals and legumes***— The activities under this sub-component will aim to reduce post-harvest losses by 25% and preserve cereal and legume quality. The efforts will include (a) Rehabilitation of 140 storage and aggregation facilities at cooperative level, (b) support local production and distribution of hermetic bags to 210,000 smallholder farmers, (c) deploy solar-powered primary food processing systems.

31. ***Sub-component 2.2 Facilitating market linkages:*** The activities under this sub-component will facilitate (a.) market linkages with aggregators/off-takers and institutional buyers (WFP, Schools, NGOs) and (b.) linkages between local certified seed producers and UN and NGO for distribution.

32. **Component 3—Boosting Women and Youth Agribusinesses (UA 13.81 million)**—This component empowers women and young agripreneurs through targeted initiatives that build individual skills and strengthen their cooperatives[14] and SMEs.

[14] Livelihood-based cooperatives (e.g., tailoring, soap-making, or handicrafts) tend to be small, with 10–25 women, especially in conflict-affected or rural areas where mobility and resources are constrained.

33. ***Sub-Component 3.1: Support to women-owned/led cooperatives and agribusinesses***— Activities under this sub-component will include: (a) rehabilitate and equip cooperative facilities, (b) develop digital identities for women owned agribusinesses and cooperatives and link them to markets, (c) providing business development services and mentoring; (d) supporting 120 Women-owned Sorghum & Millet Food Businesses Startups, and (e) facilitating community dialogue sessions on nutrition, gender equity, and climate resilience.

34. ***Sub-Component 3.2: Youth (young women and young men) Entrepreneurship and Business Development*** —Activities under this sub-component will include (a) training of youth-led cooperatives, agri-SMEs and start-ups in business development (input supply, warehousing, mechanization), (b) establishing and equipping Community Service Centres (CSCs) for providing mechanization services , (d) organize innovation challenges to support the growth of youth startups and MSMEs, support responsible business acceleration and exposure of youth agripreneurs; (e) facilitate access to land for cluster/block farming and contract farming for youth-led agri-SMEs and cooperatives.

35. **Component 4—Project Management, Coordination and Learning (UA 5.98 million)** This. component covers operational costs for project management, coordination, procurement, financial oversight, audits, safeguards, monitoring, communication, and knowledge management. It supports efficient implementation and responsible resource use. A strong management structure will be set up to achieve project goals while coordinating with stakeholders, local institutions, and development partners. The Bank will retain UA 2,727,540 as Bank-executed resources to allow for the settlement of outstanding contracts, recruitment of an independent third-party monitoring agency to conduct supervision and monitoring activities on behalf of the Bank given Sudan's restrictive environment; support mid-term and end term evaluations and conduct impact assessments. The Bank will also recruit consultants to conduct feasibility studies and detailed technical designs for the rehabilitation of the Al Suki irrigation schemes and advanced preparation of new operations in Sudan.

D. Project Cost and Financing Arrangements

36. The Project's total estimated cost is USD 99.52 million (UA 72.72 million) over four years, with no taxes or customs duties. The total cost is broken down into USD 66.09 million (UA 48.29 million) in foreign exchange and USD 33.43 million (UA 24.433 million) in local currency. Project finances will be drawn from undisbursed balances of eight closed and canceled projects (see Appendix 1), amounting to USD 72.33 million (UA 52.85 million or 72.68% of the total project costs) grant from TSF resources and USD 14.88 million (UA 10.87 million or 14.95% of the total project costs) grant from ADF PBA resources. WFP and other implementing agencies will contribute USD 12.31 million (UA 9.00 million or 12.37%) in-kind through staff time, and direct implementation support.

37. Justification for less than 10% counterpart contribution has been provided in Appendix 2. Cost estimates incorporate physical contingencies of 5% on goods and 10% works, as well as price contingencies of 8%. Cost summaries are below, with detailed tables in Annexes 2–3 of the technical annexes.

E. Project's Target Area and Population Beneficiaries and other Stakeholders

38. The project will be implemented in Damazine and Roseires (Blue Nile state) and Abu Hujar and Dinder (Sennar state), with seed activities expanding to Suki (Sennar) and New Halfa (Kassala). Locations were selected based on agroecological suitability, demographics, accessibility, and security. These areas are currently free from active conflict and currently host many internally displaced people (IDP), returnees and refugees. Blue Nile and Sennar account for 21% and 33% of Sudan's rainfed sorghum production. Conflict flareups in 2024 caused displacement and poor farming conditions for smallholders, but by March 2025, hostilities had subsided in Sennar. The project prioritizes sorghum, millet, groundnut, and pigeon peas for crop production. It aims to benefit 232,050 farmer households or 1,276,275 people (with 30% women and 30% youth), 140 farmer cooperatives, around 140 women- and youth-owned agribusinesses, various value chain actors, and ARC/State officials via capacity building. The project will benefit up to 30% of IDP's and returnees in project locations. It will establish, revitalize or consolidate food distribution chains between conflict-affected and conflict-free production and consumption markets.

F. Bank Group Experience and Lessons Reflected in Design

39. The Project draws upon lessons from past and ongoing projects in Sudan and elsewhere, including the Sudan Emergency Wheat Production Programme (SEWPP-I), Africa Emergency Food Production Facility (AEFPF), and IDEV Evaluation Synthesis (March 2024). SEWPP-I's experience has demonstrated the importance of supporting local food production in emergency situations rather than providing short-term humanitarian assistance. A major factor behind this strong performance is the deliberate use of specialised third-party entities to manage operations, particularly those implemented in conflict areas. UN agencies provide the operational reach, technical capability, and fiduciary discipline necessary to function effectively in fragile and insecure environments. Their established field presence, rigorous internal controls, and ability to navigate difficult operating conditions have been critical in ensuring uninterrupted delivery and protecting Bank resources in conflict situations. While their operational costs are higher than traditional government-executed arrangements, the added value in terms of risk mitigation, service continuity, and fiduciary integrity has been decisive in maintaining implementation momentum across the portfolio.

40. Insights from AEFPF projects, operational in conflict environments, including Sudan, Burkina Fasoi, Mali, Somalia , support investments in domestic food production by improving access to seeds,

fertilisers, extension services, and digital solutions. The BOOST initiative will focus on producing climate-adapted seeds, increasing input accessibility, and building local capacity for climate-smart agricultural technologies. AEFPF has also demonstrated that a robust data collection and M&E framework are essential for timely performance assessment and transparent reporting. BOOST has developed a robust digital Monitoring, Evaluation, Reporting, and Learning (MERL) platform for real-time tracking and reporting, and employ third-party monitoring in challenging regions. It will establish a fully dedicated M&E team that will provide support to the PIUs through training, tailored M&E plans, and digital tools, helping institutionalize project performance systems.

