

Conference Report

Towards Sustainable Inclusive  
Development in Sudan

Khartoum, 16-18 November 2019



مجموعة أبحاث السودان

---

## About SRG

Sudan Research Group is a UK-based voluntary organization. It was formed in 2003 by a group of academics and researchers who felt a pressing need for a specialized network that brings together multidisciplinary academics, researchers, activists and policy makers in a forum devoted to in-depth discussions of the key and pressing issues that face the country. Dedicated to impact, it aims to produce and promote research and scholarship that may inform home-grown policies to address the country's urgent economic, political, and social needs.

The main conferences and events organized by the Group so far include “Economic Challenges in Post-conflict Sudan” (2004), “Institutional and Governance Requirements for the Future Development of Sudan”( 2005 ), “Education and Capacity Building” (2006), “Assessing the Peace-building in Darfur”, 2008, “General Education Crisis in Sudan” (with Open Themes Group), 2016, training in communication for Sudanese NGOs (2019) and series of Webinars. “Towards Sustainable Inclusive Development in Sudan” was the first conference that SRG was able to convene in Sudan.

### Contact

[Info@Sudanresearchgroup.org](mailto:Info@Sudanresearchgroup.org)

[www.sudanresearchgroup.org](http://www.sudanresearchgroup.org)

@srgcon

Copyright © 2020 by Sudan Research Group

---

The opinions expressed in this publication are those of the conference participants and do not necessarily reflect the views of SRG or its Board of Directors.

This work is licensed under a Creative Commons Attribution — Non-commercial — No Derivatives License.

Report Design and Layout: Mohamed El-Hafiz Mohamed

---

## Acknowledgement

Sudan Research Group (SRG) is pleased to introduce a summary of the proceedings of its Fifth Conference, Towards Sustainable Inclusive Development in Sudan, Held only three months after the formation of the Transitional Government that followed the end of three decades of dictatorship, the conference sought to provide a neutral space for open discussions that help in shaping the agenda for change. More than 160 researchers, policy makers, private sector and civil society participants engaged in three days of constructive- and sometimes heated debate- about immediate reform programs and long -term development policies.

This report provides a brief summary of the discussions on the key themes of the conference and its substantive findings. It should be noted that the messages and ideas summarized are not intended to indicate a consensus and they do not necessarily reflect the opinion of SRG. SRG is indebted to many people who helped in making the event successful. We are grateful for all the presenters, moderators and participants for their invaluable contribution. Special thanks to the academic and research bodies and colleagues in the private sector and civil society organizations who made immense contribution throughout the preparation and running of the event.

Thanks are also due to Dr. Ahmed Hassan for his dedicated work in drafting the report, and to Dr. Ahmed Elhag for revising the English copy and translating the report into Arabic. The Conference would not have been a success without the excellent logistical arrangement of Ms. Eiman Kahlifa and her team. We are also grateful to Ms. Shadin Alfadil for her unrelenting guidance and support and to the media for their extensive and favorable coverage.

Finally, we would like to record our thanks to Prime Minister Dr. Abdalla Hamdok for his inspiring opening speech and to his Cabinet members Dr. Ibrahim El-Badawi, Minister of Finance and Lena El-Sheikh, Minister of Labour and Social Development for their valuable input.

### **SRG Coordinators**

**Dr. Abdel Azim M El-Hassan,**

**Dr. Gamal Eltaib Ibrahim,**

**Dr. Safwan Yousif**

## Table of Contents

Executive Summary .....	4
Recommendations .....	5
Introduction.....	9
Welcome and Keynote Speech Opening Session .....	11
Plenary Session .....	13
Cluster 1: Macroeconomic Management for Inclusive Development .....	16
Cluster 2: Bringing the Productive Sectors Back In .....	18
Cluster 3: Governance and Institutions .....	22
Cluster 4: Management of Natural Resources .....	25
Cluster 5: Sustainable Infrastructure .....	27
Cluster 6: Social Policy and Public Service Delivery .....	29
Cluster 7: The Role of Private Sector .....	30
Cluster 8: Gender Mainstreaming in Development Planning .....	32
Conclusions .....	34

## Executive Summary and Recommendations

After turbulent decades of economic and social upheaval, Sudan is at another crossroad. The December 2018 Revolution ended the longest era of dictatorship in the country's history. As the dust from the uprising settles down, the architects of the new pluralist regime are facing tough questions and the real struggle for practical change begins. Policymakers are encountering the unenviable task of translating the calls for freedom, peace and equitable development in practical policies.

The roadmap to the justifiable dreams of the uprising is, at best, challenging. The country has long been beset by civil conflicts, high level of external debt, an ailing production base, a deteriorating export sector, high rates of unemployment, the near collapse of education and health sectors, corruption and a difficult external environment.

Notwithstanding the above challenges, Sudan Research Group (SRG) firmly believes that, with their proven commitment, energy and expertise, the people of Sudan have the capacity to make inroads towards their stated objectives. The aim of the conference was to positively and emphatically contributing to the collective efforts of the Sudanese people.

Moving towards this end, and under the theme, Towards Sustainable Inclusive Development in Sudan, SRG held its Fifth Conference, in Khartoum, Sudan, from 16 to 18 November 2019. The overall objective of the Conference was to provide a platform for researchers to discuss the main development priorities in Sudan, and identify alternative policies in order to help policy-makers and decision-makers to tackle the challenges of transition, in the aftermath of the "December 2018 Revolution."

Over 100 participants from different backgrounds participated in the Conference, including policy-makers, researchers, development professionals and experts, private sector and civil society organizations, and women and youth groups. The Prime Minister of the Transitional Government Dr. Abdalla Hamdok opened the Conference in the attendance of other high-level officials and personalities, including Finance Minister Dr. Ibrahim El-Badawi, and representatives of sisterly countries, Sudanese political parties and civil society organizations.

Over the three days of the conference, deliberations focused on eight themes pertinent to sustainable and inclusive development in Sudan. Over 30 contributors enriched the proceedings by presenting benchmarking, concrete initiatives and best practices. The participants invariably put emphasis on the importance of scientific research and planning for the economic, social and political development of Sudan; and called on the Transitional Government to develop comprehensive national development strategies on the basis of an agro-industrial revolution.

With this aim in mind, the participants stressed that the question of achieving peace is fundamental, and thus called on the Transitional Government to put peace as a top priority on its transitional agenda, and directly link it to the national development plan.

Putting an end to decades of almost unremitting fighting and human misery and building peace, not only could put Sudan on a more inclusive, sustainable political path, but will also inevitably put it on a more inclusive, sustainable developmental route. At a parallel level, peace and stability are indisputable prerequisites for sustainable growth and development, as war, on the other hand, unequivocally exacts an enormous economic and humanitarian toll.

## Recommendations

### Macroeconomic Issues

#### To the Transitional Government/ Ministry of Finance:

1. Revisit the role of development planning as a guiding principle to achieve the global sustainable development agenda
2. Establish an integrated national financing framework to lay out how the national development strategy will be financed and implemented.
3. Observe a Rights-Based Approach in all macroeconomic and sector level strategies as fundamental principle, especially the rights to land, exhaustible natural assets (minerals) and environmental health.
4. Re-establish the rights of the displaced to access and use the land resources from which they were removed.
5. Revisit the model of fiscal federalism established in 2005 to align it with a developmental national development strategy based on inclusive and integrated national financing framework
6. Establish regional growth pole strategies in the context of national development plans.
7. Ensure coordination between the Central Bank of Sudan and the Ministry of Finance and Economic Planning, to achieve greater harmonization of fiscal and monetary policy.
8. Address the debt crisis by adopting measures such as securing access to concessional aid, limiting borrowing in foreign currency, improving quality of debt, strengthening legal framework, and structural transformation.
9. Adopt an Aid Strategy to manage development aid provided by various partners; and ensure that aid is offered in a way that meets the needs the Transitional Government of Sudan identifies.

#### To the International Community/ International Donors:

10. Help in stabilizing the economy by, e.g., supporting the lifting of sanctions, expediting realizing the Highly Indebted Poor Country (HIPC) status, and other debt relief measures.
11. Provide a development fund to assist Sudan in achieving the goals of sustainable development based on the country's priorities, especially those that are related to enhancing domestic resource mobilization and the productive sectors.

### Reviving the Productive Sectors

#### To the Transitional Government and Competent Authorities:

12. Develop an industrial strategy as part of a wider national development strategy that will play an important role in increasing the value of the agricultural output by many folds.
13. Encourage International investment that crowds in domestic business, transfer modern and appropriate technology and support growth and development.
14. Draw relevant lessons from the successful models of development of similar countries, especially in terms of development planning for growth and poverty reduction.
15. Rehabilitate the agricultural bank of Sudan and re-establish the industrial bank to play their role the main executing agency in the development finance area.
16. A proposal was put forward to establish a development bank for small and medium businesses operating in the agricultural and industrial sectors. In the short term his will presuppose establishing a network with banks and institutions funding small and

medium businesses; and subsequently planning and working for establishing another development bank for large industrial projects, towards the end of the transitional period.

17. Adopt a comprehensive and balanced agricultural development plan with equity; develop agricultural support services; establish knowledge and information networks; and build a strong public and private financial support for the agricultural sector.

## **Governance and Institutions**

### **To the Transitional Government and Civil Society Organizations:**

18. Review the Civil Society Act from a volunteerism perspective, and push for the adoption of a National Civil Society and Volunteerism Act in the Transitional Legislative Assembly.
19. Carry out an urgent evaluation of the local governance system; rearrange resource sharing at local levels; adopt new directives for the budget, including gender sensitive budgeting; and introduce new forms of popular participation and monitoring.
20. Adopt a strategy to combat corruption, hidden economy and financial crimes; and involve the private sector in establishing compliance principles and practices of integrity and good governance.
21. Pay urgent attention to environmental governance, by strengthening inter-ministerial coordination at local and national levels, and empowering an independent national agency to enforce and monitor compliance with environmental regulations.
22. Incorporate the Right to Development in the new Constitution.

