



THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

FOR OFFICIAL USE ONLY

Report No: PAD00233

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON

A PROPOSED GRANT

IN THE AMOUNT OF US\$74 MILLION FROM THE SUDAN TRANSITION AND RECOVERY SUPPORT MULTI-DONOR TRUST FUND

TO THE

UNITED NATIONS CHILDREN'S FUND

AND

A PROPOSED GRANT

IN THE AMOUNT OF US\$56 MILLION FROM THE SUDAN TRANSITION AND RECOVERY SUPPORT MULTI-DONOR TRUST FUND

TO THE

WORLD FOOD PROGRAMME

FOR A

SUDAN SOMOUD - ENHANCING COMMUNITY RESILIENCE PROJECT

April 14, 2024

Social Sustainability And Inclusion Global Practice
Eastern And Southern Africa Region

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.

CURRENCY EQUIVALENTS

Currency Unit = United States
Dollar (US\$)

FISCAL YEAR
July 1 - June 30

Regional Vice President: Victoria Kwakwa

Regional Director: Chakib Jenane

Country Director: Ousmane Dione

Practice Manager: Helene Monika Carlsson Rex

Task Team Leaders: Simon Sottas, Endashaw Tadesse Gossa, Habab Taifour

ABBREVIATIONS AND ACRONYMS

AM	Accountability Mechanism
BSMA	Bank Support and Monitoring Agent
CDC	Community Development Committee
CFM	Common Feedback Mechanism
COVID-19	Coronavirus Disease 2019
CPF	Country Partnership Framework
CSO	Civil Society Organization
E&S	Environmental and Social
EIRR	Economic Internal Rate of Return
ENPV	Economic Net Present Value
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
ESS	Environmental and Social Standard
EX-ACT	EX-Ante Carbon-balance Tool
FCV	Fragility, Conflict, and Violence
FM	Financial Management
FMFA	Financial Management Framework Agreement
GBV	Gender-Based Violence
GEMS	Geo-enabling Initiative for Monitoring and Supervision
GHG	Greenhouse Gas
GRM	Grievance Redress Mechanism
GRS	Grievance Redress System
HACT	Harmonized Approach to Cash Transfer
IDP	Internally Displaced Person
IFR	Interim Unaudited Financial Report
IPC	Integrated Food Security Phase Classification
IPF	Investment Project Financing
IRR	Internal Rate of Return
M&E	Monitoring and Evaluation
NDC	Nationally Determined Contribution
NGO	Non-government Organization
NPV	Net Present Value
O&M	Operations and Maintenance
OHS	Occupational Health and Safety
OP/BP	Operational Policy/Bank Procedure
PDO	Project Development Objective
PIM	Project Implementation Manual
PIU	Project Implementation Unit
PPSD	Project Procurement Strategy for Development
RRA	Risk and Resilience Assessment
RSF	Rapid Support Forces
SAF	Sudanese Armed Forces
SDG	Sudanese Pound
SEA/SH	Sexual Exploitation and Abuse/Sexual Harassment
SME	Small and Medium Enterprise

STARS	Sudan Transition and Recovery Support
UNGM	United Nations Global Marketplace
UNICEF	United Nations Children's Fund
WASH	Water, Sanitation, and Hygiene
WFP	World Food Programme
WOP	Without Project
WP	With Project

**TABLE OF CONTENTS**

DATASHEET	1
I. STRATEGIC CONTEXT	8
A. Country Context.....	8
B. Sectoral and Institutional Context	9
C. Relevance to Higher Level Objectives	11
II. PROJECT DESCRIPTION	12
A. Project Development Objective.....	12
B. Project Components	12
C. Project Beneficiaries	17
D. Results Chain.....	18
E. Rationale for Bank Involvement and Role of Partners.....	18
F. Lessons Learned and Reflected in the Project Design.....	19
III. IMPLEMENTATION ARRANGEMENTS	20
A. Institutional and Implementation Arrangements.....	20
B. Results Monitoring and Evaluation Arrangements.....	21
B. Sustainability.....	21
IV. PROJECT APPRAISAL SUMMARY	21
A. Technical, Economic and Financial Analysis (if applicable).....	21
C. Fiduciary.....	23
C. Legal Operational Policies	24
D. Environmental and Social	24
V. GRIEVANCE REDRESS SERVICES.....	25
VI. KEY RISKS	26
VII. RESULTS FRAMEWORK AND MONITORING	28
ANNEX 1: Implementation Arrangements and Support Plan.....	35
ANNEX 2: Economic Analysis.....	42
ANNEX 3: Sudan Displacement Map	48

**DATASHEET****BASIC INFORMATION**

Project Beneficiary(ies) Sudan	Operation Name Sudan Somoud - Enhancing Community Resilience Project		
Operation ID P181490	Financing Instrument Investment Project Financing (IPF)	Environmental and Social Risk Classification High	Process Track II

Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input checked="" type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input checked="" type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster
<input checked="" type="checkbox"/> Alternative Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)

Expected Approval Date 19-Apr-2024	Expected Closing Date 31-Jan-2029
Bank/IFC Collaboration No	

Proposed Development Objective(s)

Improve access to basic services and food security of Select Communities in the Republic of the Sudan

Components



Component Name	Cost (US\$)
Community Led Basic Service Delivery (UNICEF)	74,000,000.00
Improving Food Security (WFP)	56,000,000.00

Organizations

Borrower: United Nations Children's Fund, World Food Programme
 Implementing Agency: United Nations Children's Fund, World Food Programme

PROJECT FINANCING DATA (US\$, Millions)

Maximizing Finance for Development

Is this an MFD-Enabling Project (MFD-EP)? No

Is this project Private Capital Enabling (PCE)? No

SUMMARY

Total Operation Cost	130.00
Total Financing	130.00
Financing Gap	0.00

DETAILS

Non-World Bank Group Financing

Trust Funds	130.00
Miscellaneous 1	130.00

Expected Disbursements (US\$, Millions)

WB Fiscal Year	2024	2025	2026	2027	2028	2029
Annual	12.19	47.12	47.12	19.50	0.00	0.00
Cumulative	12.19	59.31	106.44	125.94	125.94	125.94

**PRACTICE AREA(S)****Practice Area (Lead)**

Social Sustainability and Inclusion

Contributing Practice Areas

Agriculture and Food; Finance, Competitiveness and Innovation; Social Protection & Jobs; Water

SYSTEMATIC OPERATIONS RISK- RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	● High
2. Macroeconomic	● Substantial
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Substantial
5. Institutional Capacity for Implementation and Sustainability	● High
6. Fiduciary	● High
7. Environment and Social	● High
8. Stakeholders	● High
9. Other	● High
10. Overall	● High

POLICY COMPLIANCE**Policy**

Does the project depart from the CPF in content or in other significant respects?

[] Yes [✓] No

Does the project require any waivers of Bank policies?

[✓] Yes [] No

Have these been approved by Bank management?

[✓] Yes [] No



Is approval for any policy waiver sought from the Board?

[] Yes [✓] No

ENVIRONMENTAL AND SOCIAL

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

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

NOTE: For further information regarding the World Bank's due diligence assessment of the Project's potential environmental and social risks and impacts, please refer to the Project's Appraisal Environmental and Social Review Summary (ESRS).

LEGAL

Legal Covenants

Sections and Description

Schedule 2 Section I.A.2 to the UNICEF Grant Agreement: In order to ensure proper implementation of its Respective Part of the Project, no later than ninety (90) days after the Effective Date, the Recipient shall establish, and thereafter maintain, throughout the Project implementation period, an adequately staffed Project Implementation Unit ("PIU"), based in the Recipient's offices in the Republic of the Sudan, which shall be responsible for the day-to-day management and implementation of the Project, with composition, mandate and resources as described in the PIM. The personnel shall have the appropriate skillsets, experience and expertise including, inter alia, with regards to financial management, procurement, Project management coordination, and the relevant expertise as required under the ESCP.

Schedule 2 Section I.A.3 to the UNICEF Grant Agreement: In coordination with WFP and the Bank, not later than thirty (30) days after the Effective Date, the Recipient shall establish and thereafter maintain throughout the implementation



of the Project, a coordination platform (the “Project Coordination Platform”) with a composition and terms of reference agreed by the Recipient, WFP and the Bank, to help provide, inter alia, overall guidance and coordination of the Project ensuring synergies and Project-wide monitoring, as further set out in the PIM. The Project Coordination Platform shall be composed of representatives of the Recipient, WFP and the Bank and any other members as further described in the PIM.

Schedule 2 Section I.C to the UNICEF Grant Agreement: The Recipient shall, not later than thirty days (30) days after the Effective Date for the calendar year in which this Agreement shall become effective and not later than February 28 of each subsequent calendar year, or such later date as the Bank may agree in writing, prepare and furnish to the Bank for agreement, the annual work plan and budget containing the proposed activities to be carried out under its Respective Part of the Project during the following calendar year, together with the financing plan for such activities and a timetable for their implementation.

Schedule 2 Section III.2 to the UNICEF Grant Agreement: Prior to any procurement and not later than thirty (30) days after the Effective Date, the Recipient shall prepare and furnish to the Bank for review the Procurement Plan, prepared in accordance with terms of reference satisfactory to the Bank, and thereafter, implement the Project in accordance with such Procurement Plan as shall have been agreed with the Bank. If any update is necessary to the Procurement Plan, the Recipient and the Bank shall agree on such an updated Procurement Plan.

Schedule 2 Section I.A.2 to the WFP Grant Agreement: In order to ensure proper implementation of its Respective Part of the Project, not later than thirty (30) days after the Effective Date, the Recipient shall establish and thereafter maintain during the implementation of its Respective Part of the Project, an adequately staffed Project Implementation Unit (PIU) within the Recipient’s offices in the Republic of the Sudan as appropriate based on the security situation, which shall be responsible for the day-to-day management and implementation of the Respective Part of the Project, with composition, mandate and resources as described in the PIM and working under the direct control and supervision of WFP’s Country Director. The personnel shall have the appropriate skillsets, experience and expertise including, inter alia with regards to financial management, procurement, Project management and coordination, and the relevant expertise as required under the ESCP.

Schedule 2 Section I.A.3 to the WFP Grant Agreement: In coordination with UNICEF and the Bank, not later than thirty (30) days after the Effective Date, the Recipient shall establish and thereafter maintain throughout the implementation of the Project a coordination platform of the Project (the “Project Coordination Platform”) with a composition and terms of reference agreed by the Recipient, UNICEF and the Bank, to help provide, inter alia, overall guidance and coordination of the Project ensuring synergies and Project-wide monitoring, as further set out in the Project Implementation Manual. The Project Coordination Platform shall be composed of representatives of the Recipient, UNICEF and the Bank and any other members as further described in the PIM.

Schedule 2 Section I.C to the WFP Grant Agreement: The Recipient shall, not later than thirty days (30) after the Effective Date for the calendar year in which this Agreement shall become effective and not later than February 28 of each subsequent calendar year, or such later date as the Bank may agree in writing, prepare and furnish to the Bank for its approval, the annual work plan and budget containing all proposed activities to be carried out under its Respective Part of the Project during the following calendar year, together with the financing plan for such activities and a timetable for their implementation.

Schedule 2, Section III.2 to the WFP Grant Agreement: Prior to any procurement and not later than thirty (30) days after the Effective Date, the Recipient shall prepare and furnish to the Bank for review the Procurement Plan, prepared in accordance with terms of reference satisfactory to the Bank, and thereafter, implement the Project in accordance with such Procurement Plan as shall have been agreed with the Bank. If any update is necessary to the Procurement Plan, the Recipient and the Bank shall agree on such an updated Procurement Plan.



Conditions			
Type	Citation	Description	Financing Source
Disbursement	Schedule 2 Section IV. B to the UNICEF Grant Agreement	No withdrawal shall be made: (a) for payments made prior to the Signature Date; or (b) for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; or (c) under Category (2), unless and until: (i) the Recipient has prepared, consulted on, disclosed and adopted: the Environmental and Social Management Framework including all its relevant instruments in accordance with the ESCP; and (ii) the Recipient has adopted a Project Implementation Manual with respect to the Recipient's Respective Part of the Project, in form and substance satisfactory to the Bank.	Trust Funds
Disbursement	Schedule 2 Section IV. B to the WFP Grant Agreement	No withdrawal shall be made: (a) Under Categories 1, and 2, (i) unless and until the Recipient has prepared, consulted on, disclosed and adopted: (A) the Environmental and Social Management Framework including all its relevant instruments; and (B) the	Trust Funds



Security Risk Assessment and Security Management Plan; all in accordance with the Environmental and Social Commitment Plan (ESCP) and in form and substance satisfactory to the Bank; (ii) the Recipient has adopted a Project Implementation Manual with respect to the Recipient's Respective Part of the Project, in form and substance satisfactory to the Bank. (b) for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.



I. STRATEGIC CONTEXT

A. Country Context

1. The Republic of the Sudan is the third largest country by land area in Africa and is geo-strategically important as it is located at the cross-roads of Sub-Saharan Africa, East Africa, and the Middle East. It has long been a center of trade and commerce with vast human and natural resource endowments. Since independence in 1956, however, Sudan's history has been marked by coups, political instability, and conflict, which have hindered socioeconomic development gains. Economic disparities increased over time and were compounded by sociocultural and political divisions. These were at the root of conflict between the northern and southern parts of the country, and they resulted in two civil wars, between 1955-72 and between 1983-2005. The second civil war ended with the signing of a Comprehensive Peace Agreement between the Government of the Republic of the Sudan and the Sudan People's Liberation Movement/Army. South Sudan became independent in 2011 following a referendum, though fighting continued between the government and rebel groups in Blue Nile and South Kordofan states - adjoining the newly created border. With South Sudan's independence, Sudan lost nearly a third of its territory, a quarter of its population, and more than 75 percent of its oil production.¹ This contributed to a growing economic crisis characterized by rapid inflation over time, which led to a significant deterioration in the purchasing power of the Sudanese people, especially the urban salaried classes. In August 2019, after four months of civil disobedience and street protests, a transitional government came into power, attempting to resolve the long-standing internal conflicts and economic distortions. However, Sudan's economic crisis worsened over time, exacerbated by the effects of the 2019 Coronavirus Disease (COVID-19).