41. The IDEV Evaluation Synthesis (March 2024) has influenced project design by emphasising the need to build national capacity for scaling innovation, prioritising smallholder farmers through targeted interventions, and using small grants to catalyse further investment and private sector engagement. BOOST makes provisions for strengthening national agricultural research and extension systems, and for supporting farmers with improved inputs and modern practices. The project also aims to connect youth agribusinesses to microfinance and small grants, promoting growth in key value chains and enabling rapid adoption of new technologies and business models. Further details on lessons learned can be found in Technical **Annex 2-4**.

3. PROJECT FEASIBILITY

A. Financial and Economic Analysis

42. The economic and financial analysis assesses the BOOST project's viability by comparing scenarios with and without the project. Focusing on crops like sorghum, millet, pigeon pea, and groundnuts, the project aims to boost productivity and benefit women and youth. Financial assessments use market prices, while economic analysis adjusts these using commodity-specific conversion factors.

43. The project's benefits are attributed to: (i) enhanced crop productivity and production of priority value chains, resulting in increased income for farmers; (ii) higher earnings for youth and women engaged in agribusinesses through value addition and agricultural services; and (iii) additional income gains for women, owing to time savings from project interventions such as the provision of solar-powered processing and storage units, which reduces the time spent on food processing and storage. Project costs encompass both investment expenditure and operating expenses, such as seeds, fertilizers, agro-chemicals, labor, tools, and transportation, etc.

44. The financial analysis reported a Financial Net Present Value (FNPV) of USD 318.64 million, a Financial Internal Rate of Return (FIRR) of 19.06%, and a Benefit-Cost ratio of 1.86. The economic analysis indicated an Economic Net Present Value (ENPV) of USD 398.82 million and an Economic Rate of Return (ERR) of 20.80%. These results indicate the project is financially profitable and economically viable.

45. A sensitivity analysis was conducted to assess the robustness of the economic and financial results by varying key factors such as prices, yield, post-harvest loss, and adoption rate from 10% to 30%. The project's value proposition remained resilient, as FNPV, ENPV, FIRR, and EIRR stayed within acceptable thresholds under most scenarios. Increases in yields or adoption rates, or decreases in input prices or post-harvest losses, led to higher returns compared to the scenario-based case and higher FIRR and ERR which are above the 12% discount factor. Conversely, a 20% rise in input prices or post-harvest losses, or beyond20% decrease in yields, affected returns, with some values dropping below the discount factor. A 10% reduction in adoption rate kept EIRR above 12%, but a 20% reduction lowered FIRR and ERR to 10.2% and 11.5%, respectively. The switching values are 13%, -20.4%, 11%, and 15.2% for

prices, yield, post-harvest loss, and adoption rate respectively. To ensure high adoption rates of the new technologies, real-time monitoring will be put in place through the MERL system. Additional details are available in **Annex 3-1** of the technical annexes.

Additional Positive Effects

46. The projects are expected to raise disposable income and free up time especially for women leading to growth in small businesses and higher savings rates and asset ownership for all genders. Non-financial benefits include better educational outcomes for children, improved mental and physical health from time-saving technologies such as solar-powered processing and storage units, which is expected to improve quality of life, reducing stress, and exhaustion; and improved economic and leadership opportunities for women including land ownership, and household decision-making.

B. Environmental and Social Safeguards

47. **Environmental and Social Risk Categorization:** In compliance with national environmental assessments, relevant legal and institutional frameworks and the Bank's Integrated Safeguards Systems, Operational Safeguards, the project's sub-components, associated activities and anticipated outcomes are classified as medium risk due to moderate inherent environmental and social impacts. The project was validated as Category 2 under ISTS and SAP on ***October 2nd, 2025***.

48. **Applicable Safeguards Instruments:** Considering that the project follows rapid crisis response procedures, it is eligible for a waiver from the Integrated Safeguards System (ISS) requirement until after Board approval. Nevertheless, WFP will prepare an Environmental and Social Impacts Assessment (ESIA), including an Environmental and Social Management Plan (ESMP), a Hazardous Waste Management Plan, an Integrated Pest and Vector Management Plan, a Vulnerable People Protection Plan, and a Stakeholder Engagement Plan. These documents will be reviewed and disclosed by the Bank alongside the ESMP as a condition precedent to first disbursement and before implementation begins, as stipulated in the Financing Agreement. *The ESMP Annex to the Financing Agreement was disclosed on* ***October 3rd, 2025,*** *by WFP and the Bank.* The project has allocated a budget of USD 234,950 for operationalization of the ESS framework (Annex 2-3).

49. **Institutional capacity to implement safeguards instruments:** WFP's Environmental and Social/Occupational Health and Safety Unit has sufficient expertise in managing environmental and social risks. The unit will ensure that all required safeguards and management plans comply with Bank policy and will monitor and report ESMP implementation to the Bank. An independent consultant will also provide Environmental and Social Safeguards consultancy services throughout the project.

50. **ESMP Implementation Cost:** The project has allocated a budget of USD 274,390 for implementation of ESMP and Environmental and Social Audits (Annex 2-3).

51. **Environmental and Social Risks and Impacts:** Environmental risks associated with project activities under component 1 (improving production and productivity) and component 2 (postharvest management) include habitat and land degradation, increased solid, liquid, and hazardous waste, pollution of water resources, loss of vegetation, and climate vulnerability. Social risks include migrant

worker influx, farmer-herder conflicts, gender-based violence, health and safety concerns, security issues, and resistance to new technologies. Environmental impacts involve soil and water contamination, sedimentation, air pollution, and hazardous exposure. Social impacts include higher income and livelihoods, improved technology transfer, and improved social infrastructure.

52. **Environmental and Social Impacts, Risk Mitigation, and Management Measures:** To address potential environmental and social risks, the following measures will be implemented : i) follow a Hazardous Waste Management Plan for Solar per government regulations, ii) develop and implement a solid waste management plan prior to project activities, iii) conduct gender based violence and sexually transmitted infections/HIV awareness and training, and iv) execute a Stakeholder Engagement Plan to ensure ongoing community consultation and involvement throughout the ESIA process and project duration.

53. **Community Consultation and Stakeholder Engagement:** During ESIA preparation, the Bank will ensure stakeholders are engaged and that local community consultations will be properly conducted by the recipient, as documented in the Stakeholder Engagement Plan and E&S instruments, including lists of participants, dates, venues, and a summary of issues discussed, and responses given.

54. **Involuntary Resettlement:** The project components, sub-components, associated activities and outcomes are not expected to result in physical or economic displacement.

55. **Environmental and social compliance:** WFP will fully implement all E&S plans and address unforeseen risks during the project, submitting quarterly E&S implementation reports and an annual independent performance audit to the Bank. All reports will be shared with stakeholders. The recipient will establish and maintain a project-level Grievance Redress Mechanism, ensure stakeholders are informed, and keep it operational throughout the project. Any Environmental-Occupational-Health and Safety incident must be reported to the Bank within 48 hours, with follow-up investigation reports or root-cause analyses (RCA) provided as required. RCA reporting will be prepared by an independent OHS expert, to be cleared by the Bank for the implementation of the corrective action plan (by the recipient). These requirements are detailed in the financing agreement and ESMP annexes. The project meets compliance standards for Board submission, as shown by the ESCON in Annex.

