



Sudan Transition and Recovery Support Trust Fund - STARS

Annual Report 2021



Prepared by Sudan Country Office

WITH SUPPORT FROM



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Table of Contents

Acknowledgements	iv
Foreword	v
Acronyms and Abbreviations	vi
Executive Summary	1
Achievements	1
Challenges	2
Lessons Learned	2
1. Introduction	3
Governance and Trust Fund Operations	5
Context	5
2. STARS Program Overview and Status	9
STARS Financial Status Overview	11
3. STARS Programmatic Pillars	13
Social Protection	14
Economic Revival and Better Governance	19
Peacebuilding, Resilience, and Basic Services	21
Crisis Response	23
4. Highlights of Selected STARS Activities	25
Social Protection	26
<i>Sudan Family Support Program</i>	26
<i>Social Protection Diagnostics and Technical Assistance to the SFSP</i>	29
<i>Sudan SSNP (P148349)</i>	29
Economic Revival and Better Governance	30
<i>Sudan Household Budget and Poverty Survey (P176302)</i>	31
<i>Sudan Poverty Monitoring and Analytics (P174168)</i>	32
<i>Financial Sector Capacity Building (P151261 and P171371)</i>	33



<i>Sudan Energy Sector Recovery Technical Assistance (P171810)</i>	35
<i>Strengthening Sub-National Fiscal Policy Management (P156750)</i>	36
<i>Supporting Private Sector Development Agenda in Sudan for Youth Employment (P164340)</i>	38
Peacebuilding, Resilience, and Basic Services	40
<i>SLDP: Phase 2 (P158066)</i>	41
<i>Supporting Dialogue on Responses to Forced Displacement and Citizen Engagement (P173359)</i>	43
<i>Sudan Education Development ASA (P172292)</i>	44
Crisis Response	44
<i>Sudan COVID-19 Emergency Support Response Project (P174352)</i>	44
Overall Lessons Learned	47
Way Forward	48
References	49
Appendix A. Results Framework	51
Appendix B. Results Monitoring Plan	55
Phased Approach to Monitoring Results	55
Integrated Framework for Assessing Results	55
Project-Level Monitoring	56
Appendix C. Financial Performance as of December 31, 2021	61
<i>Contributions</i>	61
<i>Allocations, Disbursements, and Available Balances</i>	61
Appendix D. Allocations, Disbursements, and Available Balances for Active Grants, December 31, 2021	62
Appendix E. Sudan Family Support Project Updates	63
Detailed Progress and Proposed Actions	65
<i>Progress toward Achievement of the Project Development Objective</i>	65
<i>Assessment of Implementation Progress According to Component</i>	66
<i>Safeguards and Fiduciary Aspects of the program</i>	71
<i>The Road Ahead</i>	72

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Foreword

Sudan experienced a major political transition in 2019, precipitated by a popular revolution that led to the establishment of a transitional government jointly comprised of military and civilian elements. Sudan had a small window to seize a once-in-a-generation opportunity to put itself on a path of economic and social renewal. The international community had come together in an unprecedented effort to support the Government's efforts to carry out sweeping reforms to reverse decades of economic, social, and political decline and re-engage with the international community.

The Sudan Transition and Recovery Support (STARS) Multi-Umbrella Trust Fund was designed to provide the Bank and its donors with a platform for coordination and policy dialogue with the government on critical reforms. In less than a year, STARS was able to galvanize close to US\$ 505 million in funding from fourteen donors. This support was made possible thanks to the generous contributions from the European Union, United Kingdom, France, Germany, Sweden, the Kingdom of Saudi Arabia, Netherlands, Norway, Canada, Italy, Finland, Spain, Ireland, and the State and Peacebuilding Fund. STARS served as the primary financing vehicle for a large social impact mitigation program in support of critical macro-economic reforms which paved the way to Sudan's arrears clearance to IDA and the reaching of the Heavily Indebted Poor Country Initiative decision point (HIPC) decision point in June 2021. Such efforts helped unlock access to US\$2 billion in IDA grants for poverty reduction and sustainable economic recovery. STARS also financed other high priority analytical activities in the macro-fiscal, governance, private and financial sectors, as well as COVID 19 emergency response.

Unfortunately, the October 25 events have impacted Sudan's transformational journey leading to a pause of Bank's support to the Government of Sudan, including support from STARS. Nevertheless, important progress was made, and the STARS 2021 Annual Report highlights the critical contributions made to Sudan's transition and recovery agenda, the key challenges encountered during the implementation, as well as lessons learned to inform future engagement and sustain positive gains. Going forward, STARS will remain a tool for partner's dialogue, collaboration, and a financing vehicle for Sudan's emergent needs and priorities. The Bank and partners will continue to monitor and assess the situation to determine the best course possible for STARS adaptation to support the Sudanese people in times of crisis.

We thank our development and implementing partners for their strategic engagement, fruitful collaboration, and utmost dedication to a shared mission and vision. We look forward to working together in the critical months and years ahead.



Ousmane Dione, Country Director

Ethiopia, Eritrea, Sudan and South Sudan

Acronyms and Abbreviations

ASA	Advisory Services and Analytics
CBOS	Central Bank of Sudan
CBS	Central Bureau of Statistics
CERP	Covid-19 Emergency Support Response Project
FMoH	Federal Ministry of Health
GRM	Grievance Redress Mechanism
ICT	Information and Communication Technology
IDA	International Development Association
IDP	Internally Displaced Person
IFC	International Finance Corporation
IMF	International Monetary Fund
IPSDA	Investment and Private Sector Development Authority
M&E	Monitoring and Evaluation
MIS	Management Information System
MoFEP	Ministry of Finance and Economic Planning
Mol	Ministry of Interior
MoSD	Ministry of Social Development
MoU	Memorandum of Understanding
NCR	National Civil Registry
NRA	National Risk Assessment
OP	Operational Policy
PCU	Project Coordinating Unit
PEFA	Public Expenditure Financial Assessment
PFM	Public Financial Management
PIU	Project Implementation Unit
PMU	Project Management Unit
PPD	Public-Private Dialogue

PSN	Productive Safety Net
PSP	Payment Service Provider
SFSP	Sudan Family Support Program
SLDP	Sustainable Livelihoods for Displaced and Vulnerable Communities in Eastern Sudan Project
SMP	Staff Monitored Program
SMPF	Sudan Multi-Partner Fund
SSIA	Social Security Investment Authority
SSNP	Social Safety Net Project
STARS	Sudan Transition and Recovery Support
TBD	To Be Determined
WFP	World Food Program

Executive Summary

The Sudan Transition and Recovery Support Trust Fund (STARS) was established in April 2020 after the restructuring of the Sudan Multi-Partner Fund (SMPF). STARS is an umbrella coordination platform for World Bank engagement in Sudan, supporting the government's economic and peacebuilding transition. STARS partners include Canada, the European Union (the largest contributor), Finland, France, Germany, Ireland, Italy, the Kingdom of Saudi Arabia, the Netherlands, Norway, Spain, the State and Peace-Building Trust Fund of the World Bank, Sweden, and the

United Kingdom (the second-largest contributor). The European Union and United Kingdom have made contributions of US\$216.1 million and US\$112.1 million, respectively. Norway and the United Kingdom also contributed to the SMPF, one of the three trustee accounts of STARS, which closed on June 30, 2021. In addition, the United Kingdom also contributed to the SMPF-Parallel Trust Fund, which is scheduled to close on June 30, 2022.

STARS has four pillars under which projects are being implemented (figure ES1).

Figure ES1 The Four Pillars of the Sudan Transition and Recovery Support Multi-Donor Trust Fund

Social protection	Economic revival and better governance	Peacebuilding, resilience, and basic services	Crisis response
Four grants valued at about US\$358 million. The pillar is helping establish the building blocks for a permanent social safety net system and design and the implementation of Sudan's Family Support Program to complement critical subsidy reforms.	Eight grants valued at about US\$8.4 million. The pillar supports critical analytical work, technical assistance, and policy dialogue on macroeconomic reforms and institutional changes.	Three grants with an estimated value of US\$4.5 million. The key focus of this pillar is to address the long-standing division between the center and the periphery, with a focus on extending support to conflict-affected states.	Two grants valued at about US\$16.2 million. The primary objective of this pillar is to enable Sudan to respond to emergencies with a development response that is complementary to humanitarian assistance.

Achievements

STARS program financed an effective social impact mitigation intervention that support macroeconomic reforms, analytics, and technical assistance in the macro fiscal, governance, and basic service delivery sectors; the STARS program supported the reform efforts jointly with the Sudan Family Support Program (SFSP) as a package that facilitated arrears clearance and helped reach the Heavily Indebted Poor Country Initiative

decision point. Implementation of STARS has also provided an opportunity for the government to sustain reform implementation. Such reforms include reducing the fuel subsidy and unifying the exchange rate in February 2021, which paved the way to arrears clearance in March 2021; signing the Development Policy Operation; reengaging with the International Development Association (IDA), the African Development Bank, and the International Monetary Fund (IMF); preparing the Poverty Reduction Strategy Paper; and sustaining

the IMF Staff-Monitored Program's (SMP) track record. Sustaining the Staff-Monitored Program's track record was vital to remaining on the transition path and reaching the Heavily Indebted Poor Country Initiative decision point, which Sudan reached on June 29, 2021, becoming the 38th country eligible to receive debt relief under this initiative, which the World Bank and IMF jointly launched in 1996 to ensure that no developing country faces a debt burden it cannot manage. Such achievements have resulted in access to US\$2 billion in IDA grants for poverty reduction and sustainable economic recovery, including programmatic series of economic stability and governance development policy financing.

In October 2021, the World Bank triggered Operational Policy 7.30, a framework governing the Bank's response to the emergence of a de facto government after a military takeover on October 25, 2021. The bank paused all new disbursements and stopped preparation of new projects. Because of the pause, the country management unit decided to extend the reporting period for STARS progress to the end of December 2021.

Challenges

STARS program implementation has faced many challenges, including systemic and structural challenges. For example, lack of credible data to inform the planning process, human and institutional capacity limitations, weak systems, and underdeveloped infrastructure have affected program planning. Coupled with political instability and the COVID-19 pandemic, this has affected program delivery.

Lessons Learned

- STARS has been providing a vehicle for pooled funding for developing partners through the umbrella instrument in Sudan, bringing

together 14 donors to support key priority areas during Sudan's economic transition. It has increased funding predictability for the government of Sudan within a robust fiduciary and monitoring framework and provided the Bank and its donors with a platform for coordination and policy dialogue with the government on critical reforms. The monthly technical briefings have played a key role in keeping everyone informed on progress, discussing successes and challenges, and collectively discussing ways to improve portfolio benefits for all beneficiaries.

- Flexibility is necessary in design and implementation arrangements for programs and projects to adapt quickly to a dynamic and volatile environment. For example, introduction of the COVID-19 vaccine faced unprecedented logistical challenges, which required a quick change of delivery and communication strategies to facilitate timely delivery of vaccines. In addition, SFSP was designed in phases to accommodate the delayed signing and transfer of pledged commitments.
- It is vital to have in-country team members for face-to-face follow-up with public and private sector counterparts to ensure momentum, quick problem solving, coordination, and hands-on capacity building. The most extensive program, the SFSP, had a slow start-up because of systems- and capacity-related challenges, although frequent interactions and mentoring from an experienced team leader in the country helped build capacity and speed implementation.
- Financing analytical work and just-in-time technical assistance to underpin the World Bank's dialogue and active engagement in Sudan is crucial to ensure relevance, influence policy reforms, and strengthen institutional capacities. Diagnostics have been critical in informing project preparation and reform processes in Sudan.

1

Introduction

This annual report provides an update on progress made in implementing the Sudan Transition and Recovery Support (STARS) Multi-Donor Trust Fund, which was established in April 2020. The report highlights not only the results, but also the challenges and risks that have been faced and how to move forward in implementing STARS.

STARS is an umbrella coordination platform for World Bank engagement in Sudan, supporting the government of Sudan's economic and peacebuilding transition. STARS partners include Canada, the European Union (the largest contributor), Finland, France, Germany, Ireland, Italy, the Kingdom of Saudi Arabia, the Netherlands, Norway, Saudi Arabia, Spain, the State- and Peace-Building Trust Fund of the World Bank, Sweden, and the United Kingdom (the second-largest contributor). STARS was established as a result of the restructuring of the Sudan Multi-Partnership Fund (SMPF). The World Bank's move toward an umbrella approach and the need to respond to the political changes in Sudan, which encouraged donors to provide resources to support the transitional government, necessitated the restructuring. There was also a need to broaden objectives, update pillars and strengthen the pipeline of activities to be financed, adjust the results framework, revise the governance arrangements, increase the funding envelope, extend the closing date, and rebrand the fund.

STARS was established to finance some of the activities envisioned under the Country Engagement Note for Sudan. The rationale for establishing STARS was that it would be a vehicle for supporting reengagement of the World Bank through a large social impact mitigation program and a range of key technical assistance and analytic efforts in economic governance, energy reform, poverty, social protection, and private sector activities to inform future investments.

STARS has four intertwined pillars: social protection; economic revival and better governance; peacebuilding, resilience, and basic services; and crisis response. Each STARS financed intervention incorporates gender equality, fragility, and conflict concerns.

Social protection. The objective of this pillar is to establish the building blocks of a permanent social safety net system and to design and implement the Sudan Family Support Program (SFSP) to complement critical economic reforms, including providing cash transfers to beneficiaries, developing a social registry of potential beneficiaries, maximizing the use of digital payment mechanisms or other physical touchpoints, and supporting implementation of the SFSP.

Economic revival and better governance. The objective of this pillar is to build and strengthen economic systems, including building Sudan's procurement, financial, management, and implementation capacity; increasing social accountability; and supporting financial and private sector reforms.

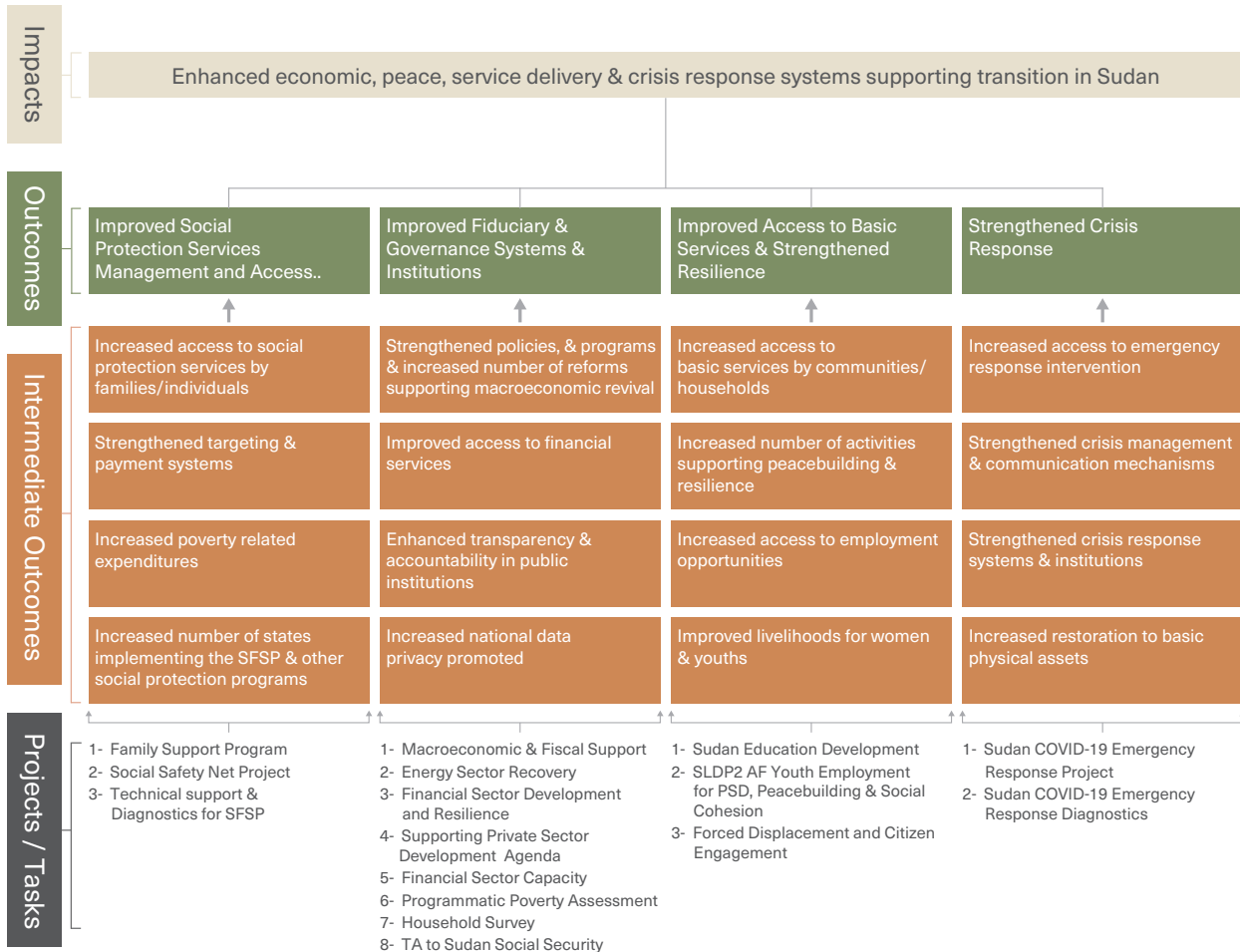
Peacebuilding, resilience, and basic services. The purpose of this pillar is to improve equitable service delivery, including implementing basic service delivery and community-driven development programs, promoting inclusion of marginalized groups such as women and youth as agents of change on a local level, and supporting peacebuilding and resilience initiatives.

Crisis response. This pillar supports contingency activities to respond to crisis or emergencies (including major natural disasters, public health emergencies, and epidemics), including providing emergency supplies, restoring basic physical assets, and building resilience for recovery.

There are also two cross-cutting themes: integrating a fragility and conflict lens into analytics and investments to ensure that activities “do no harm” and help address key risk factors and drivers of conflict and fragility and ensuring that programs promote gender equality and target youth, women, and the most vulnerable populations.

The results framework and monitoring plan ensure consistent monitoring, measurement, and reporting of fund- and project-level results (appendix A). Figure 1 presents a schematic results framework for the STARS program depicting the expected impact, outcomes, and intermediate results and projects that are contributing to the expected results.

Figure 1 STARS Schematic Results Framework



Governance and Trust Fund Operations

The STARS Partnership Council provides strategic guidance on STARS objectives and oversight and advisory functions regarding STARS activities. Membership of the Partnership Council includes the Minister of Finance and Planning, who acts as a cochair; the World Bank country director, who also serves as a cochair; a representative of each contributing donor; and the Minister of Labor and Social Development. The Partnership Council meets biannually and makes decisions on a consensus basis. The STARS Technical Secretariat performs core trust fund management functions. Between its inception in April 2020 and June 30, 2021, the Partnership Council met twice—in December 2020 and June 2021. In addition, an ad hoc Partnership Council meeting was held in

December 2021. It was called ad hoc because of the absence of the government to cochair the meeting, given the military takeover, which led to a pause in operations and the triggering of the World Bank Operational Policy (OP) 7.30: Dealing with De Facto Governments.

Context

The transitional government before the military takeover on October 25, 2021, faced one of the most challenging environments in the world. In 2018 and 2019, a popular uprising brought to power a civilian government with the mandate to stabilize the economy, reallocate resources away from commodity subsidies and toward social spending, liberalize the exchange rate, and reintegrate Sudan into the world economy, but

large arrears on foreign debt and Sudan's inclusion on the U.S. State Sponsors of Terrorism List restricted its access to urgently needed finance from international financial institutions and markets. The country faced a macroeconomic crisis: rampant inflation, massive currency devaluation, rapidly increasing arrears on international debt, and exclusion from the dollar-based international financial system. Modest economic growth persisted, but the country was marked by deep poverty and inequality. Social indicators remained low and varied markedly according to state, gender, and poverty level. Service delivery disfunction, including low public expenditures, personnel shortages, and decaying infrastructure, exacerbate social indicators.

Sudan has moved from lower-middle-income status to low-income status since 2020. Its population of 42.8 million people is growing rapidly (2.4 percent), with approximately 65 percent living in rural areas. Sudan had a per capita gross national income (based on the Atlas method) of US\$650 in 2020 (according to World Bank Indicators online). Multiple conflicts and forms of violence have affected Sudan in recent years. There are an estimated 3.1 million internally displaced persons (IDPs) in Sudan.¹ The conflict in Darfur alone resulted in about 2.5 million IDPs (UNHCR 2015), and the conflicts in South Kordofan and Blue Nile states led to roughly 222,000 and 176,000 IDPs, respectively. Spillover from conflict in the region continues to affect Sudan. The country hosts one of the largest populations of refugees in the world, with more than 1.1 million refugees and asylum seekers from South Sudan (798,000), Eritrea (126,000), Syria (93,000), Ethiopia (72,000), Central African Republic (28,000), and other countries.²

Estimates based on the latest household survey from 2014, suggest that poverty rates may now exceed 21 percent at US\$ 1.90/day Purchasing Power Parity (PPP) corrected, and 60 percent at US\$ 3.20/day PPP. This can be compared to 13.5 and 46.1 percent, respectively, in 2014 (Sudan: Poverty Assessment Update, World Bank 2019). The overall national poverty rate masks wide disparities across Sudan's 18 states. When poverty was measured against the World Bank's international poverty line for lower-income countries, 46.1 percent of the population was considered to be poor. Rising inflation particularly affects the poor, given the high share of food in consumption and their limited means to prevent erosion of the value of their savings. Data from the recent high-frequency COVID-19 survey support these estimates (World Bank 2021a). Overall, 26 percent of the men and 10 percent of the women who lost their jobs at the onset of the pandemic remained unemployed in April 2021.

Sudan, like the rest of the world, has been experiencing the unprecedented social and economic impact of the COVID-19 pandemic. Gross domestic product growth contracted by 3.6 percent in 2020 because of lockdowns and trade disruptions, limiting domestic supply and increasing prices of basic foods. Lockdowns, restrictions on movement, and trade disruption have also contributed to rising unemployment, soaring commodity prices, and falling exports. The October 2021 military takeover has exacerbated these trends. Growth is now estimated to have contracted again in 2021, and the recovery will be slower than what was projected before the military takeover.

During the period under review (May 2020 to December, 2021), the transition government registered remarkable progress in implementing reforms to reverse decades of economic, social, and political decline and took steps to resolve long-standing internal conflicts, unwind economic distortions, renew the social contract, and reengage with the international community. It also agreed on a rigorous International Monetary Fund (IMF) Staff-Monitored Program to underpin

¹ See Sudan Situation Report, United Nations Office for the Coordination of Humanitarian Affairs, New York (accessed 21 January 2021), <https://reports.unocha.org/en/country/sudan>.

² See Sudan: Population Dashboard – Overview of Refugees and Asylum-seekers in Sudan (as of 30 November 2021), United Nations Office for the Coordination of Humanitarian Affairs, New York (accessed March 2022), <https://reliefweb.int/report/sudan/sudan-population-dashboard-overview-refugees-and-asylum-seekers-sudan-30-november-2021>.

its economic reforms. By early October 2021, before the military takeover, the U.S. government had removed Sudan from the list of state sponsors of terrorism, and Sudan had reached the Highly Indebted Poor Country Initiative decision point and cleared its arrears with three international financial institutions (African Development Bank, IMF, World Bank), resulting in reengagement. Such achievements resulted in access to close to US\$2 billion in IDA grants for poverty reduction and sustainable economic recovery during the 19th replenishment of the IDA.