2. In October 2021, a military takeover took place, and the transitional government was dissolved. Political objections and street protests continued, which, according to several accounts, were met with excessive force, varying forms of gender-based violence (GBV), and extra-judicial detainments. Violence in Darfur and other conflict-affected areas intensified, and the situation escalated further into an open violent conflict when two factions within the military council – the Sudanese Armed Forces (SAF) and the Rapid Support Forces (RSF) – started open battles in Khartoum in April 2023, pushing the country towards a state of collapse. Many businesses closed, the formal banking system collapsed and led to a cash shortage, and the payment of non-military government salaries ceased. The situation has since worsened, with some 30 percent of Sudan's 79 counties directly affected by the conflict.

3. The fighting between RSF and SAF in various states and heavy clashes in Khartoum have led to significant displacement of people, both internally and into neighboring countries.² As of December 13 2023, the International Organization for Migration estimates that there are over 5.5 million internally displaced persons (IDPs) in Sudan, the vast majority of whom (3.54 million, 64 percent) are urban populations moving from Khartoum state to urban centers in the neighboring states (Al Jazirah, Red Sea, River Nile, Sennar, and White Nile states), while others are a mix of urban and rural population moving from the Darfur States to Chad. Over 66 percent of the IDPs reside within host communities in rented accommodations, schools, gathering sites, improvised shelters, and camps. Over 3 million children have been displaced since the onset of the conflict, making Sudan the largest child displacement crisis in the world.³ Despite increasingly stricter border regimes, over 1.3 million individuals have crossed into neighboring countries since the onset of the conflict, putting considerable pressure on these countries, some of which are contending with their own fragility challenges (see a displacement map in Annex 3). The World Food Programme (WFP), United Nations Children's Fund (UNICEF), United

¹ Luke Patey. 2014. *The New Kings of Crude: China, India, and the Global Struggle for Oil in Sudan and South Sudan*. London: Hurst and Co.

² Data taken from International Organization for Migration. 2023. *Sudan: Monthly Displacement Overview (02) (covering the period between 27 September – 25 October 2023)*. <https://dtm.iom.int/sudan>.

³ According to UNICEF.



Nations High Commissioner for Refugees, and international non-government organizations (NGOs) have been providing humanitarian support (such as food, medicine, and shelter) to IDPs, refugees, and other vulnerable groups in urban centers in Sudan and in IDP camps in neighboring countries.

B. Sectoral and Institutional Context

4. **Failure of basic services.** While humanitarian efforts have been addressing the immediate and urgent needs of IDPs and host communities, their medium-term development needs and resilience remain unaddressed, and the country's human capital remains jeopardized. The large scale and prolonged displacement has resulted in insufficient delivery of basic services in areas with high concentration of IDPs, such as water, sanitation, and hygiene (WASH), health, and education. Prior to the conflict, 40 percent of households in Sudan did not have access to basic water supply, two-thirds lacked access to basic sanitation, and three quarters did not have access to basic hygiene.⁴ Open defecation was practiced by 53 percent of the poorest quintile. Poor WASH has impacted Sudan's malnutrition levels, with 37 percent of its under five-year children being stunted.⁵ From the onset of the conflict, the status of WASH services has further deteriorated in communities hosting large IDP numbers due to destruction of facilities in active conflict zones and population pressures on services. Health indicators are similarly lagging in host communities as health facilities are under unprecedented pressure due to the increased demand and overcrowding. Consequently, diseases that were under control before the conflict have been on the rise in host communities, causing deaths. Although the education sector has seen some improvements in school availability, enrolment, and completion rates, the sector still underperforms in host communities because of the use of schools for shelter and the higher demand for education services. Consequently, these communities demonstrate low learning outcomes, unavailability of teachers, inadequate infrastructure, many out of school children, and poor access for girls.⁶ Parts of the national electricity grid have been destroyed or damaged during the conflict, and some regions are suffering from the break of the fuel supply chain. The lack of reliable power supply has been a binding constraint to service delivery in many local facilities in host communities.

5. The ongoing conflict has also led to a surge in varying forms of GBV⁷ in areas with high concentration of IDPs because of shortage of supplies and limited availability of specialized services, with displaced women and girls residing in temporary shelters being particularly vulnerable.⁸ While incidence data is not available, roughly 4.2 million people (including refugees inside Sudan) are estimated to be at risk of GBV as violence continues and protection services and support systems break down. GBV risk identification and management is insufficient in the humanitarian response across sectors, leading to increased challenges of sexual exploitation and abuse and sexual harassment (SEA/SH). Humanitarian responders have worked to expand the capacity of GBV services providers to provide care, but challenges remain; service providers report increased attacks and harassment on their facilities and increasing fear of survivors to report violations and seek care. Additional challenges include limited access to health facilities for clinical management of rape and lack of safe spaces to provide holistic GBV services, for example, case management or mental health and psychosocial support. Service providers and humanitarian actors further report shortages of material supplies, such as rape treatment kits, dignity kits, and medication. The GBV sub-sector in Sudan indicates that of the US\$63 million needed to provide GBV support to targeted communities, only 18 percent has been funded to date.

6. **Food insecurity.** According to Integrated Food Security Phase Classification (IPC) projections, more than 42 percent of the population experienced high levels of acute food insecurity (IPC Phase 3 or above) between July and

⁴ WHO/UNICEF Joint Monitoring Program, 2023.

⁵ UNICEF Sudan. 2019. Annual Nutrition Report.

⁶ Sudan Education Sector Strategic Plan 2018-2022.

⁷ Including conflict-related sexual violence, intimate partner violence, physical assault, and trafficking, among other violations.

⁸ Data in this paragraph are taken from the ReliefWeb Sudan GBV Sub Sector Coordination Brief, September 18, 2023.



September 2023,⁹ nearly double the number reported during the same time in 2022. Food insecurity is particularly present in communities with high concentration of IDPs because of the increased demand, causing market distortions, service interruptions, and high food costs. Cultivation has been widely disrupted with the plantation area for the 2023/24 season estimated to be 15 percent below the average.¹⁰ Furthermore, the war has disrupted the supply of inputs and services to farmers, and the value chain from farmers to processing and markets. Transportation has also been a significant challenge for farmers and traders due to insecurity and fuel shortages, resulting in reduced trade flows and high transportation costs, as well as inability to access finance or process banking transactions. Amid this precarious landscape, the private sector, especially Small and Medium-sized Enterprises (SMEs) operating in critical sectors like manufacturing, agriculture, and agro-processing, has been acutely impacted. The cessation of commercial and banking activities in Khartoum has resulted in extensive asset depletion and a surge in unemployment, intensifying already fragile supply chain dynamics from farmgate to markets. This disruption has had severe implications on food prices in host communities and the overall market systems, with food prices increasing by over 50 percent since the war started.¹¹

7. To help address food insecurity, local community-based organizations' initiatives (such as the Sharik Foundation) have established small-scale consumer cooperatives, known as "Al Khayma", that are open to community membership enrollment, and food centers. While the food centers provide prepared food to vulnerable community members, the consumer cooperatives are a critical nexus in the food supply continuum, designed to strengthen the distribution from farmgate to consumer markets in the context of low purchasing power of both host communities and IDPs. They employ a bulk-buying approach, allowing a minimal cooperative members' contribution along with project grant support to pool their resources to buy goods in bulk directly from suppliers or farmers at reduced prices. The cooperatives then distribute these goods among their members, offering lower prices due to the bulk purchase discounts. In areas of high concentration of IDPs, such initiatives are present but at a scale that is insufficient to meet the increasing demand.

8. **Institutional context.** While federal institutions in Sudan are nonfunctional, the state level authorities in non-conflict areas are functional but their operation is restricted because of a lack of federal budgetary resources. Water utilities, hospitals, and general administration bodies at the Locality level are in charge of service provision with some financial support and technical assistance from state-level revenues, and Mahalia (district) and administrative units are in place but are very weak due to the lack of resources, with limited service provision responsibilities. Local and service delivery institutions are particularly taxed in areas of high IDP concentration because of population inflows. In some neighborhoods, civil society organizations (CSOs) and neighborhood committees, such youth committees, women committees, and independent doctor unions, provide some of the services largely in a humanitarian space on a voluntary basis and at varying capacities, such as waste collection, provision of medicine, food distribution, operation of mobile clinics, and water supply. In addition, Community Development Committees (CDCs) have been formed since 2013 as part of World Bank- and other donor-funded programs in rural areas, as local bodies that coordinate and govern the local response to the impacts of the conflict. CDCs include regularly selected representation from native administration, locality, women, youth, IDPs, and host communities in sub-committees that address sector-specific needs. The CDCs have various levels of capacity and group representation.

9. **There is presently a gap in medium-term development support in Sudan** as support is primarily humanitarian. This is resulting in the deterioration of existing services, risking recovery once peace is reestablished. Several complementary interventions are planned, including a World Bank-assisted primary education project with a focus on in-school services and a project addressing Cholera outbreaks, as well as an African Development Bank project supporting fertilizer use in several states.

⁹ Integrated Food Security Phase Classification. 2023. *Sudan: IPC Acute Food Insecurity Analysis June 2023 – February 2024*. August 2, 2023.

¹⁰ Ibid.

¹¹ WFP's Monthly Market Monitor, October 2023.



10. **Climate change as a fragility multiplier.** Low socioeconomic development, inadequate infrastructure, and a high dependency on climate-sensitive sectors have resulted in increased vulnerability to climate change impacts and other shocks, reflected in the country ranking close to the bottom of global climate adaptation risk indices.¹² Projected climate change is expected to further undermine local adaptive capacity as the trends of decreasing annual rainfall and increased rainfall variability will continue, resulting in severe socioeconomic impacts, including further migration and displacement of people¹³ and increasing food insecurity. Sudan is also prone to flooding that affects 200,000 people every year on average,¹⁴ correlated with outbreaks of water-borne diseases and damage to homes and assets. The increasing threat of drought is affecting the power supply system, as more than 60 percent of centralized electricity generation in Sudan relies on hydropower, a matter that is affecting security of power supply to basic services. Drought is also impacting the agriculture and livestock sectors, on which the country is highly dependent, thus increasing food and livelihoods insecurity. These challenges highlight the urgent need for climate-resilient planning and investment in Sudan.

C. Relevance to Higher Level Objectives

11. **The World Bank Group's Country Engagement Note for the Republic of the Sudan for the Period FY21-22 (Report No. 152835-SD)** was developed following the 2019 revolution and the country's subsequent re-engagement with the World Bank. While conditions have changed considerably since, the project will support the Country Engagement Note's Focus Area 2: Contributing to a Renewed Social Contract, by improving the functioning of key markets, and promoting resilience as means to addressing fragility and conflict contributors in coordination with local authorities. It will particularly support Objective 2.3: Strengthening Service Delivery and Resilience, through support across a range of sectors as prescribed by the Country Engagement Note. The project will also support the crosscutting theme of Promoting Citizen Engagement and Social Inclusion by ensuring strong outreach to, and dialogue with, citizens, CSOs, the private sector, and diverse participants of Sudan's polity across all activities, with a further focus on addressing gender and youth gaps.

12. **The project is aligned with the World Bank Group FCV¹⁵ Strategy 2020-2025 (Report No. 146551) four pillars of engagement** by strengthening sources of resilience, building resilience, protecting essential institutions, and delivering critical services, strengthening the capacity of core institutions, and supporting private sector development. The project also addresses spillovers such as forced displacement, as well as shocks resulting from climate challenges. It is also well aligned with the FCV Strategy's focus on remaining engaged through conflict and crises.

13. **The operation is consistent with Sudan's First Nationally Determined Contribution (NDC, 2021¹⁶) and National Adaptation Plan (2016). Project activities address the country's adaptation priorities, such as those related to water, agriculture, and public health.** Sudan's First NDC defines mitigation targets as fixed level greenhouse gas (GHG) emission reductions in 2030 relative to a business-as-usual level for energy at 12,458,000 tCO₂e. Priority mitigation actions for the energy sector include the use of utility scale grid connected solar and wind power plants, standalone and mini-grid for residential, agricultural, and industrial sectors, use of energy efficient appliances in the residential sector, and use of improved or fuel-efficient cookstoves for 20 percent of the rural population. The project will directly contribute to this target through financing and use of solar power for prioritized basic service institutions and fuel-efficient cookstoves for community consumer cooperatives and food centers. On adaptation, the project will contribute to building resilience in priority sectors identified by the National Adaptation Plan and NDC, which are water, agriculture, and public health. Specifically, the project will (i) enhance rural water supply by increasing access to water services, (ii) improve agriculture

¹² Sudan scores 179 rank out of 185 countries on the 2023 ND-GAIN index for climate adaptation risks.

¹³ Climate Change Adaptation and Decision Making in the Sudan. www.wri.org.

¹⁴ UN-OCHA data.

¹⁵ Fragility, Conflict, and Violence.

¹⁶ Republic of the Sudan First Nationally Determined Contribution under the Paris Agreement, Updated October 2021.



and veterinary production by financing climate-smart agricultural and veterinary inputs, and (iii) build resilience in the health sector by improving community sanitation and medical services and financing climate-resilient services.

II. PROJECT DESCRIPTION

A. Project Development Objective

PDO Statement

14. The Project Development Objective (PDO) is to improve access to basic services and food security of Select Communities in the Republic of the Sudan.¹⁷

PDO Level Indicators

15. The improved access to basic services outcome will be measured by:

- (a) Select community members with improved access to basic services (Number, disaggregated by sex and displacement status)
- (b) Satisfaction with improved and new basic services (Percentage, disaggregated by sex and displacement status)

16. The improved food security outcome will be measured by:

- (c) Select crop production increase in select areas (Percentage)
- (d) Share of select community members self-reporting improved food security¹⁸ (Percentage, disaggregated by sex and displacement status)

B. Project Components

17. The project is designed to complement the current humanitarian aid to Sudan by laying a foundation for medium- and longer-term development support in areas with high concentration of IDPs. It builds for the future of Sudan by restoring access to basic services and food, protecting human capital, and enhancing communities' resilience using a bottom-up approach. It is sequenced to first meet immediate basic service needs of vulnerable groups in areas of high IDP concentration and relative safety and accessibility, followed by community-led planning and implementation of medium-term basic services. To address these communities' food insecurity, the project will intervene in rural areas that provide food to the target communities where agricultural production is possible to increase resilience, enhance production of select crops, and improve accessibility and affordability of food in local markets. Implementation will be coordinated with the state and Mahalia-level authorities to leverage their experience and integrate them in the wider planning as well as in the operations and maintenance (O&M) of supported services within the framework of the World Bank Operational Policy 7.30 (Dealings with De Facto Governments). Coordination will also be with community-based organizations, and utilities, including planning and alignment with existing plans, designs, and O&M approaches, and with strong engagement of communities through existing and newly formed CDCs. Frontline workers will be engaged in implementation of service activities through incentives as noted below. The project is timely as it allows the World Bank to stay engaged during the conflict, protect assets and institutions, and ensure readiness for more extensive interventions should the situation improve.