## **The Management of Natural Resources**

### **To the Transitional Government /Competent Ministries:**

23. Create conducive environment for international investment in the mining sector, by:
  - a) addressing the issues of delisting Sudan from the State Sponsors of Terrorism (SST) and control of militias; b) taking necessary measures towards reforming the Ministry of Mining, and rehabilitating of the Sudan Geological Research Authority; c) creating a one-stop shop for investors; d) reviewing the current licenses/concessions to stop abuse; e) reforming the artisanal sector; f) establishing a gold and minerals exchange; and g) reforming the standard-form mining agreement.
24. Take measures to revive the oil sector, including reaching a joint development agreement in Abyei, and addressing the issue of fuel subsidy.  
Encourage sustainable partnerships between private sector and localities to contribute to local development, especially projects such as renewing the Hashab Forests in the Central Kordofan Basin.

## **Sustainable Infrastructure**

### **To the Transitional Government, Private Sector, and Civil Society Organizations:**

25. Adopt a multi-front solution; short, medium and long-term, to address the issue of electricity; and implement power sector reforms (structure and regulations,) including re-establishing of the National Electricity Corporation and empowering of the Electricity Regulation Authority as an independent agency. Work towards opening the power generation sector (especially renewable) to Independent Power Producers Mechanism. Adopt an energy mix that includes; mini-grid electrification, renewables (solar & wind), biomass, waste to energy and small hydropower generation.

26. Bridge the gap between Sudan's Information and Communication Technology (ICT) potential and key human development factors, by promoting the role of ICT in economic, social and political development, and ensuring engagement of stakeholders in developing a sustainable national ICT ecosystem.
27. Take measures toward sustainable irrigation systems, including institutional restructuring, raising awareness and engaging civil society organisations with a look ahead plans of short to medium term, and a long term to 2030. Productivity enhancements should be by adopting suitable fertilizers and crop rotation plans, and also by horizontal increment of irrigated lands, which would require better incorporation of Integrated Water Resources Management approaches and irrigation technology.

### **Social Policy and Public Service Delivery**

#### **To the Transitional Government and Civil Society Organizations:**

28. Work towards the adoption of a new development model that guarantees minimum wage and basic services to all citizens; and develop new social protection policies.
29. Take necessary steps to expand the Health Insurance Scheme in order to accommodate vulnerable groups of the population.

### **The Private Sector**

#### **To the Transitional Government and Private Sector:**

30. There is an urgent need for a wide range of reforms, including financial sector restructuring for better leverage of capital already existing in Sudan; improving the business environment to deal with conflict of interests, costs/time barriers, monopolistic practices, and red tape and administrative barriers. Other issues include encouragement of innovation and entrepreneurship and the digitalisation of trade and payment systems.
31. In the short run focus on three main sectors, namely: gold with significant economies of scale; oil with good platform and legacy to build on; and agriculture with emphasis in local value added.
32. Review the current legal framework of Social Entrepreneurship (SE) specially review the 2006 Central Bank of Sudan (CBoS) Strategy on Development of Medium, Small and Micro Enterprises (MSMEs) sector and the 2016 National Youth Strategy. These strategies and any new framework for SE should promote and support local cooperatives in villages and neighbourhoods.

#### **To the Transitional Government /Ministry of Finance:**

33. Promote Gender-Faire-Practices, including promotion of gender equality in education and training opportunities.
34. Ensure mainstreaming of Gender-Responsive Budgets (GRBs) as a tool to reflect on policies relating to health and education, by directly linking GRBs to issues of poverty reduction.

#### **To Civil Society Organizations and Women Groups:**

35. Enhance the role of pressure groups in gender proofing of government expenditure and revenues.
36. Provide expertise and critical support to the Transitional Government in developing organisational policies and personnel services that address gender issues.



**Cross-cutting issues:**

37. The participants agreed on the need to consider the availability of quality up-to-date statistics, gender mainstreaming and gender-sensitive policies as integral cross-cutting issues in all future development plans and across all sectors.

## Introduction

With the instatement of the Transitional Government of Sudan in September 2019, Sudan entered a new phase in its post-independence history. The legacy of the last 30 years of the National Congress Party's (NCP) rule has exacted an enormous toll on Sudan's economic, social and political life.

The economy is in a state of free-fall and is mired in inefficiencies. Taking advantage of huge oil revenue since 2000, the NCP engaged in unaffordable development projects; and as the economy became increasingly dependent on oil revenue, it was severely affected by the South Sudan's secession in 2011.

The loss of oil revenue, as the main source of foreign exchange, has put immense pressure on Sudan's currency and foreign exchange reserves, rendering them unable to meet the country's external debt obligations (Sudan debt stock stands at approximately \$60 billion, 111% of GDP). Attempts for developing the mining sector (gold), as a strategic alternative to oil did not meet expectations, as 75% of gold is smuggled.

With increasing cost of production, the agricultural and industrial sectors of the economy were severely hit, and inflation more than tripled. Amid rising prices of consumer goods and increasing cost of production, and almost non-existent Foreign Direct Investment (FDI,) Sudan's economic growth is now in jeopardy.

Further, the loss of oil revenues has had far-reaching social implications in the last decade. Poverty level is as high as 36%. Inequality, measured in Gini Index, stands at about 30%, while youth unemployment stands at 25%, which is much higher than in Sudan's neighbouring countries. Meanwhile, Sudan continues to experience prolonged environmental degradation.

In this context, and as part of its endeavors to contribute to the success of the transitional period, Sudan Research Group (SRG) held its 5th Conference, in Khartoum, Sudan, from 16 to 18 November 2019, under the theme: Towards Sustainable Inclusive Development in Sudan.

This Conference, the first SRG event held inside Sudan, aimed at providing a platform for researchers to discuss the main development priorities in Sudan, and identify alternative policies in order to help policy-makers and decision-makers to tackle challenges of transition, in the aftermath of the "December 2018 Revolution."

To this end, SRG targeted the active participation of policy makers, researchers, development professionals and experts, and private sector and civil society organizations. In selecting presenters, SRG paid special attention to issues of quality, equality and diversity; and, also, ensured the active participation of women and youth, owing to the great role they played in the December 2018 Revolution.

In his welcoming remarks, SRG's representative, Dr. Abdel Azim Mohamed El-Hassan, highlighted the fragility of the country's situation, yet stressed that: "the people of Sudan have the capacity to tackle such challenges and translate their dreams into reality; for they know where they are, at the present, and where they want and deserve to be in the future;". He called upon the government to elevate scientific research to a position of high strategic importance in recognition of its potential role in guiding and accelerating socioeconomic development.

In his Keynote Address, Prime Minister Dr. Abdalla Hamdok welcomed the convening of SRG's 5th Conference, describing it as "timely," and explored his government's programs and priorities in the Transitional period: "putting an end to the war and building peace are top priorities on the Transitional Government's agenda, which includes, among others:

addressing the economic crisis and laying the foundation for sustainable development in Sudan; combating corruption with commitment to principles of transparency and accountability; unleashing private and public freedoms; and guaranteeing human rights and enhancing women representation in all fields.”

For his part, the Minister of Finance Dr. Ibrahim El-Badawi acknowledged, in his Keynote Address, that: “the current stage requires radical solutions at the macroeconomic level, including the issues of stabilizing the exchange rate and curbing inflation; besides finding solutions to other distortions in institutions, the civil service system and wages;” and emphasized the importance of scientific research at this stage, and on the need for coordinating all research efforts in the country.”

Over 100 participants took part in the Plenary Session, in which three papers were presented with the aim of highlighting the main issues to be discussed over the three days of the conference. Participants were subsequently divided into eight clusters to discuss 31 papers around the Conference’s main themes:

- 1- Macroeconomic Management for Inclusive Development
- 2- Bringing the Productive Sectors back in Sudan
- 3- Governance and Institutions
- 4- Management of Natural Resources
- 5- Sustainable Infra-Structure
- 6- Social Policy and Public Service Delivery
- 7- The Role of the Private Sector
- 8- Gender

## Proceedings

### Day One

#### Welcome and Keynote-Speeches

##### Dr. Abdel Azim Mohamed El-Hassan, SRG Representative,

Dr. El-Hassan welcomed Sudanese Prime Minister Abdalla Hamdok, Finance Minister Ibrahim El-Badawi, speakers and participants to the Sudan Research Group (SRG) 5th Conference: Towards Sustainable Inclusive Development in Sudan.

El-Hassan paid tribute to the sacrifices of the people of Sudan who have made in their struggle for “Freedom, Peace and Justice,” drawing attention to the fragility of the country’s situation, and the grave challenges facing it. However, he stressed that the people of Sudan have the capacity to tackle such challenges and translate their dreams into reality; for they know where they are, at the present time, and where they want to be, in the future.

He then called for drawing a road map agreed by all Sudanese. At this historical and critical moment, El-Hassan pointed out that the people of Sudan can draw lessons from experiences of countries in the region, such as Ethiopia, which were able to achieve structural transformation in a relatively short period of time. He noted that such countries adopted scientific research and broad participation in setting policies, programmes and alternative strategies as an ideal route to success.

El-Hassan explained that the informing idea behind holding the SRG 5th Conference is to provide a non-restrictive platform for participants to express their views, reflect their experiences and make available conclusions of their research, which in turn can be verified, validated substantiated through discussions in small working groups. Such an effort, he stressed, can contribute a great deal to the adoption on the one hand of a unified vision, and authenticate the ownership of the change process, on the other.

Laying the foundation out for the three-day conference, Dr. El-Hassan noted that the expected outcomes of the Conference will be published for the benefit of the general public, and its recommendations will be communicated to competent government authorities. He expressed hope that the Conference’s findings and recommendations will contribute a great deal in influencing and shaping the sustainable and inclusive development of Sudan in the aftermath of the December 2018 Revolution. Then appropriately, El-Hassan invited Prime Minister Abdalla Hamdok to open the works of the Conference.