Climate Change and Green Growth

56. The project has been screened using the Bank's Climate Safeguards System and assigned Category 2, which reflects moderate vulnerability to climate change. The selected project areas experience exposure to climate-related risks, such as extreme heat, prolonged droughts, unpredictable rainfall, and occasional flooding. These factors affect agricultural systems and local livelihoods, contributing to concerns about food security and agricultural productivity. Addressing these issues necessitates implementing climate-resilient agricultural practices.

57 The project will address identified risks by promoting climate-smart seed systems, rainwater harvesting, and improved practices for dryland farming. These actions aim to lessen climate impacts, boost soil fertility and water efficiency, and build long-term resilience among farming communities. Sustainable energy solutions, renewable and efficiency measures will be used across production, processing, and storage to support green growth and cut emissions. The interventions align with Sudan's National Adaptation Plan and Updated Nationally Determined Contributions (2022), focusing on climate-resilient agriculture, sustainable land and water use, and renewable energy integration to enhance the resilience and sustainability of agri-food systems. The project has been reviewed under Joint Multilateral Development Bank. Paris Alignment methodologies for mitigation and adaptation and is deemed Paris aligned because its activities promote climate-smart agriculture and support community

resilience, in line with the Paris Agreement. See detailed clarification in **Annex 3-5** of the technical annexes.

C. Other Cross-cutting Priorities

Poverty reduction, Inclusiveness and Job Creation

58. The project is expected to significantly impact poverty reduction and promote socio-economic progress in Sudan's agricultural sector by addressing inequality and underdevelopment. It targets 232,050 smallholder farming households, improving livelihoods with climate-smart seeds and improved productivity. The initiative also supports job creation and business opportunities across value chains, with young women leading community-based input distribution and extension services in displacement corridors. At the aggregation and marketing stage, opportunities include: (a) digital platforms for bulk sales and e-commerce, (b) youth-led logistics/transport, (c) climate-smart warehousing and cold storage, and (d) market intelligence services/advisory. The project is thus classified as Category 2 under the **Bank's Youth Jobs Marker system.**

59. The creation of Farmers' Cooperatives and market linkages will help generate income through value addition activities including milling and processing, distributing wealth in rural areas. These efforts support poverty reduction by equipping marginalized groups with tools, knowledge and market access to improve their economic situation while strengthening agriculture in Sudan's vulnerable regions.

Youth Engagement, Jobs and Skills

60. The project is classified as Category 2 under the Bank's Youth Jobs Marker system. It has a strong focus on developing youth skills, improving resource access, and supporting sustainable youth-led agribusinesses and jobs. Sub-Component 3.2 is designed to create large-scale employment opportunities for youth in agriculture, but in doing so it must balance the integrated objectives of youth, jobs, and skills with broader project outcomes related to social cohesion, environmental sustainability, and market stability. BOOST will create large-scale opportunities for youth engagement, business and job opportunities across the agricultural sector, including: (i) 32,000 direct jobs, and 18,663 indirect jobs; (ii) 280 youth gaining access to land through block/cluster farming arrangements; (iii) 12 youth-operated Common Facility Centres (CFCs) established to deliver mechanization and warehouse services; (iv) 70 youth-led agribusinesses accelerated and 28 startups incubated through agripitch challenges and incubation programmes.

61. Component 3.2 has been intentionally designed to build the skills young people need to thrive both in Sudan's current agricultural economy and in envisaged future agri-food markets. The component combines traditional agricultural competencies with digital, entrepreneurial, and business skills that are increasingly demanded by evolving value chains. Through this multi-layered approach, the project will ensure that youth are equipped not only with immediate agricultural and business skills but also with future-oriented competencies, digital, entrepreneurial, and market-relevant—that will enable them to adapt to changing technologies, shifting consumer demands, and climate-related challenges. Further details can be found in technical **Annex 3-4**.

Private Sector Engagement

62. BOOST will partner with private sector seed companies to produce early generation and certified seeds and support local seed producers' capacity. Hermetic bags and postharvest equipment will be sourced from local suppliers and distributed to farmers through cooperatives, creating links between cooperatives and producers for a steady supply. The project will also work with private micro-finance

institutions to develop and deploy financial products to support, accelerate and scale up the growth of women and youth owned agri-SMEs to reach broader markets, potentially creating jobs for beneficiaries. Partnerships with local businesses on manufacturing value addition, aggregation and marketing technologies will encourage sustainability, local industry growth, rural entrepreneurship, and food system resilience.

Opportunities for Building Resilience

63. Agriculture supports the livelihoods of two-thirds of the population and provides a third of the gross domestic product, but productivity remains low due to traditional practices and limited mechanization. Conflict has further damaged infrastructure, disrupted services, and led to sharp drops in key crop production—sorghum and millet fell by 42% and 64% respectively. Livestock markets and trade have suffered, and many agro-processing firms have shut down. As a result, about half the population faces food insecurity.

64. Within fertile, conflict-free regions, agriculture can drive economic recovery and improve food security, as most clashes are confined to cities, but it can also establish economic and market linkages (i.e., revitalization, establishment or consolidation of integrated inputs and food supply chains) with conflict-affected areas to ensure inclusiveness and no harm. However, the BOOST project faces risks such as (i) tribal disputes over resources; (ii) tensions between host communities and IDPs; (iii) increased marginalization of women in agriculture; and (v) the risk of conflict spreading to production areas. If risk mitigation measures such as "community participation and ownership, conflict sensitivity, flexibility, Frequent monitoring, and capacity building of local staff and communities" are implemented, BOOST's impact can be maximized and sustained. **Annex 3-2** provides fragility and resilience analysis.

Gender Equality and Women's Empowerment Promotion

65. According to FAO data, women account for 49% of farmers in Sudan's irrigated sector and 57% in the rainfed traditional sector, reflecting their significant role in food production. However, their participation is influenced by a range of factors, including conflict, displacement, gender inequalities, and restricted access to land, markets, financial services, and agricultural inputs. Social norms further affect women's mobility, economic activities, and engagement in cooperatives and producer groups, which can restrict their involvement in decision-making processes related to agriculture and natural resources. Moreover, obligations related to unpaid care work and widespread displacement may impede women's participation in income-generating activities and heighten their vulnerability to gender-based violence.