¹⁷ Select Communities means IDPs and host communities in urban and rural localities in states as may be specified in the Project Implementation Manual (PIM) and in agreement with the World Bank. See Section B for more details. Food security exists when all people, at all times, have physical and economic access to sufficient, safe, and nutritious food to meet their dietary needs and food preferences for an active and healthy life.

¹⁸ Using a set of questions to be established at the onset of the project. Further details on this indicator are provided in Section VI.



18. The project will be implemented over a five-year period, with the first three years implemented through Third Party Implementation by UNICEF and WFP and financed by a US\$130 million grant from the Sudan Transition and Recovery Support (STARS) Multi-Donor Trust Fund. At the end of the three-year agreements, an assessment will be made of the relevance of the implementation structure to context and needs and adjustments will be made to the implementation arrangements for the remaining two years and if additional financing becomes available. The project will have a national scope with an initial focus on urban and rural localities in Kassala, Northern, and River Nile states (see map in Annex 3).¹⁹ These states were prioritized based on IDP influx, relative security, and overall project feasibility criteria, such as access and proximity to productive agricultural areas that supply food to domestic markets serving IDPs and host communities. The localities, communities, and agricultural cooperatives will be selected using a formula agreed between the World Bank, UNICEF, and WFP that will be based on a defined set of criteria, such as influx of IDPs, level of services, level of food security, climate vulnerability, and complementarity with other development partner interventions, to be elaborated in the Project Implementation Manual (PIM). The project may be scaled up to additional localities in the three target states and/or to other states if context and funding allow, taking into consideration the overall needs of the country and based on agreement with the World Bank. The project may also shift its focus to areas where physical recovery is possible and areas to which IDPs can return. Should conflict escalate in any of the target areas, resources may shift to other localities in the three states or to other states using the defined criteria and in agreement with the World Bank.

19. Activities will be grouped into two interlinked components, complemented by World Bank-financed monitoring, learning, and adaptation activities to inform adjustments to locations and design. The project will have multisectoral and spatial approaches to development with a strong focus on community-led processes via the CDCs to promote ownership, social cohesion, and sustainability.

Component 1: Community Led Basic Service Delivery (UNICEF) (US\$74 million)

20. Component 1 will finance goods, works, consulting and non-consulting services, training, and operating and indirect costs. It will help achieve the first project outcome by supporting: (i) delivery of improved community-led basic services; (ii) temporary engagement of frontline workers and volunteers in select sectors; (iii) project management and technical assistance costs; and (iv) technical assistance and training to select local authorities. This component will be implemented by UNICEF through its ongoing programs and by competent implementing partners (local or international NGOs or other non-government entities) working with UNICEF.

21. **Delivery of improved community-led basic services.** The project will provide fast-tracked support to the target communities based on UN-led rapid needs assessments of urgent service needs in education, health, WASH, and GBV response. The budget for these services will be capped, and they may be temporary in nature and encompass goods and small-scale facility and system rehabilitation works. In parallel, new and strengthened CDCs will facilitate community-led needs assessments and development of prioritized recovery and development plans for medium-term service sub-activities based on an allocated envelope per targeted neighborhood/community. These sub-activities will be procured and monitored by UNICEF, while the CDCs will facilitate their supervision and monitoring. The establishment and strengthening of CDCs, which may include adjustments to procedures and protocols, and record keeping, service O&M, and private sector engagement training, will be informed by local assessments of existing community structures and assessments of exclusion and social tension risks, and follow a common approach that is transparent to the communities, ensuring inclusiveness of IDPs in project implementation and providing clear requirements in the PIM on targeting and beneficiary structures, avoiding elite capture. The CDCs will fulfil minimum quotas for women and IDPs to further promote inclusion and avoid elite capture.

¹⁹ The project target areas are currently neutral and are not considered a stronghold of either of the major warring parties.



22. Sub-activities will be planned and executed with consideration of spatial planning and made climate resilient to withstand flooding. The plans may include the following medium-term development interventions: (i) education services consisting of, inter alia, establishing community learning centers tailored to the needs of out-of-school children, procuring teaching and learning materials, financing psychosocial support, and training for teachers and select community members, (ii) health services consisting of, inter alia, a package of health and nutrition services at primary health care facilities and referral pathways, (iii) WASH services consisting of, inter alia, climate-resilient rehabilitation and upgrading of water supply systems and improvement of sanitation facilities in critical institutions, such as health centers, schools, and public institutions sheltering IDPs, and (iv) GBV response consisting of, inter alia, case management, medical care, mental health psychosocial support services, and referrals through health centers, mobile teams, safe spaces, local women's organizations, social workers, and community-based child protection networks; and an evidence-based community awareness and prevention campaign. The project will ensure, where relevant, that these services include the use of renewable energy sources to provide power to critical infrastructure.

23. Beyond needs, the types and scale of services will be informed by eligibility and prioritization criteria to be outlined in the PIM, such as demonstrated need (number of people impacted), complementarity, feasibility of swift implementation, and identified local institution or community group that can commit to O&M of the service. Funding will be capped per site based on cost assessments to ensure adequate distribution to multiple priority needs and geographic locations, to be agreed by the World Bank and UNICEF. Contractors and suppliers will be encouraged to employ local labor from vulnerable groups with a focus on youth, and works will include low skills works, such as site beautification and civil works installations. The PIM will outline options of youth associations, private sector jobs, as well as community-focused selection of participants and modalities to be adjusted to the situation on the ground, including required works. To enhance trust between IDPs and host communities, the project will also support small-scale initiatives by local community institutions, such as local youth and sport events, and women initiatives.

24. **Temporary engagement of frontline workers in selected sectors.** The project will provide incentives to qualified IDPs and host community volunteers and to local frontline technical workers to deliver these services. Incentives may include transportation and/or telecommunication allowances. Training will be provided as needed. The PIM will outline the worker selection, payment modalities, and incentive strategies.²⁰

25. UNICEF will also provide technical assistance to selected local authorities and training on asset O&M based on capacity assessments and ensure activities' implementation in line with authorities' sectoral policies and provisions.

26. **Project management and technical assistance.** The component will finance its implementation and coordination costs as well as monitoring and evaluation (M&E), including, inter alia, provision of technical support and supervision, the establishment and maintenance of a customized dashboard, and (as needed) costs associated with hiring of a third-party monitoring agent by UNICEF²¹; operating costs; and UNICEF's indirect costs.

Component 2: Improving Food Security (WFP) (US\$56 million)

27. Component 2 will finance works, goods, matching grants, consulting and non-consulting services, training, and operating costs. It will help achieve the second project outcome by supporting: (i) increased resilience and production of select crops and protection of livestock assets in rural areas that supply food to the target communities; (ii) agricultural

²⁰ No salaries will be paid to civil servants and the project will not directly finance food expenditures. Incentive strategies will exclude the formal employment of civil servants.

²¹ To further support UNICEF's standard project monitoring system in case of escalating violence, not overlapping with the World Bank's Support and Monitoring Agent (see below).



value chains; (iii) the scaling-up and strengthening of community consumer cooperatives and organizations and community food centers that distribute agricultural outputs and provide affordable food to vulnerable groups; and (iv) project management and implementation costs. This component seeks to address agricultural production and supply of food to local markets given the deteriorating food security situation in the country, disruptions to agricultural activities, market distortions, and low purchasing power. The project will close the loop by linking farming cooperatives and/or organizations (farmers) with consumer cooperatives that aim to increase availability and affordability of food in local markets. The grants are expected to catalyze SMEs within the agricultural value chain, thereby accelerating the efficiency of the food supply system and spurring employment opportunities and livelihoods. The component will also ensure sustainability and inclusivity in achieving resilience for farmers and communities as it will engage the private sector as a key stakeholder and a partner collaborating with community stakeholders. The component will be implemented by WFP through implementing partners that are actively and efficiently engaged in these thematic areas.

28. Increasing agricultural production and resilience. The project will support the delivery of packages of climate-smart agricultural and veterinary services, inputs, and technical assistance²² to selected legally registered farming cooperatives/organizations in the selected states. Farming cooperatives/organizations will be eligible to receive inputs of up to US\$300 per feddan (4,200 m²). The selection methodology and eligibility of the farming cooperatives/organizations will be outlined in the PIM, and will include, among others: (i) cultivation of select crops, such as sorghum, wheat, beans, and horticultural products; (ii) land under cultivation over the last three years and free from active land tenure or land right conflicts as indicated by the cooperative; (iii) availability of a water source or irrigation; (iv) demonstrated record of selling surplus quantities of agricultural produce to the local markets; and (v) demonstrated commitment (by signing an agreement between legally registered farming cooperative/organization and WFP or its implementing partner) to improve or expand agriculture and production and protect livestock assets. Legally registered farming cooperatives/organizations will be encouraged to recruit IDPs as seasonal workers. The provision of inputs, services, and technical assistance will be contingent on submission of a technical proposal by the legally registered farming cooperative/organization with the support of the implementing partners and vetted by the partners to ensure compliance.

29. Supporting agricultural value chains. Legally registered farming cooperatives and/or associations, as well as SMEs will also participate in the provision of farming inputs and services as approved by the implementing partner, such as rehabilitation and upgrading (including with solar pumps) of existing irrigation infrastructure, transport, and logistics (including storage and packaging), and small-scale processing and other post-harvest activities, financed by matching grants. The methodology for selecting the SMEs will be outlined in the PIM, and include criteria such as (i) SMEs supporting a positive list of agriculture value chain activities; (ii) SMEs operating within the targeted geographic areas; (iii) legal registration; (iv) availability of proper storage facilities and transportation; (v) a minimum of four years track record of commercial activities with a core competency engagement in agricultural value chains; and (vi) commitment to provide a matching contribution to be defined in the PIM. The grant design cycle will be up to 24 months, providing matching grants of up to US\$100,000 to qualifying SMEs. Matching grants will be selected competitively based on submission of technical proposals. The matching contribution could be in the form of cash and/or assets.

30. Scale-up and strengthening of community consumer cooperatives. The project will provide support to community consumer cooperatives and organizations established at a small scale by local community-based organizations and community food centers in the target communities by providing them with in-kind support, including through the procurement of goods and services; training in inventory management, value addition for agricultural products (for

²² Services such as basic machinery, upgrading of water pumps to solar, rehabilitation and upgrading of water efficient technologies, and rehabilitation of water pumps and irrigation ancillary equipment; agricultural inputs such as fertilizers, seeds, and veterinary inputs; and technical assistance on operation and simple maintenance of solar pumps and solar agro-processing equipment and training on rational use of fertilizers to reduce GHG emissions. A positive list will be included in the PIM.



example, packaging and milling), and eco-friendly practices, including composting, recycling, and use of biodegradable packaging; procurement of renewable energy systems such as solar panels and solar batteries, and clean cooking equipment to ensure uninterrupted operation and reduced carbon emission; and scaling up a digital enrollment platform in the community consumer cooperatives and food centers to enhance social cohesion. Enrolled members will receive vouchers to purchase food sold by these consumer cooperatives. The consumer cooperatives and organizations will scale up community food centers that provide prepared food to vulnerable community members. New consumer cooperatives and food centers will be located in strategic geographic areas to maximize reach and reduce their exposure to climate risks while existing ones will be made more climate resilient. To guarantee a diverse supply of essential commodities, the system will enroll both farmers and other value chain and market actors and vendors.

31. **Project management and implementation cost.** The component will finance WFP's operating costs for the project and its indirect support costs.

32. Using World Bank resources through a Bank-Executed Trust Fund, a Bank Support and Monitoring Agent (BSMA) will be contracted by the World Bank to complement the technical support to the project, carry out sample monitoring of project progress and implementation in accordance with the Grant Agreements and the PIM, support mid-term and end-term reviews, and monitor the inclusiveness of project-funded activities and CDCs.²³ World bank resources will also be used to assess the functionality and impact of the two components' interventions for a potential scale up should additional resources become available. A roadmap outlining the interoperability between UNICEF, WFP, and authorities will be prepared during the project's third year, outlining timing and criteria for a potential next phase implemented by local entities. The World Bank will also closely monitor the project's impact on social cohesion and market dynamics to avoid inadvertent creation of social tension between IDPs and host communities and/or market distortions in the host communities. Further, the World Bank will conduct assessments of the feasibility to establish a Community Development Fund and a Public Works Program with conditional cash transfers to support agricultural production in Sudan, to be considered during the project's mid-term review for inclusion in the operation. To lay the groundwork for longer-term recovery, the World Bank will also finance other forward-looking assessments and planning exercises, for example, on durable solutions for IDPs, urban planning, post-conflict reconstruction, and further opportunities to support vulnerable people in Sudan.

Corporate priorities

33. **Gender.** The conflict has had a disproportionate impact on women and girls who have limited access to services, while facing increased protection risks and food insecurity. With women being the primary managers of water within the household, they face increased safety and protection risk as they must travel long distances to access water sources. Lack of access to clean water disproportionately affects women and children as they are more vulnerable to the safety and protection risks associated with adaptations (such as open defecation and fetching water) and exposed to greater health risks as women may be more likely to reduce water use for personal hygiene to provide for the household. Women and girls struggle to access life-saving reproductive health and protection services because of deteriorating health services, including life-saving maternal health medicines. GBV is rife and has a devastating impact on women and girls as access to protection services and support have been severely compromised,²⁴ worsened by a culture of shame and impunity, thus contributing to underreporting.²⁵ In terms of employment, women in urban areas of Sudan are especially vulnerable, as they often work as petty traders, providing the sole source of income for their households. Households headed by women are more food insecure than male-headed households - 42 percent compared with 31 percent of households, respectively.