#### ii. Keynote Address

##### Prime Minister Dr. Abdalla Hamdok

His Excellency Prime Minister, Dr. Abdalla Hamdok, embarked on his keynote address by glorifying the martyrs of the December 2018 Revolution, wishing speedy recovery for those wounded, and prompt return for those missing. He then proceeded to welcoming representatives of sisterly countries, political parties and civil society organizations, and participants.

Prime Minister Hamdok was fittingly and magnanimous in welcoming the convening of the SRG 5th Conference, which is taking place inside Sudan for the first time, thanks to the glorious Revolution. He noted that the Conference’s slogan (Towards Sustainable Inclusive Development in Sudan,) truly reflects the stage through which the country is passing, and that the issues the Conference is going to address are an integral part of the Transitional period’s tasks, and that they lay the foundation for a stable Sudan.

Explaining the programs and priorities of the Transitional Government, Prime Minister Hamdok underlined that putting an end to the war and building peace are top priorities on the Transitional Government's agenda, which include, among others: addressing the economic crisis and laying the foundation for sustainable development in Sudan; combating corruption with unwavering commitment and total adherence to the principles of transparency and accountability; unleashing private and public freedoms; and guaranteeing human rights and enhancing women representation in all fields.

Moreover, he pointed out that the Transitional Government will pay more attention to the issues of health care, education, and scientific research, citing the example of South Korea as a country that was able to achieve economic development on the basis of scientific research. Hence, he emphasized on the importance of focusing on scientific research in Sudan at this critical stage.

According to the Prime Minister, the greatest challenge facing Sudan at the present is that of reaching consensus amongst all Sudanese on a national project, which mainly addresses the question of "How Sudan Should Be Governed?" linked to it, he added, shall be a development renaissance project premised upon serious scientific research. In this connection, he said he is of the opinion that Sudan can achieve the required transformation if it relies on an agricultural sector linked to industrialization.

Finally, Prime Minister Abdalla Hamdok expressed hope that SRG Conference provides the Transitional Government with practicable recommendations that help in tackling the challenges both of the transitional and post-transitional periods, and in laying the foundation for building a Sudan, "we all be proud of."

### **iii. Keynote Address**

#### **Finance Minister Dr. Ibrahim El-Badawi**

Sudanese Finance Minister, Dr. Ibrahim El-Badawi, started his keynote address by reflecting on the slogan of the "December 2018 Revolution:" Freedom, Peace and Justice, describing it as a brilliant, deep and meaningful slogan, which reflects the aspirations of the people of Sudan.

Dr. El-Badawi acknowledged that the people working in the economic sector are required to design programs and device policies conducive to realizing the legitimate aspirations the masses. He stressed that the question of peace is pivotal as to the realization of economic growth, which is essential to democracy. He indicated that the current stage requires radical solutions at the macroeconomic level, including the issues of stabilizing the exchange rate and curbing inflation. In addition, there is a pressing need, according to him, to finding solutions to other distortions in relevant institutions, finding remedies to defective civil service system and wage discrepancies.

The Minister was quick to recognize that there is an urgent need for addressing the current crises of public transportation, environment sanitation and youth unemployment. In this context, he said it is imperative to have a reliable database, including population and agricultural censuses, and gradually move towards building a digital-economy. Additionally, he mentioned that his ministry would launch various programs in a time span of 200 days, to address the above-mentioned issues.

As for his ministry's plan, El-Badawi explained that it will be implemented over a ten-year period, and that it is divided into three phases: igniting growth, sustaining growth and

achieving the Sustainable Development Goals (SDGs,) by 2030. He pointed out that international investors are willing to invest in Sudan as great investment opportunities exist in many sectors of the economy, especially in agriculture.

Dr. El-Badawi concluded his invaluable contribution by stressing the importance of scientific research at this stage, and emphasized the need for coordinating all research efforts in the country.

## **Plenary Session**

### **i. Ensuring Synergy and Coordination of Macro and Sector Policy Reforms to Secure People's Rights to a Lasting Peace and Inclusive Development in Sudan**

**Prof Rashid M. Hassan**

The purpose and scope of Prof Hassan paper was to contribute to framing a strategic vision for inclusive and sustainable development in Sudan, with special focus on two cross-cutting issues: establishing lasting peace and securing rights of all citizens, including future generations.

Prof Hassan acknowledged that while peace is a prerequisite for the realization of sustainable and inclusive development, and necessary for reviving a rain-fed agriculture (RFA) – a key productive sector. Besides peace, he proposed complementary policy reforms of more strategic, medium to long-term structural nature, across all sectors and levels of governance.

RFA, which has long been devastated by armed conflicts, cannot be brought back to production unless the millions of displaced groups are enabled to return home to resume their normal life. Hence, Hassan proposed that a Rights-Based Approach should be observed in all macroeconomic and sector level strategies as fundamental principle. In concrete terms, he identified rights to three types of natural assets: land, exhaustible natural assets (minerals) and environmental health.

Moreover, Hassan stressed that re-establishing the rights of the displaced to access and use the land resources from which they were displaced is a necessary measure, adding that security of tenure and access rights to land is indispensable, not only for inclusiveness, but, also, for sustenance of peace; as the labor force freed from engagement in armed conflicts can be absorbed and reintegrated into productive economic activity (e.g. Rwanda).

It was noted that oil and mineral exploration and production concessions lack minimum transparency and accountability requirements, with strong evidence of exclusion of local communities. He cited many examples of illicit financial flows through illegal appropriation of the country's natural wealth (mining gold resources almost totally outside government of Sudan control and legislation).

Hence, he proposed revising terms and conditions of all concessions to ensure the inclusion of all citizens; regulating illegal resource extraction and illicit trade activities; and adopting measures to bring operations of all key economic activities under direct government control; besides fiscal and monetary instruments to ensure recovery and reinvestment of a fair share of the resource rent in alternative forms of capital.

According to Prof Hassan, weak environmental governance, including lack of transparency and secrecy as to the compliance with the Energy Information Administration (EIA) requirements, causes serious damages to natural ecosystems and human health. In this regard, the paper called on the government to pay urgent attention to environmental

governance by strengthening inter-ministerial coordination at local and national levels, and empowering an independent national agency to enforce and monitor compliance with environmental regulations.

The presenter concluded by referring to the SDGs pledge to ensure equal rights of all people to basic services and ownership and control of land and other natural resources, by 2030; the SDG principle of “leaving no one behind,” requires inclusion of all as: Not inclusive means Not sustainable.

## ii. Creating Multiple Growth Poles and Empowering the States for Inclusive and Transformative Development

### Dr. Adam B. Elhiraika

Setting the context of his paper, Dr. Elhiraika started his presentation by noting that poverty in Sudan is as high as 36% with varying levels across the country; lowest in Northern, Al-Gezira and River Nile states; highest in Kordofan and Darfur states. As for inequality, measured in Gini Index, it stands at about 30%; highest in Khartoum and West Darfur states. Agriculture, industry and service sectors accounted for 30-40%, 20% and 50% of the GDP, respectively. Youth unemployment stands at 25%, which is much higher than in Sudan’s neighbors.

Against this background, Elhiraika proposed adopting growth pole strategies in the context of national development plans and strategies. He explained that the rationale behind growth poles is that economic development, or growth is not uniformed across the country/region; instead, it takes place around a specific pole. And in order for Sudan to create productive jobs, diversify the economy and transform its economic structure through development of growth poles, it should focus on two key issues: first, identifying growth poles, or clusters, across states that would serve as development corridors; and, second, developing value chains of activities and commodities within each cluster – anchored firms.

Nine cities across Sudan (Port-Sudan, Atbara, Gadaref, Ed Damazin, Wad Medani, El Obeid, Al Fasher, Nyala and Kadugli) were identified as potential growth poles that can serve as: Logistics Hub, Integrated Agricultural Industrial Park, Information and Communication (ICT) Park, Investing on Agricultural Production, Hi-Tech Industries, and Tourism.

The paper identified four aspects of fiscal federalism that should be reviewed, namely: institutional/constitutional framework, distribution of expenditure responsibilities, assignment of revenue raising powers, and intergovernmental transfers.

It was noted that while Sudan has made progress on fiscal federalism, many challenges still remain, mainly: administration, fiscal relations, politicization, and low capacities at sub-national level. Tackling such challenges would allow for fiscal federalism to be an anchor for growth, peace and development in Sudan.

Taking everything into account, Elhiraika emphasized that it is important for Sudan to articulate a medium-to-long-term development vision together with broad development strategies to anchor its economic recovery program. For all intents and purposes, such strategies should be underpinned by industrial and growth pole policies and effective fiscal federalism to promote accelerated, sustained and inclusive growth, vertical and horizontal equity, peace, stability and nation building.



### iii. Gender Mainstreaming in Institutions and Organizations

#### Dr. Tamadur Ahmed Khalid

Answering the question: Why Gender? Dr. Khalid began her presentation by a quote from the United Nations General Assembly (2015) Transforming Our World: The 2030 Agenda for Sustainable Development: "We envisage a world in which every woman, man, boy and girl enjoys full gender equality and all legal, social and economic barriers to their empowerment have been removed." She also highlighted the call for a "just, equitable, tolerant, open and socially inclusive world in which the needs of the most vulnerable are met."

In order for Sudan to make institutions/organizations more gender-responsive, Khalid stressed that the Transitional Government should adopt measures to eliminate causes of gender issues and biases. Such measures should include: changes in organizational visions and objectives, policy reforms, organizational restructuring, capacity building measures, and improving physical facilities at the workplace.

She explained that the vision of a gender-responsive institution/organization should articulate concern for the welfare of society, male and female alike. And in this sense the structure of such an organization must not have overt or covert gender biases along the lines both of authority and communications. Consequently, decisions, plans and programs, she added, should be guided by principles of gender equity and equality.

With everything considered, Khalid has no qualms about proposing adherence to Gender-Fair Practices, including: promoting gender equality in education and training opportunities; eliminating biases in hiring, firing and promoting of employees; developing organizational policies and personnel services that address gender issues (e.g. sexual harassment); and adopting non-sexist practices in language and inter-personal relations and communications.