66. The BOOST project adopts a gender-responsive strategy to address conflict and climate change impacts on women and girls in Sudan's Blue Nile and Sennar states. Classified as GEN II under AfDB's Gender Marker System, it reflects commitment to gender integration across all components. *Component 1 on Improved Productivity and Production of Cereals and Legumes* will promote women's access to climate-adaptive, high-yielding seed varieties and climate-smart agronomic practices. At least 30% of targeted farming households will be women, supported through capacity-building on soil fertility, pest management, and post-harvest handling. The component will also strengthen women's participation in seed multiplication and extension services thereby creating employment opportunities.

67. *Under component 3* the project will rehabilitate 50 cooperatives into inclusive, functional spaces equipped with digital hubs, packaging equipment, and essential facilities. It will enhance women's participation by providing business development, financial literacy, and leadership training for over 2,600 cooperative members, with a focus on governance, public speaking, and gender equality. Women

will be supported through entrepreneurship training, starter toolkits, agribusiness, and value addition value chains. The project will also facilitate structured market linkages for women and young agripreneurs, support Village Savings and Loan Associations, and co-design gender-responsive financial products with cooperatives and financial institutions.

68. Finally, through Gender Action Learning System dialogues and partnerships with Women's Rights Organizations, the project will promote social norm change and inclusive community leadership to strengthen women's voice, agency, and economic resilience. The project will also implement gender-disaggregated data collection throughout the projects lifecycle to track equitable participation and benefit sharing. The project also includes safeguards against gender-based violence and fosters inclusive spaces for women and girls. A detailed gender action plan is presented in **Annex 3-3**.

4. IMPLEMENTATION

A. Institutional and Implementation Arrangements

69. BOOST will be implemented by WFP as a Third-Party Implementing Agency, in accordance with Presidential Directive (PD 03/2010) for funding emergency operations via the UN or similar agencies in countries with de facto governments. WFP was selected after an institutional assessment highlighted its strengths in logistics, procurement, financial management, field presence, and successful management of SWEPP and other Bank-funded projects. WFP has demonstrated proven experience in supporting local food production, linking farmers to structured markets, strengthening farmer organizations and aggregation systems, reducing postharvest losses, processing and value addition, and promoting climate-smart agriculture.

70. WFP will collaborate with other UN agencies based on their comparative advantage and expertise in women economic empowerment (UN Women), youth entrepreneurship and value chain development (FAO) as well international agricultural research and development centres specialized in seed systems and climate smart agriculture (CIMMYT). The relationship between WFP and collaborating UN agencies will be managed through UN-to-UN agreements while the relationship with CIMMYT will be governed by a Field Level Service Agreement. WFP will set up a Project Management Team (PMT) composed of experienced staff for Project Coordination, M&E, Communication and knowledge management. The PMT will leverage expertise from other Bank financed projects (SEWPP and ADRIFI), including financial management, procurement, environmental and social safeguards. The PMT will also comprise technical component leaders with expertise on agronomy and seed systems, postharvest management, women economic empowerment and youth agribusiness development from the implementing partners. The Project will establish two State Project Implementation Units (SPIU's) for day-to-day implementation and monitoring at state level, working with local partners and civil society organisations operating in the areas. The SPIU units will be composed of local technical and field level staff, including agronomists, seed systems specialists, extension staff, postharvest management expert, gender and women's economic empowerment experts, agribusiness experts and support staff.

71. Oversight for the project will be entrusted to a Project Coordination Platform (PCP) consisting of (i) representatives at the Country Director level from implementing agencies, (ii) the Resident Coordinator's Office, (iii) two representatives of the Ministries of Finance and Agriculture, (iv) two representatives of youth and women agripreneurs; (v) a representative of private sector organization; and (vi) a representative of the Development Partner Group. The PCP, co-chaired by a Senior Director in the Ministry of Finance and the WFP Country Representative, will convene at least twice annually. Its primary responsibilities include providing strategic direction, approving annual workplan and budget,

ensuring national engagement, maintaining accountability, enhancing synergies with other projects; and serving as the principal governance body responsible for overall project oversight. The BOOST implementation organogram is included in Technical **Annex 4-4.**

B. Procurement

72. Procurement of goods (including non-consultancy services), works and the acquisition of consulting services, financed by the Bank will be carried out in accordance with the Procurement Policy for Bank Group Funded Operations, dated October 2015 and the provisions stated in the Financing Agreement. The Bank and WFP entered into a Fiduciary Principals Agreement (FPA) in January 2018, outlining the framework for cooperation between the two entities. This agreement serves as the foundation for SEWPP I's implementation and the ongoing SEWPP II, and will also apply to BOOST, following paragraph 5.3(e) of the Bank's Procurement Policy. Under this arrangement, WFP will follow its procurement rules, regulations, and procedures for procuring goods and related services, carrying out works or outsourcing them, and selecting consultants and Individual Experts as needed for project implementation, including contract management.

73. The framework demonstrates that WFP's procurement processes are in line with the AfDB's standards for efficiency, economy, accountability, and transparency, while allowing for a timely response suitable for the emergency requirements of this Project. To facilitate the procurement process ahead of the upcoming planting season during the first year of implementation and avoid delays related to Project Approval procedures, the Project may consider retroactive financing to initiate procurement activities as scheduled.

C. Financial Management, Disbursement and Audit

74. ***Financial Management:*** WFP, serving as the Third-Party Implementing Agency (TPIA), will oversee all fiduciary functions, including taking full accountability for project funds and reporting. Under the Fiduciary Principles Agreement (FPA) with the Bank, WFP will adhere to its internal financial regulatory framework and existing financial management policies. It will maintain robust systems to ensure funds are used as intended, emphasizing efficiency and value for money. Interim financial reports will be submitted either quarterly or semi-annually, with annual unaudited certified financial statements provided by WFP's authorized representatives within six months of each fiscal year end.

75. ***Disbursement Arrangement:*** WFP will provide bank account details for grant deposits. The Bank will disburse funds in three tranches contingent on signed Bipartite Funding and Implementation Agreements. Disbursements will follow the Bank's Disbursement Rules and Procedures and must be justified through financial reports confirming adherence to the Agreements. Unused grant proceeds at the end of the emergency operation must be refunded to the Bank.

76. ***External Audit:*** According to the binding project agreement based on the FPA, WFP will be required to submit the entity's Annual Reports, which shall include detailed corporate level audited financial statements with an audit opinion and the accompanying management letter after the end of each financial period. These audits are carried out in accordance with WFP's Financial Regulations, and applicable rules and procedures. In addition, if the auditor's opinion is qualified and the qualification can be traced to the misuse of project resources provided by the Bank, WFP will be obligated to remedy the qualification criteria. If the auditors' findings in the management letter indicate serious weaknesses in relation to breach of internal controls or project agreements, WFP will be required to remedy the weaknesses. For the avoidance of doubt, there is no requirement for a separate project-specific audit. In

the event there is an internal audit for Sudan operations, such an audit will be publicly available and can be shared with AfDB as needed.