²³ While the BSMA will allow the World Bank to carry out oversight of the project on the ground, it will not have implementation responsibilities.

²⁴ UN Population Fund, 2023. <https://www.unfpa.org/sudan-conflict-tragedy-women-and-girls%E2%80%99-rights>.

²⁵ Global Database on Violence against Women. Sudan. UNWOMEN.



Disparities between women and men in terms of food intake exist within the same household with 79 percent of women not meeting the minimum acceptable diet requirements.²⁶

34. The project will help address access constraints to services such as GBV response, food security, and employment gaps by, respectively: (i) establishing and improving services that are critical to women (health, WASH, and GBV prevention and response services) and strengthening local capacities to provide services to GBV survivors beyond the life of the project, (ii) strengthening the supply of affordable food to females, and (iii) increasing job opportunities to women as service providers, employees/managers of community consumer cooperatives and kitchen centers, and local labor, while also supporting female-owned SMEs. To ensure women are part decision-making structures, the project will also ensure the integration of more women into CDCs. These actions will be monitored as part of the results framework by UNICEF and WFP to track progress in addressing these gaps. UNICEF and WFP will also monitor women's satisfaction with project-funded services and sense of improved food security.

35. **Citizen Engagement.** The project will support local solutions to service failure and food insecurity, informed by needs assessments and based on citizens' engagement via community-led planning and decision processes. This approach will ensure a bottom-up identification of respective needs alongside local capacity enhancement for participatory planning and decision-making. Beyond this, the project will ensure close engagement of citizens (both IDPs and host communities) in CDCs to identify needs and solutions, thereby ensuring that local voices are directly integrated into decision-making on support and securing local ownership and a positive interaction between different groups within the communities. The satisfaction of recipient communities with the improved services will be measured at mid-term through a feedback exercise, the results of which will be used to close the feedback loop, i.e., inform the improvement of services under Component 1. Additionally, beneficiaries' sense of food security will be surveyed to inform improvements to the implementation of Component 2. The project will not only ensure regular and meaningful information exchange between the project and communities throughout the project lifecycle, but also will support the development of respective community institutions (CDCs). The project will incorporate temporary engagement of skilled IDPs and host community into project implementation and as local labor. Women and women's groups, young people, and youth groups will play an integral role in the provision of affordable food and prepared meals through the community consumer cooperatives and food centers. Indicators of citizen engagement are included in the results framework.

36. **Climate Change.** Project activities are intended to reduce the negative impact of climate change and variability through improved services that reduce vulnerability and enhance communities' adaptive capacity. The project will finance the rehabilitation of existing basic services to make them more resilient to climate hazards and less reliant on fossil fuel for energy. Communities' water supply points will be rehabilitated and upgraded to function more effectively and retrofitted with solar energy to improve reliability. Emission mitigation will be supported through solar installations for critical health, education, and WASH infrastructure, upgrading of existing water pumps to solar, and provision of fuel-efficient cookstoves to community consumer cooperatives and food centers, alongside use and O&M training.

C. Project Beneficiaries

37. **The project beneficiaries are 560,000 IDP and host community individuals in target localities in Kassala, Northern, and River Nile states²⁷, and 16,000 farmers.** The number of beneficiaries may increase during implementation if the project is scaled up. The IDP and host community beneficiaries will benefit from improved access to basic health, GBV response, education, and WASH services, and from increased availability of food at reduced costs. Some of the beneficiaries will also benefit from temporary engagement as service providers, and local youth, men, and women will be

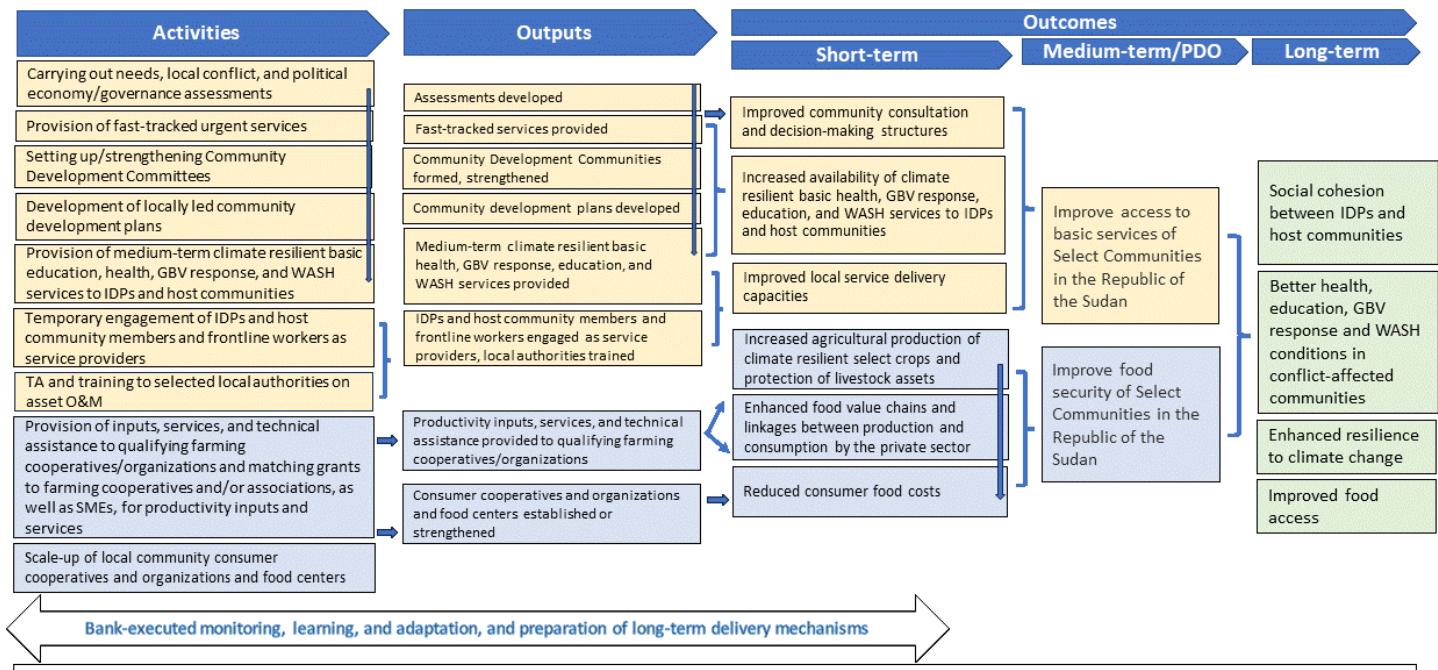
²⁶ ReliefWeb. 2022. [https://reliefweb.int/attachments/242c7b82-6694-4373-a05c-e1890d3debef/CFSVA Summary Report Q1 2022.pdf](https://reliefweb.int/attachments/242c7b82-6694-4373-a05c-e1890d3debef/CFSVA%20Summary%20Report%20Q1%202022.pdf).

²⁷ The project area may change over time as noted.



employed by contractors and suppliers as local labor in the construction or rehabilitation of service infrastructure. The 16,000 farmers (members of farming cooperatives/organizations) will be provided with productivity inputs and services. Additional beneficiaries are 80 agriculture SMEs, which will receive matching grants to deliver inputs and services, and members of 16 new and strengthened community consumer cooperatives and organizations and food centers who will have jobs and access to food products. Institutional beneficiaries will include CDCs, which will receive capacity building support on how to conduct localized needs assessments, formulate development plans, operate and maintain community sub-activities, and engage with the private sector, and local authorities that will receive technical support.

D. Results Chain



Critical Assumptions: (i) manageable levels of conflict in targeted areas; (ii) physical access to intervention areas; (iii) increased technical and management expertise within and outside government thanks to project support under Component 1; (iv) Bank-executed activities inform adaptation of interventions to needs and capacities; (v) O&M of basic services carried out by contracted entities, taken over gradually by the authorities using revenue and public budget. These assumptions are relevant to all the activities.

Note: TA = Technical Assistance

E. Rationale for Bank Involvement and Role of Partners

38. Rationale for Bank involvement. The World Bank has a strong comparative advantage in FCV settings, centering on its role as a development actor committed to sustained and long-term engagement that can support national and local systems and functions and local food value chains. The World Bank has decades of experience investing in programs that integrate climate and reconstruction into large-scale community-led programs, including in Bangladesh, Ethiopia, Indonesia, the Philippines, Somalia, Yemen, and others. The World Bank brings a development perspective to the forced displacement agenda, as endorsed by the World Bank Group Development Committee in April 2016, which is central to its mandate. In Sudan, the World Bank is in a unique position to leverage its experience from past and ongoing operations, primarily the Community Development Fund Project (P094476, 2007-2013), Sudan Family Support Project (P173521, 2020-2023), Sudan Emergency Safety Nets Project (P178989, 2022-2024), and Sudan Basic Education Support Project (P167169, 2020-2025). The World Bank has carried out extensive analytical work in Sudan that informed the design of this



project, including a 2021 diagnostic report on emergency preparedness and response capacities,²⁸ a 2023 Risk and Resilience Assessment (RRA), a 2023 Sudan Urbanization Diagnostic, and a 2021-2023 Sudan Household Budget and Poverty Survey (P176302).

39. **Role of partners.** Various agencies that are important partners in Sudan were assessed as implementing agencies for this project. UNICEF and WFP were selected according to the following criteria: (i) global and country-related experience in prior World Bank financed contracts, notably on institutional agreements and procedures, operational policy requirements, and operational policy flexibilities; (ii) proven technical and operational competence in the relevant sectors; (iii) fiduciary capacity, including procurement capacity to enter into agreement and manage local/international NGOs for the provision of goods and services; (iv) staffing, field and deployment capacity, as well as the potential to scale; and (v) security considerations, with a premium placed on engagement under the UN security umbrella to mitigate security risks.

40. As a multi-sectoral project operating in an FCV context, linking the project to partners with established local presence and experience is key. UNICEF will implement Component 1, and WFP will implement Component 2 by scaling up interventions currently under implementation by implementing partners vetted in accordance with WFP's regulations and rules, and in coordination with local authorities, parastatal entities, and community-based organizations. A Project Coordination Platform will be established, comprising the World Bank, UNICEF, WFP, and implementing partners to coordinate interventions, review progress, and ensure effective complementarity with ongoing humanitarian support. The platform will be chaired by the World Bank, and its terms of reference will be described in the PIM.

F. Lessons Learned and Reflected in the Project Design

41. The following lessons and recommendations are reflected in the project design²⁹:

- (a) **Intervene in areas of relative stability as an entry point to medium to long-term development in Sudan.** One of the key criteria for site selection will be relative security and physical access.
- (b) **Service delivery is a critical need in a post-conflict situation that can also be calibrated to embed medium to longer term outcomes in sectors.** The project will invest most of the resources in the provision of basic health, GBV response, education, and WASH services by first assessing community needs, then setting up and strengthening community structures to facilitate prioritization of services by the communities, training youth and women and service providers, and delivering the services to the selected conflict-affected communities.
- (c) **Ensure social inclusion with distributive benefits.** The project will benefit IDPs and host communities alike and ensure that both participate in CDCs and as frontline service providers.
- (d) **Prioritize concentrated allocation of project resources over broader community coverage to ensure maximum impact.** The project will target a small number of communities at its onset and expand geographically as context and resources allow. The menu of service interventions will be limited to further secure strong impact in basic health, GBV response, education, and WASH services.
- (e) **The menu of investment choices should be consistent with the community context and appropriate in terms of design and cost.** The menu will be based on local conflict, political economy, and need assessments to identify stakeholders and their needs and the final choice of investments will reflect the available funding envelope.
- (f) **Social mobilizers are essential for community-led projects in terms of informing communities, ensuring a balanced youth, men, and women participation, and securing a holistic community acceptance of investments.**

²⁸ World Bank. 2021. *Diagnostic Report: Emergency Preparedness and Response Capacities in Sudan*. Washington, D.C.

²⁹ Drawn from the Sudan RRA, the Community Development Fund Project, the Sudan Urbanization Diagnostic, and an independent evaluation of the World Bank administered multi-donor trust fund in Sudan.



The project will especially leverage existing youth and women groups and community committees that have established trust with communities to lead community engagement activities.

- (g) **Projects susceptible to a changing operating environment and other externalities should remain flexible.** The design is flexible in terms of geographic coverage and the types of investments and activities.
- (h) **Promote sustainable solutions for refugees and IDPs living in urban areas with a focus on the provision of basic infrastructure and services, notably education, health, and WASH.** The project will complement ongoing humanitarian aid by providing basic services in urban areas with high numbers of conflict affected communities.

III. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

42. As noted, the project will be implemented over a five-year period, with the first three years implemented through grant agreements between the World bank and UNICEF and WFP, respectively. UNICEF will be the implementing agency of Component 1 and WFP will be the implementing agency of Component 2. At the end of the three-year agreements, an assessment will be made of implementation arrangements for a future phase. UNICEF and WFP will engage qualified implementing partners (local or international NGOs or other non-government entities) to implement the activities in coordination with the local authorities, parastatal entities, and community-based organizations. Nonetheless, UNICEF and WFP will maintain monitoring and oversight responsibilities, including fiduciary and environmental and social (E&S) aspects of the respective components. For Component 1 implementation, relevant UNICEF initiatives may be scaled up, such as UNICEF's Makanna Initiative, which offers a bundle of integrated education, protection, and WASH services with primary health care system strengthening for early referrals. UNICEF and WFP will develop the coordination, implementation, and governance mechanisms of Components 1 and 2 activities, respectively, to be included in the PIM and agreed with the World Bank. The project will include provisions to mitigate security risks to project-financed activities.

43. Both implementing agencies will establish Project Implementation Units (PIUs) within the implementing agencies' offices in Sudan (as appropriate based on the security situation) and carry out day-to-day management and implementation of the respective components. The PIUs will be adequately staffed to ensure effective project management and coordination and compliance with fiduciary requirements. The PIUs' composition, roles and responsibilities, and resources will be described in the PIM.