## **Cluster 1: Macroeconomic Management for Inclusive Development**

### **1.1 Fiscal Policy for Inclusive and Sustainable Development**

**Dr. Gamal Eltaib Ibrahim**

Setting the scene for his presentation, Dr. Ibrahim focused on the post-revolution situation. He pointed out that finding alternative fiscal policies that put an end to the economic deterioration in the country is a popular demand, and thus should be a government priority. Yet, he stressed that formulating such alternative policies is no mere technical issue, but should rather reflect the aspirations of the people of Sudan for justice and decent life.

Five fiscal priorities for the transformation of Sudan from a “Rentier State” to a “democratic developmental” were identified. These are: the presence of a political leadership with developmental vision; relative independence from national and international pressure groups; comprehensive financing plan based on the development plan of the state; restructuring of development institutions on the basis of efficiency, justice, transparency and accountability; and ensuring participation of the private sector, trade unions and civil society.

Ibrahim underlined that planning constitutes the basis for the execution of any fiscal policies, and that the absence of planning renders such policies unable to offer solutions for complex and structural problems. In this regard, he cited a number of examples: investment and taxation, segregation between economic and social policies, a gender-responsive budgeting, and the issue of subsidy. Further, he called on the Transitional Government to draw lessons from the experiences of the “Inqaz” regime, particularly on agricultural planning and fiscal policies of the federal system.

Drawing attention to the donors meeting scheduled for April 2020., the presenter called for the formulation of a unified national vision towards such meeting, taking into consideration past experiences, especially those of the 2005 joint mission. Moreover, Ibrahim proposed calling on the regional and international community to provide a development fund, similar to the post-WWII Marshall Plan, due to the importance such fund can play in achieving the goals of sustainable development in Sudan.

### **1.2 Monetary Policy for Inclusive Development**

**Dr. Farouk Hussein**

Dr. Hussein delved into the heart of his investigation by underscoring that the slow pace of macroeconomic recovery in Sudan after the secession of South Sudan in 2011, summons the need for the reconsideration of macroeconomic thinking. In the aftermath of the “December 2018 Revolution,” he maintained that the need to change “our conventional thinking has become more pressing.”

He diligently moved forward to highlight some conceptual issues in monetary policy and inclusive development, namely, the question of why must development be inclusive? He answered by saying: first, for ethical considerations of equity, fairness and justice, development must be shared and should be inclusive across different segments of populations and regions; and, second, development with persisting inequalities in Sudan endangers social peace.

Hussein, then, identified a number of challenges of monetary policy in achieving inclusive development in Sudan, which are: despite GDP expanding seven times since 1960, Sudan’s economic growth has not been inclusive; the presence of huge informal economy; large

quantity of money outside of the banking system; poor data quality; absence of central bank independence; persistently high unemployment rates; and Sudan's low ranking in the World Bank 2018 Doing Business Survey.

Achieving inclusive development in Sudan will require packages of macroeconomic and structural reforms to tackle various issues, including: macroeconomic and political stability; improving access to finance; reaching out to the diaspora; increasing female participation in the labor force; and investing in human capital through education.

The Transitional Government must play a pivotal role in coordination between the Central Bank of Sudan and the Ministry of Finance and Economic Planning, to ensure greater harmonization of fiscal and monetary policy; it should, also, promote long-term growth, poverty reduction, improve income distribution, financial inclusion, unemployment, education, health care, smart reform of subsidy, high quality infrastructure, and accelerating structural transformation.

In conclusion, the effectiveness of monetary policy to bring about inclusive development in Sudan, will depend on the ability of the Transitional Government to pursue the following policy reforms: that the fiscal deficit is reduced to 1.5 to 2 per cent of the GDP; that the monetary policy is tightened to curb inflation; and that the structural reforms are vigorously pursued to boost the business environment.

### 1.3 Sudan Debt Crisis: Challenges of Inclusive and Sustainable Growth

#### Sawsan Abdul-Jalil

In her quest for tracing the roots of Sudan debt crisis, Abdul-Jalil launched her presentation by tracing back the debt problem to as early as the 1970s, when President Numeiri embarked on ambitious development projects, largely financed by external creditors. And due to the Balance of Payments crisis that hit Sudan from the mid-1970s up to 1980s, it failed to repay its debts. Consequently, in July of 1984, the IMF suspended lending operations to Sudan.

She noted that at the present, Sudan debt stock stands at around \$60 Billion (111% of GDP,) and that most of Sudan's public debt is external, as domestic debt constitutes a meagre 8.4% of total debt - 11% of external debt is owed to multilateral creditors, 36% to Paris Club, 39% to Non-Paris Club, while commercial debt stands at 14%.

Sudan has qualified in 1996 along with 32 Sub-Saharan African (SSA) countries, to the Highly Indebted Poor Country (HIPC) initiative and indicators suggest that it is technically eligible both to HIPC and the Multi-lateral Debt Relief Initiative (MDRI). However, Sudan will have to clear arrears with its multilateral creditors to progress along this path.

There are three main challenges facing debt management in Sudan, namely: structural vulnerability and exposure to shocks; weak legal and institutional frameworks; and arrangements, and weak domestic public debt market.

Abdul-Jalil concluded by making the following recommendations: securing access to concessional aid, limiting borrowing in foreign currency, improving quality of debt, strengthening legal framework, and structural transformation.

### 1.4 Prospects of Development Cooperation

#### Faisal Juma'a

Juma'a started his analysis and appraisal of the Aid issue in Sudan by introducing the main elements of Aid Strategy (rationale, goals and principles). He explained that the decision to

formulate an Aid Strategy, stemmed, mainly, from the growing role of international cooperation in the national economy and social development in Sudan, on the one hand, and from the need to improve aid effectiveness in response to an ever-changing global aid structure, on the other.

He noted that the goal of aid strategy is to provide a comprehensive vehicle to guide monitor and manage development aid provided by various partners; to establish a unified forum for engagement with donor groups; and to ensure that foreign aid is offered in a way that meets the needs the Transitional Government identifies, rather than being purely donor-driven.

The strategy should be based on principles stated in the Paris Declaration of 2005, Accra Declaration of 2008, and Busan Agenda of 2011. He then identified three main modalities necessary for improving aid effectiveness and minimizing financial cost, which are: general budget support, sector wide approach, and project support.

As for challenges facing aid effectiveness in Sudan, Mr. Juma'a summarized them under two main challenges: political implications (economic sanctions, debt relief, and trust deficit ) and aid management and coordination (lack of strong coordination, poor information flow and sharing, absence of regular dialogue between the government and development partners, weak technical and implementation capacities, and instability of government's policies and procedures).

Juma'a concluded by highlighting prospects of Official Development Assistance (ODA) in Sudan, stressing that peace, security, and economic and political stability remain essential ingredients for increased effective delivery of ODA; and that delisting Sudan from the SST, will allow it to access external financing and technology transfer.

## **Cluster 2: Bringing the Productive Sectors Back In**

### **2.1 Industrial Development in Sudan: Challenges and Opportunities**

**Dr. Adil Dafa'Alla**

Dr. Dafa'Alla began his exposition by unveiling the state of the Sudanese economy and describing it as failure, and contribution of industrial sector to it as dismal. He, then, put forward an economic case for industry in Sudan, identified challenges, and discussed opportunities for developing and growing a successful industrial sector in Sudan.

Dafa'Alla is of the opinion that while Sudan's economy is agriculturally based, there is a need that Sudan pays attention to industry; for industrialization increases the value of the agricultural crop by many folds. He believes cultivated area should be expanded so as to meet the demand of developing industry, and sees no contradiction exists between it and agriculture; rather, it is complementary relationship. He quoted President Kaunda's famous words: "you cannot balance the books if you export raw materials and import finished goods."

Amongst the challenges Dafa'Alla identified were: that the Sudanese economy is in a state of crisis; that the industrial sector is ineffective; that the contribution of the industrial sector to GDP and employment market is significantly small; and that the impact of the industrial sector on the Sudanese economy, today, is next to non-existent. To overcome this, he proposed dealing with "enablers" and "inhibitors" of industrialization in Sudan, by converting inhibitors into enablers.

If Sudan were to embark on a clear industrialization path, as part of a "Development Model," it should start by: first, achieving political stability and good governance with strong anti-corruption drive; second, formulating a National Development Strategy; and, third,

developing an Industrial Strategy and Process.

Industrialization is no cheap option. The Transitional Government cannot do it alone. Attracting foreign investors is a must and this requires political and economic reforms, and the creation of the right environment for investment; once in place, a Private Public Partnership should be established to help the process.

## 2.2 Transformative Development Plans: Lessons from Ethiopia

Dr. Atnafu Gebremeskel

Drawing lessons from Ethiopia, Dr. Gebremeskel highlighted the main development plans that have been implemented in Ethiopia, in the last two decades: SDPRP (2002-2005), PASDEP (2006-2010), and GTP 1 (2011-2015) and GTP 2 (2016-2020). He explained that the aims of such programs were: Food Security; Decentralization and Empowerment; Capacity Building in the private and public sectors; Reforms in the justice system and civil service; besides accelerating economic growth; improving living standards of urban dwellers; adopting an effective education strategy; and providing preventative primary health.

The rapid growth of the last two decades in Ethiopia was mainly driven by the infrastructure sector, and that the double-digit economic growth was accompanied by 15% decline in the level of poverty. Since 1995-96 when the government launched the Household Consumption Expenditure Survey and the Welfare Monitoring Survey, poverty analysis has become an integral part of the overall Monitoring and Evaluation System in Ethiopia.

He explained that the Ethiopian government approach was to launch wide-ranging and multi-faceted government programs, including pro-poor programs, emergency relief, and rural productive safety net programs. According to Gebremeskel, success was evident in the health sector, electricity, and road access, with marked improvement in human capital. He, further, noted that public investment has been the driving force of growth in Ethiopia, which stimulated construction and business sectors. The introduction of industrial parks has, also, contributed to the success.

However, he identified a number of challenges, including: high rates of inflation and unemployment; structural and institutional constraints; lack of innovation; headwinds stemming from macroeconomic imbalances; high demand for imports with poor export performance; rapid increase in external debt; and price instability.