D. Monitoring and Evaluation

77. The project's monitoring evaluation, reporting and learning (MERL) framework tracks progress, evaluates performance, and enables adaptive management. It monitors key indicators across components using both quantitative and qualitative methods, in line with the project's result measurement framework and M&E plan. Anchored on the theory of change, the results measurement framework and the M&E plan, the MERL system will be dynamic and will collect gender- and youth-disaggregated data and aligns with the Bank's Ten-Year Strategy RMF and Feed Africa Core Indicators.

78. The project MERL system will be developed and configured on CIMMYT's e-Agrology 360 and WFP's Agricultural Market Information Systems prepared under SEWPP II. These dynamic digital platforms enable collection, analysis and reporting of near-real-time data for timely decision making by project management and other stakeholders. WFP and the implementing partners have demonstrated robust capacity in M&E, including digital platforms for data collection and reporting. A MERL working group composed of M&E focal points from each agency will coordinate MERL functions and build local capacity to use different digital tools for data collection, analysis and reporting, using the e-Agrology 360 platform.

79. The Bank will conduct two annual virtual supervision missions and will use Third-Party Monitoring to gather or verify data, addressing monitoring challenges in Sudan's restrictive environment. An independent Third-party M&E institution external to WFP will be contracted to conduct ex-ante evaluation and baseline, mid-term, and end-line surveys with robust digital methodologies for near real-time dashboards, using Computer-Assisted Personal Interviewing in secure and accessible areas, and Computer-Assisted Telephone Interviewing and Kobo Toolbox for remote data collection. End line evaluation will be grounded in robust programme evaluation approaches including Difference-in-differences and matching techniques to estimate project impact on food security, nutrition, jobs, women/girl's economic empowerment, and overall poverty reduction and economic resilience.

80. Regular quarterly and annual reports will cover achievements, challenges, and corrective actions. The Bank will also carry out a mid-term evaluation at the midpoint of implementation, and a project completion report will be prepared at the end of the project. The project has allocated USD 1.35 million for MERL, USD 368,550 for monitoring missions and data collection, and USD 608,700 for Third-Party Monitoring. See Technical **Annex 4-1** for the detailed M&E plan.

E. Governance

81. The project faces governance risks, including weak institutions, procurement fraud, and fund diversion, heightened by Sudan's fragile context and low corruption ranking (170/180 in 2024). Mitigation measures include strong financial controls, digital tracking, third-party oversight, and compliance with WFP fiduciary standards. Procurement will follow WFP procedures with robust monitoring, while engagement with local structures and grievance and whistleblower mechanisms will strengthen accountability. Capacity building will further enhance financial management, procurement integrity, and transparency.

F. Sustainability

82. The project aims to boost food production, improve nutrition, and build resilience. Its sustainability depends on institutional capacity, expertise, resources, social acceptance, and environmental impact. The design strengthens local institutions through training and partnerships,

ensuring effective management. Stakeholders—including farmer cooperatives, agricultural groups, and private sector partners—collaborate in delivering inputs and services. The ARC will maintain early generation seed production after the project ends. Project interventions will support women and youth enterprises by improving access to finance, technology, skills, and markets, helping scale SMEs and create livelihoods. Long-term goals are pursued through value chain investment, ongoing stakeholder engagement, and support for innovation.

G. Risk Management

83. Sudan falls under the third situation of fragility (i.e., active conflict and prolonged crisis) as described in the Bank's strategy for addressing fragility and building resilience in Africa (2022-2026). The emergency operation faces significant political and security risks from ongoing conflict and instability in Sudan, potentially disrupting project activities. UN agencies monitor the situation and issue regular advisories to partners, while WFP provides monthly and weekly crisis updates. Drawing from SEWPP I, WFP will implement a project-specific emergency preparedness mechanism and contingency plan with a monthly workplan. Flexible, decentralized management will enable timely activity suspension or transfer based on conflict and vulnerability analysis if security worsens. Other risks include macro-economic challenges, environmental issues, climate variability, and social tensions, with overall risk rated "moderate to substantial." The risk matrix in Annex 4.2 outlines mitigation measures, while the PMT will have a risk officer who will maintain and regularly update a dynamic risk register.

H. Knowledge Building

84. BOOST will generate knowledge and translate evidence into actionable insights for policy, programme design, and replication to inform conflict zone interventions. Such knowledge will cover themes such as climate smart agricultural technologies, value-chain coordination, youth entrepreneurship, women empowerment, financial inclusion, digital solutions, contract farming, market access, etc. Project knowledge will be shared via policy briefs, presentations, peer-reviewed publications, databases, webinars, and repositories. Outputs like case studies, short videos and infographics will showcase best practices for replication and will be shared with partners through existing knowledge platforms and communities of practice. The project has allocated USD 420 000 for communication and knowledge management and has budgeted for the recruitment of a Communication and knowledge management expert who will be in the PMT.

5. LEGAL INSTRUMENTS AND AUTHORITY

A. Legal Instruments

85. The legal instruments for the Project are: (a) ADF Tripartite Funding and Implementation Agreement amongst the African Development Fund (the "Fund"), the Republic of the Sudan (the "Recipient") and the World Food Programme (the "UN Partner" or "WFP") for an amount of UA 10,873,300; and (b) TSF Pillar I Tripartite Funding and Implementation Agreement amongst the African Development Bank (the "Bank") and the Fund (the Bank and the Fund together the "Bank") as Administrators of the TSF, the Recipient and WFP for an amount of UA 52,846,380 (the "Grant Agreements").

B. Conditions Associated with Bank's Intervention

86. **Conditions Precedent to Entry into Force of the Grant Agreements.** The Grant Agreements shall enter into force on the date of signature by the Parties**.**

87. **Conditions Precedent to Disbursement of the First Tranche of the Grants**. The obligation of the Bank to disburse the first tranche of forty percent (40%) of the Grants to WFP shall be conditional upon entry into force of each of the Grant Agreements and fulfilment of the following condition by WFP: (a) the submission of an annual workplan and budget for the first year of the Project as approved by the Bank.

88. **Conditions Precedent to Disbursement of the Second Tranche:** The obligation of the Bank to disburse the second tranche of thirty percent (30%) of the Grants to WFP shall be conditional upon fulfilment of the following conditions by WFP in form and substance satisfactory to the Bank, namely the submission of: (a) at least two (2) quarterly progress reports; (b) unaudited interim financial statements demonstrating that 100% of Project expenditures have been reported and justified for the first tranche and that reported and justified expenditures for the second tranche are at least fifty percent (50%) of the amount advanced; and (c) revised annual workplan and budget as approved by the Bank.

89. **Conditions Precedent to Disbursement of the Third Tranche:** The obligation of the Bank to disburse the third tranche of thirty percent (30%) of the Grants to WFP shall be conditional upon the fulfilment of the following conditions by WFP in form and substance satisfactory to the Bank, namely the submission of: (a) at least two (2) quarterly progress reports; (b) unaudited interim financial statements demonstrating that 100% of Project expenditures have been reported and justified for the first tranche, and that reported and justified expenditures for the second tranche are at least fifty percent (50%) of the amount advanced; and (c) revised annual workplan and budget as approved by the Bank.

