

## **TOWARD A PROSPEROUS AND SECURE SUDAN: A WAY FORWARD**

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**A**s Sudan's ongoing conflict enters its third year, the scale of human suffering and economic devastation continues to escalate. The brutal war between the Sudanese Armed Forces (SAF) and the Rapid Support Forces (RSF) has devastated livelihoods, shattered infrastructure, and crippled the country's agrifood systems and broader economy. Nearly 12 million people—one-fourth of Sudan's population—have been displaced, including more than 4 million refugees who have fled to neighboring countries such as Egypt, Chad, South Sudan, and Ethiopia (UNHCR 2026). The death toll is estimated to be more than 44,000 as of September 2025 (ACLEDD 2025), though some assessments suggest fatalities could exceed 150,000 when accounting for deaths from violence, starvation, and disease (Sampson 2025). Children have borne the brunt of this devastation: 16 million are in urgent need of humanitarian assistance, and more than 17 million school-age children are currently out of school. The widespread destruction of hospitals, schools, and essential services continues to deepen the crisis, threatening to reverse decades of development and push the country toward systemic collapse.

As of early 2026, the international environment is also daunting, as prospects of a possible trade war have shaken international equity, capital, and currency markets, and threatened a major recession in many countries. Major donor countries are reducing foreign aid to focus resources on their domestic and regional needs, making it likely that concessional financing for Sudan and most other developing countries will be severely curtailed in the future. In this context, Sudan needs to make major changes to avoid a continued downward trajectory in its people's welfare. Major obstacles must be overcome to achieve goals in three broad areas: restoring peace and security, achieving broad-based economic growth, and meeting the food security needs of all households.

## Restoring peace and security

Without peace and security, sustained economic growth is not possible. Parts of eastern Sudan were less affected by the fighting in 2023 and 2024, but even there, the risks of a spillover of hostilities discouraged private investment and lowered economic output. Prior to the recent war, Khartoum was the center of economic activity and an important transport hub; unless its infrastructure is restored, growth prospects for the country will be severely limited. Western Sudan has suffered from various wars for decades, and without the establishment of peace and security, the region will likely remain very poor. Satellite-based monitoring of economic activity reinforces these patterns. Sharp declines in NO<sub>2</sub> emissions and nightlight intensity between 2022 and 2023 are observed in Khartoum, Khartoum North, and Omdurman, while increases in parts of eastern Sudan reflect the relocation of internally displaced populations (Chapter 4). These spatial shifts underscore the need for region-specific approaches to stabilization and recovery.

To begin to solve these problems, the root causes of conflict must be addressed, including ethnic and regional divisions, competition over resources, and efforts by the ruling elite to capture control of natural resources (Chapter 2). Ensuring a more equitable political landscape to foster sustainable development and peace, and building pro-growth coalitions (Chapter 14) can aid this process. However, economic growth will continue to be hampered unless public sector funds support private sector development. This entails reducing the role of the military and the RSF in the economy, the former of which built significant commercial holdings during Al-Bashir's tenure, with military corporations receiving 82 percent of the budget prior to 2019. Reducing the military's influence on the economy will be critical for funding healthcare, education, and agriculture, in addition to other social and economic services (D'Silva et al. 2023).

## Achieving broad-based economic growth

Massive public investments are needed to repair damaged transport, power, and other infrastructure and rebuild the foundations for growth, along with substantial private (or parastatal) investment in factories, office buildings, and other private (parastatal) infrastructure. Investments that decrease marketing costs for products produced in western Sudan could help reverse the decline in exports from that region (Chapter 6). All of these investments compete for funds with private consumption, however, as well as with programs that transfer resources to food-insecure households.

Thus, investments in agriculture, particularly those targeting small farmers, must be incorporated into integrated recovery packages that also include policies to promote revitalization of enterprises and provide household income support (Chapter 7). It is also important to avoid major distortions in foreign exchange markets, such as those experienced before the economic reforms of the early 2020s, to maintain adequate price incentives for domestic production and trade of major tradable commodities, such as wheat, cotton, livestock, and oilseeds (Chapter 5). Building inclusive financial infrastructure could enable the expansion of private sector investments long stifled by the lack of access to capital (Chapter 15) and competition with commercial interests controlled by the SAF and RSF (Chapter 3).

### **Household food security, healthcare, and education**

Yet, in many cases, efforts to address the needs of Sudan's poor cannot wait for growth to be restarted. Household incomes have fallen sharply, particularly in western Sudan (Chapter 14), dietary diversity has declined (Chapter 8), and self-reported household food insecurity has risen sharply (Chapter 9). Households have increasingly resorted to asset sales, borrowing, and migration as coping strategies (Chapter 11). Conflicts such as the ongoing warfare between the SAF and RSF, increased violence in Darfur, and regional spillovers pose significant risks of worsening these problems in the future (Chapter 13).

To help address these problems, increased funding for safety nets is urgently needed. Innovative instruments, such as digital transfers to the accounts of program participants, may reduce costs and enable wider coverage (Chapter 12). Likewise, resources to restore and improve healthcare and education are also required, particularly in western Sudan. Healthcare access and school dropout rates, particularly of girls, should be regularly monitored, with additional resources allocated to problem areas (Chapter 10).

### **Restarting interrupted development plans**

Under the Hamdok government from August 2019 to October 2021, substantial new development efforts were initiated with support from international donors. Written in May 2021, the *Sudan Poverty Reduction Strategy Paper (2021–2023)* (World Bank 2021) outlined a wide-ranging set of policies and investments, organized along five pillars: (1) promoting macroeconomic

stability; (2) fostering inclusive and sustainable economic growth; (3) boosting human and social development; (4) promoting peace and providing equal opportunities for all Sudanese; and (5) strengthening governance and institutional capacity. The growth strategy (Pillar II) focused on growth in agriculture and livestock and the promotion of private sector growth, with four sub-pillars: enhancing productivity and growth in agriculture; developing an enabling environment for private sector growth; strengthening infrastructure services for recovery and growth; and protecting natural resources and the environment.

The findings in this book support the broad approach outlined in the poverty reduction strategy. Unfortunately, few of the investments proposed in the strategy have been implemented. Moreover, official development assistance (ODA) to Sudan for investments and relief declined after 2021. ODA increased from US\$1.7 billion<sup>1</sup> in 2019 to US\$3.9 billion in 2021, before falling again to only \$US1.4 billion in 2023.<sup>2</sup> If Sudan is to meet the urgent needs of its people, significantly more resources will be needed.

## Conclusions

Sudan continues to face daunting problems of violent conflict between warring factions, major hindrances to investment growth and economic development, and urgent humanitarian needs. The situation is not hopeless, though, and as outlined above, much can be done to improve the welfare of the Sudanese people in both the short and medium term. The longer necessary changes are delayed, however, the greater the losses will be of income, assets, and, indeed, lives. Urgent action is needed to improve welfare now and to avoid creating a lost generation of youth for the future.

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1 All figures are in constant 2023 US dollars.

2 Official Development Assistance (ODA) data is from OECD (2025). The U.S. Consumer Price Index (CPI) is used as a deflator in these calculations.

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