Nevertheless, recent developments, including the military takeover on October 25, 2021, have limited World Bank operations in Sudan. Soon after the takeover, the World Bank triggered OP 7.30, a framework on “Dealing with De Facto Governments.” The president of the World Bank, David R. Malpass, issued a statement on October 27, 2021, that paused all new disbursements and stopped preparation of new projects. The World Bank in Sudan is adhering to three principles stipulated under the OP 7.30 framework: pause disbursements under existing operations, pause processing of new projects, and conduct

assessments to determine whether to continue disbursements under existing operations and process new operations once a political settlement has been reached.

Regarding the SFSP, the largest operation under implementation cofinanced by STARS and IDA, all activities were halted, including delivery of cash to beneficiaries, until further notice, although limited payments were authorized to ensure that obligations made before October 25, 2021, were fulfilled and that critical Project Implementation Unit (PIU) capacity was maintained. The World Bank immediately advised the PIU to halt use of funds in the project’s designated account, including any payments under memorandums of understanding (MoUs) and delivery of benefits to beneficiaries, until further notice. The World Bank also requested that the PIU produce detailed financial and project reports up to October 25, 2021. The World Bank team is exploring options regarding how the SFSP program could be implemented in the future, depending on developments in the country. The World Bank will discuss these options with all stakeholders. See the detailed report on SFSP in appendix B.



2

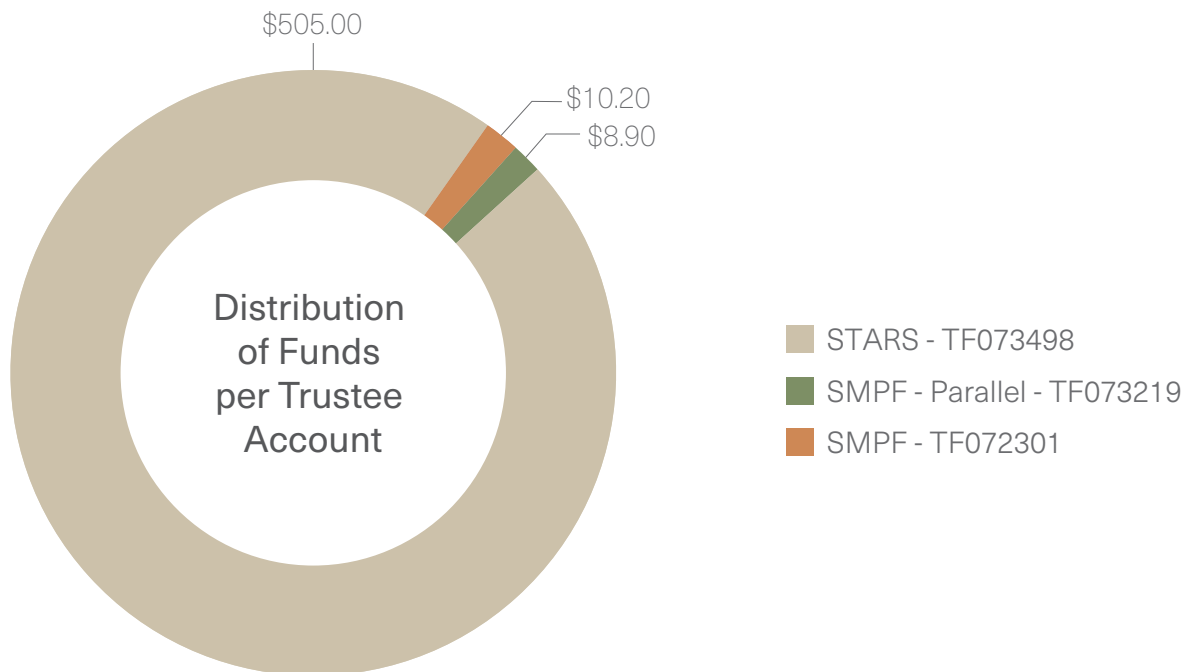
STARS Program Overview and Status

STARS has supported the execution of the economic and peacebuilding changes required to stabilize Sudan. On inception, STARS focused on delivering the SFSP. Consequently, it adopted a flexible and practical design to enable adaptations to the changing context. The STARS' four thematic areas are interlinked and purposefully broad to capture the range of potential programming under STARS depending on available financing, the evolution of Government priorities, and the socio-economic needs of Sudan's people.

Since its inception, the STARS program, which had three Trustee accounts (Sudan Transition and Recovery Support, Sudan Multi-Partner Fund and Sudan Multi-Partner Fund- Parallel), received US\$ 524.0 million of the US\$ 547.0 pledged contributions. Please include see appendix C for

details. Fourteen Development Partners contributed to STARS, with the European Union contributing the largest share, amounting to 41 percent of the total contribution (see Table C1 for details on financial contributions), attached as annex 1 of this report. Distribution of the funds among the three Trustee accounts is as follows: (i) Sudan Transition and Recovery Support Multi-Donor Trust Fund (TF073498) – received US\$ 505.0 million of the US\$ 527.0 million signed, (ii) Sudan Multi-Partner Fund (TF072301) closed on June 30, 2021 – received US\$ 10.2 million of the US\$ 10.7 million contributed by the United Kingdom and Norway; and (iii) Sudan Multi-Partner Fund-Parallel Fund (TF073219) - US\$ 8.9 million solely contributed by the United Kingdom. See pie chart below on contributions per Trustee account.

Figure 2 Trustee Account Summary



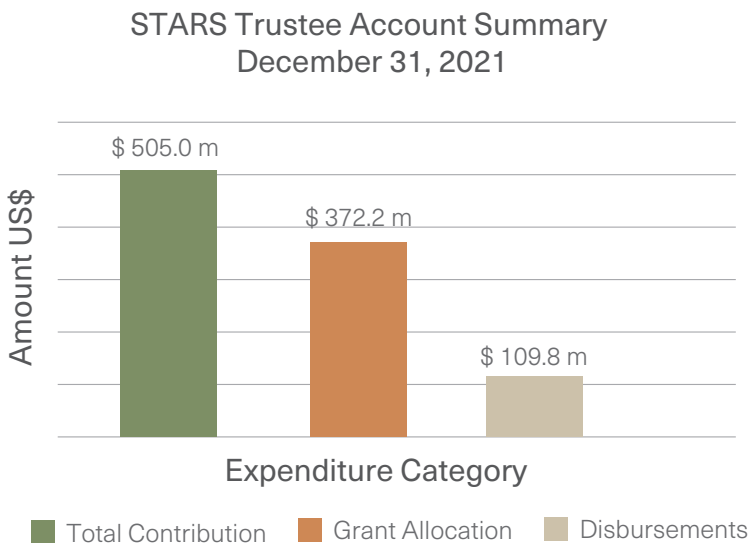
Source: World Bank. 2022
 Note: SMPF = Sudan Multi-Partner Fund.

The STARS trustee has financed seven grants (four recipient executed and three World Bank executed) amounting to US\$372.2 million since its inception, focusing on social protection, economic management and better governance, and crisis management. Before restructuring, the SMPF trust fund had financed 24 activities (5 recipient executed and 19 World Bank executed), which have been incorporated into the STARS program. Fourteen of those activities have completed implementation and closed. At the time of restructuring, four activities had already been legally closed, so they do not contribute to the results of the STARS program. In addition, two of the active projects—the Education Development Advisory Services and Analytics (ASA) and the Programmatic Poverty Assessment—closed during the year under review. In total, 18 activities, including an administration grant, are under implementation. See table D.1 (appendix D) for the list of activities. Kindly note similar codes for activities have been counted as one to avoid double counting.

STARS Financial Status Overview

As of December 31, 2021, the STARS program has two trustee accounts. STARS (TF073498) and SMPF (TF073219). STARS has signed agreements amounting to US\$527.0 million, of which contributions amounting to approximately US\$ 505.0 million have been received, US\$372.2 million allocated to seven grants, and US\$109.8 million disbursed (figure 3). The STARS trustee is financing projects in three of its four pillars (except the peacebuilding, resilience, and essential services pillar): social protection, economic management, and better governance and crisis. Hence, projects that the SMPF–Parallel trustee account funds contribute achievement of the objective of the peace building, resilience, and essential services pillar.

Figure 3 Sudan Transition and Recovery Support Trust Fund Financial Summary, December 31, 2021

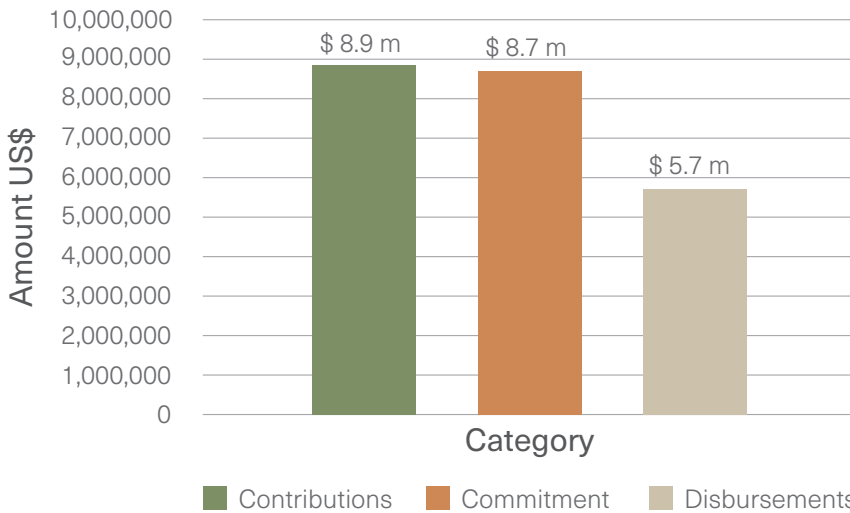


Source: World Bank <https://sapepp.worldbank.org/irj/portal/mytf>

SMPF (TF073219) has donor contributions amounting to US\$8.9 million, of which US\$8.7 million has been committed and US\$5.7 million disbursed (figure 4). Eleven activities financed under SMPF trustee support three of the four pillars of STARS: social protection (which included design of a social impact mitigation program and additional financing for the existing social safety net project (SSNP)); economic revival

and governance strengthening (focusing on financial sector resilience, poverty, distributional analysis, energy, tax policy, tax administration, public expenditure review, and procurement); and peacebuilding, resilience, and basic services (mainly youth and peacebuilding activities focusing on youth employment and private sector development, through the additional financing to the existing livelihood and displacement project).

Figure 4 Sudan Multi-Partner Fund Parallel Trustee Account Financial Summary, December 31, 2021



Source: World Bank. "My TF_Summary." <https://sapepp.worldbank.org/irj/portal/mytf>

In 2020, at the time of restructuring, SMPF had two trustee accounts: TF072301, which closed on June 30, 2021, and TF073219, amounting to US\$19 million financed by the UK Department for International Development and Norway (US\$17.7 million from the UK and US\$1.3 million from Norway). The two trustee accounts funded 24 grants between 2014 and 2021 in social safety

nets, financial inclusion, fiscal management, agribusiness, youth, and peacebuilding. Ten grants financed under TF073219 are still active and are expected to close by June 2022. As part of the restructuring, the results framework for SMPF was revised to align with the objective of the STARS program, and all activities were consolidated into one results framework.

3

STARS

Programmatic
Pillars

STARS contributes to Sudan's reengagement through complementary social impact mitigation, renewal of the social contract, support for macroeconomic reforms, and building systems and laying the groundwork for medium-term support and a country partnership framework program. STARS has also helped the country meet HIPC benchmarks by implementing various interventions that STARS has funded through its pillars.

This section highlights some of the significant outcomes attributed to implementation of activities that STARS has financed. The discussion is organized according to the four programmatic pillars: social protection; economic revival and better governance; peacebuilding, resilience, and basic services; and crisis response.

Social Protection

Although implementation of the SFSP, the most significant initiative contributing to this pillar, started late (March 2021) because of problems including exchange rate challenges, execution was advancing rapidly before the pause. The SFSP intended to provide cash mitigation support for 80 percent of households (32 million people) in Sudan using a phased approach. SFSP currently includes two phases with total funding of US\$820 million targeting 24.7 million beneficiaries.

Achievements under this pillar include opening of 352 enrollment centers to support registration of beneficiaries, and the registration of 2.7 million families, approximately 9.3 million people, by October 2021, against a planned target of 6.5 million families. In addition, the program has paid about 30.6 billion Sudanese pounds (approximately US\$80.2 million) to 1.4 million families, approximately 4.7 million people, of whom 36 percent are women (figure 5). In addition to providing much-needed cash to families, the SFSP promoted innovative, effective reforms, including expansion of financial sector services as a catalyst for expansion of national identity card issuance services, inclusion of youth as local ambassadors and enumerators for program registration,

establishment of local grievance and complaint mechanisms staffed by social workers from the Ministry of Social Development (MoLSD), and intensive use of technology.

The second-largest contributor to results under social protection is the Sudan SSNP (P148349), approved on February 12, 2016, under the SMPF. SSNP received US\$5 million in financing from two grants and has spent all of one of the grants (US\$3.5 million) and committed 100 percent of the second grant of US\$1.5 million. SSNP aimed to increase the capacity of the MoLSD, previously known as the Ministry of Welfare and Social Security, to implement cash transfer programs transparently and effectively and to pilot a productive safety net (PSN) approach for poor households. The project closed on December 31, 2021.

The primary project outcomes included greater cash transfer effectiveness, particularly in measuring poverty, targeting, retargeting, and recertifying. Specifically, an independent evaluation reported the effectiveness of selecting and targeting using the proxy means test method, which covered 664,250 households in the target area. Approximately 97 percent of beneficiaries were newly targeted households, suggesting that the SSNP significantly minimized inclusion and exclusion errors that characterized the social initiative programs.

Social Protection Emerging Results

Cohesion and trust among key stakeholders strengthened, including among local and central government structures.

The government of Sudan, through government ministries, including the Ministry of Social Development and Ministry of Finance, partnered with various stakeholders, including communities and the private sector, especially banks and payment service providers (PSPs), in implementing the SFSP. STARS provided essential support to establish critical partnerships among the central government, local governments, and other essential stakeholders for improved service delivery. For example, in most places, such as the Sharg Elniel



area in Khartoum state, introduction of the SFSP reactivated local community and governance structures such as locality and administrative committees. Similarly, implementation of SFSP reactivated all national systems and creating cohesion from the grassroots to the ministerial level. The STARS grant is helping bring the parties together and strengthen confidence and trust building.

Enhanced inclusion of women and youth in SFSP.

Sudan has one of the world's lowest rankings for gender equality (168 out of 189 countries and territories) and remains in the low human development category. When disaggregated according to sex, the Gender Development Index of Sudan is 0.837, placing it in group 5, denoting countries furthest from achieving gender parity (UNDP 2019). Factors contributing to this gender equality in Sudan include low levels of women's political participation, unequal participation in the labor market (reported at 24.5 percent, compared with male participation of 70.3 percent (UNDP 2019)), and unequal educational attainment between women and men. Only 15.3 percent of women had attained at least a secondary school education, compared with 19.6 percent of men. A weak normative and legislative framework on gender equality and gender-based violence aggravates

the situation. Although the interim constitution (amended in 2017) grants equality before the law for all persons (article 31), includes equal pay provisions (article 32), and obliges the state to combat harmful customs and protect the rights of children (article 32), the national legislative framework omits basic protections for women.

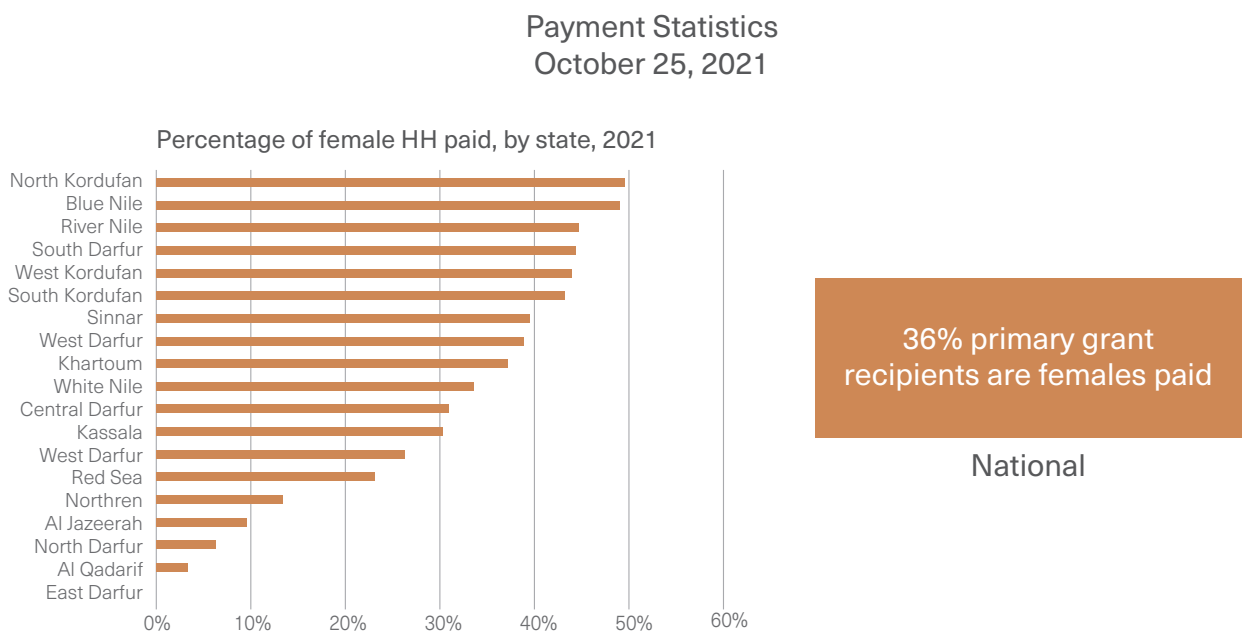
The SFSP target was that half of beneficiaries be female. The SFSP considered the challenges of women's participation in Sudan and designed the program to promote gender parity, reduce risk, and promote women's empowerment (where possible) by removing barriers. To further support gender parity, a behavioral lens was applied to identify the critical elements of the environment in which women operate that create roadblocks to achieving optimal outcomes when coupled with natural human tendencies related to decision making and follow-through on specific behaviors. These roadblocks could hinder women from participating in the program and using cash transfers for the household. Context-specific designs were continuously created to address such barriers and promote women's empowerment.

The community engagement process has been operationalized, with preliminary discussions under way with crucial implementing partners such as Save the Children to pilot activities and

leverage their existing connection with communities. In addition, management information systems (MISs) and registration portals have been revised to include disaggregation data. Stakeholder orientation on gender in SFSP was ongoing before the pause, and selection of

gender mainstreaming specialists had reached the contract issuing stage when the project was paused. The government also assigned a gender specialist to help monitor and report progress on implementing the gender guidelines.

Figure 5 Percentage of Female-Headed Families Paid Out of the Total Families Paid



Source: Sudan Family Support Program - Thamrat Enrollment/Payment Report

Financial inclusion promoted by strengthening payment systems. The SFSP has made considerable effort to coordinate closely with Sudan's PSPs, banks, and telecommunication companies. To speed up payments, the World Food Program (WFP), the implementer of the SFSP pilot, contracted MTN Sudan as the mobile money operator for the SFSP pilot. MTN's flexibility enabled quick cash transfers without requiring MTN SIM card ownership. Beneficiaries with MTN SIM cards received transfers into a mobile money wallet with multiple transaction options, including point-to-point, cash-out, cash-in, merchant payment, general medical services payments, and bill payments. Beneficiaries with a Zain or Sudatel SIM card received a mobile money voucher from MTN in their mobile phone.

Through the SFSP, the government has also been working with different players to strengthen systems to accelerate payments. Table 1 highlights the systems being used for payments. Efforts included dialogue with the central bank to license MTN to have its own operating platform for mobile money, offering a license for mobile money to Zain, paying 2 percent grant transfer fees to banks making payments to beneficiaries, and strengthening payment operational procedures including accelerating validation of payment data by PSPs. The PIU has also developed and agreed with PSPs on service delivery standards, which will be reviewed periodically. Such efforts have helped expand financial inclusion and financial literacy.

Table 1 Percentage of Families Paid and Funds Transferred per Payment System

Payment type	Paid families (%)	Funds transferred (%)
Bank	11	14
Mobile money	60	43
Cash card	29	42

Source: Government of Sudan, 2022.

Safety net delivery systems strengthened. The SFSP strengthened social protection systems and provided a solid foundation for implementation of safety nets. This includes strengthening the MIS, the grievance redress mechanism (GRM), and the enrollment and administrative systems at the national and state levels. Implementation of the GRM was built on the WFP pilot. The scaled-up GRM was launched in September 2021 with strong support from the WFP. The complaint and feedback mechanism provided easy access to the primary point of contact for inquiries about the SFSP. GRM's three components—information provision, communication channel, and a verification tool—have increased understanding of the challenges that families receiving benefits face. In addition, the call center has been playing a critical role in the verification process. As of October 24, 2021, the call center had verified more than 30,000 individuals and facilitated resolution of more than 5,000 cases. Most cases involved delayed payments and registration and enrollment processes. In addition, a grievance redress system was created under SSNP, and 124 of 146 reported cases were resolved.

Upon completion of the SFSP program, SFSP was expected to be transitioned into a targeted permanent social safety net. This national safety net will support the most vulnerable and provide the foundations for a modern, adaptive social protection system built on a comprehensive social registry and digital payment infrastructure.

An inter-ministerial committee and a technical committee have been meeting regularly to oversee the program at the national level, and the hiring and training of focal points, social

workers, and enumerators progressed well at the local level. Mobilization of community volunteers has also begun at the local level. Tools for data collection for routine monitoring and evaluation have been prepared, including a baseline survey, project evaluation strategy, quarterly report, and annual work plan and budget.

The SSNP supported the development and operationalization of the Social Protection Information System to manage the cash transfer program. The system informs strategic planning, making it possible to demonstrate impact to decision makers, development partners, and civil society; enhances global knowledge about cash transfers; and gradually builds up the existing platform, linking it to complementary social safety net programs in the country during creation of second-generation social safety nets.

SSNP helped improve targeting and recertification in six states—Blue Nile, North Kordofan, Red Sea, River Nile, Sinnar, and White Nile—using the proxy means test and community-based targeting approaches, covering 413,914 households eligible for cash transfer out of 500,000 households included in the beneficiary registry. Lessons learned will inform design and implementation of future safety nets.