44. Coordination between UNICEF, WFP, and key implementing partners will be facilitated through the Project Coordination Platform where core stakeholders will meet quarterly or more frequently if needed to provide, inter alia, overall guidance and coordination of the project and ensure synergies and project-wide monitoring. The Platform will be chaired by the World Bank; decisions will be made by consent and all parties will take the necessary actions to implement the decisions.

45. Locality-level authorities will be engaged to the extent possible and throughout implementation in planning, coordination, and O&M of services; however, project funds will not be provided to these institutions.

46. As noted, a BSMA will be contracted by the World Bank using Bank-executed resources. World Bank resources will also be used to assess activities' scale-up potential should additional resources become available, assess the feasibility to establish a Community Development Fund and a Public Works Program during the second half of the project, and carry out local conflict, political economy, and needs assessments. See further detail on World Bank implementation support in Annex 1.



B. Results Monitoring and Evaluation Arrangements

47. WFP and UNICEF will use the results framework to set baselines during the first year of implementation and monitor and report on their respective activities and results in quarterly updates provided to the Project Coordination Platform and bi-annual progress reports that they will submit to the World Bank. This will be complemented by M&E, learning, and adaptation activities carried out by the World Bank, including by the BSMA, which will carry out sample monitoring of progress on the ground and aggregate UNICEF and WFP reported results into project-wide bi-annual and annual project reports. Mid-term and completion reports will also be prepared by UNICEF and WFP and aggregated/validated by the BSMA with additional evaluations, including social cohesion and market dynamics impacts. These reports and assessments will inform the evolution of the project in terms of location, scale, types of investments, and the support to the CDCs. Other ad hoc assessments will be carried out with World Bank financing based on identified needs throughout the project to inform changes or adjustments. Field truthing by UNICEF, WFP, and the BSMA will be complemented by remote monitoring, World Bank global datasets and tools, and the World Bank's Geo-Enabling Initiative for Monitoring and Supervision (GEMS), to monitor project progress across locations, including remote and less accessible sites, and support granular geographical coordination of the two components. The implementing agencies will use a software for M&E to facilitate result sharing and allow future handover to the government, with consideration of appropriate data privacy measures.

B. Sustainability

48. While it is expected that revenue and public budgets will provide funding for O&M of supported basic services in the long term, the project will finance transitional support via support for frontline workers, as well as maintenance of project-funded basic services to preserve systems for delivery of essential project-funded services. The PIM will determine parameters and procedures for integration of services into mainstream institutional structures; capacity assessments of relevant localities will be carried out by the World Bank and inform the technical assistance to the local authorities to gradually build their capacities and systems to operate and maintain assets. The new and strengthened CDCs are expected to continue and function after project closing to facilitate decision-making by IDP and host communities. Committees' ties with local authorities will be strengthened where feasible through joint meetings and exchanges. Local NGOs and CSOs will be engaged in implementation with an increasing role over time. Component 2 will build the human and material capacities of agriculture cooperatives and SMEs to operate more effectively, increase revenues, and catalyze private sector engagement within the agricultural value chain and livelihoods. Community consumer cooperative and food centers will be scaled up by working with local community-based organizations. Starting at mid-term and based on the conditions at that time, decisions will be made on sustainable O&M financing mechanisms for project investments.

IV. PROJECT APPRAISAL SUMMARY

A. Technical, Economic and Financial Analysis (if applicable)

Technical Analysis

49. The response to the development impacts of conflict, the project will employ approaches that draw on the successful experience of the Window for Host Communities and Refugees of the World Bank, as well as the extensive operational and analytic World Bank work in addressing GBV. Conflict and displacement interventions will have a strong focus on recovery and reconstruction via community-driven models, drawing on experience from other countries.³⁰

³⁰ Such as those successfully used in Myanmar, Democratic Republic of Congo (DRC Eastern Recovery Project, P145196), South Sudan (Enhancing Community Resilience and Local Governance Project, P169949), Ukraine (Eastern Ukraine: Reconnect, Recover, Revitalize Project, P172348), and



Challenges related to community-based development and the possibility that the project will contribute to further conflicts will be addressed by building cohesive communities, relying on the following pillars: (i) *Belonging and inclusion*: helping communities to have a shared vision and institutions that bring all community members together while representing diversity, differences, and disagreements when they arise; (ii) *Opportunity and resilience*: making sure that communities and community members from different backgrounds and with different needs have similar access to services and food; and (iii) *Civic empowerment*: ensuring that communities and citizens participate in planning and decision-making processes within sustainable and inclusive institutions for inter-community relations.

50. Relevant to Component 2, the project design incorporates lessons from similar World Bank-financed agricultural projects in other countries. Accordingly, the project design seeks to: (i) foster strong participation among farming cooperatives to ensure sustainable agricultural production; (ii) adopt a value chain approach to support the integration agricultural cooperatives with local markets; (iii) leverage a relatively dynamic private sector to support agricultural production; and (iv) promote climate-smart agriculture practices to improve resilience.

Paris Alignment

51. **The operation is aligned with the goals of the Paris Agreement on both mitigation and adaptation.**

52. **Assessment and reduction of mitigation risks.** Financed mitigation-related activities include solar installations for critical health, education, and WASH infrastructure where relevant, upgrading of existing water pumps to solar, provision of fuel-efficient cookstoves to community consumer cooperatives and food centers, climate-smart agricultural, and veterinary inputs and services. These fall under the universally aligned activities, namely “low-GHG and climate-smart agriculture”, “water supply systems and quality improvement”, “renewable energy-powered irrigation systems”, and “education and human health services”. Support to community consumer cooperatives and food centers will not involve construction or upgrading of roads. Support to climate-smart agricultural and provision of veterinary inputs and services would not expand or promote expansion into areas of high carbon stocks or high biodiversity areas. The operation has negligible to low risk of preventing the country’s transition to a low-carbon development pathway.

53. **Assessment and reduction of adaptation risks.** The main climate risks likely to affect the project investments are drought and floods; however, risks from climate hazards have been reduced to an acceptable level since the design takes them into consideration. Specifically, climate change risks and vulnerability to drought and floods will be managed through targeted adaptation measures, which include: (i) climate resilience measures in the design of basic services, i.e., their engineering and design would withstand such climate events; (ii) integrating climate information, such as precipitation, hydrology projections, and seasonal forecast, into planning; (iii) provision of climate-smart agricultural and veterinary inputs; and (iv) strategic water management options to ensure water availability and access to communities and productive activities. These interventions will not only reduce target communities’ vulnerability to droughts and floods, but also increase the resilience of the interventions themselves. In summary, the project design adequately reduces the physical climate risks to outcomes, and the project’s climate resilience and adaptation design considerations limit the exposure to a low/acceptable level of residual climate risk.

Economic Analysis

54. While the benefits of Component 1 primarily have social and economic natures, the benefits of Component 2 are also quantifiable in financial terms. The benefits of Component 1 activities are expected to stem from: (i) an improved quality of education, impacting the economy positively through enhanced human capital from educational services; (ii)

others.



prevention of economic losses and saved lives due to improved health services; (iii) better health conditions for the Sudanese population by reducing the incidence and prevalence of waterborne diseases (such as diarrhea) and decreasing time spent on water retrieval due to WASH activities; and (iv) various benefits resulting from GBV response activities. Envisaged benefits of Component 2 comprise: (i) increased production of specific crops and safeguarding livestock assets; (ii) improvements in agricultural value chains; and (iii) expansion and reinforcement of community consumer cooperatives and organizations and food centers to distribute agricultural outputs and provide affordable food to vulnerable groups.

55. A financial cost-benefit analysis was performed based on three indicative key cash and staple crop/farm budgets as well as one indicative enterprise model on aggregation/transportation of the produce. Increases in yield varied somewhat among different crops but, in general, all three models showed a positive Net Present Value (NPV) (ranging between SDG 22,659 – 60,690) and Internal Rates of Return (IRRs) higher than the discount rate (from 19.3 percent to 26.2 percent), which indicate their financial viability. In the financial analysis, it was also assumed that an indicative SME accesses about US\$45,000 (SDG 27,072,000) to purchase a truck with a capacity of ten tons. This truck will be used for transportation of the produce from a farm to a market. The analysis yielded an IRR of 18.0 percent and an NPV of SDG 9,751,887. The benefit to cost ratio is 1.15, which proves the financial viability of such a model. A third type of support under Component 2 was strengthening of community consumer cooperatives and organizations to ensure that these entities receive agricultural produce at reasonable prices, thus extending affordability to consumers in target communities, including those in vulnerable situations. The financial benefits will be accrued in the form of family budget savings as the produce prices on these markets will be subsidized by the project and will be lower than other market prices by 10-15 percent. An overall Economic Internal Rate of Return (EIRR) is calculated at 15.4 percent and the Economic Net Present Value (ENPV, with a 6 percent discount rate) is estimated at around US\$72.3 million. Economic returns were tested against changes in benefits and costs and for various lags in the realization of benefits. The project EIRR and the ENPV were re-calculated in three additional scenarios - with a low carbon price, with a high carbon price, and without carbon. A GHG emission calculation and the full economic analysis are presented in Annex 2.

C. Fiduciary

56. **Financial Management (FM).** The residual FM risk is High. UNICEF and WFP have proven ability to carry out project activities in hard-to-reach areas in Sudan and have adequate systems and mechanisms to ensure project implementation in situations of conflict and insecurity. The organizations' FM arrangements are well aligned with requirements under the World Bank Policy and World Bank Directive (formerly OP/BP 10.0) on Investment Project Financing. The FM arrangements will be based on the Financial Management Framework Agreement (FMFA), to which UNICEF and WFP are co-signatory. UNICEF and WFP will ensure effective FM oversight of project activities through their accounting capacity and systems. UNICEF and WFP will prepare and submit quarterly Interim Unaudited Financial Reports (IFRs) to the World Bank within 45 days after the end of each quarter. Disbursement of funds will be based on the IFRs and submission of Statements of Expenditures. External audit requirements will be satisfied through entity-level audits conducted in line with the Single Audit Principle as recognized by the World Bank and as set out in the entity's relevant framework. UNICEF will share with the World Bank a summary of the results of its implementing partners' audits as per the Harmonized Approach to Cash Transfer (HACT). See further details in Annex 1.

57. **Procurement.** The residual procurement risk is Substantial. The World Bank will rely on and apply UNICEF's and WFP's rules and procedures as Alternative Procurement Arrangements. The World Bank conducted a procurement capacity assessment of the WFP and UNICEF Sudan Country Office, finding that they had good in-house procurement capacity. Therefore, there may not be a staffing gap with the expected increase of workload under this project. If such gaps are identified, agreement will be reached with the World Bank on how to address them. Procurement activities envisaged will be mainly consulting services, goods, non-consulting services, and small or medium public works. WFP and



UNICEF submitted a draft Project Procurement Strategy for Development (PPSD) and a summary of planned procurement before negotiations. A draft procurement plan will be agreed with the World Bank prior to any procurement and not later than 30 days after the Effectiveness Date. WFP and UNICEF will provide updates on progress of procurement implementation as part of their progress reports. See further details in Annex 1.

C. Legal Operational Policies

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	Yes
Projects in Disputed Area OP 7.60	No

58. The Project triggers OP 7.50 given that the activities may involve the use of the Nile River system, Baraka River system, Gash River system, Gedarif Aquifer, Nubian Sandstone Aquifer, and Baggara Aquifer systems, all of which are shared by other countries. The exception to the riparian notification requirement according to paragraph 7(a) of the Policy applies because activities are limited to upgrading and modernization of existing, small-scale schemes, which will not adversely change the quantity and quality of water flows to other riparians. The exception to the notification requirement was approved by the Regional Vice President on December 19, 2023.

59. In accordance with the Bank Procedure on Operational Policy Waivers and Waivers of Operational Requirements, a waiver of the Anti-Corruption Guidelines for the purposes of the agreements with UNICEF and WFP was cleared on December 18, 2023 by the Operations Policy Vice President, and the Alternative Procurement Arrangements were approved on December 9, 2023 by the World Bank Chief Procurement Officer.

D. Environmental and Social

60. **Environmental.** The environmental risk of the project is Moderate. Project activities are not anticipated to cause conversion of natural habitats, or generation of large-scale pollutants given the small-scale nature of the activities and the rehabilitation activities which will be largely limited within the compound of existing education, health, and WASH facilities. The construction and rehabilitation of basic service facilities may involve small-scale site clearance and removal of vegetation, resulting in soil erosion due to exposure of soil surfaces to rain and wind during site clearing, and excavation activities. Construction or rehabilitation activities, though small, could cause noise, air, and water pollution, and increase project workers and communities' exposure to health and safety impacts. Potential occupational health and safety (OHS) risks may result from the construction and rehabilitation of basic service facilities. There are also potential environmental, health, and safety risks from health facilities, including medical wastes and generation of sanitary wastewater and solar waste. Although the irrigation schemes to be supported by the project will be micro-scale, they could use agrochemicals that could pollute water and soil and cause risks to humans from mishandling and absence of protection. Risk mitigation will be overseen by UNICEF and WFP.

61. **Social.** The social risk of the proposed project is High mainly due to the FCV context of Sudan. Other potential social risks and impacts include: (i) exclusion of Sub-Saharan African Historically Underserved Traditional Local Communities and vulnerable groups from project benefits and decision-making structures; (ii) security risks and illegal activities, such as violence, extortion, theft, armed assault, looting, and vandalism of project materials and properties; (iii) GBV, including SEA/SH risks; (iv) weak community participation and engagement during implementation; (v) social tensions or conflict between the IDPs and host communities over project benefits and rejection of targeting criteria; (vi) a



possible increase in IDP mobility to the project areas to benefit from the project; and (vii) risks relating to labor and working/OHS conditions, child labor, forced labor (in the context of the global supply chain for solar panels and solar components), and labor influx and disputes. There is also the risk of inadequate monitoring, supervision, and timely redress of complaints, which could impact implementation. These risks might be exacerbated by dispersion, remoteness, and institutional challenges and by contextual security risks.