90. **Undertakings.** WFP will undertake:

(i) to ensure proper collaboration and coordination with implementing partners and the national and local authorities to ensure effective implementation of Project activities.

(ii) to carry out the Project in accordance with the Bank's Safeguards Policies, WFP's Framework for Environmental and Social Management and applicable national legislation in a manner satisfactory to the Bank.

(iii) to carry out the Project in accordance with the environmental and social safeguards outlined and approved by the Bank and WFP as detailed in ESMP attached to the Grant Agreements.

(iv) to prepare and submit to the Bank quarterly environmental and social safeguards compliance implementation report aligned with site-specific ESIAs and ESMP;

(v) to refrain from taking any action which would hinder or alter the implementation of site-specific ESIAs and ESMPs without first obtaining written approval from the Bank.

(vi) to appoint an Environmental and Social Safeguards expert to oversee, monitor, and report on environmental and social measures under the Project.

(vii) cooperation fully with the Bank if Project implementation or scope changes lead to unforeseen displacement/resettlement of individuals and shall not commence work in affected areas until all impacted individuals have been compensated/relocated according to RAP prepared by WFP.

(viii) to develop ESIA, SEP and VPP to be reviewed and disclosed by WFP and the Bank prior to any works involving environmental or social risks.

C. Compliance with Bank Policies

91. The Project complies with all applicable Bank Group Policies. In line with the 2008 Policy on Eligible for Bank Group Financing, the justification for less than 10% of the Recipient's counterpart contribution is provided under Appendix. 2 of this Report.

African Development Bank Group Independent Recourse Mechanism

92. Communities and individuals who believe that they are adversely affected by an African Development Bank Group (AfDB) supported project may submit complaints to existing project-level grievance redress mechanisms or the AfDB's Independent Recourse Mechanism (IRM). The IRM ensures project affected communities and individuals may submit their complaint to the AfDB's Independent Recourse Mechanism which determines whether harm occurred, or could occur, as a result of AfDB non-compliance with its policies and procedures. To submit a complaint or request further information please contact: IRM@afdb.org or, visit the IRM website www.irm.afdb.org. Complaints may be submitted at any time after concerns have been brought directly to the AfDB's attention, and Bank Management has been given an opportunity to respond before reaching out to the IRM.

6. RECOMMENDATION

93. Management recommends that the Boards of Directors approve the proposed ADF Grant of UA 10,873,300 and TSF Pillar I Grant of UA 52,846,380 to the Republic of the Sudan, for the purposes and subject to the terms and conditions stipulated in this report.

7. RESULTS FRAMEWORK

RESULTS FRAMEWORK					
A	PROJECT INFORMATION				
PROJECT NAME AND SAP CODE: Boosting agrifood systems resilience in Sudan (BOOST) project P-SD-AA0-010			COUNTRY/REGION: Sudan		
PROJECT DEVELOPMENT OBJECTIVE: To increase food production and availability and create agribusiness opportunities for women and youth in Sudan					
ALIGNMENT INDICATOR (S): Prevalence of moderate or severe food insecurity (%), Cereal yield (ton/hectare)					
B	RESULTS MATRIX				
RESULTS CHAIN AND INDICATOR DESCRIPTION	**RMF/ADOA INDICATOR**	**UNIT OF MEASUREMENT**	**BASELINE (2026)[15]**	**TARGET AT COMPLETION (2030)**	**MEANS OF VERIFICATION**
OUTCOME STATEMENT 1: Increased access to and use of quality, climate-adapted seed varieties.					
OUTCOME INDICATOR 1.1: Farmers using improved and climate-resilient technologies and inputs (30% of whom women, and 30% of whom youth)	☒	Number	300,000	Total=532,050 Women=159,615 Youth=159,615	Annual project progress reports
OUTCOME INDICATOR 1.2: Cereal and legume production	☒	Tons	134,190 MT Sorghum=76,500 MT Millet=34,500 MT Groundnut=690 MT Pigeon pea= 22,500 MT	Total=979,587MT Sorghum=558,450MT Millet=251,850MT Groundnut=5,037MT Pigeon pea= 164,250 MT	Household survey FAOSTAT
OUTCOME STATEMENT 2: Reduced food losses and increased access to markets.					
OUTCOME INDICATOR 2.1: Post-harvest losses in cereals and legumes (sorghum, millet, groundnut and pigeon pea)	☐	Percentage	20	15	Annual Household survey.
OUTCOME STATEMENT 3: Increased access to finance, digital tools, and technologies for women and youth-led SMEs.					
OUTCOME INDICATOR 3.1: Agribusinesses supported -30 % of which women owned and led and 30% youth owned and led	☒	Number	3	143 agribusinesses Women owned and led=43 Youth owned and led= 43	Annual project progress reports

[15] Baseline data will be confirmed during baseline assessments to be undertaken during the inception phase of the project.

OUTCOME INDICATOR 3.2: Direct jobs supported (number)-30% of whom women, -30% of whom youth	☒	Number	0	32,000 Women=9,600Youth =9,600	Annual Household Survey
COMPONENT 1: Improving productivity and production of cereal and legumes					
OUTPUT STATEMENT 1.1: Quality seeds of nutrient dense climate-adaptive crops					
OUTPUT INDICATOR 1.1.1: Quantity of quality climate-adaptive certified seeds produced	☒	Ton	0	12,250 Sorghum=4,200 Millet=4,200 Groundnut=525 Pigeon pea= 3,325	Annual project progress reports
OUTPUT STATEMENT 1.2: Small Holder Farmers trained on climate-resilient, Good Agronomic Practices (GAP)					
OUTPUT INDICATOR 1.2.1: Farmers trained in climate-smart Good Agronomic Practices (GAPs) (30% women and 30% youth)	☐	Number	0	232,050 Women=69,615 Youth=69,615	Annual project progress reports, quarterly household survey
OUTPUT INDICATOR 1.2.2: Mega demonstration plots established	☐	Hectares	0	840	Annual project progress reports
OUTPUT STATEMENT 1.3: Research and development institutions producing and maintaining climate adapted seed					
OUTPUT INDICATOR 1.3.1: Extension staff trained on seed production (30% women and 30% youth)	☐	Number	0	280 Women=84 Youth=84	Annual project progress reports
OUTPUT INDICATOR 1.3.2: Seed production infrastructure rehabilitated	☐	Number	0	5 Cold room=3 Screen house=1 Irrigation facility = 1	Annual project progress reports
COMPONENT 2: Post-Harvest Management and Market Linkages					
OUTPUT STATEMENT 2.1: Stored and processed cereals and legumes					
OUTPUT INDICATOR 2.1.1: Farmers trained on postharvest handling and storage technologies (30% women and 30% youth)	☐	Number	0	210,000 Women=63,000Yout h=63,000	Distribution Reports and WFP Monitoring
OUTPUT INDICATOR 2.1.2: Agricultural Cooperatives (SMSAs) strengthened/established	☐	Number	0	140	Annual project progress reports
COMPONENT 3: Inclusive finance, private sector engagement, and agribusiness development for women and youth					