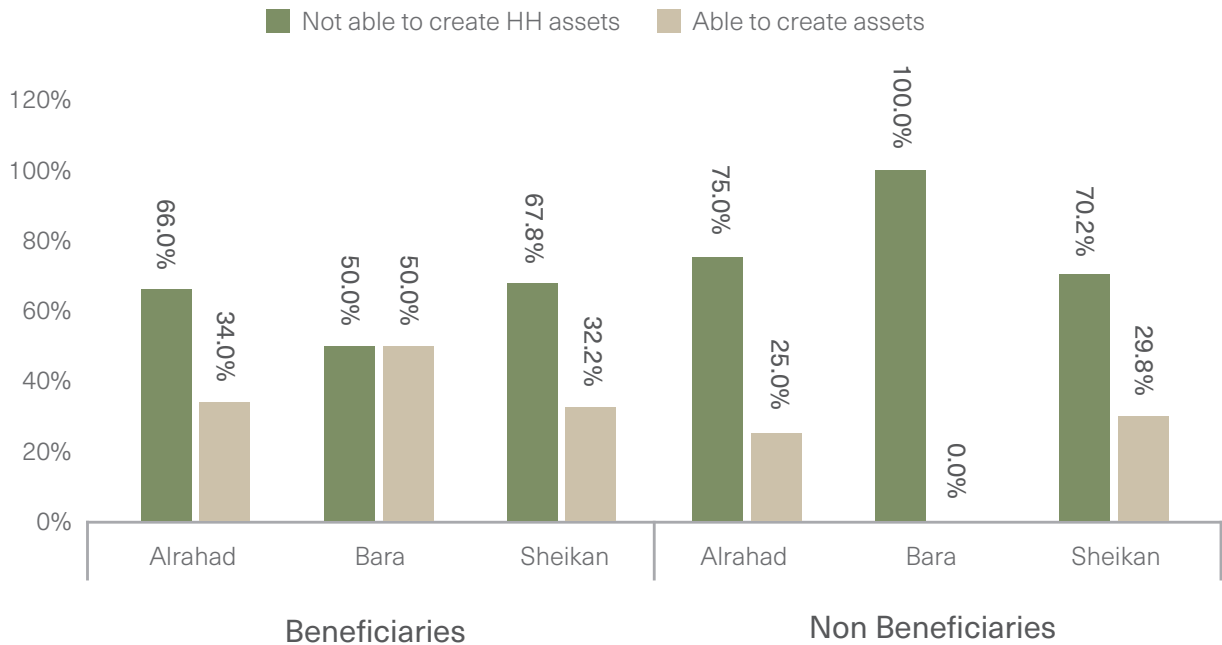
Community asset stock increased. The PSN under the SSNP helped establish public works programs that focused on livelihood activities, which were assessed, designed, and implemented, resulting in improved agricultural livelihoods in the selected communities. PSN beneficiaries have used cash transfers to invest in microenterprise, such as food products and

transport, to enable traders to buy commodities in larger markets and transport them to other communities for sale. Qualitative measures showed that support from PSN programs in North Kordofan increased household investment for asset creation.

The primary function of the PSN was to upgrade social status and reduce poverty among PSN beneficiaries. Nonconditional cash transfer methods that the MoLSD implemented also contributed to the results. Many respondents to the impact process survey preferred to use the support to increase their household assets.

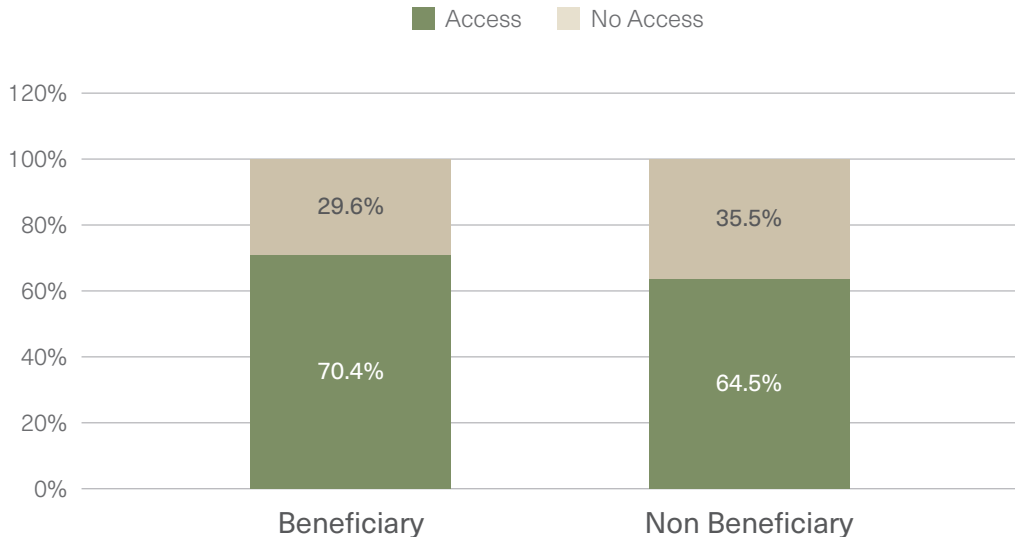
Figure 6 shows that around 50 percent of the PSN beneficiaries in Bara, 34 percent in Alrahad, and 32 percent in Sheikan have some form of investment that increased their household assets, although many failed to increase their assets, because increases in living costs eroded the value of PSN funds. The control groups (non beneficiaries) created fewer assets—25 percent in AlRahad, 29 percent in Sheikan—hence had less or no income to obtain, in turn, household assets. Seventy percent of PSN beneficiaries and 65 percent of control households own land for agricultural activities (figure 7).

Figure 6 Investment Creation through Access to Social Safety Net Program Resources



Source: Leen 2021b.

Figure 7 Access to Land



Source: Leen. 2021b.

Economic Revival and Better Governance

STARS has financed eight grants under this pillar that contribute to adoption of context-sensitive institutional policies, foster innovative approaches and instruments, and generate evidence-based knowledge to address Sudan's social and economic challenges. At the project preparation stage, STARS has informed new operations through diagnostic and analytical support, local capacity building and dialogue, and knowledge dissemination.

Analytics and Diagnostics

STARS financing has helped to build capacity of various institutions and individuals in multiple ways, including increasing the capacity of the government to undertake sector reforms.

Facilitated critical reforms for private sector development. Preparation of the Sudan Private Sector Diagnostic helped to create a strong analytical basis to shape policy dialogue and guide reforms for transformational private investment for sustainable, inclusive growth and job creation. The diagnostic provides an overview of the state of the private sector in Sudan, identifies key constraints on private sector growth, and

identifies sector potential and private investment opportunities. The report has been finalized, but because of the military takeover, it has not been validated with the government partners. In parallel, work has commenced to launch the Sudan Informal Sector Survey and Enterprise Survey. (The previous survey was completed in 2014.)

STARS financing has also supported several interventions to build and strengthen legal, regulatory, and institutional frameworks for private sector development in Sudan, including capacity-building activities for the Public-Private Partnership unit of the Ministry of Finance and Economic Planning (MoFEP), technical input to the public-private partnership and investment laws, review of the Company Act 2015, and assistance in laying the foundations for stronger public-private dialogue (PPD). Interventions have helped streamline the institutional set-up processes and strengthened the legal and regulatory environment to enact critical laws for private sector investments. For example, the public-private partnership and investment laws were passed in April 2021. The project also conducted a comprehensive review of the business registration process in Sudan, identifying priority areas for reforms.

Energy sector performance enhancement through tariff reform. Sudan Energy Sector Recovery ASA implementation supported development of a roadmap for electricity tariff reform and conducted a household energy consumption survey, which resulted in adjustment of electricity tariffs. It also supported reform implementation through least-cost analysis of power generation and barrier analysis for independent renewable energy power producers. In addition, the analytical work helped reduce the energy subsidy and fed into the design of the US\$300 million Sudan Energy Transition and Access Project, an IDA-financed project whose preparation has been paused as part of OP 7.30.

Sudan financial sector capacity strengthened. The Sudan Financial Sector Capacity Development 2 project delivered comprehensive diagnostic studies that provide the evidence base for developing a national financial inclusion strategy. These studies included diagnostic studies on the supply side of financial services, agricultural finance, insurance, and the payment aspects of financial inclusion (which consolidates information from separate assessments on mobile money, remittances, government payments, and legal and regulatory aspects of payment systems). The government of Sudan used some of the recommendations from these studies to inform key reforms (e.g., in the mobile money space). This project also served as the platform for financial sector engagement in Sudan, helped build robust client dialogue, and provided a solid base upon which to create future operational work, namely, preparation of the US\$100 million Sudan Women and Youth Entrepreneurship Project, which is on pause.

The project also supported development of an agency banking regulation intended to extend the outreach of financial services to the underserved and unbanked in line with the financial inclusion priorities of the government. Additional technical support was provided in the context of the payment system assessment, which included help with drafting the Payment Systems Law (pending approval and enactment) to provide

a well-founded, clear, transparent, enforceable legal basis for the national payment system and support for the drafting of a new mobile money regulation (approved on January 6, 2021), which essentially opened the mobile market to other players, expanding the outreach of financial services. The mobile money assessment conducted within this technical assistance program informed this critical change in Sudan's mobile money business model.

The project supported amendments to the Central Bank of Sudan (CBOS) Act to increase the independence of the CBOS and reduce conflicts of interest. It also supported amendments to the Banking Regulations Act to ensure reflection of CBOS capacity to manage crises and helped the banking sector manage and respond to the COVID-19 pandemic.

Domestic revenue mobilization enhanced. A study was conducted to analyze the government's fiscal revenues and identify policy changes that would increase revenue and reduce the compliance burden. In particular, the study assessed the legal and institutional framework governing tax policy, analyzed tax policies, and provided reform options for the government to consider in its efforts to enhance domestic revenue mobilization and reduce the compliance burden on taxpayers. The study revealed deep structural weakness in Sudan's tax system that keep government revenue among the lowest in Sub-Saharan Africa. Some of the recommendations to address the constraints included aligning the excise duty on domestic production and additional taxes on imports with the coverage and rate structure, introducing excise taxes on selected services such as telecommunication and banking services, and increasing the value-added tax registration threshold.

Sustainable development and improved service delivery foundation supported. The World Bank helped the government of Sudan undertake a public expenditure financial assessment (PEFA) to measure current and recent performance of Sudan's public financial management (PFM) systems using an objective, internationally

recognized standard. Currently, a fragmented, out dated legal and regulatory framework governs the PFM system in Sudan. The Financial and Accounting Procedure Law 2007 and regulations passed in 2011 do not reflect updated PFM practices because they are more than a decade old. The assessment identified critical weaknesses in PFM and their underlying causes and tracked the performance of the PFM system against the previous PEFA assessment, in line with the PEFA secretariat's guidance. The main objective of PEFA and PFM reform is to support sustainable development and service delivery outcomes that meet citizen needs and priorities. Progress is measured through the assessment of the contribution of PFM systems. The government used the 2020 PEFA assessment to inform a PFM reform strategy and roadmap, which is currently in draft form. PEFA also helped the government identify reforms, milestones, and deadlines.

The assessment provided a basis for prioritization of reforms by the MoFEP and dialogue within the government on PFM reform priorities. Together with the government-designed roadmap and IMF Staff-Monitored Program, the review will allow development partners to plan and harmonize their technical support. The astute PEFA assessment has provided government officials with an opportunity to assess existing PFM systems and increased the importance of integrated systems.

Reengagement process and future operational designs enhanced. Poverty analytics played a critical role in supporting Sudan's reengagement process, including poverty analytical work that fed into the Country Engagement Note, Poverty Reduction Strategy Paper, development policy operations series, and the overall reengagement process. In addition, poverty analytics have informed the design of new operations, given data limitations in Sudan. For example, the analytics directly informed the design of the SFSP.

The World Bank has been using the Sudan High-Frequency Monitoring Survey on COVID-19 to collect information on households and small

and medium enterprises. It uses rapid-response phone surveys to monitor the COVID-19 crisis and its impacts to inform mitigation measures. The team is implementing this activity in partnership with the Central Bureau of Statistics (CBS), and a local consultancy firm was hired to assist with data collection via mobile phones. The MoFEP (research unit) also provided inputs during design of survey questionnaires. The data have been analyzed, and reports (household and small and medium enterprise) have been prepared and shared with key stakeholders.

Peacebuilding, Resilience, and Basic Services

STARS is financing two activities to address the long-standing division between the center and the locations far from the centre by extending support to conflict-affected states. Ongoing activities include the Sudan Education Development Project and Supporting Dialogue on Responses to Forced Displacement and Citizen Engagement. An additional financing grant was provided to the Sustainable Livelihoods for Displaced and Vulnerable Communities in Eastern Sudan (SLDP) Phase 2, which closed in January 2021. Emerging results in this area include greater capacity of government to undertake education sector reforms, greater resilience and participation of women and youth in development activities, and community asset creation. Even if small in monetary value, such SLDP phase 2 interventions have provided an important signal to people in conflict-affected areas and provided ways to move forward with development interventions regarding basic service delivery, livelihoods, and social inclusion, making use where possible of community-driven development. Following are some of the notable results of this pillar.

Capacity to undertake education transformative reforms enhanced. The Sudan Education Development ASA activities constituted the first concrete steps toward supporting the transitional government of Sudan in its efforts to undertake

education reforms. The World Bank, UNICEF, the European Union, and the Sudanese Ministry of Education jointly organized a conference focused on education development. The ASA resulted in two outcomes: capacity building and identification of education reform through the Sudan International Education Conference and evidence-based policy recommendations for the education sector based on a set of policy notes. Implementation of the project built the capacity of education leaders at the federal and state levels to implement transformative reforms in the education sector and supported development of policy priorities across education subsectors.

Based on the priority areas for reform identified during the 3-day International Education Conference of January 25-27, 2020, the ASA resulted in the prepared six evidence-based policy notes that provided short- and medium-term policy recommendations for the education sector to the government. The notes covered curriculum and learning assessment, teachers and school leaders, school construction, information and communication technology (ICT) in education, institutional reforms of the Federal Ministry of Education, and higher education. The government has already taken some recommendations from the notes into consideration in its reform efforts.

Economic opportunities for vulnerable groups created in times of crisis. The SLDP, which the government of Sudan and the World Bank State and Peace-Building Trust Fund cofinanced, increased the capacity of local stakeholders, including state authorities, IDPs, and vulnerable host communities, to plan and implement livelihood and natural resources management interventions. The project also introduced community-led interventions that strengthened people's resilience. With a budget of US\$7.135 million, it consisted of two phases over 8 years, beginning in 2013 and ending in 2021.

The first phase targeted six IDP host communities in rural Kassala, rural Atbara, and Northern

Delta. The second phase expanded the program to 10 communities in these areas. STARS provided additional financing of US\$500,000 in December 2019 to expand project support to youth entrepreneurs in Khartoum and Kassala states, bringing the total number of beneficiaries to approximately 47,000.

Implementation of the SLDP increased resilience and participation of women through access to technical and vocational training for 1,048 youth, of whom 70 percent were female, and increased access to equipment and materials for 1,595 beneficiaries and to agricultural-related training and tools for 1,390 female beneficiaries. The SLDP recognized the rural poor's reliance on the environment to sustain their livelihoods and responded directly to the priorities that local stakeholders and beneficiaries outlined. At its conclusion, the project exceeded the beneficiary target by 11 percent, reaching 45,521 people, of whom 40 percent were female. At the community level, establishment of the revolving fund mechanism enabled support of new initiatives and expanded minor projects to benefit more segments of the population. The Community Development Committee manages the revolving fund, which remains available to finance additional beneficiaries because money that existing fund beneficiaries have used is repaid in installments. For instance, by the end of the project, the 10 communities had repaid 417,000 Sudanese pounds to support an additional 51 households. The SLDP experience helped generate essential lessons and best practices for operating in challenging, fragile contexts that are informing the design and implementation of future community-level development programs in Sudan.

Foundations laid for addressing IDPs and lack of citizen engagement. Implementation of the Supporting Dialogue on Responses to Forced Displacement and Citizen Engagement established the foundation for addressing IDPs and lack of citizen engagement by broadening coordination of key players, for example, the Ministry of Youth, the UK Foreign, Commonwealth, and

Development Office on broader country engagement issues, and several civil society organizations. A paper was also prepared to inform processes to help IDPs in Sudan. The grant provided the basis for World Bank engagement with civil society organizations, and a series of workshops was held on citizen engagement and the Bank's support to civil society organizations. The Forced Displaced paper lays the groundwork for IDA programming to address displaced population needs and Sudan's access to the Window for Host Communities and Refugees under IDA.

Crisis Response

STARS has financed two grants with a total budget of US\$16.2 million under this pillar. The primary objective is to enable Sudan to respond to emergencies with a development response that is complementary to humanitarian assistance. The main project under this window is the Sudan COVID-19 Emergency Support Response Project (CERP). During the year under review, CERP helped strengthen Sudan's health system by providing life-saving medications for optimal care of people with COVID-19 and supporting vaccine deployment; expanded the isolation capacity in Khartoum state (Omdurman Teaching Hospital) and other affected areas; and strengthened a national surveillance system for points of entry by updating, printing, and distributing guidelines and tools. Following are some of the emerging outcomes under this pillar.

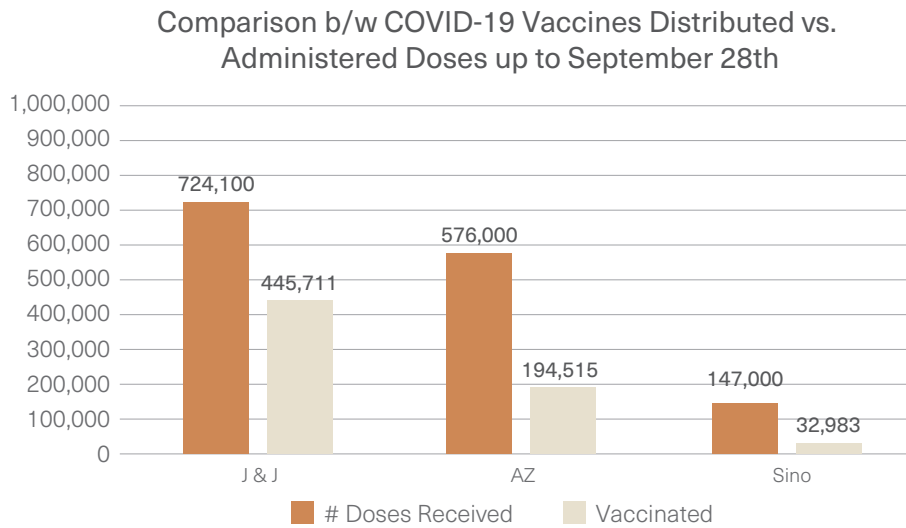
Sudan health systems strengthened. The project is strengthening Sudan's health systems by providing life-saving medications to provide optimum care to people with COVID-19. Medicines provided include intravenous fluids, anesthetics, respiratory inhalants, and other emergency medications. This contributed to the treatment

of 13,128 patients at 38 COVID-19 isolation centers. The project also supported rehabilitation of national public health laboratories and provided lab consumables and reagents, polymerase chain reaction testing equipment, personal protective equipment, and biomedical equipment through an MoU with UNICEF. For example, it supported expansion of isolation capacity in Khartoum state (Omdurman Teaching Hospital). The project also supported expansion of disease surveillance systems (mainly of sentinel sites) by providing ICT equipment and reporting tools and building capacity.

Lives saved through support of COVID vaccine rollout. STARS funding to CERP supported introduction of the first phase of vaccines, which included supporting risk communication and community engagement activities and printing vaccination cards, registration forms, sample testing forms, vaccine distribution forms, vaccine safety forms, and promotional materials. ICT solutions were also used, including tablets to support digital registration. During the first phase, 816,799 people were vaccinated (633,311 received the first dose, and 183,488 people were fully vaccinated). Deployment activities targeted 20 percent of the Sudanese population.

Additional resources leveraged. CERP's successful implementation has resulted in additional financing of US\$100 million from IDA. The project was approved in June 2021 and was supporting introduction of the second phase of the COVID-19 vaccine, whose uptake has increased because a vigorous campaign to promote vaccine acceptance was implemented. Figure 8 presents some of the results of the second round of vaccine administration.

Figure 8 Comparison of COVID-19 Vaccines Distributed and Administered Doses, by September 28, 2021



Source: Government of Sudan, 2021.

Note: J&J = Johnson & Johnson vaccine; AZ = Oxford, AstraZeneca vaccine; Sino = Sinopharm.



4

Highlights of Selected STARS Activities

Social Protection

Sudan Family Support Program

Detailed status of the SFSP is provided in Appendix E of this report

Table 2 Sudan Family Support Program (SFSP)

BASIC FACTS	Targeting 80% of the Sudan population i.e., 32 million beneficiaries
	Quasi Universal-Basic Income Program. SFSP's project development objective is to deliver cash transfers and improve safety net systems
	Transfers US\$ 5 per person per household per month for 6 months
	Financing: Supported by World Bank & Development Partners: (i) Phase 1 - US\$ 400 million; (ii) Phase 2 - US\$ 420 million. Total of US\$ 820 million. Actual financing that was signed for Phase 2 is US\$ 360 million
	The program is phased both geographically and in the duration of transfers
	It's a short-term program to transit to a targeted Sustainable SSNP
	3 components : (i) transfers; (ii) systems and (iii) project management
	Implementation led by Government and using government systems
	Gender target - 50% of the primary grant recipients to be women

The SFSP was designed to provide fiscal space for reforms that were critical for Sudan's arrears clearance and debt relief process and mitigate the impact of reforms. The project was to provide direct cash transfers of US\$5 per person (at the prevailing exchange rate in Sudanese pounds) to 80% of households across the country, with 50% of primary grant recipients being women. The transfers were initially for six months and could potentially be scaled up to 12 months, subject to the availability of additional resources.

A total of US\$760M has been committed from the World Bank to the Government of Sudan to implement the SFSP. Of this total commitment, US\$

410M was committed from IDA and US\$ 350M from Sudan Transition and Recovery Support Multi-Donor Trust Fund (STARS). The difference of US\$60M between the approved and committed amounts (US\$820M-\$US760M) is because STARS had not received enough money from the pledged contributions to commit the required amount (US\$410). A total of 148M Euros (at the time US\$181.4M equivalent) had been disbursed to the GoS's Designated Account for the SFSP, of which 82M Euros was from IDA, and 66M Euros was from STARS. Table 3 summarizes the results achieved as of December 31, 2021. Table 3 provides an update on results achieved against the planned targets.

Table 3 Results Update for Sudan Family Support Program

Indicator	Baseline	End Target	Actual (as of December 31, 2021)
PROJECT DEVELOPMENT OUTCOME INDICATORS			
Number of families receiving cash or income support	0	4,400,000	1,484,474
Number of SFSP beneficiaries	0	24,700,000	8,667,741
Percentage female beneficiaries	0	50	34.6 Direct beneficiaries who benefited from the SFSP disaggregated according to gender. As of October 25, 2021, 864,793 female-headed households were enrolled, as reported in the previous indicator. The Project Implementation Unit has not yet captured the percentage of individual female beneficiaries.
National registry platform that functions across the country is strengthened	National platform is functioning but has low coverage and needs efficiency improvements.	National registry platform is covering 80% of the population in the regions that the project covers.	Memorandum of understanding signed with Ministry of Interior to upgrade NCR systems. Responsibility of NCR is to increase the number of Sudanese with a national identification number by a minimum of 5 million individuals over the course of the SFSP program. Work plan and budget developed to provide NCR with necessary equipment; mobile registration units established.
INTERMEDIATE RESULTS INDICATORS ACCORDING TO COMPONENT			
Component 1: Provision of cash transfers			
Average number of days for funds to reach beneficiary accounts ^a	30	15	45
Number of beneficiaries enrolled in basic bank accounts	0	3,600,000	0 Data not available
Days between generation of payroll and fund transfer to payment service providers	8	5	8
Number of beneficiaries enrolled in mobile money ^b	0	2,350,000	Data not available because not disaggregated according to payment option. Of all digital payment mechanisms, program encourages use of mobile money to foster financial inclusion. Indicator compares number of families enrolled in mobile money with number using basic bank account or cash cards.
Component 2: Establish delivery systems and build institutional capacity			
SFSP MIS has been developed and deployed?	No	Yes	The SFSP MIS design has commenced, but the system not in place. SFSP MIS has registration, enrollment, payment, case management, monitoring and evaluation, and reporting and data analytics modules, along with technical documentation and user manuals. MIS has data-sharing platform and required linkages with NCR and administrative data sources. MIS has linkages set up with payment providers for digital payments.
National data protection and privacy law submitted to governing council?	No	Yes	National data protection and privacy law is submitted to governing council. Status: SFSP data protection and privacy framework developed.