In conclusion, Gebremeskel recommended that proper sequencing, depth and the speed of the reform process must be clearly brought out in such a way that stability is followed by liberalization and privatization of publicly owned enterprises.

## 2.3 The Role of National Development Banks in the Structural Transformation

Dr. Khalid Alfeel

By defining development banks as the financial arm of the developmental state, Dr. Alfeel set the ball rolling in his exploration of role of National Development Banks in structural transformation. He explained that the role of such institutions is to provide financing on terms that make investment in industry and infrastructure possible and viable. He added that development banks are often owned by the state and managed by the central bank or the ministries concerned or the prime minister. The importance such banks play in development is that they contribute a great deal to the country's GDP.

Alfeel explained that the success of development banks does not only depend on their ability to mobilize resources, but also on their ability to manage their human resources and effectively

deal with administrative and institutional challenges. He stressed that establishing such banks requires creation of the necessary institutional conditions, including availability of professional expertise, ability to mobilize internal and external resources, a clear strategic plan, and political stability.

Citing examples of successful development banks (Ethiopia, Tunisia), Alfeel implored the Transitional Government to establish a development bank for small and medium businesses operating in the agricultural and industrial sectors, in the short term; and plans and works for establishing another development bank for large industrial projects, towards the end of the transitional period. The former, he explained, should provide remedies for a number of problems, including lack of financing for small and medium businesses, inability to access international markets, and poor technology and absence of innovation.

By way of closure, Alfeel discerned that there are many existing institutions specializing in supporting development banks for small and medium businesses (e.g. Islamic Development Bank, British Council) and hence, proposed that the Transitional Government should immediately embark on establishing a network with such institutions so as to be able to achieve inclusive and sustainable development in Sudan.

#### 2.4 Agricultural Context: Towards a New Vision for Inclusive Development in Sudan

Prof Hamid M. Faki

Setting the context of his paper, Faki began his presentation by describing Sudan's agriculture as being underpinned by development of natural resources. However, that wealth of basic rich resources is horribly exposed to resource mismanagement, imprudent practices and compromised natural resources.

Sudan enjoys considerable land resources (Land area 455 m Fed; Agric Land 36% of Land Area; Crop Land 29% of Agric Land; Perm. Pastures 71% of Agric Land; Irrig Equip Land 9% of Crop Land; Forest Land 10% of Land Area). This suggests that Sudan has high potential for horizontal and vertical expansion. On the other hand, Sudan enjoys substantial water and livestock resources (Nile and tributaries annual average 18.5 bilm; seasonal streams 7 bilm; ground water predicted in almost 50% of Sudan's area; livestock of 104 million heads).<sup>β</sup>

However, while Sudan is abundantly endowed with natural resources, it faces major challenges in the agricultural sector; chief among them is the high pressure on natural resources, driven by rising human and livestock population, obscure land rights, absence of policies regulating the nomadic sector, and tree felling, deforestation and severe overgrazing. In this context, the Rain-Fed Agriculture (RFA) has been the most affected.

Despite these challenges, Prof Faki explained that the agricultural sector provides employment and livelihood to some 70% of Sudan's population; meets most of the cereals and horticultural crop needs; contributes highly to food security; and shoulders a notable share of exports.

To conclude with, the paper proposes addressing the natural resources syndrome and its related interacting factors; adopting a comprehensive and balanced agricultural development plan with equity; developing agricultural support services and establishing knowledge and information networks; and building a strong public, private financial support for the agricultural sector in Sudan.



## 2.5 Food, Energy and Water Nexus in Sudan: Critical Linkages and Recommendations

Dr. Ali Abdel Aziz Salih

Dr. Salih started his presentation by pointing out that water, energy and agricultural resources in Sudan are characterized by abundance, while food production is below potential. This dire situation has been made even worse by population growth and growing food demands, changing climatic conditions, weak policies and poor coordination among key government agencies. He explained that the slow progress in agricultural productivity and production is related, mainly, among other factors, to inefficient use of available water and energy resources.

Salih then proceeded to introduce the Water, Energy and Food (WEF) Nexus approach, explaining that it adopts an integrated and comprehensive approach, which integrates the sectors of energy, water and food (agriculture) in formulating plans and policies and implementing plans of a country. In applying such concept, he revealed several key challenges and opportunities.

Amongst the challenges that Salih identified are dependence on external forces for provision of water, energy and food; dependence of agricultural economy on variable erratic short-season rainfall; vulnerability to climate change and climate variability; and poor enforcement of natural resources protection laws. He explained that such challenges are rooted in the types of approaches and mechanisms adopted in strategic planning, policy formulation, program implementation and management of the WEF sectors in Sudan.

In conclusion, Salih highlighted opportunities that, he stressed, should be considered for the sustainable, equitable and efficient use of natural resources and water, energy and food security in Sudan, which are: reorganizing of the existing institutional structure; institutional capacity development; monitoring and evaluation; financial resource mobilization; and integration of the private sector.

## 2.6 Sudan Agriculture as an Engine of Growth and Poverty Reduction

Dr. Zeinelabdin Eltayeb Hassan

According to Dr. Hassan, the agricultural sector accounts for one-third of Sudan's GDP and employs about 35% of the labor force; thus, he stressed that policy reform in this sector is likely to affect the livelihoods of the majority of the population. He noted that despite launching the Agricultural Revival Program 2007-2011 with the aim of contributing to economic growth, poverty reduction, food security, and advancing people's livelihoods, no tangible results have been achieved.

Hassan explained that the agricultural sector still enjoys a number of strengths: vast areas of cultivable lands; sufficient water resources; huge livestock and sizeable fish resources; and generations of trained manpower. In this context, he drew attention to the strategic role the agricultural sector can play in the process of economic development. He, further, stressed that this sector can provide food and raw materials to other sectors of the economy; create demand for goods produced by other sectors (rural people purchasing power); provide investable surplus in the form of savings and taxes; earn valuable foreign currency through the export of agricultural products; and provide employment for a vast army of uneducated and unskilled labor. However, he suggested that a strategy of exporting non-agricultural goods or cash crops, and importing food, might prove better than a development strategy based on agriculture alone.

Conclusively, Hassan proposed that in order to promote the role of agriculture in the economy,

the Transitional Government should invest in the following areas: enhancing production, productivity and competitiveness of the crops, livestock and forestry subsectors and agricultural climate change adaptation; capacity development of agricultural decision makers and support services; defining a role for private sector service providers; and promoting a climate-smart smallholder agricultural production and post-harvest management.

### **Cluster 3: Governance and Institutions**

#### **3.1 Sudan Economy: Drained Resources and Prospects for Peace Building**

##### **Dr. Elata Mohamed Elata**

The presentation of Dr. Elata offered a bleak reading of governance ordeal in Sudan. Sudan, as a multi-ethnic country, has been unwittingly drawn into ethnic mobilization and deadly conflicts. Predominantly those conflicts have been between the center and the peripheries (Darfur, South Kordofan and the Blue Nile,) for decades. These conflicts not only affected the populations, but, also, the economy.

He then cited the case of Darfur where, in negotiations with the government, rebel commanders demanded a package in the range of \$60 million for local economic development, including creation of employment opportunities. However, Elata pointed out that the government ignored that demand, and instead launched a large-scale military campaign with an estimated total cost of \$88.7 billion, in the period between 2003 and 2017 (\$5.9 billion per year). He further explained that military spending in Sudan has been steadily rising, from \$845 million per year, in 2003, to \$1.7 billion per year in 2014, with the war effort in Darfur consuming the biggest share.

Elata stated that military spending in Sudan grew at the expense of social spending, especially that on human capital. He showed that Sudan, in a span of two decades, has spent only 1.3% of its budget on public health, and less than 1% on education. The high military spending in Sudan was driven by oil rent. But, with the end of oil rent, so ended economic growth. US sanctions (1993, 1996, 1997, 1998 and 2006,) and UN sanctions (2006 and 2008,) which were triggered by the Darfur war, have also impacted economic growth in Sudan.

Besides sanctions, Elata highlighted other drivers of the economic crisis in Sudan, including: unsustainable external debts of more than \$55 billion; investor's concerns about corruption in Sudan, multiple exchange rates and difficulty of repatriating profits; and weak financial sector. He is of the opinion that building peace in Sudan is fundamental for resolving the economic crisis.

The paper proposed that the Transitional Government focuses on peace building as a top priority on its national agenda, by reaching national consensus; departing from ideologies; and by restructuring security and military institutions so as to redirect resources towards social and economic development.

#### **3.2 Towards institutionalizing the Civil Society and Volunteerism in Sudan's New Perspective**

##### **Dr. Ibrahim Hussein Hamadnallah**

Dr. Hamadnallah embarked on his presentation by defining the term Civil Society Organizations (CSOs) as encompassing a wide variety of organizations engaged in development works, including member-serving and public-serving organizations. They can be formal or informal, such as Non-Governmental Organizations (NGOs,) Community-Based Organizations (CBOs,) Volunteer Involving Organizations (VIOs,) Faith-Based Organizations (FBOs,) etc.

He noted that CSOs play an increasingly influential role in setting and implementing development agendas in all societies throughout the world. In Sudan, he added, key coordinates of institutionalizing the CSOs can build on Knowledge, Effectiveness, Big-Results and Free-Will. Hamadnallah further emphasized on the importance of making a historic change for institutionalizing the CSOs in Sudan, by incorporating them in development actions. Yet, he explained that CSOs remain unrecognized as key strategic resources of development in Sudan, amid absence of laws and legislations organizing such crucial sector.

CSOs and Volunteerism, Hamadnallah stressed, should be approached in a rather structured manner, on the basis of the four pillars of Promoting, Facilitating, Recognizing and Networking. Likewise, Free-Will should be approached in a rather practical manner, for it implies Participation, Inclusion and Citizenship.