62. The implementing entities developed, consulted, and disclosed Environmental and Social Framework (ESF) instruments, namely Environmental and Social Commitment Plans (ESCPs) and a Stakeholder Engagement Plan.³¹ UNICEF and WFP will develop, consult, adopt, implement, and update as needed Environmental and Social Management Frameworks (ESMFs). UNICEF's ESMF will include Labor Management Procedures, a Social Assessment and Social Risk Management Framework, a Security Management Framework summary, Chance Find Procedures, and a GBV/SEA/SH Action Plan summary to guide the screening of sub-activities and the development of mitigation measures to address potential E&S risks and impacts at the sub-activities level.³² WFP's ESMF will include Labor Management Procedures, an Integrated Pest Management Plan, a GBV/SEA/SH Action Plan, a Security Risk Assessment and Security Management Plan, a Social Assessment, including a Social Development Plan, and Chance Find Procedures. E&S risk management instruments, for example, Environmental and Social Management Plans, will be prepared for community infrastructure works, and implemented and monitored by the implementing entities as per the relevant instrument. The bidding documents for small solar systems for facilities of prioritized basic service institutions will emphasize forced labor risks and require that sellers of solar systems to the project will not engage or employ any forced labor. Bidders will be required to provide a Forced Labor Performance Declaration to cover past performance, and a Forced Labor Declaration to cover future commitments to prevent, monitor and report on any forced labor, cascading the requirements to their sub-contractors and suppliers.

63. **Grievance redress.** UNICEF and WFP have two, agency-based established and active grievance redress mechanisms (GRMs, or a Common Feedback Mechanism [CFM] as referred to by both agencies) through multiple, inclusive, and accessible channels, that allow stakeholders and contracted workers to provide feedback on project impacts and mitigation measures and raise workplace concerns, as provided under the World Bank Environmental and Social Standard 2 (ESS 2). The Coordination Platform and dashboard will be used for common joint sensitization and inter-agency tracking of grievances' status. UNICEF and WFP have dedicated teams of expertise managed by CFM experts under their Accountability to Affected Population Unit, assigned to receive, handle, and manage complaints related to project-affected parties. The project grievance process will involve the following main steps: (i) receipt of grievances with three-levels informed consent (including written, verbal, text message, telephone through all available channels), (ii) registration/logging of grievances by a dedicated GRM team for each channel using a digitized system, (iii) referral to assigned focal points per typology, (iv) case management, including handling, processing, and action based on priority and an escalation matrix, with an appeals structure to be established, (v) feedback provision to the complainant using the GRM channels, (vi) closure of the grievance following the appropriate procedure, (vii) reporting, trend analysis for quality programming, and (viii) quality assurance.

V. GRIEVANCE REDRESS SERVICES

64. **Grievance Redress.** Communities and individuals who believe that they are adversely affected by a project supported by the World Bank may submit complaints to existing project-level grievance mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address

³¹ The draft ESCP and Stakeholder Engagement Plan were disclosed by UNICEF and WFP on December 19, 2023.

³² The ESMF will be disclosed prior to disbursement except the GBV/SEA/SH Action Plan and the Security Management Framework, for which summaries of relevant information for stakeholders will be included in the disclosed document.



project-related concerns. Project affected communities and individuals may submit their complaint to the Bank's independent Accountability Mechanism (AM). The AM houses the Inspection Panel, which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures, and the Dispute Resolution Service, which provides communities and borrowers with the opportunity to address complaints through dispute resolution. Complaints may be submitted to the AM at any time after concerns have been brought directly to the attention of Bank Management and after Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's GRS, visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the Bank's Accountability Mechanism, visit <https://accountability.worldbank.org>.

VI. KEY RISKS

65. The overall risk rating of the project is High, informed by the following key risks:
66. **Political and Governance (High).** Due to the past years' conflict, Sudan's federal institutions are not functioning, and federal structures cannot be relied on for project implementation, while state and locality-level institutions and local authorities are in place and operational. Federal level security apparatus, such as the Humanitarian Aid Commission is functioning at the state level and will require coordination and consultation to ensure smooth implementation and facilitation of project activities. To mitigate these risks, the project will be implemented by UNICEF and WFP, which will work with international and local implementing partners. Furthermore, local decision-making will be carried out by new and existing CDCs whose capacity will be reinforced by the project. During implementation, the World Bank will carry out state-level assessments of local authorities' capacity that will inform its engagement in the implementation of project activities. An engagement strategy will be developed and reflected in the PIM.
67. **Macroeconomic (Substantial).** The economic impact of the revolution, other socioeconomic shocks, and the 2021 coup have aggravated the already weak pre-conflict economic performance. This has been further exacerbated by recent military destruction and a halt on domestic and international production and trade. In addition, the recent coup, followed by the freezing of donor aid, have further aggravated the economy's deterioration, resulting in depreciation of the currency, and rising inflation. While the project cannot mitigate these risks, it will contribute to maintaining urgently needed basic services and increase local food production to address challenges related to availability and affordability of food in local markets, which will alleviate some of the risks.
68. **Technical Design of Project (Substantial).** The multi-sectoral nature of activities and their implementation by two implementing agencies add complexity to the project's technical design. To mitigate this risk (i) the project is phased across five years with an initial smaller geographic focus and a possible scale up should additional funds become available, (ii) experienced multi-sectoral implementing agencies were selected, and (iii) a coordination platform will be established to facilitate collaboration.
69. **Institutional Capacity for Implementation and Sustainability (High).** Project implementation will be led by UNICEF and WFP, which have adequate capacity and local presence to implement the respective components. The World Bank will hire an international BSMA that will complement their technical support at the local level and conduct sample-based verification of progress, including towards the implementation of the ESF. Nonetheless, the operating environment of the project is complex and dynamic, which may challenge the implementing agencies' capacities. As mitigation, UNICEF and WFP will collaborate with capable implementing partners early in the project.
70. **Fiduciary (High).** While UNICEF and WFP have well established procurement procedures, local procurement under conflict is complex. There are risks of inclusion and exclusion errors under Component 1 and capture of procurement



under Component 2. As mitigation, the status of procurement activities will be reviewed by UNICEF and WFP on a regular basis with regular detailed discussions and review by the World Bank during missions. As the supply of goods may be more restricted if the conflict escalates, the project will make use to the extent possible of humanitarian UN supply routes. In terms of fraud and corruption, including fund diversion, UNICEF and WFP have in place established systems and a framework agreement with the World Bank. The World Bank-hired BSMA will complement UNICEF and WFP's monitoring to verify reports from their implementing partners.

71. **Environmental and Social (High).** The project's social risk is High and environmental risk is Moderate to reflect the above-noted risks, which could delay implementation and achievement of project outcomes. The implementing agencies will monitor the implementation of the project's E&S risk management instruments at the project site level with additional monitoring by the international BSMA. To avoid elite capture in strengthened and new CDCs, a clear and uniform approach to social mobilization and community engagement will be outlined in the PIM and communicated to the relevant communities. Support to CDCs will also be informed by rapid local assessments to better understand the potential risks for exclusion and social tension between IDPs and host communities.

72. **Stakeholders (High).** Although project activities will concentrate on local conflict-affected communities and not the authorities, Sudan's long history of conflict will likely impact any engagement with authorities and the communities, which could impede implementation and access. Therefore, there will be emphasis on sensitization of, and consultation with the communities during implementation, making sure that IDPs and host communities are an integral part of decision-making. Consultations will be carried out in a culturally appropriate manner to ensure that women and members of historically marginalized communities engage. Regarding local authorities, the project will ensure that they are aware of interventions, work with them to facilitate any access procedures, and engage state and Mahalia-level authorities in planning and coordination activities to the extent possible. While the project will aim to build a new working formula on the ground between local stakeholders to take project decisions under Component 1, tensions between these stakeholders are a risk and security of stakeholders, such as resistance committees, given their political targeting by the warring parties. The project will not move forward in a given location without consensus and assurances of all stakeholders involved in the project.

73. **Other (High).** Other key risks are insecurity, social tensions, and local politics associated with the conflict. The conflict may escalate in the targeted project area, and there may be an increase in parallel conflicts and street crime in cities if the economic situation in Sudan does not change, as well as risks related to Unexploded Ordinances. This will likely impact project personnel and contractors, transfer of funding and goods to beneficiaries, and communities' willingness to engage. Supported services and associated infrastructure could be misappropriated, repurposed, or destroyed. The World Bank will conduct local conflict, political economy, and needs assessments and develop management plans accordingly to reduce risks posed to project personnel, contractors, beneficiaries, and assets, and adjust interventions' locations, as necessary. UNICEF and WFP will follow their respective policies and procedures to safely transfer funds and goods to beneficiaries. The PIM will also outline procedures as per UNICEF and WFP guidance on risks and modalities for determining the need to cease work in a particular area due to security concerns.



VII. RESULTS FRAMEWORK AND MONITORING

PDO Indicators by PDO Outcomes

Baseline	Closing Period
Improve access to basic services of Select Communities in the Republic of the Sudan	
Select community members with improved access to basic services (Number)	
Jan/2024	Sep/2026
0	560,000
➤Select community members with improved access to basic services - Female (Number)	
Jan/2024	Sep/2026
0	280,000
➤Select community members with improved access to basic services - Male (Number)	
Jan/2024	Sep/2026
0	280,000
➤Select community members with improved access to basic services - IDP (Number)	
Jan/2024	Sep/2026
0	112,000
➤Select community members with improved access to basic services - Host Community (Number)	
Jan/2024	Sep/2026
0	448,000
Satisfaction with improved and new basic services (Percentage)	
Jan/2024	Sep/2026
0	80
➤Satisfaction with improved and new basic services - Female (Percentage)	
Jan/2024	Sep/2026
0	80
➤Satisfaction with improved and new basic services - Male (Percentage)	
Jan/2024	Sep/2026
0	80
➤Satisfaction with improved and new basic services - IDP (Percentage)	



Jan/2024	Sep/2026
0	80
➤ Satisfaction with improved and new basic services - Host Community (Percentage)	
Jan/2024	Sep/2026
0	80
Improved food security of Select Communities in the Republic of the Sudan	
Select crop production increase in select areas (Percentage)	
Jan/2024	Sep/2026
0	15
Share of select community members self-reporting improved food security (Percentage)	
Jan/2024	Sep/2026
0	60
➤ Share of select community members self-reporting improved food security - Female (Percentage)	
Jan/2024	Sep/2026
0	60
➤ Share of select community members self-reporting improved food security - Male (Percentage)	
Jan/2024	Sep/2026
0	60
➤ Share of select community members self-reporting improved food security - IDP (Percentage)	
Jan/2024	Sep/2026
0	60
➤ Share of select community members self-reporting improved food security - Host Community (Percentage)	
Jan/2024	Sep/2026
0	60

Intermediate Indicators by Components

Baseline	Closing Period
Community Led Basic Service Delivery (UNICEF)	
Number of communities benefiting from health, education, and WASH fast-tracked basic services (Number)	
Jan/2024	Sep/2026
0	24
Women and girls accessing GBV response services through supported facilities (Number)	



Jan/2024	Sep/2026
0	17,600
Community Development Committees established or strengthened and functional (Number)	
Jan/2024	Sep/2026
0	24
➤ Female membership in supported Community Development Committees (Percentage)	
0	40
➤ IDP membership in supported Community Development Committees (Percentage)	
0	30
Frontline workers and volunteers engaged in basic service provision (Number)	
Jan/2024	Sep/2026
0	1,600
➤ Frontline workers and volunteers engaged in basic service provision - Female (Number)	
Jan/2024	Sep/2026
0	800
➤ Frontline workers and volunteers engaged in basic service provision - Male (Number)	
Jan/2024	Sep/2026
0	800
Improving Food Security (WFP)	
Farmers receiving production inputs and/or services (Number)	
Jan/2024	Sep/2026
0	16,000
➤ Farmers receiving production inputs and/or services - Female (Number)	
Jan/2024	Sep/2026
0	800
➤ Farmers receiving production inputs and/or services - Male (Number)	
Jan/2024	Sep/2026
0	15,200
SMEs providing project-funded services and/or inputs to farmers (Number)	
Jan/2024	Sep/2026
0	80
➤ SMEs providing project-funded services and/or inputs to farmers - Female owned (Number)	
Jan/2024	Sep/2026
0	24



➤ SMEs providing project-funded services and/or inputs to farmers - Man owned (Number)	
Jan/2024	Sep/2026
0	56
Community consumer cooperatives and organizations and community food centers established or supported (Number)	
Jan/2024	Sep/2026
0	16
➤ Community consumer cooperatives and organizations and community food centers established or supported - Female managed (Number)	
Jan/2024	Sep/2026
0	8
➤ Community consumer cooperatives and organizations and community food centers established or supported - Male managed (Number)	
Jan/2024	Sep/2026
0	8
➤ IDPs enrolled in established/supported community consumer cooperatives and organizations and community food centers (Percentage)	
0	40%



Monitoring & Evaluation Plan: PDO Indicators by PDO Outcomes

Improve access to basic services of Select Communities in the Republic of the Sudan (UNICEF)	
Select community members with improved access to basic services (Number)	
➤ Select community members with improved access to basic services - Female (Number)	
➤ Select community members with improved access to basic services - Male (Number)	
➤ Select community members with improved access to basic services - IDP (Number)	
➤ Select community members with improved access to basic services - Host Community (Number)	
Description	Select community members are IDPs and members of host communities. Includes fast-tracked and medium-term services
Frequency	Semi-annually
Data source	UNICEF
Methodology for Data Collection	Measured as number of community members (IDPs and host community) where the service is enhanced or introduced
Responsibility for Data Collection	UNICEF
Satisfaction with improved and new basic services (Percentage)	
➤ Satisfaction with improved and new basic services - Female (Percentage)	
➤ Satisfaction with improved and new basic services - Male (Percentage)	
➤ Satisfaction with improved and new basic services - IDP (Percentage)	
➤ Satisfaction with improved and new basic services - Host Community (Percentage)	
Description	The satisfaction results will be used to gauge social cohesion among IDPs and host communities and improve the delivery of services. The target reflects the percent of beneficiaries interviewed stating satisfaction of high satisfaction by fast-tracked and/or medium-term services financed by the project
Frequency	Mid-term and closing
Data source	UNICEF
Methodology for Data Collection	Feedback from targeted communities
Responsibility for Data Collection	UNICEF Complaints and Feedback Mechanism
Improved food security of Select Communities in the Republic of the Sudan (WFP)	
Select crop production increase in select areas (Percentage)	
Description	Select crops are wheat, beans, and sorghum. Select areas are targeted production areas
Frequency	Semi-annually
Data source	WFP
Methodology for Data Collection	Collection of data from vetted technical proposals where cooperatives will indicate their yields in previous growing season for select crops (wheat, beans, and sorghum). That will be the baseline to calculate % increase
Responsibility for Data Collection	WFP
Share of select community members self-reporting improved food security (Percentage)	
➤ Share of select community members self-reporting improved food security - Female (Percentage)	
➤ Share of select community members self-reporting improved food security - Male (Percentage)	
➤ Share of select community members self-reporting improved food security - IDP (Percentage)	
➤ Share of select community members self-reporting improved food security - Host Community (Percentage)	
Description	Percent of interviewed beneficiaries - IDPs and host communities. The results will inform improvements to food security interventions under Component 2
Frequency	Mid-term and closing
Data source	WFP
Methodology for Data Collection	The indicator will be measured using a list of questions and used to establish a baseline at the onset of the project.