Indicator	Baseline	End Target	Actual (as of December 31, 2021)
Number of states covered by SFSP program	0	14	14
SFSP branded as a national, well-defined, quasiuniversal program?	No	Yes	Brand for program has been developed (Thamarat). Brand is name, term, design, logo, tagline, content, and other features used in mainstreaming SFSP as a national, well-defined, quasiuniversal program. Brand works as a program identity and will help in marketing SFSP objectives, which are designed to mitigate the effects of ongoing economic hardship and improve Sudanese living conditions. Branding includes a series of processes for planning, producing, testing, and publicizing communication and community outreach material.
Communication campaigns launched?	No	Yes	Outreach campaign implemented in eight states (Kassala, White Nile, South Darfur, West Darfur, North Kurdofan, East Darfur, Red Sea, Khartoum). Messages on registration and payment disseminated via four national radio and television channels to reach all who access radio and television broadcasts in Sudan.
Hybrid system for tracking enquiries, complaints, and grievances (GRM) established?	No	Yes	2,650 of 4,977 cases have been resolved. All operators were dedicated to handling incoming calls, which increased the number of complaints received as number of complaints spiked from 978 cases in July to 2,817 cases in August 2021.
Percentage of complaints resolved in 15 days or less through GRM	0	80	86
Gender-focused behavioral science integrated into community strategy for SFSP in areas where women are not designated primary beneficiaries?	No	Yes	Yes
Component 3: Project Management, monitoring and evaluation, and learning			
Impact evaluation baseline and follow-up survey conducted?	No	Yes	No
Lessons drawn from Sudan's experience in evaluative report?	No	Yes	No

Source: World Bank 2021.

Note: GRM = grievance redress mechanism; MIS = management information system; NCR = national civil registry.

a. The indicator measures how long it takes for funds transferred from the central account to reach the digital accounts of beneficiaries. The program has the objective of delivering benefits from the central account of the Ministry of Finance and Economic Planning to beneficiaries in 15 days.

b. Of all digital payment mechanisms, the program encourages the use of mobile money to foster financial inclusion. The indicator compares the number of families enrolled in mobile money with the number that use a basic bank account or cash cards.

The project achieved some unintended positive outcomes—expanding financial inclusion and financial literacy and increasing public confidence in the transitional government.

The main challenges that the SFSP faces are that:

- Weak outreach has hampered implementation progress. The PIU has developed a plan to improve outreach.
- The weakness of the financial infrastructure has hindered seamless payment; took an average of 30 days for beneficiaries to receive payments.
- The human and physical capacity of government is limited, as epitomized by the Civil Registry, which has a limited ability to produce national identification cards for all beneficiaries.
- Lack of an integrated MIS is a source of inconsistency and delays accessing transfers. The project had a funding gap of US\$300 million for phase 3, which is required to cover the remaining states of Northern, River Nile, Al Gedarif, and Al-Gezira, and US\$1.2 billion for phase 4 to implement the original plan of providing transfers for 12 months.

Social Protection Diagnostics and Technical Assistance to the SFSP

The technical assistance is a US\$3.5 million activity whose development objective is to provide analytical underpinning for social protection as a growth pillar for the recovery and development process and to support implementation and coordination of the SFSP. Social protection was incorporated in government programs in Sudan as part of the government's economic reform agenda and the national recovery and growth framework. The SFSP will ultimately transition to a more targeted program in the medium term. This technical assistance is producing the analytical underpinnings of the permanent safety net program and providing technical support to strengthen Sudan's safety net systems and increase local capacity to support better service delivery outcomes. The activity was

approved in June 2021, but implementation is yet to commence.

Sudan SSNP (P148349)

The objective of the project is to increase the capacity of the MoLSD, previously known as the Ministry of Welfare and Social Security, to implement the Cash Transfer Program transparently and effectively and to pilot a PSN approach for poor households. The project closed on December 31, 2021. According to an independent evaluation that assessed the extent to which SSNP increased the capacity of the MoLSD to implement the national cash transfer program transparently and effectively and to pilot a PSN approach for poor households, the achievements documented in table 4 were reported. Progress made toward achievement of the development objective is assessed as satisfactory. The project has achieved 60 percent of objective development indicators and 80 percent of intermediate outcome indicators. In some instances the project exceeded the target, for example, by reaching more beneficiaries than planned.

Challenges

The SSNP faced several challenges, including political changes, the COVID-19 outbreak, and operational and financial management challenges. The COVID-19 outbreak limited implementation support, especially physical supervision, because of restrictions on travel and all types of logistics and operations within the country as the team was collecting data and validating the project. There was a lockdown in Sudan in November 2020, some staff members fell ill, and there were numerous other effects.

Political changes

The military takeover that took place on October 25, 2021, and political changes led the World Bank to trigger OP 7.30, and the remaining activities for which a plan was developed during previous missions could not be achieved before the closing date of December 2021.

Table 4 Sudan Social Safety Net Project Results Update

Indicator	Baseline	End Target	Actual (as of December 31, 2021)
PROJECT DEVELOPMENT OUTCOME INDICATORS			
Percentage of recertified households included in cash transfer beneficiary registry	0	100	132.8
MIS developed and operational	No	Yes	Yes
Percentage of complaints resolved using automated case management	0	60	91.8
Financial management system provided (timely) regular monitoring of cash transfers at the national and state level	No	Yes	Yes
PSN pilot launched (with beneficiaries receiving transfers) in at least one state	No	Yes	Yes
INTERMEDIATE RESULTS INDICATORS			
Recertification methodology including proxy means test developed and adopted by MoLSD	No	Yes	Yes
Number of recertified cash transfer beneficiaries submitted and endorsed by MoLSD	0	375,000	664,242
Annual payment calendar developed and endorsed by MoLSD	No	Yes	Yes
MIS developed	No	Yes	Yes
Percentage of staff trained at the state and national levels working on cash transfers	0	80	139.6
MoLSD communication and outreach campaign launched	No	Yes	Yes
Number of household heads who benefited from the PSN	0	1,000	1,000
Number of employment days generated from subprojects implemented under the PSN	0	114,000	114,000
Percentage of target PSN beneficiaries who received training in targeted states	0	60	99.3
Increase in PSN-targeted households' accessibility to livelihood activities.	No	Yes	Yes

Source: World Bank 2021.

Note: MIS = management information system; MoLSD = Ministry of Labor and Social Development; PSN = productive safety net.

Financial management challenges

The triggering of OP 7.30, which paused all transactions, caused project funds not to be disbursed fully before closure. Only 26.4 percent of funds were disbursed under the additional financing grant, TF0B2691, but all funds were committed. The SSNP has existing obligations and commitments of US\$437,566 for purchases and services delivered before the closing date.

Economic Revival and Better Governance

This pillar prioritizes critical analytical work, technical assistance, and policy dialogue on macroeconomic reforms and institutional transformation. Activities implemented under this pillar includes poverty and distributional impact analysis of economic reforms, support for domestic resource mobilization, financial sector

development, and private sector development. The pillar also supported analysis and implementation of financial and real sector reforms. In addition, activities under this pillar focused on building the government's procurement, financial, management, and implementation capacity. Support will also be provided to good governance through a series of sectoral public expenditure reviews to assess the efficiency, effectiveness, and equity of public expenditures and their adequacy and sustainability relative to Sudan's priority sectors (e.g., education, health, transport, security sector). There are two grants under this pillar.

Sudan Household Budget and Poverty Survey (P176302)

The Sudan Household Budget and Poverty Survey project is financed by a US\$2.2 million recipient-executed grant and is being implemented by the CBS³ with oversight from the MoFEP. STARS and SMPF are financing the project. The grant was approved on March 16, 2021 and became effective on June 22, 2021.

This survey will fill a major data gap in the country because Sudan does not have reliable, up-to-date information on socioeconomic conditions of the population to inform policy making. The survey will be representative at the national and state levels and will be implemented in three rounds, in line with the main seasons in Sudan. Field work was originally scheduled to start in August 2021, but significant delays in establishing the administrative process and the advisory bodies will require that the timeline be updated.

Sudan needs to update various socioeconomic surveys and censuses. There has not been a

major statistical operation since 2015, leaving the country with serious data gaps across multiple sectors. The latest population census was conducted in 2008, after which Sudan experienced several significant political and social changes, including the secession of South Sudan in 2011. For example, the Multiple Indicator Cluster Survey and the Labor Force Survey, which collect information on essential social and economic indicators, have not been conducted since 2014 and 2011, respectively. There has not been an agricultural survey or census in more than 20 years, and the latest Industrial Establishments Survey was fielded in 2003. The government of Sudan is trying to secure funding for the next Population and Housing Census and Agriculture Census. The aim is to implement these by 2023.

According to the World Bank Statistical Capacity Indicator, Sudan scored 54.44 out of 100 on statistical capacity in 2019, just below the regional average of 57.14 (World Bank 2019). The indicator assesses the capacity of the country's national statistical system in three dimensions: statistical methodology, source data, and periodicity. Lack of up-to-date data limits the ability to assess the effect of the economic crisis on the most vulnerable individuals and to design targeted, evidence-based policies. Sudan has had a high prevalence of poverty and inequality, with marked geographic disparities. According to the National Household Budget and Poverty Survey 2014/15 (CBS 2015), the most recent survey available, 36.1 percent of Sudanese residents (approximately 11.15 million) were living in poverty. At the state level, South Kordofan and West and Central Darfur had the highest incidence of poverty. Sudan has experienced severe economic and social problems since 2014/15, including the pandemic, that have most probably decreased the living standards of the population. The escalating food prices that Sudan has been experiencing since 2018 have contributed to shortages of food and fuel. Early in 2021, the country was experiencing large increases in health and transport prices. It is likely that all of this has affected people differently depending on region and socioeconomic status. Lack of

³ Established under the Statistics Act of 2003, the CBS, a semi-autonomous institution under the MoFEP with branch offices in all 18 states in Sudan, is responsible for producing national statistics; coordinating statistical work across government agencies; and implementing major statistical operations in the country, including censuses and large-scale household surveys. Specialized sectoral surveys, such as of health or industrial establishments, are usually designed and administered in collaboration with the respective ministries.

recent data limits the government's ability to direct resources to those most in need. The new household survey data will not only benefit the Sudanese government, but also provide relevant up-to-date information to guide World Bank engagement with the government.

The development objective of the project is to help the government of Sudan collect good-quality data on key socioeconomic indicators and produce provisional national-level poverty estimates to inform policy planning and monitoring. The project will produce the first round of the Household Budget and Poverty Survey, which can be used to estimate socioeconomic indicators and provide national-level poverty estimates. A new Household Budget and Poverty Survey will not only help design and implement better policies but will also be crucial to monitoring Sudan's poverty reduction strategy and the World Bank Group's twin goals of reducing poverty and boosting shared prosperity. Intermediate results indicators to show that the Household Budget and Poverty Survey is progressing towards achieving the goal include the development of questionnaires, a computer-assisted personal interview application, a dashboard for field-monitoring indicators, and data anonymization protocols.

Steering and technical committees and the PIU have been established, two technical consultants have been hired, and the designated account has been opened. The steering committee was established in a decree that the MoFEP and the Council of Ministries approved. The director general of the CBS heads the technical committee. Several technical discussions regarding survey design and questionnaires have taken place. The sampling frame has been finalized, and draft questionnaires are well advanced. Through the Sudan Poverty Analytics ASA (P174168), survey experts have been hired to support various aspects of the project now on pause.

Challenges

Multiple challenges must be addressed to deliver on this activity. The institutional capacity of the CBS is inadequate, with limited human resources

and inadequate infrastructure. Recurrent connectivity challenges coupled with slow administrative and bureaucratic processes have hindered progress significantly, which the limited experience of CBS staff with World Bank procedures magnifies. A concerted effort by the CBS to prioritize this activity allowed the project to be approved in record time, but progress stalled after project approval. Competing priorities diluted the attention and time dedicated to this activity, which strong concentration of decision making in the office of the director general further hampered.

Successful implementation of the survey will require reprioritizing this activity so that CBS staff allocate sufficient time to perform the preparatory work, a more streamlined decision-making process with greater authority on the part of the project coordinator and staffing the PIU with additional qualified personnel to support survey management. Similarly, the World Bank strengthened in-country support by hiring an additional local consultant to support the day-to-day work and an international survey manager who travelled to Sudan at critical stages of survey administration.

Sudan Poverty Monitoring and Analytics (P174168)

Through a combination of analytical activities and new data collection efforts, this activity supported numerous outputs that have enhanced evidence-based policy making and policy dialogue in Sudan. This program helped in meeting critical milestones in Sudan's reengagement process, such as the government's Poverty Reduction Strategy Paper, the Joint Staff Advisory Note, and the arrears-clearing development policy operation. The team also produced new evidence to assess the poverty and distributional impact of some economic policies and reforms as the country weathers the current economic crisis, including the sharp rise in fuel prices and the mitigating effect of the SFSP.

As the world faced the unprecedented challenges of the COVID-19 pandemic, this program financed implementation of a high-frequency phone survey that allowed the impact of the

crises on Sudanese households to be monitored and helped inform the response. This was done by collecting six rounds of data on households and two rounds on firms, covering wide-ranging topics such as employment, education, health, access to services, and COVID-19. This exercise is unprecedented in the context of Sudan, and it helped increase in-country capacity for implementation of phone surveys. Because of capacity constraints, the survey was implemented through a firm, but the CBS was involved throughout the process. The activity financed technical assistance to the CBS for preparation of the new Household Budget and Poverty Survey. Results achieved in this area include a quality review assessment of the draft questionnaires that the CBS produced, design of a nonstandard unit survey to improve consumption measurement, new drafts of survey questionnaires, documentation of the sampling frame update, and proposed sampling and field design.

The challenges faced throughout implementation of this program vary according to activity. Lack of reliable, up-to-date information on the socioeconomic conditions of the Sudanese population limited the scope and depth of most analytical outputs. Identification of policy priorities and estimation of the potential poverty impact of current policies and programs had to rely on data from 2014/15. Implementation of the high-frequency surveys through phone interviews posed some challenges. Sample selection was limited to individuals with telephones, which excluded an important segment of the population. Nonresponse and refusal increased substantially after movement restrictions were eased and respondents were back to normal life and work routines, and the increase in telecommunication fees and rising inflation made the incentives provided in phone minutes less attractive. Finally, frequent power cuts and connectivity problems slowed data collection significantly.

Implementation of the high-frequency phone survey offered a few lessons. It is essential to account for dropout of enumerators and therefore train a large pool of people who can serve as

backup. The project lost interviewers throughout the rounds, and the need to train new enumerators slowed implementation. It is recommended that questionnaires be back-translated from Arabic to English to ensure accuracy. This was done for the fifth and sixth rounds, and it helped refine the Arabic version. Finally, providing access to raw data alone is insufficient. For the data to be used and knowledge to be generated, workshops should be run on how these data can be used and what sort of analysis can be done.

Financial Sector Capacity Building (P151261 and P171371)

The project essentially serves as the platform for financial sector engagement in Sudan. As World Bank–client engagement has evolved over the years, the work performed under this project has helped build strong client dialogue and provided a solid analytical base upon which to build future operational work, including preparation of a planned project—Sudan Women and Youth Entrepreneurship. Within a challenging operating environment (e.g., political unrest, constant reshuffling of CBOS management), the project maintained a healthy policy dialogue with the CBOS, the MoFEP, and other key stakeholders.

Project activities are designed to provide technical assistance to the government to increase financial sector stability and provide financial intermediation in two main areas: *financial stability* and *financial inclusion*. In response to a request from the government, the project added an activity to increase the institutional capacity and improve the governance of the Social Security Investment Authority (SSIA).

The program's activities on *financial stability* made steady progress, albeit slower than expected. Informed by key recommendations from the Financial Sector Assessment Program, strengthening the legal and regulatory framework and enhancing CBOS's institutional capacity are priority areas of reform. Efforts to strengthen the legal and regulatory framework advanced satisfactorily, with reviews of proposed amendments

to the CBOS Act and the Banking Business Act. The World Bank is working in close collaboration with the IMF. The amendments to the CBOS Act were intended to increase the independence of the CBOS and address conflicts of interest, whereas the amendments to the Banking Business Act would ensure that the CBOS has the necessary powers and tools to manage crisis situations. Asset quality reviews funded by the European Union provided the most accurate reflection of banking sector vulnerability, including asset quality and levels of insolvency. The results of this exercise should inform any further targeted support from the World Bank on crisis management and resolution strategies, although implementation of proposed interventions and decisions for the banks following the asset quality reviews has been delayed, given current political events. Within this program, the team is helping the authorities provide the methodology to conduct a national risk assessment (NRA).⁴ The team has been supporting the NRA coordinator and eight technical groups formed to focus on specific areas and modules; the NRA methodology was presented, and Anti-Money Laundering/Combating the Financing of Terrorism stakeholders were trained in the use of the NRA tool at two virtual workshops in April and June 2021. The technical groups were collecting data to prepare the NRA report. The World Bank is ready to review the data and report and to support dissemination of the NRA findings once World Bank engagement resumes.

Regarding activities promoting financial inclusion, various diagnostic studies providing the evidence base for developing the National Financial Inclusion Strategy have been finalized. The national representative demand-side survey (fieldwork) was completed in July 2021, with the support and ownership of the CBOS and CBS. Data processing was under way before October 2021 when implementation was paused. Hence,

there will be further delays given the suspension of the engagement. Once the data are received, they can be analyzed and an accompanying report prepared and fed into development of the National Financial Inclusion Strategy.⁵ Technical support also continued to be provided in the context of payment systems development, particularly the mobile money assessment, which was part of the payment systems diagnostics. This output has been vital in supporting development of reforms in the mobile money space in recent months, particularly in changing the mobile money business model, including the recently approved supporting regulation. This is expected to unlock the potential of mobile money to expand the outreach of financial services.

In response to the request from the government to provide technical assistance to the SSIA, the World Bank conducted an institutional, governance, operational, and capacity assessment that identified areas for improvement and provided guidance for SSIA management on prioritizing areas to be addressed. The Social Insurance Diagnostic was completed and provided key recommendations regarding institutional and operational structure, internal governance, and current fund and investment management practices. After the findings were presented to the authorities in April 2021, phase two of the engagement, which focuses on technical assistance to support implementation of identified priority actions, was initiated. A training curriculum was developed in coordination with the SSIA, and initial support was provided to identify and prepare terms of reference for key SSIA staff functions. Support was also given in designing an investment strategy template, although introduction of the training curriculum has been delayed given current political events.

⁴ The NRA will identify threats and vulnerabilities and prioritize activities for enhancing the Anti-Money Laundering/Combating the Financing of Terrorism regime.

⁵ Finalization of the National Financial Inclusion Strategy will require robust stakeholder consultations and engagement with the authorities, which cannot be done under the current environment and given the World Bank's triggering of OP 7.30.

Challenges

The key challenges faced in delivering the program activities include the following:

- Political unrest that began in December 2018 and continued through August 2019 resulted in pausing of the engagement and caused unanticipated delays in completing planned activities. The more recent political development in October 2021 will affect delivery of activities under the program.
- Constant changes in CBOS management required that priorities be frequently reconfirmed with new management.
- The clients were slow to respond on some activities, such as the financial inclusion demand survey (delay in the CBOS disbursing resources committed to support this effort).
- Financial sector data were sometimes unavailable, and when they were available, there were significant delays in sharing these data and documents.
- More than 200 CBOS officials were dismissed in 2021, which decreased institutional capacity at the CBOS.
- COVID-19 restrictions prevented the World Bank team from conducting missions to Khartoum. The team leveraged audio and video connections where possible, but this workaround was not as seamless as expected, and there are challenges in sustaining the attention and engagement of the authorities on pending matters.

Sudan Energy Sector Recovery Technical Assistance (P171810)

The objective of the activity is to help the government of Sudan design and implement a comprehensive policy package for energy sector recovery. The key goal of the recovery is reform of fuel and electricity subsidies.

Fuel subsidy reform. The government announced elimination of price subsidies for gasoline and diesel in June 2021, but prices have not moved in line with international oil price movements, possibly resulting in under-recoveries

in recent months punctuated by infrequent and large price increases. The government has not begun reforming price subsidies for other fuels, such as liquefied petroleum gas and heavy fuel oil. Under the ongoing technical assistance, the World Bank has provided just-in-time advice and made presentations on international good practice, particularly in response to queries about managing oil price volatility. Once the Bank can fully reengage the government, it will offer technical assistance to help the government manage subsidy phaseout more systematically.

Electricity sector reform. The technical assistance has been supporting the government's reform of its electricity tariff, which has been one of the lowest in the world and recovered approximately 10 percent of sector operational costs. The technical assistance program provided a series of just-in-time advisories on designing the tariff reform and a sector's cost-of-service study, which the government can use as the basis for formalizing a medium-term tariff reform roadmap and associated methodologies. Based on the policy dialogue, the government implemented a significant increase in electricity tariffs between January - December 2021. It is estimated that the sector is now recovering approximately half of its operational costs. The World Bank will continue the policy dialogue on this subject once engagement is resumed.

To support government communication on broader economic reform, public opinion research was conducted in July 2021. The results of this analysis, as well as further recommendations, were shared with the government at a workshop in August 2021. Meanwhile, the team has engaged an additional communication consultant based in Sudan to coordinate with the government and team members. The team of communication consultants began developing a communication strategy for electricity sector actors. After the October 2021 military takeover, strategic communication activities were paused until further notice.

The technical assistance has informed preparation of the proposed Sudan Energy Transition and Access Project with a US\$300 million grant from the IDA to increase availability of electricity supply and access to electricity. It has also informed policy actions under the upcoming Developing Financing Operation and the HIPC, both on pause.

Strengthening Sub-National Fiscal Policy Management (P156750)

The project's development objective is to increase the efficiency and effectiveness of state-level fiscal policy management and financial accountability processes, including increasing credibility and transparency in use of public funds and reducing opportunities for corruption in

piloted states (Red Sea, River Nile, Sinnar, North Kordofan). The project was approved on August 23, 2016; became effective on June 5, 2017; and closed on September 30, 2020. It was financed through two grants totaling US\$5 million.

The critical result of the project was that it achieved some capacity development in the MoFEP and other areas of the government. The changes in the government, which also led to changes in the project management structure, affected the project implementation. It was determined that the project design was too broad and that the project would have benefited from more-targeted objectives. The project achieved 15 percent of the objective development indicators and 33 percent of the intermediate outcome indicators (table 5).