OUTPUT STATEMENT 3.1: Rehabilitated Women's Cooperatives and gender-responsive financial products					
OUTPUT INDICATOR 3.1.1: Women's cooperatives with rehabilitated infrastructure	☐	Number	3	38	Annual project progress reports
OUTPUT INDICATOR 3.1.2: Women Agripreneurs linked to gender-responsive financial products (70% women and 30% young women)	☐	Number	0	9,450 Women= 6,615 Young women=2,835	Annual Household Survey
OUTPUT STATEMENT 3.2: Land-use agreements, youth led post-harvest services and youth tailored innovative financial products					
OUTPUT INDICATOR 3.2.1: Youth farmers enrolled in block farming schemes (of whom 50% young men and 50% young women)	☐	Number	0	1,400 Young men=700 Young women=700	Monitoring of registered youth groups and start-ups with Chamber of Commerce
OUTPUT INDICATOR 3.2.2: Youth farmers trained in mechanization and warehousing services (of whom 50% young men and 50% young women)	☐	Number	0	10,500 Young men=5,250 Young women=5,250	Annual progress report (including financial report)

8. ENVIRONMENTAL AND SOCIAL COMPLIANCE NOTE (ESCON)

A. Basic Information[1]			
Project Title: BOOSTING AGRIFOOD SYSTEMS RESILIENCE IN SUDAN (BOOST)			**Project SAP: P-SD-AA0-010**
Country: Sudan	**Region**: RDGE	**Lending Instrument**: Project Finance Loan/Grant	
Project Sector Unit: Agriculture	**Task Team Leaders: Jeffrey KWESIGA**		
Appraisal dates: 13-15 May 2025		**Estimated Approval Date**: 15/12/2025	
Environmental Safeguards Officer: xx			
Social Safeguards Officer: Kingsley EJIM/ Donald MUIGAI			
Environmental and Social Category: Category 2	**Operation type**: Public Sector Operation	**Financial Intermediary**: No	
Categorization date: *May 13, 2025*	**Categorization in ISTS**: May 13, 2025	**Categorization in SAP**: October 2, 2025	
Is this project processed under rapid responses to crises and emergencies?			Yes
Is this project processed under a waiver to Integrated Safeguards System (ISS) requirement(s)?			Yes

B. Disclosure and Compliance Monitoring **B.1 Mandatory disclosure**	
Environmental Assessment/Audit/System/Others: [*specify including number*]	
Was/Were the document (s) disclosed ***prior to appraisal?***	No
Date of "in-country" disclosure by the borrower/client	Click or tap to enter a date.
Date of receipt, by the Bank, of the authorization to disclose	Click or tap to enter a date.
Date of disclosure by the Bank	Click or tap to enter a date.
Resettlement Action Plan (RAP)[2]: [*specify including number*]	
Was/Were the document (s) disclosed ***prior to appraisal?***	NA.
Date of "in-country" disclosure by the borrower/client	Click or tap to enter a date.
Date of receipt, by the Bank, of the authorization to disclose	Click or tap to enter a date.
Date of disclosure by the Bank	Click or tap to enter a date.
Stakeholder Engagement Plan (SEP): [*specify including number*]	
Was/Were the document (s) disclosed ***prior to appraisal?***	No
Date of "in-country" disclosure by the borrower/client	*Click to Set the date*
Date of receipt, by the Bank, of the authorization to disclose	*Click to Set the date*
Date of disclosure by the Bank	*Click to Set the date*
Pest or Vector Management Plan (PMP/VMP): [*specify including number*]	
Was/Were the document (s) disclosed ***prior to appraisal?***	No
Date of "in-country" disclosure by the borrower/client	*Click to Set the date*
Date of receipt, by the Bank, of the authorization to disclose	*Click to Set the date*
Date of disclosure by the Bank	*Click to Set the date*
Vulnerable Peoples Plan (VPP): [*specify including number*]	
Was the document disclosed ***prior to appraisal?***	NA.
Date of "in-country" disclosure by the borrower/client	*Click to Set the date*

[1] **Note**: *This ESCON shall be appended to project appraisal reports/documents before Senior Management and/or Board approvals.*
[2] *Including Livelihood Restoration Plan*

Date of receipt, by the Bank, of the authorization to disclose	*Click to Set the date*
Date of disclosure by the Bank	*Click to Set the date*
Riparian Communities Participation Plan (RCPP): [*specify including number*]	
Was the document disclosed ***prior to appraisal?***	NA.
Date of "in-country" disclosure by the borrower/client	*Click to Set the date*
Date of receipt, by the Bank, of the authorization to disclose	*Click to Set the date*
Date of disclosure by the Bank	*Click to Set the date*
Emergency Preparedness & Response Plan (EPRP): [*specify including number*]	
Was the document disclosed ***prior to appraisal?***	NA.
Date of "in-country" disclosure by the borrower/client	*Click to Set the date*
Date of receipt, by the Bank, of the authorization to disclose	*Click to Set the date*
Date of disclosure by the Bank	*Click to Set the date*
Hazardous/Medical Waste Management Plan (HWMP): [*specify including number*]	
Was the document disclosed ***prior to appraisal?***	No
Date of "in-country" disclosure by the borrower/client	*Click to Set the date*
Date of receipt, by the Bank, of the authorization to disclose	*Click to Set the date*
Date of disclosure by the Bank	*Click to Set the date*
Riparian notification:	
Was the document disclosed ***prior to appraisal?***	NA.
Date of "in-country" disclosure by the borrower/client	*Click to Set the date*
Date of receipt, by the Bank, of the authorization to disclose	*Click to Set the date*
Date of disclosure by the Bank	*Click to Set the date*
Environmental and Social Management Plan (ESMP) of the financing agreement[3]	
Was the document disclosed ***prior to appraisal?***	No
Date of "in-country" disclosure by the borrower/client	*October 3, 2025*
Date of receipt, by the Bank, of the authorization to disclose	*October 3, 2025*
Date of disclosure by the Bank	*October 3, 2025*
If in-country disclosure of any of the above documents is not expected, as per the country's legislation, please explain why: NA.	