Responsibility for Data Collection	WFP-hired survey agency
------------------------------------	-------------------------

Monitoring & Evaluation Plan: Intermediate Results Indicators by Components

Community Led Basic Service Delivery	
Number of communities benefiting from health, education, and WASH fast-tracked basic services (Number)	
Description	Number of communities benefiting from water points/installations and inputs to learning centers, health facilities, and sanitation facilities. The services may be temporary in nature and encompass goods and small-scale facility and system rehabilitation works
Frequency	Semi-annually
Data source	UNICEF
Methodology for Data Collection	Review of progress reports
Responsibility for Data Collection	UNICEF
Women and girls accessing GBV response services through supported facilities (Number)	
Description	Response services include case management, medical care, mental health psychosocial support services, and referrals through health centers, mobile teams, safe spaces, local women's organizations, social workers, and community-based child protection networks
Frequency	Semi-annually
Data source	UNICEF
Methodology for Data Collection	Review of GBV response service providers' records
Responsibility for Data Collection	UNICEF
Community Development Committees established or strengthened and functional (Number)	
➤ Female membership in supported Community Development Committees (Percentage)	
➤ IDP membership in supported Community Development Committees (Percentage)	
Description	CDCs actively engaged in development of local development plans and prioritization of sub-activities. Target reflects one CDC per community
Frequency	Semi-annually
Data source	UNICEF
Methodology for Data Collection	Review of progress reports and CDC meeting summaries
Responsibility for Data Collection	UNICEF
Frontline workers and volunteers engaged in basic service provision (Number)	
➤ Frontline workers and volunteers engaged in basic service provision - Female (Number)	
➤ Frontline workers and volunteers engaged in basic service provision - Male (Number)	
Description	Frontline workers are teachers, health workers, technicians, civil engineers, and others. Volunteers are IDP and host community members engaged in service delivery
Frequency	Semi-annually
Data source	UNICEF
Methodology for Data Collection	Review of engagement records
Responsibility for Data Collection	UNICEF
Improving Food Security	



Farmers receiving production inputs and/or services (Number)	
➤ Farmers receiving production inputs and/or services - Female (Number)	
➤ Farmers receiving production inputs and/or services - Male (Number)	
Description	Number of qualifying farming cooperatives/organizations members receiving agriculture production/livestock inputs
Frequency	Semi-annually
Data source	WFP
Methodology for Data Collection	Review of progress reports
Responsibility for Data Collection	WFP
SMEs providing project-funded services and/or inputs to farmers (Number)	
➤ SMEs providing project-funded services and/or inputs to farmers - Female owned (Number)	
➤ SMEs providing project-funded services and/or inputs to farmers - Man owned (Number)	
Description	SMEs receiving project funds used to deliver basic machinery and agro-processing equipment, upgrading of existing water pumps to solar, rehabilitation of water pumps and irrigation ancillary equipment, agricultural and veterinary inputs, and/or technical assistance
Frequency	Semi-annuallly
Data source	WFP
Methodology for Data Collection	Review of progress reports
Responsibility for Data Collection	WFP
Community consumer cooperatives and organizations and community food centers established or supported (Number)	
➤ Community consumer cooperatives and organizations and community food centers established or supported – Female managed (Number)	
➤ Community consumer cooperatives and organizations and community food centers established or supported - Male managed (Number)	
➤ IDPs enrolled in established/supported community consumer cooperatives and organizations and community food centers (Percentage)	
Description	Established or supported to operate as consumer cooperatives and organizations as per applicable legislation, aggregating and selling food to consumers
Frequency	Semi-annuallly
Data source	WFP
Methodology for Data Collection	Review of progress reports
Responsibility for Data Collection	WFP

**ANNEX 1: Implementation Arrangements and Support Plan**

COUNTRY: Republic of the Sudan
Sudan Somoud - Enhancing Community Resilience Project

Implementation Arrangements***Financial Management***

1. **The project will be implemented by UNICEF and WFP as direct recipients of the trust fund financing with close collaboration with implementing partners (national and international NGOs and CSOs).** UNICEF will lead the implementation of Component 1 and WFP will lead the implementation of Component 2, which will be fully implemented by reputable international NGOs with oversight from WFP. Both UNICEF and WFP have proven their ability to carry out project activities in often hard-to-reach areas in Sudan and have adequate systems and mechanisms to ensure project implementation in situations of conflict and insecurity. WFP has recently implemented the Sudan Emergency Safety Net Project (P178989) with no major fiduciary issues. UNICEF's and WFP's FM arrangements are well aligned with the World Bank's requirements under World Bank Policy and World Bank Directive (formerly OP/BP 10.0) on Investment Project Financing. The FM arrangements will be based on the FMFA to which UNICEF and WFP are co-signatory. The FMFA allows a UN agency to use its own FM rules and procedures, including recognition of the UN Single Audit Principle. Under the FMFA, all World Bank FM procedures under the former OP/BP 10.0 are waived in favor of the UN rules.
2. **UNICEF and WFP will also ensure effective FM oversight of project activities through their accounting capacity and systems.** UNICEF and WFP will prepare and submit quarterly IFRs to the World Bank within 45 days after the end of each quarter starting from the project effectiveness date. The IFR format was agreed on during negotiations. A mutually agreed IFR format will be generated from the UN agencies' FM system and will be reflected in the Disbursement and Financial Information Letter. In line with the FMFA, UNICEF and WFP will prepare and submit to the World Bank annual financial statements of account certified by the Chief Finance Officer or an authorized staff. The annual financial statements should be submitted within six months of the end of the fiscal year. UNICEF and WFP will prepare and submit a detailed project budget and annual work plans based on planned activities to be executed over the life of the project and this will be agreed with, and submitted to the World Bank. Monitoring of budget execution will be done by the World Bank as part of the quarterly IFRs. Any significant variances between actual and budgeted performance that is above 20 percent of the implementing agencies' respective budget cost categories, should be justified and discussed with the World Bank.
3. **UNICEF and WFP will continue to mitigate the FM risks by implementing various measures, including ensuring adequate outreach and implementation through contracted NGOs and CSOs.** For UNICEF, the due diligence, monitoring, and supervision of the implementing partners is conducted in accordance with the Harmonized Approach to Cash Transfers, which involves programmatic field visits, spot checks, and audits. The project will continue to be subject to UNICEF's internal and external audit oversight arrangements. For WFP, the due diligence, monitoring, and supervision of the implementing partners will be conducted in accordance with WFP's procedures, which involve programmatic field visits, spot checks, and audits.
4. **The fiduciary risks identified under the project include the country environment, which could impact the FM arrangements of the project.** These include challenges of volatility and the impact of the current conflict ongoing in Sudan that could impede access to the intended beneficiaries, and the insecurity, which could adversely affect service delivery and raise the risk of safeguard of funds. Furthermore, project supervision will be challenging due to insecurity, and the



verification of project outputs will be difficult and costly due to the inherent physical and logistical constraints of visiting multiple locations. There are also inherent risks in the project design given the decentralized nature of the project and the fact that it will be implemented in the safer states with potential escalation of the conflicts to these states. There are also broader macroeconomic risks in the portfolio, such as hyperinflation and significant local currency depreciation. These risks will be mitigated through the involvement of specialized third-party agencies that include UNICEF, WFP, and their implementing partners (NGOs and CSOs), and leveraging their experience and capacity of working in FCV contexts. To complement UNICEF and WFP monitoring, the World Bank will finance the appointment of a BSMA to sample monitor and validate the achievement of outputs and results in the various field locations. The coordination between the BSMA and UNICEF and WFP and details of the roles and responsibilities of UNICEF and WFP vis a vis the BSMA, as well as any follow-up action, will be outlined in detail in the PIM.

5. External audit arrangements. External audit requirements will be satisfied through entity-level audit in line with the Single Audit Principle and as set out in the entity's relevant framework as recognized by the World Bank. Although the World Bank recognizes the Single Audit Principle for the UN agencies' audit, given the high-risk circumstances of the project, the World Bank may request additional due diligence activities to be agreed with UNICEF and WFP during preparation. These may include: (i) sharing the internal audit report of the country office (UNICEF's Office of Internal Audit and Investigation/WFP's Office of the Inspector General), which would be relevant to the project; (ii) for WFP, sharing the relevant information from the country office's annual risk management process and the condensed risk register; and (iii) implementing partners receiving project funds and sub-contracted by UNICEF/WFP to be audited in accordance with their respective policies and procedures. For UNICEF, the audit is to be carried out by an independent audit firm and in accordance with the UNICEF standard monitoring procedures towards its implementing partners and internally sharing a summary of the audit findings with the World Bank. For WFP, the oversight activities will be carried in accordance with WFP's standard monitoring procedures towards its implementing partners, and WFP will internally share a summary of the findings and observations with the World Bank.

6. Disbursement, banking, and fund flow arrangements. The disbursement methods will include reimbursement, advance, direct payment, and special commitment as will be specified in the Disbursement and Financial Information Letter and in accordance with the World Bank Disbursement Guidelines for Projects, dated February 1, 2017. The Disbursement and Financial Information Letter will provide details of the disbursement methods, required documentation, and ceiling. Under this project, funds disbursed from the World Bank will be received by UNICEF and WFP in pooled designated accounts at their headquarters in New York and Rome, used to receive contributions from all other partners. The initial advance will be disbursed based on a negotiated lump sum amount based on a six-month cash forecast. Subsequent replenishment of funds will be made upon evidence of satisfactory utilization of the advance, including submission of IFRs. As per the FMFA, UNICEF and WFP are not required to open separate designated bank accounts for the project. To enhance accountability over the disbursements, UNICEF and WFP should maintain a separate ledger account for recording the funds channeled into the project. The necessary funds flow arrangements to the implementing partners, farming cooperatives/organizations, and SMEs and oversight responsibilities will be detailed in the PIM.

Procurement

7. Given the ongoing violence and instability in Sudan, the project is prepared within the context of World Bank Policy on Development Cooperation and Fragility, Conflict and Violence, and is also being processed under OP/BP 10.00 paragraph 12 of the World Bank Policy on Investment Policy Financing (Projects in Situations of Urgent Need of Assistance and Capacity Constraints). The World Bank will directly sign grant agreements with WFP and UNICEF as grant recipients and implementing agencies for the proposed project. WFP and UNICEF each will perform project management and



implementation support functions through their local offices in Sudan. The project is benefitting from WFP's and UNICEF's vast presence and their Sudan-based staff, which will enable immediate deployment upon project approval.

8. WFP and UNICEF will follow their respective policies and procurement procedures as Alternative Procurement Arrangements allowed by the Procurement Policy under Section III.F of the World Bank: Policy Procurement in Investment Project Financing (IPF) and Other Operational Procurement Matters (July 2016).

9. WFP's and UNICEF's respective Policies, Procurement Rules, and Procedures were assessed against the World Bank Core Procurement Principles and Governance requirements, conducted as part of global World Bank engagement by the Operations Policy. The findings revealed that WFP's and UNICEF's respective procurement rules and procedures meet the World Bank's requirements and acceptable under agreements with UN agencies.

10. UNICEF has rolled out a procurement system that allows to debarred donors/World Bank sanctioned vendors list, including: (i) the UN ineligibility list; (ii) the Consolidated United Nations Security Council Sanctions List; and (iii) both the World Bank Corporate Procurement listing of non-responsible vendors. WFP and UNICEF confirmed that the system can accept the World Bank listing of ineligible firms and individuals. UNICEF refers to the sanctions list on the United Nations Global Marketplace (UNGM). The UNGM automatically compares the details of suppliers registering on UNGM with the details of companies or individuals on lists, such as the United Nations Security Council Consolidated List, the World Bank List of Ineligible Firms and Individuals, the World Bank List of Non-Responsible Vendors, and lists of sanctioned or suspended suppliers maintained by UN organizations. WFP and the World Bank have agreed to a mechanism to report to the World Bank cases where WFP intends to issue a contract in connection with the project with a party that has disclosed to WFP that it is subject to any sanction or temporary suspension imposed by the World Bank Group. Such a mechanism will be reflected in the grant agreement between the World Bank and WFP.

11. WFP and UNICEF will undertake project activities by using their staff. Procurement activities envisaged will be mainly consulting services: recruitment of individual consultants, firms, international and local NGOs and CSOs, goods, small and medium works, and non-food items.

12. WFP's and UNICEF's procurement rules and procedures were assessed against the World Bank's core procurement principles and governance requirements, conducted as part of a global World Bank engagement, finding that WFP's and UNICEF's UN procurement rules and procedures met World Bank requirements. The World Bank also conducted a supplementary procurement capacity assessment of the WFP and UNICEF Sudan offices to manage project procurement with focus on staffing and experience, procurement oversight arrangements, and general country offices' procurement performance. The findings and recommendations were discussed and found acceptable. WFP and UNICEF will ensure that their respective policies for sanctioned and ineligible individuals and firms are observed through a proper due-diligence process conducted prior to contract award.