Table 5 Strengthening Sub-National Fiscal Policy Management, Results Update

Indicator (Project Indicator)	Baseline	End Target	Actual (as of October 11, 2019)
PROJECT DEVELOPMENT OUTCOME INDICATORS			
Public access to complete, reliable, timely procurement information available (PI-19-iii)	0	100	132.8
Scrutiny by state-level assemblies of annual budget increased and external audit report improved (PI-27-28)	No	Yes	Yes
Public access to key fiscal information available (PI-10)	0	60	91.8
Dependency on federal resource reduced by increasing state's own revenue mobilization (% own revenue)	No	Yes	Yes
Definition of pro-poor public spending agreed upon and applied to track budget allocation and performance of sectors and programs that reduce poverty	No	Yes	Yes
Medium-term perspective in pro-poor expenditure budget (PI-12)	0	375,000	664,242
Aggregate and composition of pro-poor compared to the out-turn compared to original approval budget (p1-1 p1-2)	No	Yes	Yes
Horizontal allocation of transfer from state government to localities determined transparently using formula base transfer system	No	Yes	Yes
State government develops and uses public investment manual to improve selection and implementation of public investment is developed and used by state government (PI-PIM)	0	80	139.6

Table 5 (CONT) Strengthening Sub-National Fiscal Policy Management, Results Update

Indicator (Project Indicator)	Baseline	End Target	Actual (as of October 11, 2019)
Effectiveness of internal audit improved (coverage of internal audit function, implementation and distribution of audit report and extent of management finding) (P26, 27, and 28)	No	Yes	Yes
Effectiveness of external audit (scope of audit, timeliness and, evidence of follow-up on audit recommendation addressed) (P1-26)	0	1,000	1,000
Percentage of staff that applied new skills for more effective use of resources to enhance budget accountability	0	60	99.3
INTERMEDIATE RESULTS INDICATORS			
Number of Ministry of Finance and Economic Planning budget units in line ministries, State Ministry of Finance, and localities staff receiving training to improve pro-poor policy-based budgeting, budget techniques, and budget analysis system processes (PI-19-iii)	0	1,500	1,000
Database system for indicators and criteria used to apply formula-base allocation developed	No	Yes	Yes
Number of staff trained on project cycle and implementation of projects, internal audit planning, and quality assurance	0	1,500	500

Source: World Bank 2021.

Challenges

The project faced the following challenges:

- Frequent changes of PIU coordinator and task team leaders disrupted implementation.
- On April 11, 2019, the World Bank paused activities in Sudan in accordance with World Bank policy and procedures, OP/BP 7.30, which lasted 5 months. The dissolution of state government organs that directly benefited from project activities (state legislative councils and other bodies) that collaborated with the project to facilitate implementation of project subcomponents (Fiscal and Financial Allocation and Monitoring Commission).
- The COVID-19 outbreak delayed project implementation and caused the cancellation of several trainings planned for 2020.

- Weak responses from certain stakeholders, which required follow-up action, delayed implementation of planned project activities, for example, training programs under the National Audit Chamber component.

To address shortcomings in implementation of the project, the World Bank team remained engaged with the PIU throughout implementation and was able to assess difficulties that arose, anticipate problems, and provide means for resolution that enabled progress toward the project development objective, although a 6-month pausing of the project due to the revolution in April 2019 and the COVID-19 pandemic handicapped the World Bank team.

Supporting Private Sector Development Agenda in Sudan for Youth Employment (P164340)

This project, launched in fiscal year 2020, builds on the previous Sudan Developing Agribusiness Small and Medium Enterprises and Integrated Agri-Parks activity, which was delivered in fiscal year 2019. The development objective is to support private sector growth to create sustainable, inclusive jobs for youth by strengthening the economy wide and sector-specific business enabling environment. The project has a grant amount of US\$750,000 from the SMPF.

This joint World Bank–International Finance Corporation (IFC) ASA, which is designed to provide strategic technical assistance and analytical support to resolve key cross-cutting and sector-specific constraints on private sector growth in Sudan to encourage economic recovery and job creation, has five components: private sector diagnostics and PPD; technical assistance to improve the investment climate and support the public-private partnership agenda; technical assistance to development of entrepreneurship and micro, small, and medium-sized enterprises; sector-specific technical assistance to support economic diversification and youth job creation; and capacity building for public and private institutions responsible for the private sector diagnostic agenda.

Project activities over the past year have centered on two areas: informing the government's reform priorities for private sector-led growth and supporting business environment reforms to create an environment conducive to domestic investment and foreign direct investment.

Informing the government's reform priorities for private sector-led growth

- **The Sudan Private Sector Diagnostic** was launched to help provide a common analytical basis to shape policy dialogue and guide transformational private investment for sustainable, inclusive growth and job creation. The private sector diagnostic study was completed in

fiscal year 2021. The diagnostics provided a synthesis of economic sectors in Sudan, private sector constraints, sector potential, and investment opportunities.

- **In-time technical assistance** was provided to support formulation of private sector development priorities in key strategic documents, including Staff-Monitored Program strategies and the poverty reduction strategy.
- **Laying the foundation to establish functioning PPD mechanisms:** As the government moves forward with important reforms to improve the business environment in Sudan, it will be vital to communicate with the private sector and take its views into account to help shape policy reforms. The project has engaged with the Sudan Business Federation to prepare a roadmap for establishing a functioning PPD mechanism to inform policy dialogue. Specifically, priority steps were outlined in initial consultations, which included mapping policy-making processes during the transition period, determining the most suitable PPD structural design, identifying private and public PPD champions, establishing a PPD secretariat, and forming sector working groups. While contribution to the goals of the transitional period and its constant evolution, the project supports gradual formation of the PPD.
- **The Sudan Enterprise Survey was launched** to collect primary data on formal and informal enterprises in Sudan to help understand the structure of and key constraints on private sector activity. The joint Development Economics—Finance, Competitiveness, and Innovation Global Practice survey is being implemented in three states in collaboration with the National Statistical Bureau and will cover small and medium enterprises in the industrial and service sectors. Analysis of the survey results will also support formation of the necessary reform agenda. The vendor was selected in May 2021, and work is under way.

Supporting business environment reforms to create an environment conducive to domestic investment and foreign direct investment

Technical assistance is used to strengthen the legal and regulatory environment. The World Bank team is working with its counterparts (various government ministry officials and development partners) to support enactment of critical laws to strengthen the legal and regulatory environment for private sector investments.

- **Public-Private Partnership Law.** The World Bank team has reviewed and provided technical feedback and support to strengthen the draft law, which was enacted in April 2021.
- **The Investment Law.** The World Bank team reviewed the draft law in May and September 2020. The law was enacted in April 2021.
- **The Company Act.** The team received a request from the Ministry of Justice to assist in reviewing the Sudan Company Act of 2015 and provide an initial business registry mapping of the Sudan Company Registrar. The team is reviewing the act, and the mapping process is under way.
- **The Trade Law and the Industrial Law.** The World Bank completed a review of the Trade Law and the Industrial Law in early 2021, is following up on the status of these two laws and is ready to review the latest versions of the draft laws when they are available.
- **The government's efforts to strengthen Sudan's public-private partnership program.** The government has requested World Bank support in strengthening the institutional, legal, and regulatory framework for the identification, selection, and implementation of public-private projects in Sudan. A legal consultant is onboard to support the Public-Private Partnership Unit to develop the regulations and provide hands-on technical assistance to unit staff. In addition, the team secured Public-Private Infrastructure Advisory Facility funding to augment capacity-building assistance to the Public-Private Partnership Unit and other relevant government entities.

The project has been supporting efforts to streamline the institutional set-up and thereby streamline private sector development reforms in Sudan. In October 2020, the World Bank received a formal request to help increase the operational and technical capacity of the newly created Investment and Private Sector Development Authority (IPSDA). The IDA mission confirmed government priorities to increase capacity at the newly created Ministry of Investment and IPSDA.

The project has also achieved some unintended outcomes:

- The project has informed the proposed IDA operations, including the Sudan Women and Youth Entrepreneurship Project which is on pause.
- The project facilitated coordination and dialogue between government entities and the private sector.
- There are strong links with other World Bank activities, including development policy operations, IFC projects, and sector-specific work (agriculture, energy, digital). The World Bank Finance, Competitiveness, and Innovation Global Practice and the IFC have jointly implemented the project in close collaboration with various teams across the World Bank, including Finance, Competitiveness, and Innovation; Agriculture; Energy; and Poverty, and IFC advisory and investment teams.

Challenges

The following challenges have been faced in implementing the project.

- Difficulty establishing a counterpart relationship amid political and institutional changes has delayed some project implementation activities. At the start of the project in February 2020, the newly created IPSDA was confirmed to be an essential counterpart for this ASA in collaboration and coordination with other public and private stakeholders, given its mandate as the single point of contact for investment and private sector development initiatives, but after the civilians formed

government, there was for some time a lack of clarity on the institutional mandates, with no clear counterparts or champions for the private sector development and business environment agenda, thus slowing some project implementation activities. The team engaged with the Ministry of Investment as the essential counterpart for this ASA and worked closely with the Ministry of Justice to review the Company Act of 2015 and the business registration process. IPSDA is still not in operation, with no civil servants in place.

- Institutional capacity is limited at the technical level at the MoFEP, Ministry of Investment, and relevant line ministries. Furthermore, key senior counterparts are severely overstretched because they have many competing priorities. As a result, the World Bank team has recognized the importance of capacity-building technical assistance and the need to sequence and prioritize interventions under the project.
- The institutional set-up for implementing economic reforms is complex and multilayered. Several economic sector committees and a technical economic committee are in place. Although it is important to engage the public and private sectors, the reform efforts must be jointly undertaken with the PPD interventions to support a structured, sustainable mechanism for future economywide and sector-related reforms. Furthermore, the cross-cutting nature of many of the private sector development challenges increases the complexity of coordination and a need for clear champions.
- Data on the private sector are generally dated or unavailable in Sudan. The project supported efforts to resolve this dearth of information, especially through the new enterprise survey, but much more must be done.
- Because the missions were suspended because of COVID-19 restrictions, the team was unable to provide on-the-ground capacity-building and training activities and conduct face-to-face meetings with counterparts and World Bank technical experts. To overcome these challenges, the team has leveraged

audio and video connections with Khartoum and has deployed a full-time consultant in Khartoum to help maintain momentum on implementation activities.

Lessons learned

The following key lessons were learned from implementing the project.

- Although the political, institutional, and economic situation in Sudan continues to evolve, a pragmatic approach to project implementation called for flexibility to allow adjustments in consultation with government counterparts and development partners.
- Priority activities under the project have been identified and adjusted in close coordination with government counterparts to respond to evolving country needs, changing political environment, and capacity at key institutions.
- It is critical to have team members on the ground for face-to-face follow-up with public and private sector counterparts to ensure momentum, quick problem solving, and coordination, especially in the context of COVID-19.
- It is also critical to coordinate with other development partners to avoid overlap and build on each other's work. It would be helpful to set up a donor coordination group focused on private sector development.

Peacebuilding, Resilience, and Basic Services

The key focus of this pillar is to address the long-standing division between the center (cities and towns and the periphery (rural states), with a focus on extending support to conflict-affected states. Even if small in value, such interventions are an important signal to people in conflict-affected areas and could provide ways to move forward with development interventions in basic service delivery, livelihoods, and social inclusion, making use where possible of community-driven development. The goal of these interventions is

to mitigate community-level drivers of conflict and move from a humanitarian approach to a developmental and national systems-building approach. Activities include building human capital, basic service delivery, agricultural and natural resource management, reintegration of ex-combatants, and socioeconomic inclusion of displaced populations. Promoting inclusion of marginalized groups such as women and youth as agents of change on a local level is a priority.

Although STARS has not financed any activities in this pillar, ongoing activities financed under the SMPF continue to contribute to achievement of STARS objective. These include the SLDP: Phase 2 (P158066), Supporting Dialogue on Responses to Forced Displacement and Citizen Engagement (P173359), and Education Development Technical Assistance (P172292).

SLDP: Phase 2 (P158066)

Phase two of the SLDP builds on the first phase, which was implemented in Kassala State. Phase one piloted a community-driven development approach of organizing communities and helping them plan and deliver livelihood opportunities through intensive community mobilization, facilitated entrepreneurial and vocational training, and in-kind grants to beneficiaries.

The development objective of phase two was to increase the capacity of local stakeholders, including state authorities, IDPs, and vulnerable

host communities, to improve their livelihoods and natural resource management practices.

The project, which was approved on July 19, 2016, received financing of US\$4.43 million and was closed on January 31, 2021. The following results have been achieved to date under this project.

- In Kassala and Khartoum 2,847 youth entrepreneurs received support from the US\$500,000 additional financing provided to the project.
- Eight hundred twenty-nine youth beneficiaries (77 percent female) received skills and entrepreneurship training in various areas, including small machine and air conditioning maintenance, tailoring and sewing, laboratory assistantship, basic ICT, home cultivation, and stabilized solid block (construction blocks) production.
- Two thousand fifty-five starter packs, including 1,390 home cultivation seeds and equipment, were provided to youth beneficiaries (84 percent female).
- Partnerships were established with various technical and financial partners to expand the impact of the additional financing.

Progress made toward achievement of the development objective was rated as satisfactory. Outcomes are presented in table 6, which shows that the project achieved 71 percent of its development objective outcome indicators and 72 percent of its intermediate results indicators.

Table 6 Sustainable Livelihoods for Displaced and Vulnerable Communities
Project Eastern Sudan: Phase 2, Results Update

Indicator	Baseline	End Target	Actual
PROJECT DEVELOPMENT OUTCOME INDICATORS			
Number of direct project beneficiaries	0	41,000	57,081
Percentage of female beneficiaries	0	50	41
Percentage of targeted staff in local agencies with greater understanding of and capacity for development planning and implementation targeting IDP, host, and vulnerable communities	0	60	83
Percentage of beneficiaries in IDP and host communities reporting understanding of linkages between improved natural resource management practices and sustainable livelihoods	0	50	80
Number of small projects IDPs and host communities successfully implemented and managed	0	30	33
Number of beneficiaries with increased access to livelihood opportunities (percentage female)	0 (0)	3,850 (50)	5,089 (50)
INTERMEDIATE RESULTS INDICATORS			
Number of staff in local agencies trained in and obtained additional skills through capacity-building initiatives that the project delivered	0	280	304
Number of beneficiaries in IDP and host communities who received training through capacity-building initiatives that the project delivered	0	10,000	17,195
Number of analytical outputs and workshops produced with programmatic relevance to project thematic areas	0	5	5
Number of community environmental action plans and operations manuals developed for small projects	0	40	47
Number of communities making required cash and in-kind contributions to small project implementation	0	10	10
Number of beneficiaries in IDP and host communities who participated in community environmental action planning and small project implementation (percentage female or youth)	0 (0)	10,000 (50)	16,705 (65)
Number of livelihood enhancement goods and tools delivered to target beneficiaries through tripartite procurement mechanism	0	100	100
Number of beneficiaries who received livelihood grants and skills training	0	2,350	3,531
Ratio of beneficiaries who received livelihood support through benefits exceeded those who received in-kind livelihood grant	0	10.0	3.4
Percentage of beneficiaries of livelihood support reporting net increase in income	0	60	81.5

Source: World Bank Group 2020.

Note: IDP = internally displaced person.

In addition, the project had some unintended positive outcomes.

- With the additional financing that STARS provided, the project exceeded its target for female entrepreneurs, with more than 70 per cent female beneficiaries.
- Despite the small size of grant financing, employment opportunities were explored and created, including new areas of entrepreneurship support, in partnership with financial and technical partners.

Implementation of the project faced multiple challenges, including political instability, natural disasters, diseases, the COVID-19 pandemic, and the economic crisis.

Lessons learned

Two key lessons have been learned.

1. Using technical service providers with strong local knowledge increases the efficiency of implementation. The project used specialized service providers that increased the project coordinating unit's capacity.
2. Increasing participation of women and youth in project activities requires specific measures that go beyond creating space for participatory platforms.

Supporting Dialogue on Responses to Forced Displacement and Citizen Engagement (P173359)

The project's development objective was to help strengthen the government's response to displacement, livelihood, and citizen engagement challenges. The project, which was completed on April 7, 2021, had a grant of US\$200,000.

Results

The project achieved three key results:

- *Planning and mainstreaming of citizen engagement in Sudan portfolio.* The task team undertook an internal analysis of citizen engagement in the Sudan portfolio (December 2020 and February 2021) to take stock of approaches

and identify areas that may be supported to enhance citizen engagement.

- *The Sudan Forced Displacement Background Paper* was prepared as an internal document and with the World Bank country management and Fragility, Conflict, and Violence teams. The paper reviews the situation of IDPs, refugees, and host communities in Sudan to inform development of strategies and operations to support social and economic inclusion of IDP and host communities.
- *Coordination on citizen engagement, including support to development of a citizen engagement strategy concept note.* A series of consultations were held with other World Bank task teams, external partners, and the government. Because of the challenging operating context, this task could not be fully implemented and was canceled during implementation.

Challenges

The project faced several challenges

- It was not possible to identify a citizen engagement focal point in the government to coordinate across the government and take the proposed activity forward.
- Ministries were occupied with urgent matters and reforms.
- There was no coherent approach in the government to developing and implementing a citizen engagement strategy.

Lessons learned

The following lessons were learned.

- Availability, identification, and nurturing of a citizen engagement champion or government team is key to ensuring government ownership and preparing an efficient approach. Such a national champion may set good practice examples that their peers will follow, convene meetings easily with civil society and other partners, and function as the national focal point to ensure sustained dialogue on citizen engagement during preparation of a strategy.
- Citizen engagement is often seen as a complaint mechanism or communications tool,

and sensitization is required to communicate the constructive, positive aspects of citizen engagement (e.g., community engagement and monitoring, consultations with various stakeholders, participatory planning).

- Quick wins that showcase the importance of citizen engagement and promote national buy-in should be identified at the outset of similar activities.

Sudan Education Development ASA (P172292)

The purpose of the Education Development ASA was to support the transitional government of Sudan in addressing short- and medium-term education challenges. Specifically, the activities are designed to build the capacity of education leaders at the federal and state levels to enable them to undertake transformative reforms in the education sector and to support development of policy priorities across education subsectors. The ASA had two outcomes:

- Capacity building and identification of education reform through the Sudan International Education Conference
- Evidence-based policy recommendations for the education sector through preparation of a set of policy notes

The capacity-building and identification of education-reform initiative commenced with a conference with Sudanese education leaders and stakeholders that included sessions in nine thematic areas that cover key domains within the basic education sector. The experts also facilitated thematic discussions with relevant Sudanese education stakeholders to discuss the challenges in each of these areas. There was a subsequent conference with education officials to highlight international experiences in higher education and discuss key challenges and opportunities for Sudanese universities. Based on the priority areas for reform identified during the conference, a set of six evidence-based policy notes were prepared to provide short- and medium-term policy recommendations for the education sector to the government of Sudan. The notes covered

curriculum and learning assessment, teachers and school leaders, school construction, ICT in education, institutional reforms of the Federal Ministry of Education, and higher education.

The draft versions of the notes were shared with the government of Sudan for feedback, but because of the COVID-19 pandemic, formal consultations could not be held. The government has already taken some recommendations from the notes into consideration in its reform efforts. The project closed successfully on March 31, 2021.

Crisis Response

The primary objective of the crisis response pillar is to enable Sudan to respond to crises with a development response complementary to humanitarian assistance. These crises include major natural disasters, public health emergencies, and epidemics, and the responses are designed to restore livelihoods and return to the country's long-term development path. The COVID-19 pandemic and the locust invasion in East Africa are examples of such crises. Activities under this pillar are primarily recipient executed. The pillar currently has two grants, both of which finance the Sudan CERP.

Sudan COVID-19 Emergency Support Response Project (P174352)

CERP was approved on September 30, 2020; became effective on December 7, 2020, with a grant amount of US\$22 million, of which US\$15.5 million is a grant from STARS and US\$6.5 million is a grant from the Health Emergency Preparedness and Response Trust Fund; and will close on December 31, 2022. CERP is the main instrument for crisis response and economic revival under STARS. The development objective is to prevent, detect, and respond to the threat that COVID-19 poses and strengthen national systems for public health preparedness.

Additional financing of US\$100 million from an IDA grant was provided to the CERP and supports



expansion of CERP activities, enabling affordable, equitable access to COVID-19 vaccines and strengthening preparedness and response activities in Sudan. A US\$0.9 million grant from the Energy Sector Management Assistance Program Trust Fund to facilitate COVID-19 cold chain development and solarization of cold storage facilities will provide co-financing to the US\$100 million IDA grant. Provision of additional financing is an example of the success of the current phase of implementation.

The government has established a high-level emergency committee to oversee operations to address the COVID-19 pandemic. According to the Multihazard Emergency Health Preparedness Plan that the government prepared with guidance from the World Health Organization, approximately US\$230 million is needed to address COVID-19-related health care. The domestic private sector has pledged to contribute US\$2 million to help the government. The government reallocated US\$3 million, and the United Nations and other international partners are expected to contribute US\$9 million. The U.S. government has announced a grant of US\$8 million, and the European Union announced a support package of €70 million. The Islamic Development Bank is expected to contribute US\$35 million to Sudan.

CERP has recipient- and bank-executed activities. The recipient-executed activities are implemented across all 18 states in Sudan but with a particular focus on South Darfur, North Kurdofan, Al Gedarif, Al Gezira, and West Darfur. The Federal Ministry of Health (FMoH) is implementing the activities currently planned for 2 years. The recipient-executed activities are designed to fill critical gaps in implementing evidence-based interventions such as point-of-entry interventions (activities at the border posts to prevent further COVID transmission and management). These interventions may include activities to promote leadership and coordination in COVID management, risk communication and community engagement, national laboratories, infection prevention and control, case management and gender-sensitive isolation, and operational support and logistics. Filling gaps in these areas will immediately increase local capacity to respond to and address current COVID-19 challenges in a timely manner while working within the country's existing systems and providing technical assistance as needed for local health institutions at the federal and state levels. Table 7 highlights progress made toward achievement of the project development objective indicators.

Table 7 Sudan COVID-19 Emergency Support Response Project Results Update

Project Development Objective Indicator	Baseline	End Target	Actual (As of December 31, 2021)
Percentage of reported suspected cases of COVID-19 investigated based on national guidelines	0	80	100
Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents	0	6	6
Percentage of designated health care facilities with isolation capacity	8	100	100
Percentage of priority population vaccinated based on targets defined in national plan, disaggregated according to gender	5	60	6.1 ^a
Number of health care workers trained in infection prevention and control	0	1,000	94 (9.4%): 34 male, 60 female
Number of laboratory staff trained to diagnose COVID-19	0	80	55 (68.7%): 30 male, 25 female
Number of people reached with awareness campaign messages on COVID-19 prevention and vaccination	0	20,000,000	6,317,813 (31%)
Number of people reached with awareness campaign messages on COVID-19 prevention and vaccination	0	90	89.9
Percentage of targeted health care facilities with clinical capacity for COVID-19 patients	0	25	0
Number of solar direct drive refrigerators purchased and installed in health care facilities	No	Yes	Yes
Microplans developed and costed for COVID-19 vaccine deployment?	No	Yes	No
Standard operating procedures or guidelines updated for collection and disposal of medical waste for COVID-19?	No	Yes	Partially
Measurement and evaluation system established to monitor COVID-19 preparedness and response plan?	0	60	0
Percentage of patients or their caretakers satisfied with treatment received for COVID-19	0	60	0
Percentage of grievances addressed within time specified in project implementation manual	0	10.0	3.4

Source: Government of Sudan. 2021.

a. The goal of the updated National Vaccines Deployment Plan move from prioritized targets (health care workers, individuals aged 45–60 with comorbidity, individuals aged 60 and older) to the general population is to achieve 20% by mid-2022 and 40% by end of 2022. The current reporting system does not provide detailed data on vaccination of each target group. The Project Implementation Unit is working with the expanded program on immunization to improve the quality of data and the monitoring and evaluation system to ensure quality and timely reporting.