B.2. Compliance monitoring indicators	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes
Have costs related to environmental and social measures, including for the running of the grievance redress mechanism been included in the project cost?	Yes
Is the total amount for the full implementation for the Resettlement of affected people, as integrated in the project costs, effectively mobilized, and secured?[4]	NA.
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes

C. Clearance

Is the project compliant with the Bank's environmental and social safeguards requirements, and can be submitted to Approval? Yes

[3] As referred to in section III.2.3 of the Bank's Environmental and Social Policy (ESP)

[4] *In case a resettlement action plan (RAP) are not required although ESIA is/are disclosed, attached the image/picture/photo of the area/site/landscape to evidence that it is free of any encumbrance (simple statement or letter from the borrower does not suffice), in addition to the statement by the borrower that it is a public-owned land.*

Prepared by	*Name*	*Signature*	*Date*
Environmental Safeguards Officer:	Kingsley EJIM/Donald MUIGAI		Click or tap to enter a date.
Social Safeguards Officer:	Kingsley EJIM/Donald MUIGAI		03/10/2025
Task Team Leaders:	Jeffrey KWESIGA		03/10/2025
Submitted by			
Sector Director:	Pascal SANGINGA OiC for Martin FREGENE		*October 3, 2025*
Cleared by			
Director SNSC:	Maman-Sani ISSA		*October 7, 2025*

Appendix 1: SOURCES OF FINANCE FROM CANCELLED PROJECTS

Name of Project	Loan/Grant No	Date of Approval	Signature Date	Closing Date	Net Loan/Grant	Currency	Undisbursed Balance	Amount to Cancel	Window
P-Z1-A00-015 Sudan Drought Resilience and Sustainable Livelihoods in the Horn of Africa (DRSLP) - Project III	2100155030121	17/06/2015	17/11/2015	31/12/2024	10,000,000	UAC	7,459,254.11	7,459,254.11	ADF-14
P-Z1-AAZ-035 Sudan - Drought Resilience and Sustainable Livelihoods Programme in the Horn of Africa (DRSLP) - Project II	2100155028970	26/11/2014	23/02/2015	31/12/2024	10,000,000	UAC	4,171,244.92	4,171,244.92	ADF-13
	5900155007901	26/11/2014	23/02/2015	31/12/2024	9,872,840.48	UAC	7,263,246.31	7,263,246.31	TSF Pillar I (ADF-13)
P-SD-AAZ-006 Enable Youth Sudan	2100155033617	28/11/2016	21/12/2016	31/12/2024	1,250,000	UAC	213,022.53	213,022.53	ADF-13
	5900155011051	28/11/2016	21/12/2016	31/12/2024	19,700,000	UAC	1,173,000.82	1,173,000.82	TSF Pillar I (ADF-13)
P-SD-AAZ-008 Agricultural Value Chain Development Project	2100155037466	06/06/2018	26/07/2018	31/12/2024	4,000,000	UAC	3,425,946.02	3,425,946.02	ADF-14
	5900155013802	06/06/2018	26/07/2018	31/12/2024	24,950,000	UAC	23,459,269.47	23,459,269.47	TSF Pillar I (ADF-14)
P-SD-AAZ-012 Enable Youth Programme: Project II	5900155016560	30/06/2021	11/08/2021	31/12/2026	20,000,000	UAC	19,787,398.06	19,787,398.06	TSF Pillar I (ADF-15)
P-SD-ID0-004 Accelerating Women Entrepreneurship and Access to Finance	5900155016454	11/12/2020	21/01/2021	30/06/2026	9,970,000	UAC	9,970,000	9,970,000	TSF Pillar I (ADF-15)
P-SDFF0-001 Solar (PV) Powered Pumping System (Desert-To-Power Initiative	2100155040630	18/12/2019	5/3/2020	31/12/2025	266,000.00	UAC	263,817.95	263,817.95	ADF-14
	5900155016163	18/12/2019	5/3/2020	31/12/2025	14,134,000.00	UAC	13,841,919.30	13,841,919.30	TSF Pillar I (ADF-13)

CONTENTS OF TECHNICAL ANNEXES (ATTACHED)

Appendix 2: JUSTIFICATION FOR LESS THAN 10% CONTRIBUTION BY THE GOVERNMENT OF SUDAN (GOS)

Based on the Bank's Policy on Expenditure Eligible for the Bank Group financing, this operation is proposing 100% financing by the Bank with no contribution from the Government, justified as follows:

Country Commitment to Implement Its Overall Development Programme: The Government of Sudan (GoS) is committed to implementing the National Development Strategy (2007-2031) and continues to both mobilize resources for this purpose and to strengthen the linkage between the strategy and the national budget. The Government is also committed to all sector investment and to reducing poverty.

Prioritization by the Country of Sectors Targeted by Bank Assistance: The Government of Sudan (GoS) continues to prioritize agriculture as a strategic sector for economic recovery and rural development. In the 2024/25 fiscal year, the GoS increased the agriculture sector's allocation to 10% of the national development budget up from an average of just 1% over the previous four years. This shift reflects a renewed commitment to enhancing food security, empowering farmers, and boosting productivity through investments in irrigation infrastructure, climate-resilient farming systems, and access to agricultural finance.

Country Budget Situation and Debt Level: Sudan's public external debt-to-GDP ratio increased from 164.7% of GDP in 2019 to 172.9% in 2020, while about 86.0% of the external debt (USD 56 billion) is accumulated arrears. The 2021 World Bank-IMF Debt Sustainability Analysis assessed Sudan in debt distress. On 29 June 2021, the Executive Boards of the IMF and World Bank approved debt relief for Sudan under the HIPC initiative, immediately reducing the country's public and publicly guaranteed (PPG) debt from about USD 56 billion to USD 28 billion. On 21 April 2021, using the TSF Pillar II resources, the Bank supported Sudan in clearing its arrears of about USD 413 million to the Bank Group with support from the United Kingdom, Sweden, and Ireland. As part of the arrears clearance, Sudan's obligations to the Bank were paid in advance until June 2023. In this regard, Sudan was expected to resume debt servicing to the Bank in July 2023. As of June 2025, Sudan has been able to honour its obligations to the Bank. However, Sudan's progress towards "HIPC Completion Point", by 2024 as previously envisaged, stalled as discussions with Paris and Non-Paris Club creditors were paused following the military takeover in October 2021. The IMF's Extended Credit Facility was also cancelled in December 2022. Therefore, Sudan will continue to remain in debt distress if the HIPC completion point has not been realized.

The country continues to be in conflict since April 2023: Sudan continues to be in conflict since April 2023. The civil war between the Sudanese Armed Forces and the paramilitary Rapid Support Forces is still ongoing and has created a dire humanitarian crisis. As at end April 2025, according to UNOCHA, the death toll from the war was conservatively estimated at more than 61,000, while the number of injured people was estimated at 37,000. Furthermore, the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) provides that about 13.3 million people have been displaced, with 3.3 million crossing into the neighboring countries and over 26 million people are considered food insecure, with 800,000 facing starvation. The war has severely crippled Sudan's economy. Its GDP is estimated to have significantly lowered, and government revenues (like tax and non-tax revenues) have plummeted. In this context, the Sudanese government is reportedly, rearranging expenditure towards humanitarian needs.