In conclusion, Hamadnallah proposed that the Transitional Government redefines the civil society act from a Volunteerism perspective; stimulates lead research centers and universities; and works with civil society partners to adopt a national civil society and volunteerism act, to be ratified by the Transitional Legislative Assembly (TLA).

### 3.3 Local Governance Systems and Inclusive Development

Ms. Manal Abdelhaleem

Giving a detailed background on the evolution of local governance system in Sudan was the foundation upon which Manal Abdelhaleem based her presentation. She pointed out that local governance has witnessed formal and structural changes since the British rulers of Sudan first introduced the Urban and Rural Administration Act of 1937, which was followed by the “Marshal Act” of 1951.

In the period that followed the Addis Ababa Peace Agreement of 1972, she added, resources were shared between the central government and the regional government in South Sudan at three levels: central, regional and local. And in the last three decades, the federal government took most of the financial resources and left only a small share to the states, rendering the latter unable to meet their financial obligations, including Chapter 1 of their budgets (85% of states do not have Chapter 4, development, in their budgets). Additionally, Ms. Abdelhaleem stated that the same pattern continued even after the signature of the 2005 Comprehensive Peace Agreement (CPA,) and the 2006 Darfur Peace Agreement (DPA) and East Sudan Peace Agreement (ESPA).

She then highlighted many difficulties in relation to bringing about radical changes or creating new local governance systems during the transitional period. To begin with the Transitional Government’s mandate is confined to rehabilitating public utilities, bringing peace and security, and achieving transitional justice. Secondly, the absence of elected bodies that can make new legislations; and thirdly, issues of local governance are integral part of the Constitutional Conference, which is yet to convene.

Finally, Abdelhaleem made several recommendations including: carrying out an urgent evaluation of the local governance system in Sudan; organizing popular efforts; raising awareness and strengthening communications; rearranging resource sharing at local levels; adopting new directives for the budget, including gender sensitive budgeting; and introducing new forms of popular participation and monitoring.

### 3.4 Institutional Weakness and Economic Development in Sudan

Prof Ibrahim A. Onour

As an introduction to his presentation on assessing the institutional weaknesses and economic



development in Sudan, Prof Onour outlined the results of an empirical study on the impact of four major indicators influencing institutional and governance quality on economic performance in 15 African and Arab countries, similar to Sudan in their political and economic set up.

The indicators used include: rule of law, political stability, government effectiveness, and corruption; all taken from the World Bank database on Worldwide Governance Indicators. According to Prof Onour, the purpose is to quantify the impact of institutional and governance quality on economic performance in the sample countries, including Sudan. The study employs panel data cross sectional regression analysis using fixed and random effect models for the sample period 2012 - 2017. The share of agriculture sector GDP for each country used as dependent variable, and the three institutional and governance quality indicators as explanatory variables. The findings indicate significant and negative association between the agriculture sector output and two of the explanatory variables (corruption and government effectiveness indicators). However, the political stability variable turned out to be insignificant even though it was associated negatively with the dependent variable.

Using the estimated coefficient values, the author quantified the cost of corruption and government ineffectiveness on the economic performance in Sudan. The findings indicate that corruption cost the economy about four billion US dollars per year, and government ineffectiveness costs about eight billion dollars.

### 3.5 A Rights-Based Approach to Inclusive Development: The Role of Judiciary and Independent Commissions

Dr. Mohamed Abdelsalam

Dr. Abdelsalam began his presentation by explaining the concept of Judicial Right to Development, which, he said, exists in several countries and is tied to the rights to development, education, health, water, property and a sufficient living standard.

He further cited the examples of India and South Africa as countries that adopted human rights as a basic concept in their constitutions. As for Sudan, he noted that all Sudanese constitutions since the declaration of independence, in 1956, with the exception of the 1973 constitution, focused on civil and political rights while ignoring the right to development. Abdelsalam proposed a constitutional change to resolve such issue.

### 3.6 Financial Crimes and the Hidden Economy in Sudan

Dr. Nazik H. Elhashmi

Introducing the concept of “hidden economy,” Dr. Elhashmi began her presentation by defining it as: all independent activities, small or big, which are carried out with a level of technology, weak or strong, and without the consent of the official authorities.

Accordingly, she noted that the hidden economy has been growing in Sudan due to structural reasons in the economy, including privatization; bureaucracy and government restrictions on businesses; dependence on a rentier economy and absence of productive investments; and absence of investments on human resources.

As for financial crimes in Sudan, Elhashmi identified three main traits: overlapping, cross-border and ancillary crimes. She attributed the rise of financial crimes in Sudan to delays in issuing legislations and disparities in supervision and monitoring rules; economic liberalization policies amid absence of organizational frameworks for the labor market; instability in conflict zones; and high rates of poverty and unemployment. She, further, identified three main pillars for combating financial crimes, which are: enhancing integrity,

combating corruption, and good governance.

In conclusion, Elhashmi made several recommendations, including enforcing laws and providing database; promoting the role of civil society organizations; investing on human capital; investing in geography; and involving the private sector in establishing principles and practices of integrity and governance.

## Day Two

### Cluster 4: Management of Natural Resources

#### 4.1 Agro-industries and Values Chains in Sudan: Challenges and Opportunities

Dr. Abubakr Hussein

Dr. Hussein started his presentation by explaining the meaning of value chain as sequence of related activities (functions) from the provision of specific inputs for a product to primary production, transformation, marketing, and up to the final consumption. It is, he stressed, an institutional arrangement linking and coordinating procedures, processors, traders and distributors of a particular product.

He then highlighted the objectives of value chain to efficiently capture value in end markets in order to generate greater profits and create mutually acceptable outcomes for all farms and firms involved. The value chain approach has some advantages relating to sustainable and inclusive development, mainly, that it allows understanding of the chain as a system favoring comprehensive management of information between actors; facilitating the identification of critical points limiting strategic chain development, both organizational and technological; and allowing the identification of key stakeholders that makes the chain work and encourages processes of negotiation between them.

The value chain approach doesn't operate in isolation, but must have, on the one hand, supporters such as: sector productions and business associations; universities and research institutes; chambers of commerce; and private consultants and advisors; and, on the other hand, influencers such as: line ministries; Sanitary and Epidemiological services; certification authorities; and local authorities.

In the agricultural sector, Hussein identified lack of strategic vision and enabling policies as two key constraints. Yet, he highlighted some upgrading opportunities that would increase demand and production, which are: existence of purchasers; availability of inputs; safe access to quality water; availability of agro-chemicals and vaccines; and access to micro-finance sources.

In conclusion, Hussein made several recommendations, chief among them were, first, the need for long-term projects to leverage on the market to achieve sustainability; and, second, the need for creating overlaps between short-term and long-term time frames.

#### 4.2 Small Strategic Idea for a Great Agricultural Revolution

Dr. Abdelbasit Saeed

Dr. Saeed defined his contribution as an informative, descriptive paper in which he is dealing with Gum-Arabic in Kordofan from a socio-economic angle. Such an angle, he stressed, pays more attention to the impact of desertification on the populations.

He set out the strategic goals of his paper as follows: building a self-sufficient country driven by a modern agricultural economy; achieving food security and enhancing livelihoods;

achieving peace and security; turning Gum-Arabic into a sustainable substitute for resources endangered with depletion; and departing from poverty reduction policies to wealth accumulation ones, by renewing Kordofan's economic capabilities.

In concrete terms, he called for renewing the Hashab forests in the Central Kordofan Basin in a two Five-Year-Cycle, and on the basis of sustainable partnership, with the aim of maximizing financial return, protecting the environment and developing the region. According to Saeed such an aim is complex, for it starts at the village level (productive base) proceeds through the locality, to culminate at the regional level

He stressed that investment should be attracted to implant Hashab trees through supplementary irrigation (private sector 60% and locality 40%,) in order to produce Gum-Arabic, manufacturing it, and marketing it for exportation (he noted that he has already embarked on a pilot project by implanting 3,000 trees in a 70 acres area).

Additionally, he proposed cultivation of food and cash crops; sheep breeding in the free pasture in areas within or close to the farm; establishing new markets; adopting radical reforms as to land acquisition laws; and opening paths for grazing.

In sum, Saeed reiterated the conviction that the commitment and determination of the authorities are fundamental for ensuring the success of such project.

#### 4.3 Oil and the Sudanese Economy: Its Role, Impact and Future

Ms. Sabna Imam

Imam began her presentation by saying that Sudan, like many countries, is suffering from what is known as "The Natural Resource Curse," and that the current deterioration in Sudan's macroeconomic performance is, actually, stemming from dependence on oil economy since 2000.

She then gave a thorough background account on the history of oil production in Sudan, and how it positively impacted the country's macro-economy in terms of GDP growth, foreign trade, public finance, and foreign direct investment. However, to say the least, it did not leave a lasting positive impact on the agricultural and industrial sectors.

Moreover, she noted that the secession of South Sudan, in 2011, severely hit Sudan's economy, as it has lost 90% of its exports, resulting in a sharp decline in its balance of trade. Imam attributed this to, mainly, lack of diversification in the country's revenue sources and exports. Ultimately, she stated that Sudan has turned into an oil-importer country unable to meet its domestic oil demand. And in order for it to revive the oil industry, following the secession of South Sudan, it should tackle two main challenges: the issue of fuel subsidy and the conflict in Abyei.

Several policy recommendations were given, including: diversification of the economy; institutional reforms; capacity building and female empowerment; improvement of natural resource management policies; achieving macroeconomic stability; supporting the South Sudan peace process; and reaching a joint development agreement in Abyei.

#### 4.4 Reforms to Attract International Players to Sudan's Mining Sector

Dr. Zuheir Saeed

The presentation of Dr. Saeed began by highlighting of issues pertinent to the mining situation in Sudan. Then he quickly moved to emphasize. Then he quickly moved to emphasize that reputable international mining companies are hesitant to invest in Sudan for reasons relating to: SST and other sanctions; conflict gold; weakness in the standard Government of Sudan

Agreement; non-market standard taxes and profit-sharing requirements; overwhelming bureaucracy; presence of artisanal miners in concession areas; and weakness of Sudan Geological Research Authority.