Challenges

The key challenges faced in implementation of CERP fall into three categories:

1. System-related challenges

- Weak coordination within and between levels of the health system.
- Lack of comprehensive oversight and monitoring of overall response activities.
- High leadership turnover.
- Limited human resource capacity at different implementation levels.
- Weak tracking and reporting system.
- Fragmented supply and distribution system.
- Weak financial management capacity at FMoH.

2. Contextual challenges

- Insufficient compliance of the public with COVID-19 safety and precautionary measures.
- High inflation rate, power outages, fuel shortages, limited Internet connectivity
- COVID-19 pandemic

3. Operational challenges

- Filling vacant project management unit positions
- Slow implementation of work plan activities (e.g., soft activities: training, supervision)
- Unmotivated public staff: The significant devaluation of the Sudanese pound relative to the U.S. dollar reduced salaries of public sector staff and increased the risk of a brain drain from the FMoH. To mitigate this risk and maintain staff morale, the MoFEP and FMoH requested the World Bank's extensive support for institutional capacity building through knowledge transfers from other countries and customized courses and certificate programs for key staff to enhance their capacity and encourage better performance. In addition, a project monitoring visit conducted in May 2021 in Gedaref State found low turnout of health care staff for vaccination.
- Shifting the focus to outcomes rather than inputs

- Provision of implementation support documents (technical reports, financial documents)
- Security and accessibility in selected areas

Overall Lessons Learned

- It is crucial to have a strong commitment from the client, and this commitment should be manifested in prioritization of projects in day-to-day activities to ensure timely implementation of projects.
- There must be concrete deadlines and clear milestones to maintain progress. At the same time, it is important to include some flexibility to account for delays, which are bound to happen.
- It is necessary to allocate substantial human and monetary resources to provide ongoing hands-on support.
- It is imperative to have local staff on the team who can intervene in person to expedite processes and facilitate communications when a language barrier is encountered. It is also critical to have team members on the ground for face-to-face follow-up with public and private sector counterparts to maintain momentum and ensure quick problem solving and coordination, especially in the context of COVID-19.
- Using technical service providers with strong local knowledge increases the efficiency of implementation.
- In conducting surveys, it is essential to account for potential dropout of enumerators and therefore train a large pool of people who can serve as backups.
- When conducting surveys and research, it is recommended that questionnaires be back-translated from Arabic to English to ensure accuracy.
- Providing stakeholders with access to raw data from surveys is insufficient. For the data to be used and knowledge to be generated, workshops should be run on how these data can be used and what sort of analysis can be done.

- Although the political, institutional, and economic situation in Sudan continues to evolve, a pragmatic approach to project implementation calls for flexibility to allow for adjustments in consultation with government counterparts and development partners.
- It is also critical to coordinate with other development partners to avoid overlap and build on each other's work. It would be helpful to set up donor coordination platforms.
- Increasing the participation of women and youth in project activities requires specific measures that go beyond creating space for participatory platforms. Availability, identification and nurturing of citizen engagement champions or government team is critical to ensuring government ownership and continuity of activities. Such national champions may set good practice examples that their peers will follow. They could convene meetings easily with civil society and other partners and function as the national focal point to ensure

sustained dialogue on citizen engagement while preparing a strategy. Citizen engagement is often seen as a complaint-handling mechanism or communications tool, and sensitization is required to communicate its constructive and positive aspects (e.g., community engagement and monitoring, consultations with stakeholders, participatory planning).

Way Forward

All projects under the STARS Trust Fund are on pause as the World Bank continues to monitor the situation. The STARS secretariat is participating in discussions on scenario planning and alternative measures of providing direct support to the Sudanese people. Should the World Bank resume activities, the STARS secretariat will engage in strategic discussions with partners on supporting catalytic analytical work in support of HIPC completion point to support debt relief and IDA operations.



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Appendix A. Results Framework

Table A1 Sudan Transition and Recovery Support Results Framework

SUDAN TRANSITION AND RECOVERY SUPPORT TRUST FUND

Development objective: Support government of Sudan's economic and peacebuilding transition and build country delivery systems, including for crisis response.

Pillar 1: SOCIAL PROTECTION					
Describe outcome 1: Enhanced access to social protection					
	Unit of measure	Baseline	End target	Actual (as of December 31, 2021)	Definition/Description
OUTCOME 1 INDICATORS					
Indicator 1.1: Increased access to social protection project services	Percentage	0	50	22	Number of individual beneficiaries covered by social protection projects or other projects that the World Bank supports. Projects are designed to provide assistance (in-kind or cash) to families or individuals, including those who need help to manage the consequences of the economic reforms or other shocks.
Indicator 1.2: Increased access to receiving cash or income support	Number	0	2,000,000	1,484,474.00	Number of households receiving cash or income support from World Bank-financed projects
Indicator 1.3: Increased number of states implementing social protection programs	Number	0	14	14	Number of states that SFSP or other projects that the World Bank supports cover
Indicator 1.4: Increased poverty-related expenditures	Yes/No	No	Yes	Yes	Improved expenditure management system, which increases the opportunity to direct more spending to priority "poverty-reduction" sectors
Indicator 1.5: Strengthened targeting and payment systems	Yes/No	No	Yes	Yes	
INTERMEDIATE RESULTS INDICATORS					
Indicator 1.6: Percentage of families headed by women receiving cash or income support	Percentage	0	2.4	34.6	Direct female beneficiaries who benefited from the SFSP program

Indicator 1.7: Functional national registry platform	Yes/No	No	Yes	- Memorandum of understanding signed with Ministry of the Interior to upgrade NCR systems - Responsibility of NCR is to increase number of Sudanese with national identification number by at least 5 million over the course of SFSP Work plan and budget developed to provide NCR with necessary equipment to facilitate registration and mobile registration units	NCR platform that functions across the country receives support to expand coverage of SFSP
Indicator 1.8: Average number of days for funds to reach beneficiary accounts	Days	0	15	45	How long it takes to transfer funds from central account to beneficiaries' digital accounts.
Indicator 1.9: Percentage of recertified households included in cash transfer beneficiary registry	Percentage	0	100	132.8	Number of households selected and registered as eligible for cash transfer support
Indicator 1.10: Increase in accessibility to livelihood services	Yes/No	No	Yes	Yes	Impact of project's technical assistance on accessibility of livelihood services, including other livelihood support activities, to PSN beneficiaries (according to beneficiary perception survey)
Pillar 2: ECONOMIC REVIVAL AND BETTER GOVERNANCE					
Describe outcome 2: Improved macroeconomic performance and enhanced transparency and accountability in government institutions					
	Unit of measure	Baseline	End target	Actual (as of December 31, 2021)	Definition/Description
OUTCOME 2 INDICATORS					
Indicator 2.1: Transparency and accountability of public institutions enhanced	Yes/No	No	Yes		Informing stakeholders in a timely manner about the activities to be implemented and the governance and feedback mechanisms.
Indicator 2.2: Recommended policies, programs, and reforms to support macroeconomic revival adopted	Yes/No	No	Yes		Implementing suggested best course of actions and restructures to support renewal of microeconomic allocations and interactions
Indicator 2.3: Quality of laws promoting access to financial services improved	Yes/No	No	Yes		Improving value of laws in terms of contracts ruling the financial procedures to serve its target efficiently and more widely
Indicator 2.4: Access to financial services increased	Yes/No	No	Yes		Number of individuals and families who have received trainings and linked to microfinance institutions

Table A1 (CONT) Sudan Transition and Recovery Support Results Framework

Pillar 2: ECONOMIC REVIVAL AND BETTER GOVERNANCE Describe outcome 2: Improved macroeconomic performance and enhanced transparency and accountability in government institutions					
Unit of measure	Baseline	End target	Actual (as of December 31, 2021)	Definition/Description	
INTERMEDIATE RESULTS INDICATORS					
Indicator 2.5: National data protection and privacy law	No	Yes		National data protection and privacy law submitted to governing council	
Indicator 2.6: Legal, regulatory, and supervisory framework reviewed	No	Yes		Final revision for framework needed before being adopted	
Indicator 2.7: National financial inclusion strategy finalized	No	Yes		Strategy in its final form ready to be executed	
Pillar 3: PEACEBUILDING, RESILIENCE, AND BASIC SERVICES Describe outcome 3: Strengthened resilience and improved access to basic services					
OUTCOME 3 INDICATORS					
Indicator 3.1: Percentage of people with access to improved basic services package	0	TBD		Cumulative percentage of people who benefited from improved basic services that have been constructed or provided under the projects	
Indicator 3.2: Access to employment opportunities created by projects	0	1,000		Cumulative percentage of people who benefited from improved work environment and opportunities	
Indicator 3.3: Number of activities supporting peacebuilding and resilience	0	TBD		Activities implemented by projects supporting peacebuilding and resilience	
Indicator 3.4: Better livelihoods for women	0	No		Number of women who received livelihood support	
INTERMEDIATE RESULTS INDICATORS					
Indicator 3.5: Number of beneficiaries who have received livelihood assets and skills training	0	850	1,278	Number of beneficiaries who have received livelihood assets and skills training	
Indicator 3.6: Number of households reached through basic service delivery mechanisms	0	TBD		Households reached through different mechanism of basic services	
Indicator 3.7: Number of activities that incorporate risk and resilience factors	0	TBD		Activities designed and implemented based on knowledge of risk and resilience	

Pillar 4: CRISIS RESPONSE					
Describe outcome 4: Effective response emergencies in support to Sudanese development efforts					
	Unit of measure	Baseline	End target	Actual (as of December 31, 2021)	Definition/Description
OUTCOME 4 INDICATORS					
Indicator 4.1: Increased access to emergency response intervention	Percentage	TBD	TBD		Availability of more procedures that can mitigate impact of unexpected occurrences
Indicator 4.2: Strengthened crisis management and communication mechanisms	Percentage	TBD	TBD		Reinforcement of proper handling of information collection and processing to address a crisis situation
Indicator 4.3: Increased access to emergency response intervention	Percentage	TBD	TBD		
INTERMEDIATE RESULTS INDICATORS					
Indicator 4.4: Health staff trained in infection prevention and control (disaggregated)	Number	0	1,000	94 (9.4%): 34 male, 60 female	Health staff receiving infection prevention and control training that follows World Health Organization evidence-based practices and protocols, disaggregated according to gender
Indicator 4.5: Beneficiaries reached through emergency operations	Number	0	20,000,000	6,317,813 (31%)	Number of beneficiaries approached by any emergency preparedness or management services
Indicator 4.6: Crisis management plan and communication strategy developed	Yes/No	No	Yes		Functional crisis plan and effective crisis communication
Indicator 4.7: Percentage of targeted healthcare facilities with clinical capacity for COVID-19 patients	Percentage	8	100	100	Number of patients testing positive for COVID-19 or their care takers (if deceased) who are satisfied with the treatment received divided by number of patients testing positive for COVID-19

Source: World Bank, 2020

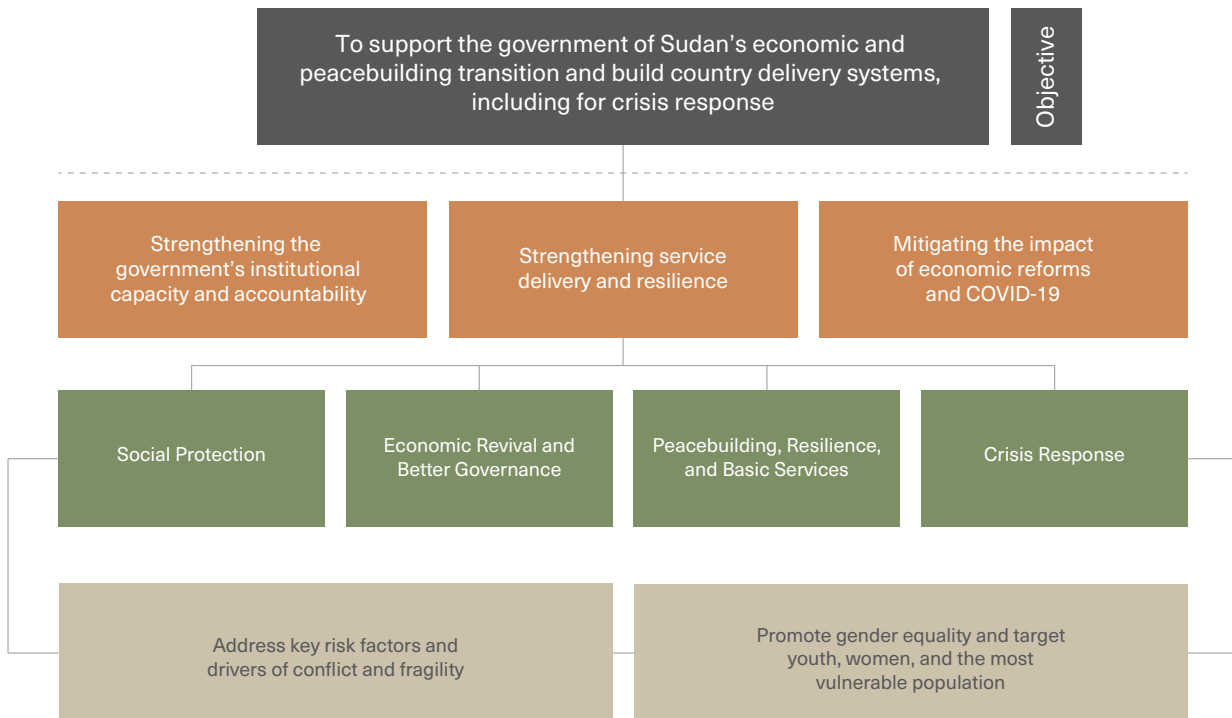
Note: MoFEP = Ministry of Finance and Economic Planning; NCR = National Civil Registry; PSN = productive safety net; SFSP = Sudan Family Support Program; TBD = to be determined.

Appendix B. Results Monitoring Plan

The Sudan Transition and Recovery Support Trust Fund (STARS) results framework (figure B.1) serves as a tool for strategic portfolio management, showing how projects contribute to STARS or fund-level strategic objectives. The framework aims to enhance coordination, encourage

programmatic complementarities across the portfolio, and inform dialogue between government and development partners through regular reporting on development results. This appendix describes how STARS results and performance are assessed and reported.

Figure B1 Sudan Transition and Recovery Support Strategic Framework



Phased Approach to Monitoring Results

This results framework is used to track projects under STARS that contribute to achievement of the objectives of the Sudan Country Engagement Note. It is continuously adapted to meet the needs of an evolving portfolio. STARS activities focus on four thematic pillars and two cross-cutting sectors (figure B.2).

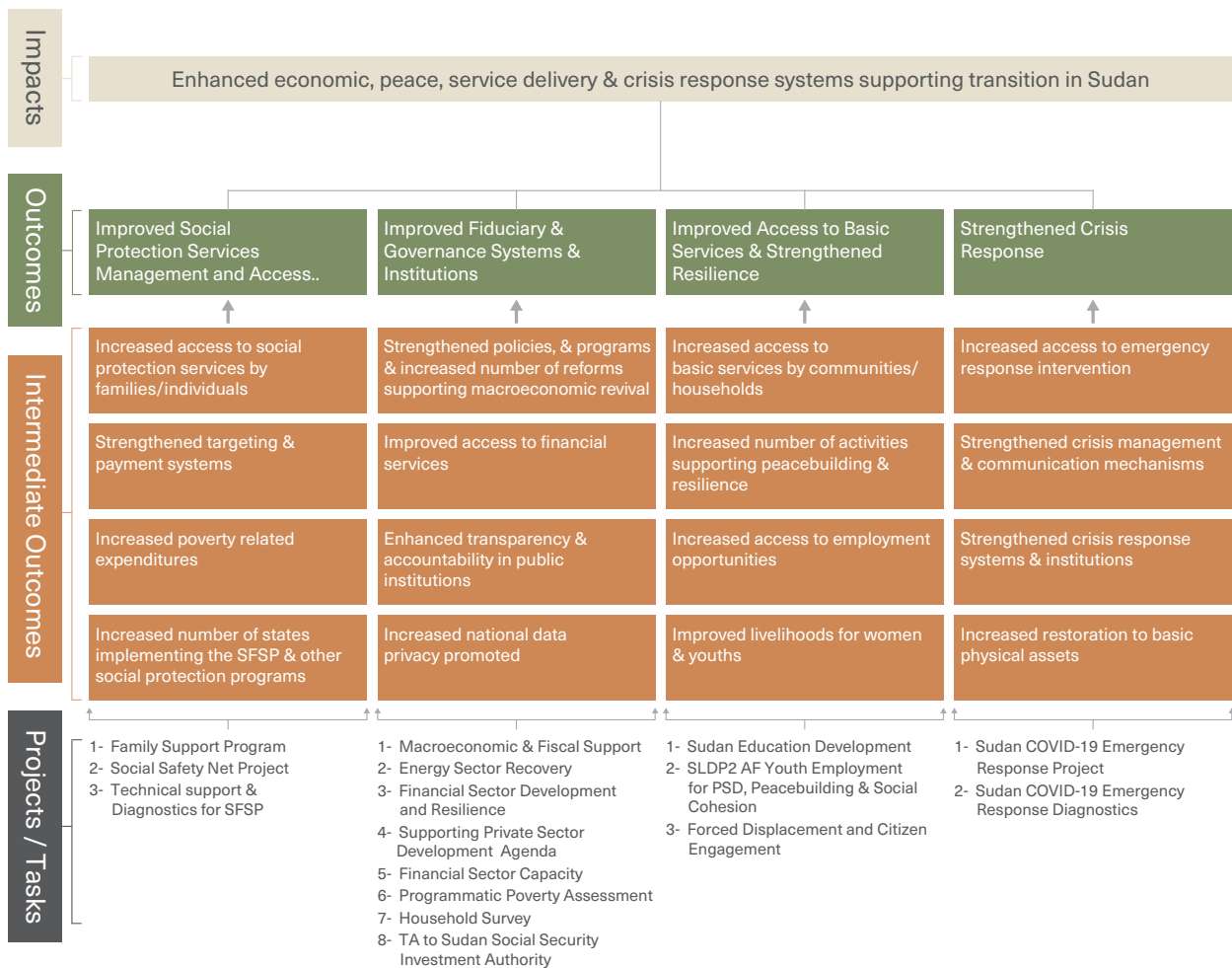
Source: World Bank.

Integrated Framework for Assessing Results

The STARS results framework is structured around fund-level results. Results are measured according to output and outcome indicators informed by project-level monitoring. This framework complement but not replace project-level monitoring frameworks. Projects within the portfolio are monitored and evaluated with the rigor and high standards applied to all World Bank projects.⁶

⁶ The monitoring framework provides an overview of World Bank measurement and evaluation procedures at the project level to inform government and donors of standard practices.

Figure B2 Theory of Change: Sudan Transition and Recovery Support



Project-Level Monitoring

Each project is monitored by the project implementation unit and the state implementation units' follow-up (table B.1). The monitoring and evaluation function is crucial for managing and reporting on the project performance by collecting, analyzing, assimilating, and providing conclusive information for management efficiency and decision making. The monitoring and evaluation role also helps reporting on project performance and results to the financiers. The results at different levels (impacts, outcomes, outputs, activities, inputs) provide a reliable source of accountability and informed decision making.

Project results frameworks track the progress of the key results indicators of project development

objectives, aggregated according to sector. Selected indicators from each project's results framework are also reported in the STARS results framework, which focuses on monitoring and reporting. Data are collected at the level of outputs (direct deliverables of the activities) and outcomes, which validates the data that have been collected through different means (field visits, states' reports, mid-term evaluations, process evaluation, beneficiary assessment, impact evaluation).

Data collection tools are developed for each project to deliver the information needed to track the project's progress and achievement. The tools are standard for each project, and data are collected regularly. Data is collected according to the results framework to facilitate monitoring of indicators.

Table B1 Monitoring and Evaluation Protocol

Indicator Name	Definition/Description	Frequency	Data source	Methodology for Data Collection	Responsibility for Data Collection
PILLAR 1: SOCIAL PROTECTION					
Increased access to social protection project	Number of individual beneficiaries that SFSP or other projects that the World Bank supports cover. Projects are designed to provide cash to families or individuals, including those who need help addressing consequences of economic reforms or other shocks. The SFSP will reach 2,000,000 families in four states; the Social Safety Net Project has already reached 1,000 in phase one. The target is 50% of 5,000,000 families in 18 states.	Annually	SFSP database, MIS reporting, PSP database, PSP reconciliation reports	SFSP delivery system, available data from SFSP MIS, PSP databases	MoF/Digital Transformation Agency PMU
Increased access to cash or income support	Number of households receiving cash or income support from SFSP	Quarterly	SFSP database, MIS reporting, PSP database, PSP reconciliation reports	SFSP delivery system, available data from SFSP MIS, PSP databases	MoF/Digital Transformation Agency PMU
Increased number of states implementing social protection programs	Number of states covered by SFSP or other projects that World Bank supports	Quarterly	SFSP database, MIS reporting, PSP database, PSP reconciliation reports	SFSP delivery system, available data from SFSP, PSP databases	MoF/Digital Transformation Agency PMU
Increased poverty-related expenditures	Improved expenditure management system, which provides an opportunity to direct more spending to the highest-priority poverty-reduction sectors	Annually	PCU, M&E reports, MoFEP reports, Poverty Reduction Strategy Paper	Regular monitoring	PCU of MoFEP
Strengthened targeting and payment systems	Recertify eligibility of all households included in the cash transfer 2010 registry (500,000 households)	Annually	PCU, M&E reports/proxy means test	Regular monitoring	PCU
Percentage of female-headed households receiving cash or income support	Direct female beneficiaries who benefited from SFSP	Quarterly	SFSP database, MIS reporting, PSP database, PSP reconciliation reports	SFSP delivery system, available data from SFSP MIS and PSP databases	MoF/Digital Transformation Agency PMU
Functional national registry platform	National registry platform that functions across the country and receives support to expand coverage of SFSP	Twice during project life	Regular M&E and registry data	Regular monitoring.	PIU/DEA

Indicator Name	Definition/Description	Frequency	Data source	Methodology for Data Collection	Responsibility for Data Collection
Average number of days for funds to reach beneficiary accounts	How long fund transfers take from central account to beneficiaries' digital accounts. The program has the objective of delivering benefits from the central account of MoFEP to beneficiaries within 15 days.	Quarterly	SFSP database, MIS reporting, PSP database, PSP reconciliation reports	SFSP delivery system, available data from SFSP MIS, PSP databases	Program office at MoFEP and PSPs
Percentage of recertified households included in cash transfer beneficiary registry	Recertify eligibility of 15% of households included in cash transfer 2010 registry (75,000 of 500,000 households). End target was revised after provision of additional finance to cover all 500,000 households included in cash transfer registry.	Annually	PCU, M&E reports/proxy means test	Regular monitoring	PCU
Increase in productive safety net-targeted household accessibility to livelihood services	Impact of project's technical assistance on accessibility of livelihood services to productive safety net beneficiaries, including financial institutions and other livelihood support activities, using beneficiary perception survey	Annually	PCU, M&E reports/proxy means test	Regular monitoring	PCU
PILLAR 2: ECONOMIC REVIVAL AND BETTER GOVERNANCE					
Enhanced transparency and accountability of public institutions	Timely inform stakeholders on the activities and governance arrangements and feedback mechanisms.	Annually	Financial management, MoFEP, World Bank, and IMF reports	Regular monitoring	Project team
Recommended policies, programs, and reforms to support macroeconomic revival adopted	Review/design and implement policies and programs that support macroeconomic reforms.	Annually	Financial management, MoFEP, World Bank, and IMF reports	Regular monitoring	Project team
Quality improvement of laws promoting access to financial services	Comprehensive and updated laws on access to financial services, including contracts, and financial procedures to serve clients efficiently.	Annually	Financial management, MoFEP, World Bank, and IMF reports	Regular monitoring	Project team
Increased access to financial services	Number of individuals and families that have received training and are linked to microfinance institutions	Annually	Financial management, MoFEP, World Bank, and IMF reports	Regular monitoring	Project team
National data protection and privacy law	National data protection and privacy law submitted to governing council	Annual	Progress reports	Regular monitoring	Program office at MoFEP and PSPs
Legal, regulatory, and supervisory framework reviewed	Final revision needed for framework before being adopted	Annual	World Bank reports	Regular monitoring	World Bank team
National financial inclusion strategy finalized	Strategy in its final form ready to be executed	Annual	World Bank reports	Regular monitoring	World Bank team

Table B1 (CONT) Monitoring and Evaluation Protocol

Indicator Name	Definition/Description	Frequency	Data source	Methodology for Data Collection	Responsibility for Data Collection
PILLAR 3: PEACEBUILDING, RESILIENCE, AND BASIC SERVICES					
Percentage of people with access to improved basic services package	Cumulative percentage of people who benefited from improved basic services that have been constructed or provided under the projects. It is expected that the baseline value for this indicator will be zero.	Quarterly	PIU and PCU reports	Regular monitoring	Project team
Increased access to employment opportunities that project has created	Cumulative percentage of people who benefited from improved work environment and opportunities	Quarterly	PIU and PCU reports	Regular monitoring	Project team
Increased number of activities supporting peacebuilding and resilience		Quarterly	PIU and PCU reports	Regular monitoring	Project team
Improved livelihood for women	Number of women receiving livelihood support	Quarterly	PIU and PCU reports	Regular monitoring	Project team
Access to assets for better livelihood and skills training	Number of beneficiaries receiving assets to improve livelihood and skills training	Quarterly	PIU and PCU reports	Regular monitoring	Project team
Number of households reached through basic service delivery mechanisms	Number of men and women in households reached through basic service delivery mechanisms	Quarterly	PIU and PCU reports	Regular monitoring	Project team
Activities that incorporate risk and resilience factors	Activities designed based on knowledge of possible failures to meet obligations, and that incorporate flexibility to help beneficiaries cope with the adverse conditions	Semi-annually	World Bank reports	Regular monitoring	Project team
States covered by SFSP	Provide cash assistance to all eligible citizens of Sudan in all 18 states. Geographic distribution of registered citizens, along with data from NCR and CBS would provide information about program coverage. The four states that will be covered in phase 1 are Khartoum, Red Sea, South Darfur, and Kassala.	Semi-annually	SFSP database, NCR database, Sudan CBS data, MIS reporting, community surveys	SFSP delivery system, available data from NCR and CBS	SFSP enrollment centers, implementing agency, community leaders, NCR, CBS

Indicator Name	Definition/Description	Frequency	Data source	Methodology for Data Collection	Responsibility for Data Collection
PILLAR 4: CRISIS RESPONSE					
Strengthened crisis management and communication mechanisms		Semi-annually	FMoH and PIU reports	FMoH to aggregate reports from state progress reports	FMoH, project team
Increased access to emergency response intervention.	Number of beneficiaries with access to emergency preparedness or management services.	Semi-annually	FMoH and PIU reports	FMoH to aggregate reports from state progress reports	FMoH, project team
Crisis management plan and communication strategy developed	A functional crisis management plan and effective crisis response communication.	Semi-annually	FMoH and PIU reports	FMoH to aggregate reports from state progress reports	FMoH, project team
Number of health staff trained in infection prevention and control (disaggregated by gender)	Health staff receiving infection prevention and control training that follows World Health Organization evidence-based practice protocols	Semi-annually	FMoH and PIU reports	FMoH to aggregate reports from state progress reports	FMoH, project team
Percentage of targeted health care facilities with clinical capacity for COVID-19 patients	Number of patients that test positive for COVID-19 or their care takers (if deceased) satisfied with treatment received divided by number of patients that test positive for COVID-19	6 months	FMoH	FMoH to aggregate reports from state progress reports	FMoH
Percentage of targeted health care facilities with clinical capacity for COVID-19 patients	Number of patients that test positive for COVID-19 or their care takers (if deceased) satisfied with treatment received divided by number of patients that test positive for COVID-19	6 months	FMoH	FMoH to aggregate reports from States	FMoH

Source: World Bank. STARS Operational Manual, 2021

Note: CBS = Central Bureau of Statistics; FMoH = Federal Ministry of Health; IMF = International Monetary Fund; M&E = monitoring and evaluation; MIS = management information system; MoFEP = Ministry of Finance and Economic Planning; NCR = national civil registry; PCU = project coordinating unit; PIU = Project Implementation Unit; PMU = Project Management Unit; PSP = payment service provider; SFSP = Sudan Family Support Program.

Appendix C.

Financial Performance as of December 31, 2021

Contributions

Since the inception of the Sudan Transition and Recovery Support Trust Fund (STARS) on December 31, 2021, a total of US\$505.0 million (table C.1).

Table C1 Donor Contributions to the Sudan Transition and Recovery Support Trust Fund

STARS AND SFSP CONTRIBUTIONS AS OF DECEMBER 31, 2021

Name of the Donor	Pledged contribution in own Currency	Donor Currency	Pledges (US\$)	Agreements Signed (US\$)	Contributions received (US\$)	Pending Contribution (US\$)	Percentage of Total Contribution
Canada	10,000,000.0	CAD	7941821.4	7,941,821.4	7,941,821.4	0.00	1.5
EU	192,900,000.0	EUR	216094010.0	216,094,010.0	216,094,010.0	0.00	42.4
UK	81,688,000.0	GBP	112100833.6	112,100,833.6	112,100,833.6	0.00	27.3
Germany	60,000,000.0	EUR	71388200.0	71,388,200.0	71,388,200.0	0.00	7.8
France	42,000,000.0	EUR	48918900.0	48,918,900.0	28,626,600.0	20,292,300.00	9.3
Sweden	200,000,000.0	SEK	22707270.8	22,707,270.8	22,707,270.8	0.00	4.5
Norway	117,000,000.0	NOK	12999865.0	12,999,865.0	12,999,865.0	0.00	3.2
Italy	5,000,000.0	USD	5000000.0	5,000,000.0	5,000,000.0	0.00	0.5
Spain	1,000,000.0	USD	1300000.0	1,300,000.0	1,300,000.0	0.00	0.2
Netherlands	10,000,000.0	USD	10000000.0	10,000,000.0	8,000,000.0	2,000,000.00	2.0
Ireland	500,000.0	USD	500000.0	500,000.0	500,000.0	0.00	0.1
SPF - MDTF transfer	7,000,000.0	USD	7000000.0	7,000,000.0	7,000,000.0	0.00	0.8
Saudi Arabia	10,000,000.0	USD	10000000.0	10,000,000.0	10,000,000.0	0.00	1.9
Finland	1,000,000.0	EUR	1233100.0	1,233,100.0	1,233,100.0	0.00	0.2
TOTAL STARS			527184000.8	527,184,000.8	504,891,700.8	22,292,300.00	
Total Donor SFSP				510,184,000.8	487,891,700.8		
TOTAL IDA SFSP				410,000,000.00	410,000,000.0		
STARS + IDA				920,184,001	897,891,701		

Source: World Bank 2022

Note: International currency symbols are used for consistency with original documentation. CAD = Canadian dollar; EUR = euro; GBP = British pound; NOK = Norwegian kroner; SEK = Swedish kroner; USD = U.S. dollar.

Allocations, Disbursements, and Available Balances

Disbursements of US\$109.8 million have been made under STARS, leaving a fund balance of US\$346.7 million. STARS' projects commitments value is of US\$372 million. In addition, some Sudan Multi-Partner Fund activities remained active over the reporting period, and these have a total value of US\$10.5 million.

Appendix D.

Allocations, Disbursements, and Available Balances for Active Grants, December 31, 2021

Table D1 Status of Grants Financed by STARS MDTF

Grant Name	Task leaders' name	Project identification	Execution	Grant amount (US\$)	Disbursements by June 30, 2021 (US\$)
SUDAN TRANSITION AND RECOVERY SUPPORT TRUST FUND					
Project Preparation Grant for Sudan Family Support Program	Namara	P173521	Recipient	475,000	375,305
Sudan Family Support Program Recipient-Executed Trust Fund	Namara	P173521	Recipient	350,000,000	80,764,200
Technical Support and Diagnostics for Sudan Family Support Program	Namara	P173521	Bank	3,500,000	0
Sudan Household Survey	Farfan Bertran	P176302	Recipient	1,730,000	0
Phase 2 Technical Assistance for Sudan Technical Assistance Investment Authority	Oyewole	P171371	Bank	320,000	8,426
COVID-19 Emergency Response Project	Mohamed Abdalla	P174352	Recipient	15,485,000	13,393,806
COVID-19 Emergency Response Project	Mohamed Abdalla	P174352	Bank	700,000	93,176
Total				372,210,000	
SUDAN MULTI-PARTNER FUND					
Program Management—Sudan Multi-Partner Fund	Kamwendo	P146979	Bank	900,000	511,349
Sudan Social Safety Net Project	Nsour	P148349	Recipient	3,500,000	1,052,375
Sudan Social Safety Net Project	Nsour	P148349	Bank	299,268	4,813
Strengthening Sub-National Fiscal Policy Management	Whyte	P156750	Recipient	3,499,000	
Financial Inclusion Survey	Yoko Doi	P151261	Bank	1,198,726	401
Energy Sector Technical Assistance	Kenta Usui	P171810	Bank	750,000	68,257
Agribusiness Small and Medium Enterprises and Integrated Agri-Parks	Haththotuwa	P164347	Bank	689,873	187,545
Programmatic Poverty Assessment	Etang Ndip	P164694		0	0
Sudan Governance Work Program	Litwack	P173360	Bank	318,387	133,686
Sudan Investment Climate Program	Zake	IFC-00601686	Bank	0	0
Sudan Poverty Monitoring and Analytics	Etang Ndip	P174168	Bank	650,000	107050
Education Development	Wang	P172292	Bank	500,000	0
Supporting Private Sector Development Agenda in Sudan for Youth Employment	Onur	P164347	Recipient	49,909	
Forced Displacement and Citizen Engagement	Onur	P173359	Bank	162,819	
Technical Assistance to the Social Security And Investment Authority	Oyewole	P171371	Bank	113,089	240,488
Total				10,498,423	

Source: World Bank. 2022

Appendix E.

Sudan Family Support Project Updates

Sudan Family Support Project (P173521) Project Implementation Status as of October 30, 2021

Table E1 Summary Project Status

Project Data	<p>Board approval date: October 8, 2020 Signing of agreement: October 23, 2021 Effectiveness date: December 7, 2020 Project closing date: June 30, 2023 Grant amount: IDA US\$410M, STARS TF US\$350M</p>
Implementation progress	<p>Implementation</p> <ul style="list-style-type: none"> • PIU created, composed of hired and seconded technical team from ministries. • Implementation started in 14 of 18 states. A significant contribution for the remaining four states has been discussed with the U.S. Agency for International Development, and other development partners have made contributions for these additional states. In anticipation of the resources, the government piloted implementation in those four states. • The Sudan Family Support Program is more than a standard cash transfer program; it has provided cash transfers to families affected by the economic shocks and provided space to the government to implement key reforms, including removal of subsidies and unification of exchange rates. The program also established linkages with other core government services that go beyond the safety net objectives. The program was in the next stages of fully establishing a "one-stop shop" approach to using local registration centers, where enrollment and payments could be managed, and other social services could be hosted. <p>Disbursement</p> <ul style="list-style-type: none"> • As of October 25, 2021, US\$100.64 million from IDA and US\$80.76 million from STARS has been disbursed to the project's designated account. • Disbursement was paused on October 25, 2021 and use of funds in the project's designated account was stopped. <p>Number of families and beneficiaries supported</p> <ul style="list-style-type: none"> • 2.7 million families (about 9.6 million beneficiaries) enrolled • 1.39 million families (about 4.8 million beneficiaries) received transfers. About 36% of primary grant recipients are women.
Key issues	<p>Although the delay in exchange rate unification (alignment of parallel market and official exchange rates) slowed project launch, most obstacles—lack of technical capacity, weak institutions, immature systems, poor data, weak digital and financial infrastructure—were foreseen in the fragile context of Sudan. Nevertheless, the severity of some of these obstacles and specific challenges mostly arising out of 30 years of isolation (e.g., lack of or very limited exposure to innovation and technology, extremely weak human resource capacity, fragmented government and financial systems and institutions) required time to remedy, which has slowed implementation. Recent political events have further delayed implementation of the program as the World Bank triggered Operational Policy 7.30 on Dealing with De Facto Governments and paused disbursements.</p> <p>The World Bank has been providing frequent, sustained implementation support to the government, specifically the PIU, to build the systems and competencies needed for effective project implementation. This includes accelerating enrollments and payments, improving public communications campaigns, increasing public awareness and understanding of the program, and providing linkages to broader reform efforts. The innovative collaborative model with the World Food Program has been key in addressing some of the capacity and implementation challenges.</p>

Note: IDA, International Development Association; PIU = Program Implementation Unit; STARS = Sudan Transition and Recovery Support Trust Fund.

This report on the status of the Sudan Family Support Project (SFSP) was prepared based on continuous on-the-ground monitoring and supervision from a broad World Bank team⁷ from April to October 2021 and relies extensively on the World Bank's presence in Sudan and online conferencing. After the military takeover of October 25, 2021, the World Bank paused disbursements in all its operations in Sudan and stopped processing any withdrawal applications or direct payment requests received on or after that date until further notice. This measure affected the SFSP; in addition to the pause on new disbursements, no further payments from project funds currently held in the program's designated account(s), including any payments under the memorandums of understanding (MoUs), are allowed after October 25, 2021, and until further notice, unless the World Bank approves, although the project implementation unit (PIU) has been requested to continue to comply with all its fiduciary duties under the program, including submitting and reporting all required project financial documentation.

⁷ The World Bank team is led by Mr. Suleiman Namara (Lead Social Protection Economist and Task Team Leader) and includes Mr. Endeshaw Tadesse (Senior Social Protection Specialist), Mr. Alvin Etang Ndip (Senior Economist), Ms. Maria Gabriela Farfan Betran (Senior Economist), Mr. William Sam (Management Information System Consultant), Mr. Amer Yusuf (Management Information System Consultant), Mr. Nizar Abu Elzoul (Procurement Specialist), Ms. Fatima Hamid (Financial Management Specialist), Mohamad Farid Eltayeb Idris (Operational Support Consultant), Mr. Tariq Mohamed Osman Khalafallah (Operational Support Consultant), Azza Hassoun (Operational Support Consultant), Nassir Guma Mohammed (Social Development Specialist), Ms. Chrissie Kamwendo (STARS Program Manager), Ms. Patience Bulage (Gender Consultant), Ms. Yalemzewud Simachew Tiruneh (Social Development Specialist), Mr. Adel Saleh (Senior Communications Consultant), Mr. Usman Javid (Senior Management Information System Consultant), Ms. Dalia Zaki (Social Protection Consultant), Mr. Binyam Mesfin Shiferaw (Payment Consultant), Mr. Krishna Pidatata (Monitoring and Evaluation Consultant), Kewwe Sylvester Pale (Young Professional), Mr. Paul Kato Kamuchwezi (Senior Financial Management Specialist), Ms. Gibwa Kajubi (Senior Social Development Specialist), Ms. Mariam Denise Brain (Project Assistant), and Ms. Maisa Osman Mukhtar Nurein (Program Assistant). The team has been working closely and in collaboration with the World Food Program team.

In view of the military takeover that led to project implementation pause, the World Bank team focused on taking stock of the SFSP's implementation. A mission originally planned for November 1–18, 2021, was cancelled. There was an earlier supervision mission in March 2021, and the objective of this report is to provide a record of project status as of October 25, 2021, including implementation progress and the extent to which the project is on track to meet the development objectives. In particular, the report reviews project implementation in the states, implementation progress of each of the three project components, the fiduciary and safeguard aspects of the project and monitoring and evaluation, communication activities, and the extent to which the project is gender inclusive. The report also reviews the project's institutional arrangements, including staffing of the PIU and collaborative arrangements with the World Food Program (WFP).

Project overview. The goal of the SFSP is to cushion the effects of recent economic reforms by providing direct cash transfers of US\$5 per person per months (at the prevailing exchange rate in Sudanese pounds) to 80 percent of households across the country. The transfers were initially planned for 6 months, with a potential extension to 12 months, subject to availability of additional resources.

The World Bank Board of Executive Directors approved the SFSP on October 8, 2020, and the financial agreement with the government of Sudan was signed on October 23, 2020. The project was declared effective on December 7, 2020. The SFSP was launched on February 24, 2021, in Khartoum, immediately after the government of Sudan unified the exchange rate. The SFSP/Thamarat is being implemented in three phases geographically. Program implementation under phases one and two were ongoing in 14 of Sudan's 18 states. Expansion into the remaining four states was planned subject to receipt of additional financing. As pledges were being made to finance the project in the four states, piloting of the program in the four states had

also begun. The first two phases are financed by US\$820 million in committed financing from the International Development Association (IDA) and donor contributions via the Sudan Transition and Recovery Support Trust Fund (STARS). Total project financing includes additional financing approved in March 2021 (US\$210 million IDA grant, US\$210 million STARS grant). As of October 25, 2021, discussions with the U.S. Agency for International Development and several European governments to cover the projected US\$300 million required to finance phase three were well underway. The goal of phase one was to reach 11.3 million beneficiaries in Khartoum, Kassala, Red Sea, and South Darfur. The goal of phase two was to reach approximately 13 million beneficiaries in Blue Nile, White Nile, Sinnar, Central Darfur, East Darfur, North Kordofan, South Kordofan, and West Kordofan. The WFP is covering an additional two states: North Darfur and West Darfur. Phase three is expected to cover the River Nile, Elgedaref, Elgazira, and Northern states.

The SFSP is more than a standard cash transfer program. It is meant to provide space to the transitional government to implement reforms, including removal of subsidies and unification of the exchange rate. The program also established linkages with other core government services that go beyond the safety net objectives. The program has established a “one-stop shop” approach; the SFSP has established local registration centers where enrollment and payments are managed, and other social services are hosted. For example, the local centers offer immediate registration for the national identification card through the National Civil Registry (NCR); offer voluntary COVID-19 vaccines provided by the Federal Ministry of Health; host citizen complaint desks managed by social workers from the Ministry of Labor and Social Development (MoLSD) to provide social and case management services; and create awareness for other services, hotlines, and grievances. This approach had been piloted in Khartoum, and an MoU with the World Bank-funded COVID-19 Emergency Response Project had been prepared. The model had been costed and was expected to be fully implemented as part of phase three.

Upon completing the implementation of the planned SFSP activities, the SFSP program is to be transitioned to a targeted permanent social safety net that will support the most vulnerable populations and provide the foundation for a modern, adaptive social protection system built on a comprehensive social registry and digital payment infrastructure. This effort to build a sustainable social safety net directly aligns with the HIPC trigger related to social protection.

STARS commitments. Of US\$820 million that it has approved for the project, the World Bank has committed US\$760 million to the government of Sudan for implementation of the SFSP—US\$410 million from IDA and US\$350 million from STARS. The difference of US\$60 million between the approved and committed amounts is because STARS needed to receive pledged contributions to execute the corresponding amendment to the financing agreement and, inter alia, commit the additional US\$60 million. Donors had contributed sufficient funds as of August. Before the pause, World Bank staff had prepared a restructuring paper to bring the financing commitments up to US\$820 million.

Disbursements. A total of €148 million (at the time US\$181 million equivalent) had been disbursed to the government’s designated account for the SFSP: €82 million from IDA and €66 million from STARS. An in-depth financial management review of the SFSP was under way when the events of October 25 occurred. According to the unreconciled data gathered during this review, as of November 30, 2021, the remaining balance on the designated account was €67.5 million (approximately US\$76.3 million equivalent); US\$105.5 million has been spent out of the designated account for SFSP operation.

Detailed Progress and Proposed Actions

Progress toward Achievement of the Project Development Objective

Progress toward achievement of the project development objective is rated satisfactory. By October 30, 2021, about 2.7 million families had

been registered in the program. Overall, 1.39 million families have received payments (including families from the two states under WFP implementation). COVID-19 standard operating procedures have been implemented as part of the physical beneficiary registration exercise. Annex E.1 (summary of project status) includes the key performance indicators for the planned targets.

Assessment of Implementation Progress According to Component

Component 1: Cash Transfer Component

As of October 30, 2021, the SFSP/Thamarat had opened 352 enrollment centers to support beneficiary registration, and as noted earlier, the program has registered more than 2.7 million of the targeted 6.5 million Sudanese families (approximately 9 million people). As of October 25, 2021, the SFSP had delivered close to 30.6 billion Sudanese pounds (approximately US\$80.2 million) in payments to beneficiaries. Payments were made using modalities including mobile money, cash cards, and bank accounts. Table E.2 shows the payment cycle for families. About 36 percent of primary grant recipients are female.

Table E2 Payment Cycles, as of October 30, 2021

Payment cycle	Number of Families Paid
0	1,318,406
1	375,005
2	274,823
3	348,558
4	173,888
5	162,264
6	58,598
7	3
Total (paid)	1,393,139

Exclusion criteria. As indicated in the project design, the program considered exclusion filters to exclude high-income individuals. The initial stage of implementation relied on a simple set of exclusion criteria that included voluntary self-exclusion and holding a public service job with a high salary. The communications campaign for the SFSP emphasized that cash transfer benefits are intended for families that shocks from economic reforms have affected most, and wealthier families were encouraged to refuse benefits voluntarily. This voluntary self-exclusion option was publicized in brochures and various means of communication. From July to September 2021, the enrollment team prepared more-evidenced-based exclusion criterion, which were to be used in the subsequent quarter of project implementation. The criteria use proxies for income such as asset ownership and housing characteristics. These proxies for income cover

items that all households own, as well as assets that only the top 20 percent of the income distribution own. This analysis is based on the 2014/15 National Household Budget and Poverty Survey.

Component 2: Establish Delivery Systems and Build Institutional Capacity

The delivery systems component of SFSP included outreach and communication, enrollment, payment systems, expanding national identification systems, data privacy, grievance redress mechanisms (GRMs), and management information systems (MISs). Implementation of these activities is rated satisfactory.

Outreach and communication. SFSP communications to vulnerable groups and its community outreach methodology are designed to inform, educate, and communicate with beneficiaries to generate well-informed citizens

who can contribute effectively in achieving program objectives. From April to October 2021, communication activities included printing and distributing program mobilization materials and mobilizing community leaders, particularly at the state level, to promote SFSP activities and hold all partners accountable. During this period, communication activities were expanded alongside implementation of the program in all 14 states. Communication activities included training and deploying youth volunteers as trainee trainers to increase beneficiary social mobilization, broadcasting radio programs focused on program processes and procedures, using social media channels of communication, and preparing and launching the program website. These communication activities were being expanded as the program expanded in the states. The main challenge in communication was weak communication skills within the PIU, which was addressed by complementing the capacity of the PIU communication team with additional staff and skills, using qualified community volunteers with strong communication skills, appointing communication focal persons at the state level, and providing technical assistance from the World Bank and WFP.