In order for Sudan to tackle these challenges, Saeed proposed several solutions, including: serious political reforms that address, among others, the issue of lifting Sudan from the SST list and control of militias, reforming of the Ministry of Mining and rehabilitating the Sudan Geological Research Authority, creating a one-stop shop for investors, reviewing the current licenses/concessions to stop abuse, reforming the artisanal sector, establishing a gold and minerals exchange, and reforming the standard-form mining agreement.

## **Cluster 5: Sustainable infrastructure**

### **5.1 Reliable and Affordable Energy using Sudan Diversified Energy Resources**

**Dr. Safwan Y. A. Yousif**

Highlighting the pre-conditions for sustainable inclusive economic development was the starting point for Dr. Yousif in his timely engagement with urgent energy issues and concerns in Sudan. They are in a nutshell; access to financial capital, markets, knowledge, ideas and skilled labor. He stressed that one of the most important pre-conditions is an abundant, reliable source of energy and power (electricity).

Development is severely hindered by the lack of reliable supply of electricity and electricity consumption in the country is among the lowest in the world. 50% of the consumed primary energy in Sudan is generated from biomass which has negative impact on the environment while electricity represents 8% only. Out of country's 39 million inhabitants, only 35% has access to electricity, which means that more than 25 million people are not connected to the national electricity grid.

Moreover, referring to power difficulties, Yousif noted that Sudan routinely faces a 5% deficit in electricity supply during peak hours, and that while the 1,250 MW Merowe Hydropower Facility is considered to be the largest in Sudan, it cannot fully power Khartoum alone even if operating at maximum capacity. According to Dr. Yousif, the UNDP warned, in 2014, that Sudan would face an electricity production problem in the future, if it does not establish alternative projects that take into account decreased rainfall and increased consumption.

It was pointed out that Sudan is endowed with significant energy resources, including hydropower potential, natural gas, oil, geothermal energy, coal, peat, biomass, solar, and wind. While hydropower is seen as the most attractive energy option, solar and wind are the ones that will play significant role in the near future.

Additionally, there is a need for multi-fronts solution; short, medium and long-term, combined with an implementation of power sector reform (structure and regulations). In this regard, Yousif recommended re-establishing of the National Electricity Corporation (NEC,) and empowering of the Electricity Regulatory Authority (ERA) as a truly independent agency. On the other hand, as most power generating projects are capital extensive, he proposed opening the power generation sector (conventional and renewable but not large hydropower schemes) to Independent Power Producers (IPP) Mechanism.

Finally, Yousif was adamant that the solution must include energy mix that includes; mini-grid electrification, renewables (solar & wind), biomass, waste to energy (Gasification, Anaerobic Digestion, thermal) and small hydropower generation.

## 5.2 Stakeholder Engagement and its role in advancing the ICT Sector in Sudan

Osama Khair

Defining Information and Communication Technology (ICT) constituted the point of departure for Mr. Khair's reading of the ICT landscape in Sudan. Then he progressed to offer his perception on the application of information and communication technologies towards social, economic and political development. This was attempted with a particular emphasis on helping the poor and marginalized people and communities.

Khair was also keen on explaining the three main concepts of ICT: a) Information/Content, which deals with the internet, social media, e-education and e-health; b) Communication/Connectivity, which deals with fixed service providers and mobile service providers; and c) Users which deals with service customers, corporates, citizens and government.

The presenter emphasized the importance of closing the gap between Sudan's ICT potential and key human development factors for the country's sustainable and inclusive development. He noted that, if well-structured and implemented, ICT can help in creating an innovation platform for different sized companies and start-ups, hence, enabling economic prosperity.

Several challenges facing ICT in Sudan were identified including: disparity in service provision between rural and urban areas; lack of funding for large improvement projects; and absence of Network Readiness Index (NRI).

Last but not least, Khair put additional emphasis on the engagement of stakeholders as an essential factor for the existence sustainable national ICT ecosystem, which can be achieved through intentional institutional effort. He further called for adopting strategies and policies that can achieve the equilibrium necessary for securing mutual benefits among stakeholders.

## 5.3 Irrigation: Achieving Sustainable Irrigation Development

Dr. Hisham Abdel-Magid

Abdel-Magid began his presentation by setting the aim of his paper, which is achieving sustainable irrigation development in view of UN's Sustainable Development Goals (SDGs).

There are several challenges and constraints, including diversity of stakeholders (institutional, local community, technical community, political community, data availability (transparency, public dissemination), social aspects (demographic diversity, cultural and habitual, trans-boundary interactions), economic aspects (funding, share of wealth and revenue), environmental aspects (geographical location, political/administrative), and technical aspects (know-how, technology transfer, capacity building, tools and techniques).

There is a need for a complete make-over approach in terms of three main angles: first, Institutional restructuring (elimination of redundancy in mandate and hierarchy, and close coordination between entities); second, increasing public awareness; and, third, interaction with and engagement of civil society. Moreover, in terms of technical approaches for productivity enhancement, he recommended that look-ahead plans ought to be proposed with two terms: Short/Medium term of 2 – 3 years and a long term by 2030.

According to Abdel-Magid, the suggested enhancements should adopt, on the one hand, vertical productivity enrichment with suitable fertilizers and crop rotation plans, and, on the other hand, horizontal increment of irrigated lands, which would require better incorporation of Integrated Water Resources Management (IWRM) approaches with assessment and direct



improvement of irrigation technology.

Not least of all, Abdel-Magid noted that international exposure through trade points and shared on-line platforms would be useful, with immediate implementation of shared institutional databases among various governmental stakeholders in Sudan as a core for future prosperous and strong e-governance regime.

## **Cluster 6: Social Policy and Public Service Delivery**

### 6.1 Social Protection Systems in Sudan

Dr. Abdulhamid Elias

Highlighting the negative effects of structural adjustments on the economic and social conditions in Sudan constituted the foundation upon which Dr. Elias constructed his analytical reading of the social protection systems in Sudan. From the outset Elias pointed out that displacement, poverty, and increased unemployment rate are the factors that summon the need for a social protection system.

In the main body of his presentation, Elias explained that the institutional social protection system framework is very complicated and overlapping, as it is administered by the Ministry of Labor and Social Development, besides other parties, such as Ministry of Health (Nutrition Program,) Ministry of Education (School Lunchbox,) Ministry of Internal Affairs (refugees,) and Ministry of Finance (Nutrition Subsidy). Elias, further, identified three major flaws in the social protection system in Sudan, namely: poor coverage, inefficient coverage and inadequacy of subsidiaries.

Taking into consideration future trends, he suggested substitutes such as the introduction of a new developmental model promoted by the state and premised upon a social contract that provides the minimum wage and services limit; introduction of a social policy protection policy; promoting human rights culture; and enforcing laws that help people realize their social insurance.

### 6.2 Education and Labour Market for Sustainable and Inclusive Development

Prof Samia Satti

Prof Satti embarked on her presentation by setting the objectives of her paper: investigating the factors influencing the supply of and demand for education; examining the factors influencing the supply of and demand for labor.

Several challenges facing the educational system were identified, including: deficiency in the supply of education; duality and regional disparity in the supply of education; deficiency in the demand for education; disparity in gender and regional demand for education; and low commitment to standardized international criterion related to supply and demand sides of education policies in Sudan.

As for the labor market, Satti identified several challenges facing it, including: inconsistent structure; low participation rates, especially of women, duality in the labor market, prevalence of child labor, the high share of the informal economy and the weak social protection systems.

The paper offered some policy recommendations, including enhancing planning of skill needs and improving consistency, dealing with endogenous and exogenous causes of unemployment, increasing employment opportunities for youth; and sound policies to achieving and realizing the SDGs in Sudan (improving quality of education and improving decent work and economic growth).

### 6.3 Household's Out-Of-Pocket Healthcare Expenditure in Sudan: Determinants and Impact

Dr. Ebaidalla Mahjoub Ebaidalla

Dr. Ebaidalla began his presentation by stressing that access to healthcare services is a crucial element in achieving human welfare and economic development. He, then, highlighted several means through which healthcare can be financed, including: government budget; health insurance; foreign aid; and direct payments by households (out of pocket health expenditure, OOPHE)

As for the OOPHE, Ebaidalla explained that it represents the main source of healthcare financing in developing countries, hence, resulting in a devastating impact on household's budget, for it reduces expenditure on other necessities such as food, children's education and preventive health measures. Moreover, OOPHE health spending pushes a considerable portion of the population below poverty line, hence, becoming a financial catastrophe for the majority of population in developing countries.

The adoption of liberalization and free market policies, in the early 1990s, has contributed a great deal to the reduction of public spending on health services. He noted that despite the governmental Health Insurance Scheme, which was launched in 1995, OOPHE remains skyrocketing, especially in rural areas; and despite efforts exerted by charity organizations to insure poor households, which have resulted in a remarkable expansion in insurance umbrella, the range of coverage remain low.

In conclusion, Ebaidalla recommended that policy makers should adopt measures and strategies to protect population from the burden of OOPHE health spending; pay special attention to preventative instead of curative medicine; expand the Health Insurance Scheme to accommodate vulnerable groups of the population; and equitable distribution of health facilities across different communities and regions.

## Cluster 7: The Role of the Private Sector

### 7.1 Financial and Private Sector Development in Sudan: Role of the Private Sector

Magdi M. Amin

The starting point for Amin in his presentation was clarifying the role of the private sector. Which is, according to him: to sustainably create meaningful jobs with dignity; deliver essential products and services; and to create positive returns for all stakeholders, including employees, owners, the community and the government.

In order for the private sector to deliver on its potential, three imperatives must exist: first, macroeconomic stability (subsidies, peace and exchange rates; second, productivity; and, third, innovation/entrepreneurship. As for productivity, Mr. Amin explained it is a function of human capital, physical capital, and efficiency. While investment in human capital is essential, he stressed, it will take time, hence, becoming unrealistic within the TP. Instead, in the short-to-medium-term, the Transitional Government should focus on firm-level productivity and allocative efficiency.