Enrollment. During the period, the program worked on a unified registration portal that supports enrollment across all units, ministries, and states. All registration during the quarter was conducted through a unified portal at the Ministry of Finance and Economic Planning (MoFEP). The SFSP has been working to design a digital delivery platform and processes, accompanied by MISs to support them. The digital delivery platform includes MISs to enable digital enrollment and creation of beneficiary lists; digital logging and tracking of payments; payment processing, instructions, and reconciliation; and data analytics and feedback from beneficiaries through the GRM. During the quarter, setup of the system infrastructure was largely finalized, with some components requiring further development and adjustment for nationwide implementation.

Payment systems. The SFSP has made considerable effort to coordinate closely with PSPs, banks, and telecommunication companies in Sudan. The WFP contracted MTN Sudan as the mobile money operator for the SFSP pilot. MTN's flexibility allowed quick cash transfers without requiring ownership of an MTN SIM card. Beneficiaries with MTN SIM cards receive transfers into a mobile money wallet with multiple transaction options, including point-to-point, withdrawals, deposits, merchant payments, Global Mobile System payments, and bill payments. Beneficiaries with a Zain or Sudatel SIM card receive a mobile money voucher from MTN on their SIM card. Lessons learned from the WFP pilot helped the SFSP expedite the process of selecting an appropriate PSP. More than half of the disbursements occurred in August 2021 as the program expanded. By far the most common mechanism is mobile money payments. Barriers to efficient, effective expansion of digital payments include the following:

- *Agent and branch network.* The success of any digital payment depends on the ability of families to use the benefits delivered in digital form for direct purchases or withdrawals. Although there are approximately 70,000 mobile banking agents in Sudan, they are concentrated in major cities (more than 60 percent in Khartoum), and only 10 percent are active agents servicing deposit and withdrawal points or performing digital transactions with their clients. There are approximately 100 bank branches and 100 microfinance institution branches.
- *Liquidity.* As the PSPs expand their network coverage and mobile agent network, agents must gain access to a source of liquidity. In theory, an agent should cover withdrawal obligations through daily business inflows, but this might not always be possible. Although relevant statistics from SFSP phase one implementation are unavailable, previous experience with the Sudan Social Safety Net Project has shown that lack of liquidity is a crucial barrier to families accessing benefits. Families' lack of awareness that, instead of

cashing out benefits, they could use mobile payments to pay for products and services they require exacerbates the situation.

- *Network and infrastructure.* Mobile network operators, banks, and other PSPs are not accustomed to handling a large volume of transactions; doing so stretches their infrastructure and reveals the need for an update as the program expands. Furthermore, most of their investment has centered around Khartoum, other major cities, and their surrounding areas, leaving most rural areas uncovered.
- *Regulatory.* The Central Bank of Sudan (CBOS) recently approved a regulation that allows mobile network operators to deploy their digital payment platforms, whereas previously, all mobile network operators had to use the Gemalto system run by the Electronic Banking Service. The first license was issued to MTN. CBOS's board has approved a similar regulation that covers all digital payment modalities (not merely mobile money) that is awaiting cabinet approval. These regulations free PSPs to invest in better infrastructure (including software), which enables them to provide better and differentiated products and services and competitive prices to the program beneficiaries.

The government of Sudan could influence the expansion of SFSP's digital payment coverage and catalyze financial inclusion through development of non-bank-based methods, including:

- Increasing the awareness of families benefiting from SFSP and the public on electronic money, wallets, and transactions through national campaigns.
- Passing the Payment System Application regulation.
- Passing a regulation that requires and encourages PSPs to increase their active mobile agent network, expand their infrastructure to rural Sudan, and differentiate their products with services suitable for poorer families.

Expanding issuance of national identification systems. The MoFEP and Ministry of the Interior (MoI) signed an MoU to expand issuance of national identification cards, with particular emphasis on women, in part to increase inclusion of the most vulnerable groups. As of October 24, about 524,115 new national identification cards had been issued in Khartoum. The MoI began issuing national identification cards to all states in Sudan.

New data governance and data privacy policy.

Considerable work has gone into development of a new data governance and privacy legal framework for Sudan. The first draft of Sudan's new Data Governance and Privacy Framework was completed and submitted to the Ministry of Justice for endorsement. This is a major advance in data governance for Sudan, bringing the country in line with international good practice and giving citizens more control over how their data are used.

Existing family data in various government databases were validated against the NCR, which is critical to avoid duplicates of payments and double dipping through use of unvalidated data from various databases. Existing data in various government databases were initially used to enroll beneficiaries in the program and deliver payments. The first 80,000 families paid in March 2021 had completed their final cycle of payment by end of September 2021.

The GRM was built on the WFP pilot and launched in September 2021 with strong support from the WFP. The complaint and feedback mechanism are designed to provide an easy-to-access primary point of contact for inquiries about the program. Its three components—information provision, communication channel, verification tool—have increased understanding of the challenges that families receiving benefits face, and the call center has played a critical role in the verification process. As of October 24, 2021, the call center had enabled verification of more than 30,000 individuals and resolved more than 5,000 cases. Most of the cases resolved involved

delayed payments and registration and enrollment processes.

Challenges include inadequate government capacity, inadequate beneficiary mobilization and communication, lack of digital literacy, payment list creation (initially done manually), payment reconciliation, access and operating in conflict states, government capacity constraints, conflicts in the Red Sea state, and attempts to politicize the program. Mitigation measures include increasing the capacity of the PIU with consultants. Collaboration and embedding the WFP team within the PIU mitigated some skill gaps, including communication, computerizing the payment systems, and working in conflict states. Digital literacy was envisaged to be a strong component of phase three implementation.

Governance and institutional arrangements and effective project management and monitoring systems have been implemented to support the SFSP. An interministerial committee, which the Minister of Finance and Economic Planning chaired, and a technical committee, which the Minister of Telecommunication and Digital Transformation chaired, have been meeting regularly to oversee the program at the national level. State-level actors had all embraced the program, and hiring and training of focal points, social workers, and enumerators were at different stages in the states. Key challenges include a need to strengthen program implementation systems to accelerate enrollments and payments. Technical capacity needs to be increased at the national and local levels to enhance implementation and improved public communications and community outreach are needed to increase public awareness and understanding of the program linkages to broader reform efforts. Collaboration with the WFP has been helpful in terms of capacity support of the PIU.

To ensure proper coordination and implementation of the SFSP, MoUs were signed between the MoFEP and the states to strengthen implementation of the program, between the MoFEP and MoI to accelerate issuance of the national identification systems, and between the MoLSD

and MoFEP to strengthen social mobilization at the state level. The MoLSD also provided initial data to implement the program.

Collaboration with the WFP. The WFP has worked in North and West Darfur using all harmonized operating procedures to provide services to the SFSP beneficiaries. WFP staff were embedded in the PIU and reported to the program manager. Collaboration between the WFP, World Bank, and MoFEP increased program implementation capacity and increased the speed of implementation. A major challenge was the delayed signing of the output agreement between the WFP and the MoFEP.

Gender. Gender factors have been mainstreamed across the SFSP. Given the complicated gender dynamics in Sudan and the positive long-term outcomes of a focus on gender equity, the program has a goal of giving 50 percent of primary grant recipients to women. Nearly 36 percent of primary grant recipients have been women. As of October 25, 2021, operationalization for gender community actions was in process, building on the gender handbook that had been delivered. Gender indicators and disaggregation of beneficiaries have been included in the MIS, and registration portals have been revised to include disaggregation. For monitoring and evaluation, there is a gender-sensitive results framework that captures several gender factors, such as women being primary grant recipients.

Component 3: Project Management, Monitoring and Evaluation, and Learning

This component supported coordination and project management activities necessary for smooth functioning of the project, including establishment of the PIU. The activities supported include day-to-day operational management, institutional setup, and stakeholder coordination by the PIU. The component also financed the establishment of the SFSP beneficiary database hardware and software, Internet connectivity, and information technology infrastructure at the national and local levels. This component also supported the coordination and local-level capacity-building process of and training of NCR staff, with the

MoLSD and MoFEP tasked with supporting program implementation. Implementation of this component is rated satisfactory.

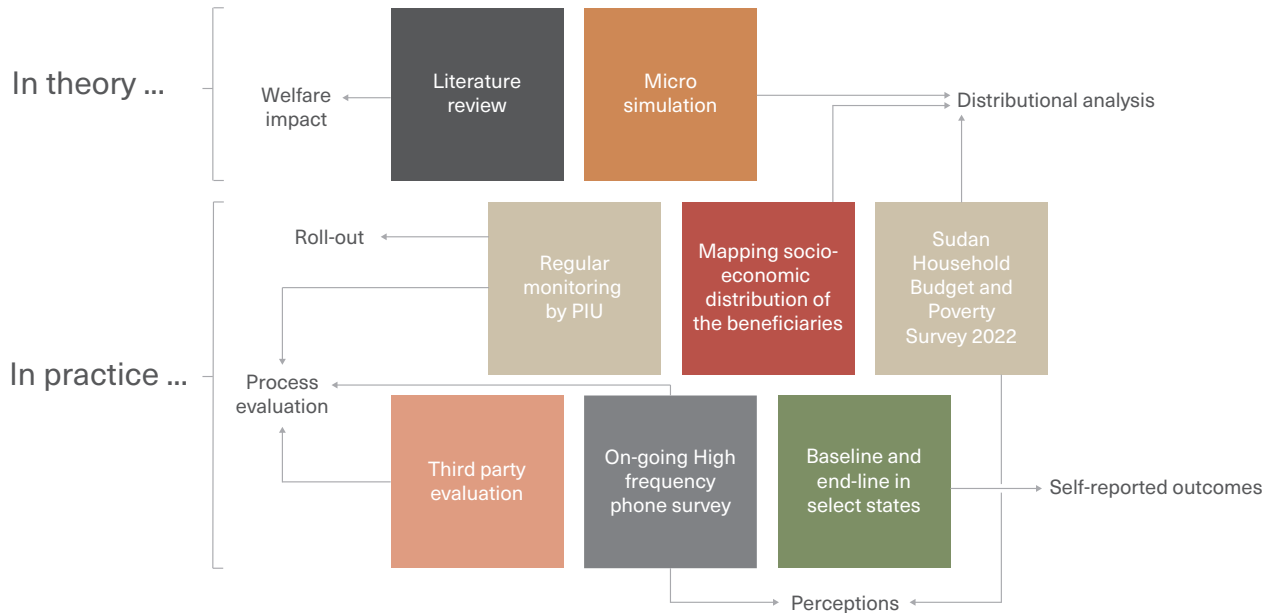
Project implementation staffing. As of October 25, 2021, the government had almost a full technical team in place composed of hired PIU staff and staff seconded from ministries. Hired staff and those seconded from various ministries constitute the project management team of about 80 individuals. The core team includes the project manager, who reports to the undersecretary of the MoFEP; the finance manager; the monitoring and evaluation manager; the enrollment manager; the payment manager; the communication manager; and the GRM manager.

The environmental and social safeguard officer selection process was finalized, and staff was supposed to begin work in the last week of October 2021. The seconded staff are from the MoFEP (including information technology), Finance and Internal Audit team, MoLSD, Ministry of Justice, and Mol teams. Before the project was paused, the World Bank recommended that the following additional staff be recruited to facilitate implementation: deputy project manager to focus on implementation of the project in fragile and hard-to-reach states; deputy project manager to focus on social mobilization, support formation of beneficiary associations, facilitate the work of community volunteers and social workers, and be responsible for the GRM systems; financial controller to strengthen the financial controls of the program; and information and communications technology (ICT) staff (ICT manager, ICT infrastructure manager, MIS manager, network administrator, information security officer manager).

Monitoring and evaluation. From April to October 2021, the program developed an evaluation strategy. Given the challenges of establishing

a traditional impact evaluation strategy with which to estimate the causal impact of the program on household welfare, the proposal is to draw from complementary pieces of evidence that could be used to provide persuasive evidence of the benefits of this intervention (figure E.1). Each piece on its own has limitations, but in combination, they can be convincing. It is proposed that the vast documented positive effects of cash transfer programs be used to create awareness on the expected benefits of the FSFP intervention on household welfare. This can be complemented with context-specific microsimulations that quantify the potential poverty-reducing effects of the program based on the latest household survey data. A draft simulation paper had been prepared by the project team. The theoretical benefits of the program would then need to be supported with outcomes of program implementation. The program must reach the intended population. This can be approached from two angles: program monitoring records, which document number of beneficiaries and transfers disbursed, complemented by a tool that maps the socioeconomic distribution of beneficiaries. This second element would help assess the efficiency of targeting methods of the program. Supplementing coverage statistics are process evaluations and perception data that can provide the Bank with a more granular understanding of the workings of the program and outreach performance. Two upcoming household surveys were planned that can be used to assess knowledge and perceptions of the program. Lastly, self-reported assessments of the impact of the intervention were to be gathered using a program-level survey and through the national household budget survey. By combining these last two data sources, an ex post quasiexperimental strategy could be explored.

Figure E1 Proposed Impact Evaluation Approach



Safeguards and Fiduciary Aspects of the program

Environmental and Social Safeguards

Implementation of safeguard activities remains broadly satisfactory. All safeguards documents are in place and finalized except the security assessment and plan. A social safeguards officer had been hired by the time of the program pause on October 25, 2021. The PIU had submitted the draft data privacy bill to the Ministry of Justice for approval and public consultations, which were scheduled for November and December 2021. Challenges regarding the social safeguards included possible exclusion of vulnerable groups, particularly women, in part because of lack of national identification numbers, and limited accessibility in poor and marginalized areas that could also lead to exclusion. These challenges were being mitigated in part by expanding the national identification card system.

Fiduciary challenges

Financial management. The World Bank launched an in-depth financial management review in August 2021 that was to be concluded on October 30, 2021. As a result of the recent

events, the review was extended to December 30, 2021, to provide enhanced fiduciary oversight of the program. The World Bank has placed a consultant at the PIU not only to continue with the financial management review, but also to review financial management regularly. The main focus of the World Bank financial management team includes:

- Ensuring that the PIU reconciles the funds that the program disburses (with all unused funds transferred back to the designated account)
- Helping the PIU prepare interim financial management reports and submit them to the World Bank
- Reconciling beneficiary data

Procurement. The SFSP completed two essential procurements from April to October 2021. First was procurement of tablets for electronic enrollment. The overall procurement was accomplished through three procurement processes that enabled the program to obtain about 1,150 tablets from the local market. By September 30, 2021, the program had procured 3,750 tablets through an internationally competitive process. By October 25, 2021, about 2,400 tablets were

pending delivery. Second was procurement of vehicles. The SFSP procured 32 used vehicles from the African Union–United Nations Hybrid Operation in Darfur. By September 30, 2021, only 26 vehicles had been received. In mid-August 2021, the program had signed two contracts with main vehicle agents in Sudan for maintenance of program vehicles. With six vehicles yet to be secured, the main focus of the team during this pause is to complete the post-procurement review of the entire program.

The Road Ahead

World Bank Operational Policy 7.30 on Dealings with De Facto Governments, which was triggered soon after the events of October 25, 2021, governs the Bank's approach in Sudan. The following occur under this policy:

- All disbursements for all World Bank–financed activities in the country, including activities that World Bank–managed trust funds such as STARS are financing, are paused, with exceptions being made for special commitments (none of which have yet been designated).
- Preparation of new operations for financing by the World Bank is paused.
- World Bank staff are to assess whether to continue disbursements under existing operations and to process new operations. These assessments are to be undertaken after allowing sufficient time to pass to have a clear understanding of the country situation and confirm that a proper legal framework is in place to permit the project to be implemented and that obligations under financing agreements are valid and binding.

Table E3 Updated Results Framework

Project development objective indicators according to objective and outcome				
Transfer cash to Sudanese families affected by economic reforms and short-term shocks				
› Number of families receiving cash or income support (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	0	200,000	1,393,139	4,400,000
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	30-Jun-2022
Comments	Number of households receiving cash or income support from the SFSP			
... percentage of which a woman is the head of household (custom supplement)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	0	0	36.0	2.4
› Number of SFSP beneficiaries (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	0	1,000,000	9,609,532	24,700,000
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	30-Jun-2022
Comments	Direct beneficiaries benefiting from SFSP disaggregated according to gender. As of October 25, 2021, there were 864,793 enrolled female-headed households. The PIU has not yet determined the percentage of individual female beneficiaries.			
... percentage of which are female (custom supplement)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	0	0	18	50

Table E3 (CONT) Updated Results Framework

Improve Sudan's safety net system				
› National registry platform that functions across the country is strengthened (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	National platform is functioning but has low coverage and needs efficiency improvements	The project began initial activities to support outreach and registration, enrollment, beneficiary verification, payment delivery, GRM, monitoring, and capacity building and will establish operational procedures, an SFSP management information system, necessary expansion and enhancements to the NCR, and an enabling legal framework for data protection and privacy. The project supports the delivery cycle (registration, enrollment, payment, GRM) and supporting systems. All these systems are nascent and will require continuous strengthening.	<ul style="list-style-type: none"> • Memorandum of understanding signed with Ministry of the Interior to upgrade NCR systems • It is the NCR's responsibility to increase the number of Sudanese with a national identification card by at least 5 million individuals over the course of the SFSP program. • Work plan and budget developed and provided to NCR with necessary equipment and mobile registration units. 	National registry platform covers 80% of the population in the regions that the project covers.
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	30-Jun-2022
Comments	National registry platform that functions across the country receives support to expand coverage of SFSP.			
Intermediate results indicators according to component				
Component 1: Provide cash transfers				
Component 2: Establish delivery systems and build institutional capacity				
› SFSP MIS system has been developed and deployed? (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	No	No	No	Yes
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	15-Jun-2021
Comments	The current MIS has a registration and enrollment module and a dashboard. The payment and reconciliation module was almost complete at the time of the political turmoil, as was the GRM. The MIS has a data-sharing platform and required linkages with NCR and administrative data sources. By October 25, 2021, the business processes and architecture for a sustainable MIS were being designed.			
› National data protection and privacy law submitted to governing council? (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	No	No	No	Yes
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	15-Jun-2021
Comments	National data protection and privacy bill was prepared and submitted to Ministry of Justice, which was to authorize the team to conduct national consultations.			

Table E3 (CONT) Updated Results Framework

› Number of states that SFSP program covers (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	0	4	14	12
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	30-Jun-2022
Comments	The objective of the program is to provide cash assistance to all eligible citizens of Sudan in all 18 states. The program covered 14 states, with program activities being piloted in the remaining four states.			
› SFSP branded as national, well-defined, quasiuniversal program? (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	No	Yes	Yes	Yes
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	30-Jun-2022
Comments	A brand for the program has been developed (brand name Thermarat). A brand is the name, term, design, logo, tagline, content, and other features that will be used in mainstreaming the SFSP as a national, well-defined, quasiuniversal program. Brand works as a program identity and will help in marketing SFSP objectives to mitigate the effects of the ongoing economic hardship and improve Sudanese living conditions. Branding includes a series of processes for planning, producing, testing, and publicizing communication and community outreach material.			
› Communication campaigns have been launched? (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	No	Yes	Yes	Yes
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	15-Mar-2021
Comments	Outreach campaign implemented in 14 phase one and phase two states. Messages on registration and payment disseminated via four national radio and television channels to reach all who access radio and television in Sudan.			
› Hybrid system for tracking enquiries, complaints, and grievances (GRM) has been established? (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	No	Yes	Yes	Yes
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	31-Dec-2020
Comments	4,977 cases received of which 2,650 cases were resolved. All operators were dedicated to handling incoming calls, which affected the number of complaints received, which spiked from 978 in July to 2,817 in August 2021.			
› Percentage of complaints resolved in 15 days or less through GRM (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	0	0	86	80
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	30-Jun-2022
Comments	Resolution of cases has significantly improved significantly for September, reaching 86% of the 1,182 cases received because of the massive coordination of the call center with the rest of the pillars and regular updates of the referral pathway and question-and-answer documents. Planning is on track with all stakeholders and pillars to ensure proper expansion in terms of staffing, capacity, equipment, and performance of the call center, which is exploring ways to process social media and email complaints for greater GRM accessibility.			

Table E3 (CONT) Updated Results Framework

› Gender-focused behavioral science integrated into community strategy for SFSP in areas where women are not designated primary beneficiaries? (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	No	No	No	Yes
Date	08-Jun-2020	22-Jun-2021	25-Oct-2021	30-Jun-2022
Comments	Behavioral science is an interdisciplinary approach to understanding and motivating human behavior. Using nudges and other techniques, gender-focused behavioral science will help SFSP messages resonate with women and girls. The indicator will be applied in areas where women are not designated primary beneficiaries of cash transfers.			
Component 3: Project management, monitoring and evaluation, and learning				
› Monitoring, evaluation, and learning impact evaluation baseline and follow-up survey conducted? (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	No	No	No	Yes
Date	15-Jun-2020	22-Jun-2021	25-Oct-2021	30-Jun-2022
Comments	An impact evaluation strategy had been prepared. A draft paper simulating poverty impacts of the program had been prepared. The impact evaluation strategy was to be discussed with stakeholders and implemented.			
› Monitoring, evaluation, and learning lessons drawn from Sudan's experience included in an evaluative report? (custom)				
	Baseline	Actual (previous)	Actual (current)	End target
Value	No	No	YES	Yes
Date	15-Jun-2020	22-Jun-2021	25-Oct-2021	30-Jun-2022
Comments	A report is developed that contains the monitoring, evaluation, and learning lessons from Sudan's experience with implementation of the project. Lessons from the WFP pilot were discussed in a national workshop in September 2021.			

Note: MIS = management information system; NCR = national civil registry; SFSP = Sudan Family Support Program; WFP = World Food Program.

Table E4 Summary of Enrolled and Paid Families per State

Phase	State	Target family population	Enrolled families	Paid families	Female-headed households (%)	Enrollment target (%)	Paid/target (%)	Paid/enrolled (%)	
1	Khartoum	1,165,880	1,317,395	833,551	37	113.0	71	63	
	South Darfur	913,144	248,564	115,977	34	27.2	13	47	
	Kassala	343,604	143,711	92,406	28	41.8	27	64	
	Red Sea	334,750	143,739	123,616	4	42.9	37	86	
2	West Darfur	411,022	84,916	176	39	20.7	0	0	
	East Darfur	411,022	4,291	391,900	16	1.0	1	91	
	White Nile	413,806	292,416	88,896	26	70.7	21	30	
	Blue Nile State	196,085	27,994		4	14.3	12	82	
	South Kordofan	274,548	8,008	642	14	2.9	2	79	
	West Kordofan	406,248	4,923	1,494	0	1.2	0	30	
	North Kordofan	473,349	51,961	45,649	0	11.0	10	88	
	Sinnar	274,264	82,178	50,414	18	30.0	18	61	
	North Darfur	473,349	155,315	147	45	32.0	0	0	
	Central Darfur	139,360	2,306	1,116	4	1.7	1	48	
	3	Northern State	794,081	3,497	242	9	0.4	0	7
		El Gazira	3,674,574	4,566	54	8	0.1	0	1
El Gedaref		1,577,586	6,807	65	0	0.4	0	1	
River Nile		1,131,474	55,045	8,149	36	4.9	1	15	
Total		6,230,431	2,637,632	1,395,295		42.3	22	53	
Total average					18				