Additionally, Amin explained that firm-level productivity is the result of competition, but, in Sudan, competition is impeded by heavy administrative barriers and poor performance in finance, trade, business registration, and taxation, leading to high informality, tax evasion, and lower productivity.

Five potential distortions that may be undermining allocative efficiency in Sudan were highlighted: ineffective financial sector in intermediating finance to the most productive firms; conflicts of interest may result in allocation of capital, licenses, loans, contracts, land, not to the most qualified, but to the most connected; corruption may result in resources being allocated not to the most productive, but to those who pay; policy distortions favoring less productive firms with tax or other exemptions over other firms; and barriers to entry or trade shielding unproductive firms from fair competition.

The paper made several recommendations, including: first, financial sector restructuring (better leverage capital existing in Sudan, ensure sound ready to support growth, and address asset quality and supervision); second, rapid and urgent climate reforms (remove conflict of interests, streamline lower costs/time barriers, and subject all enterprises to competition); and, third, innovation and entrepreneurship (digital ID, payment systems/mobile money, and support for entrepreneurship).

## 7.2 The Priorities and Challenges of the Private Sector in the Transitional Period

### Anthony Haggar

Haggar embarked upon his mission of elucidating the priorities and challenges facing the private sector in Sudan by giving a snapshot of the current economic situation in Sudan and its business environment.

Applying SWOT analysis, he identified strengths: significant mineral and agricultural resources, and sizeable and easily accessible neighboring markets; weaknesses: challenging operating environment, and limited access to capital; opportunities: the removal of US sanctions and continued engagement towards STL, coupled with general reintegration into the global economy; and threats: over-dependency on limited exports, namely gold (75% smuggled,) and oil (headwinds from low prices).

As for the business environment, Haggar showed that Sudan ranks 172nd out of 180 countries, according to the Corruption Perception Index of 2018; ranks 171 out of 190 countries, according to the Ease of Doing Business of 2020; ranks 124th out of 154 countries, according to the Sustainable Society Index- Economic Wellbeing of 2016; and that it scored 30.8 out of 100 score, according to Mo Ibrahim Governance Score Index of 2017.

Amongst the challenges identified are that banks likely to ‘watch and see’, focusing on risk-based approach rather than wholesale de-risking, with small / middle sized regional banks leading the way; that the economy in Sudan is unlikely to significantly improve over the short to medium term on the back of Sanctions Relief due to on-going designation in the State Sponsors of Terrorism List (SSTL); that without meaningful improvement in governance, FDI is likely to remain lower than what is needed to drive significant economic growth to ensure broad based prosperity; and that beyond STL, path to debt relief requires significant reforms (subsidies and unified rate) and with them more pain over the medium-term.

Three priority areas to unlock growth were identified: first, technical expertise (lack of educated workforce to support investment in the higher value-added manufacturing sector) second, the state of infrastructure (poor road conditions, lack of storage facilities, and power supply); and, third limited capital availability (in local and foreign currency which hinders investment and growth).

He succinctly highlighted three main opportunities, namely: gold (significant economies of scale), oil (good platform and legacy to build on ); and agriculture with emphasis in local value added.



All things considered, Haggar maintained that with political and economic reform, supported by good governance, Sudan can more than triple its 2018's exports with value add, provide many jobs across different regions of Sudan, and secure a trade surplus and foreign reserves to defend a stable currency.

### 7.3 Social Entrepreneurship in Sudan: Challenges and Opportunities

Amro Badr and Mai Hashim

This joint effort was an attempt to shed light on the concept of Social Entrepreneurship (SE). The presenters explained that SE is considered neither a business nor a non-profit entity; rather, it is a business that is created to achieve social benefit; it reinvests part of its profit in the same social goal. Generally, SE operates under three main categories: social impact, environmental impact and cultural impact.

SE concept is not new to the Sudanese culture, as it can be seen in various social endeavors, from cooperatives to endowments (Waqf). Yet, he noted that there is no proper strategy in Sudan that directly addresses the issue of SE. Two strategies currently exist that can be of relevance. First, the 2006 Central Bank of Sudan (CBoS) Strategy on Development of Medium, Small and Micro Enterprises (MSMEs) sector, which contributed a great deal in increasing the number of MSMEs, but covered only 4% of the market needs, and suffered under the impact of high inflation rates and economic instability. The second is the 2016 National Youth Strategy, which also focused on MSMEs, and was adversely affected by economic instability.

The paper identified several challenges facing SE in Sudan, mainly: the absence of strategies, policies, laws and legislations. He stressed that the current legal framework, which is premised upon the Sudanese Companies Law of 1925 and the Voluntary and Humanitarian Work Organizations of 2006, is neither enabling nor supporting SE in Sudan.

In conclusion, several findings were highlighted and a number of recommendations were made including adopting strategies and policies to promote SE in Sudan (building on the CBoS strategy); developing a new legal framework for SE; and supporting local cooperatives in villages and neighborhoods.

## Day Three

### Cluster 8: Gender Mainstreaming in Development Planning

#### 8.1 Towards a Gender-Sensitive Development Planning Framework

Mayada Abdelazim

Mayada Abdelazim began her presentation by celebrating the great role Sudanese women played in the "December 2018 Revolution." She hoped that the discrimination against Sudanese women, which the former National Congress Party (NCP) regime institutionalized, will be dealt with in the new era.

Inclusion of women in terms of increasing the workforce and productivity, if the following challenges are tackled: political commitment beyond rhetoric and public relation gains; lack of resources; and broad-based societal acceptance.

There are two types of Gender-Sensitive Development Planning (GSDP,) which are: institutional activities that address the internal dynamics of development organizations such as policies, structures, systems and procedures; and operational activities that address the

need to change the programmes of work in which the organization is engaged.

The presenter explained that the process of putting together gender sensitive development plans should be premised upon two main pillars: first, is the commitment ensuring economic, political and social justice to women and the recognition of their full rights to citizenship; and, Second, is unlocking women's contribution to the development process at large, and in promoting peace, social cohesion and economic growth. Additionally, she pointed out that the key to the success of gender sensitive development planning is not treating 'gender' as residual, rather making sure it is embedded in formulating, implementing and monitoring plans.

In conclusion, she proposed changing development planning with regards to labor laws; expenditure on health and education; social protection; investment plans; informal labor markets and unpaid care work.

## 8.2 Gender Responsive Budgeting in Sudan

### Prof Rihab Khalifa

Explaining her approach to the subject, Prof Khalifa began her presentation by linking the question of Gender Responsive Budgets (GRBs) directly to issues of poverty reduction. She stressed that gender inequality is not only a consequence to poverty, but determinant to poverty (global figures show a 50% increase of women living in rural poverty between 1975 and 2008).

Khalifa then summarized the core goals of GRBs as: first, raising awareness and understanding of gender issues and how they impact on budgets and policies by unpacking budget information and the analysis and assessments of performance; second, make governments accountable for their budgetary and policy commitments in relation to gender by shifting the balance of powers in institutional decision making; and third, change and refine government budgets and policies to gender equality, by further integration of a gender perspective into policies and budgets.

As for GRBs implementation in Sudan, she explained it should be premised upon four key pillars: first, people's needs and priorities differ according to personal situations and regions (use of local municipalities), second, people's rights and freedoms are key (gender is one of the most persistent forms of rights discrimination), third, budget allocations to ensure equality and equity is needed (national policy needs to address the needs of women and their dependents), and fourth, gender equality (gender gaps impact developmental processes negatively).

Khalifa pointed out that any process for implementing GRBs in Sudan should tackle many challenges, including the absence of formal systematic assessment in relation to how much resources are needed to bridge the gap across sectors; gender-equality demands are not well reflected in government policy documents; the lack of monitoring and evaluation of the impact of government policies; and absence of governance structures to ensure participation of civil society organizations and advocates in a more coherent manner.

In conclusion, Khalifa called on the Transitional Government (Ministry of Finance) to mainstream GRBs as a tool to reflect on its policies in relation to health and education; and on civil society organizations and women activist groups to form pressure groups to analyze government expenditure and revenues in relation to gender.

## Conclusions

Sudan is in crisis. The problems of Sudan have not gone away with the ending of the longest and harshest dictatorship in its modern history. The economy is in a state free-fall with high levels of external debt, inflation, poverty, inequality, and youth unemployment. The education, health, agricultural and industrial sectors are at the brink of collapse, amid widespread corruption across all government institutions, and prolonged environmental degradation. Notwithstanding that the question of achieving peace is yet to be settled.

In tackling the challenges facing the country, the Transitional Government must, first and foremost, spare no effort in achieving peace as prerequisite for sustainable development in Sudan. This can only be achieved through the drawing of a road-map for peace talks with the armed movements, on the one hand, and on the other hand, through adoption of a national consensus project agreed upon and endorsed by all political parties, armed movements, civil society organizations, and single-issue groups, including displaced people and refugee organizations. .

The Transitional Government, needless to say, is required to immediately embark on radical reforms in government institutions and the civil service, and adopt, for the short-term, policies to stabilize the economy and curb the inflation, as well as laying the foundation for the development of the agricultural, industrial and mining sectors.

For the long-term, the Transitional Government is required to develop a national development strategy directly linked to the issues of peace with the ultimate aim of building an integrated agroindustrial economy. The proposed national development strategy shall incorporate, amongst components, issues of gender, environment, and the rights of the displaced. Sudan cannot overcome its current crisis unless it premises all development plans upon serious scientific research.

I'm looking forward to the outcomes of this important conference in order to help Sudan to achieve the strategic progress in this critical time. The fifth conference of the Sustainable inclusive development in Sudan that organized by the SRG is a forward step towards our goals.

Sudan is very rich country, if we managed these natural resources well we will not need any external aid or assistances.

H.E Prime Minister/ Abdalla Hamdok



**S**udan  
**R**esearch  
**G**roup

[Info@Sudanresearchgroup.org](mailto:Info@Sudanresearchgroup.org)

[www.sudanresearchgroup.org](http://www.sudanresearchgroup.org)

[@srgcon](https://www.instagram.com/srgcon)