13. WFP and UNICEF submitted a draft PPSD before negotiations, and in accordance with Paragraph A.3 in section III of the World Bank Guidance: "Procurement in Situations of Urgent need of Assistance or Capacity Constraints", the finalization of the PPSD will be deferred to implementation. The PPSD includes a summary of procurement. An initial 6-month procurement plan for the project, including cost estimates, selection methods, market approach options, and time schedules will be agreed with the World Bank prior to any procurement and not later than 30 days after the date of effectiveness. WFP and UNICEF, as part of their progress reports during implementation, will submit to the World Bank procurement monitoring and contract implementation information.



14. During all procurement processes, the suppliers will be required to complete a disclosure form for any actual or potential conflict of interest during the tendering process, to be signed and included in their solicitation submissions. Similarly, all contractual agreements will include conflict of interest clauses prohibiting such activity. WFP's and UNICEF's procurement focal points and members from different procurement-related committees must also complete a form declaring they are free from conflict of interest and have no financial or personal interest in the cases to be reviewed. If it is determined that a conflict of interest does exist, that person will be fully removed from any involvement in the procurement process.

15. The overall project procurement risk is assessed to be High and the residual risk is assessed as Substantial based on the country's situation. The mitigation measures agreed with WFP and UNICEF are summarized in Table 1.2.

Table 1.2: Procurement Risks Mitigations Matrix

Risk Description	Mitigation Measures	Time Frame	Responsibility
Adverse price increases and exchange rate fluctuations caused by hyperinflation and political instability leading to authorities' restrictions on United States Dollar, material increase of program cost, exchange rate losses, and potential funding gaps.	<ul style="list-style-type: none">▪ Source selected goods and services internationally to limit the effects of local shortages and dire inflation.▪ Monitor daily exchange rates and alert all stakeholders on possible change in distribution plan.▪ The United Nations exchange rate is now determined every two weeks to ensure more flexibility and limit significant variance due to volatile exchange rate.▪ Contractual obligations are agreed in United States Dollar to counteract impact of changes in exchange rates.▪ Review procurement plan for strategic purchases and long-term agreements for supply and provision of critical services	During implementation	WFP and UNICEF
Lack of qualified payment service providers due to challenging operational contexts leading to contract defaults, operational disruptions, and underachievement of objectives	<ul style="list-style-type: none">▪ Increase the range of payment service providers, offering increased options to find a suitable delivery mechanism for each location.▪ Regular market assessments conducted to understand the stakeholders and changing landscape of operation	During implementation	WFP and UNICEF
Fraud and corruption in procurement process due to inadequate internal controls, insufficient prioritization of fraud prevention, and lack of accountability resulting in loss/diversion of resources and reputational risk	<ul style="list-style-type: none">▪ Maintain adequate segregation of duties and clear delegation of authority levels.▪ Implement procurement committees, vendor due diligence, and vetting protocols, anti-fraud and corruption contractual clauses, and electronic tendering system.▪ Monitor conflict of interest cases and take corrective actions accordingly	During implementation	WFP and UNICEF
Critical goods and services are unavailable due to international procurement lead times, lengthy customs delays, and supply chain blockages, impeding WFP and	<ul style="list-style-type: none">▪ Source and improve local procurement and increase the capacity and orientation of local suppliers.▪ Maintain adequate rotational stocks of critical equipment available on standby.	During implementation	WFP and UNICEF



UNICEF's ability to perform operational business processes	<ul style="list-style-type: none">▪ Intensify efforts with authority counterparts to expedite and release equipment from customs		
Quality of some equipment, goods, or services available in the local market currently does not meet needed technical specifications	<ul style="list-style-type: none">▪ Provide detailed scope of work and technical specifications during tendering process.▪ Provide local suppliers with proper awareness of needed standards and gradually increase the number of local vendors to diversify the sourcing	During implementation	WFP and UNICEF
Delays in payment based on invoices or services, as well as approval of evaluation bids reports, signing off and approval of contracts	<ul style="list-style-type: none">▪ An invoice tracking system will be reinforced by staff to ensure invoices are processed on time.▪ Procurement staff for close follow-up and reinforcement of committee and evaluation panel members	During implementation	WFP and UNICEF
Unsafe or poor-quality food distributed to beneficiaries due to poor transport conditions and warehouse management, poor storage due to extreme weather conditions, inadequate or inconsistent food quality testing leading to harm of beneficiary health and food loss	<ul style="list-style-type: none">▪ Regular compliance testing was done in the Food Safety Reference lab in the EU in consultation with the Khartoum-based Food Quality and Safety Assurance Officer. Each year, WFP Headquarters undertakes compliance testing of high and medium risk food commodities to ensure that quality, safety, and legality of food commodities are compliant with regulatory standards, as found in the past two years.▪ Regular quality and safety monitoring is implemented through a third-party monitoring company in upstream and superintendent company in downstream supply chain to ensure that food commodities at time of procurement, storage, and handling at warehouse level are compliant with WFP and local regulatory standards.▪ Fumigation protocols in place to ensure food commodities are free of pests.▪ Accurate quantity received checks	During implementation	WFP
Poor or inconsistent quality and timeliness of implementing partners' deliverables not meeting contracted standards due to inadequate capacity or quality of implementing partners to meet WFP's procedures and standards, lack of training on WFP procedures and standards, low local standards of performance, inadequate monitoring by WFP of implementing partner performance, lack of financial	<ul style="list-style-type: none">▪ Conduct implementing partner training on implementation, transfer modalities, reporting, accounting practices, and other relevant topics based on need.▪ Robust complaints and feedback mechanism▪ Systematic financial and cross-functional spot check missions and regular on-site monitoring of implementing partner activities.▪ Hiring of a BSMA by the World Bank to provide field-level technical backup support to the implementing partners, and carry out implementation and impact monitoring	During implementation	WFP



resources to ensure quality standard leading to commitments under Field-Level Agreements unfulfilled, unmet beneficiary needs, underachievement of objectives, and reputational risk			
Poor or inconsistent quality and timeliness of implementing partners' deliverables not meeting contracted standards due to inadequate capacity or quality of implementing partners to meet UNICEF's procedures and standards, lack of training on UNICEF's procedures and standards, low local standards of performance, inadequate monitoring by UNICEF of implementing partner performance, lack of financial resources to ensure quality standard leading to commitments under UNICEF's Programme Cooperation Agreement Programme Documents unfulfilled, unmet beneficiary needs, underachievement of objectives, and reputational risk	<ul style="list-style-type: none">▪ Conduct implementing partner training on implementation, transfer modalities, reporting, FM, and other relevant topics based on need.▪ Robust complaints and feedback mechanism▪ Implementation of HACT Framework, including regular programmatic visits, spot checks, and audits.▪ Hiring of a BSMA by the World Bank to provide field-level technical backup support to the implementing partners, and carrying out implementation and results monitoring, as appropriate.	During Implementation	UNICEF

16. WFP and UNICEF status of procurement will be reviewed in detail as part of the World Bank's Implementation Support Missions.

17. WFP operations are governed by WFP General Regulations and General Rules, Financial Regulations and Financial Rules, and other relevant rules, internal policies, circulars, directives, manuals, procedures, and legal framework, as applicable and as may be revised from time to time ('WFP Regulations and Rules'). UNICEF's operations are governed by the Charter of the United Nations and the Convention on the Privileges and Immunities of the United Nations, which has full juridical personality and enjoys such privileges and immunities as are necessary for the independent fulfillment of its purposes.

Implementation Support Plan

18. Beyond continuous implementation support to the implementing entities as outlined in table 1.3, the World Bank will finance: (i) functionality and impact evaluations of the two project components, looking at their scale-up potential should additional resources become available; (ii) feasibility assessments for the establishment of a Community Development Fund and a Public Works Program with conditional cash transfers, the results of which will be discussed at mid-term for possible inclusion in the operation; (iii) other forward looking assessments, such as durable solutions for IDPs,



urban planning, and post-conflict reconstruction. The World Bank will hire an international BSMA with the following responsibilities: (a) aggregating UNICEF and WFP reported results into project-wide bi-annual, annual, mid-term, and completion reports; (b) conducting sample-based field truthing of progress; (c) monitoring activities' inclusiveness; (d) carrying out multi-stakeholder impact monitoring and local conflict, political economy, and needs assessments at mid-term and closing; (e) assessing project impact on social cohesion and market dynamics; and (f) complementing UNICEF and WFP technical assistance to the implementing partners.

Table 1.3: World Bank Implementation Support Plan

Time	Focus
Pre-effectiveness	Support implementing agencies in developing the PIM, terms of reference for design and feasibility studies; additional analytical support; support in developing a communications strategy/action plan/design of materials; coordination with international partners ahead of project launch.
Years 1- 2	Technical support in line with the project's needs and implementing agencies' requests and oversight within the limits of the Grant Agreements for: <ul style="list-style-type: none">• Designing terms of reference for key contracts• Support for climate-sensitive designs and awareness raising.• Support to the Implementing Agencies' supervision of small-scale infrastructure construction works.• Capacity building support for design of citizen engagement activities, national- regional-local cooperation in effective delivery of project activities• Monitoring GRM and Management Information System functioning• Site visits and trainings for communities and local officials as relevant. Contracting of a BSMA.
Years 3 – 5	Technical support in line with the project's needs and implementing agencies' requests and oversight within the limits of the Grant Agreements for: <ul style="list-style-type: none">• Support to the Implementing Agencies' supervision of small-scale construction works.• Support to the Implementing Agencies' supervision of O&M Plans• Monitoring activities for the local communities to promote appropriate and sustainable use of reconstructed or constructed infrastructure.• Review of E&S risks affecting the project and related mitigation measures to identify relevant adjustments to project design and implementation.• Support to the Implementing Agencies' supervision of the implementation of strategic communications plan activities, GRM, Monitoring Information System, procurement, FM, ESF implementation, and M&E• Support to the Implementing Agencies' supervision of citizen engagement approach to ensure youth, local communities, and private sector involvement, transparency, and accountability.• Site visits and trainings for communities and local officials as relevant. Monitoring of results of the Stakeholder Engagement Plan and supporting additional communications and outreach in communities on project implementation. Conducting a mid-term review and an Implementation Completion and Results Report.



ANNEX 2: Economic Analysis

COUNTRY: Republic of the Sudan
Sudan Enhancing Community Resilience Project

Project Benefits

1. **Component 1** will focus on: (i) delivery of improved community-led basic services and small-scale infrastructure and (ii) incentives to frontline workers in select sectors. Under community-led basic services, fast-track support to vulnerable groups within the targeted conflict-affected communities based on UN-led rapid needs assessments of urgent service needs in education, health, WASH, and GBV response will be provided. Based on these interventions and additional needs assessments and development of recovery and development plans, a selected number of sub-activities will be implemented. The plans may include the following medium-term development interventions on education, health, and WASH services, as well as GBV response, while the natures of the benefits accrued from these interventions will be mostly economic (social).
2. *Education services* may include establishment of community learning centers tailored to the needs of out-of-school children, equipped with the necessary teaching and learning materials, psychosocial support, and training for teachers and community members. The benefits are expected from enhanced quality of schooling, which will have an impact on the economy through improved human capital. The correlation between earnings and education is well-established. Higher educational levels and cognitive skills significantly impact individual performance and human capital. Globally, an extra year of schooling is linked with approximately a 10 percent increase in earnings (Montenegro and Patrinos, 2014).
3. *Health services* will potentially include a package of health and nutrition services at primary health care level and referral pathways. These services have been proven to yield high benefit-to-cost ratios. For instance, a similar World Bank project in South Sudan (Health Sector Transformation Project, P181385) estimated that investing in specific children and maternal nutrition interventions might yield between US\$11-35 for each US\$1 invested. Given that the minimum allocation for these activities will be US\$5,400,000, in the most conservative scenario, this will bring the estimated US\$59,000,000 in economic benefits.
4. *WASH services* may focus on rehabilitation and upgrading of climate-resilient water supply systems and improvement of sanitation facilities in critical institutions, such as health centers, schools, and public institutions sheltering IDPs. These investments would bring economic benefits in the form of a) improved health condition of the Sudanese people through minimizing the incidence and prevalence of water borne diseases (diarrhea); and b) reduced time spent fetching water to satisfy household water consumption, where there is a need of a minimum of three round trips per day per household.
5. *GBV response* may include case management, medical care, mental health psychosocial support services, and referrals through health centers, mobile teams, safe spaces, local women's organizations, social workers, and community-based child protection networks; and an evidence-based community awareness and prevention campaign. Due to methodological difficulties, benefits under this group of activities are not quantified but described qualitatively. Studies on a variety of GBV interventions in similar projects (for example, 3R4CACE in Ethiopia, P177233), including services to survivors, to address child marriage, and to address female genital mutilation and girl scholarships, find positive improvements to income, participation in income- generation activities, school attendance, and other self-reported



economic benefits. A recent United Nations Population Fund study³³ shows that every US\$1 invested in ending child marriage would bring US\$33.6 of benefits, while benefits from investing in ending female genital mutilation prevail the costs at least by 10.1 times.

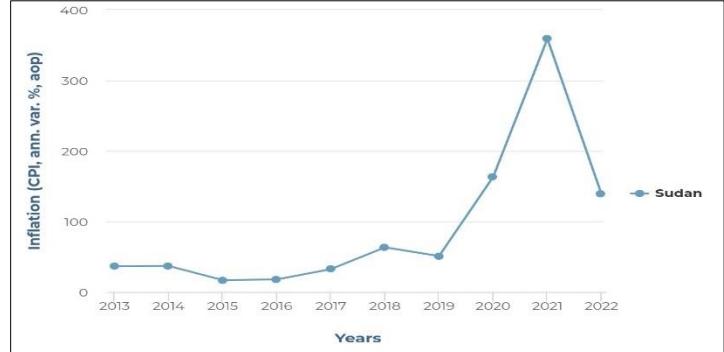
6. The benefits of **Component 2** are quantifiable also in financial terms. The component is designed to enhance food security by boosting agricultural output in agriculture areas adjacent to the select project areas. It aims to assist farming cooperatives and/or organizations with substantial production potential by providing resources such as goods, grants, consulting services, and operational funding. The expected benefits include: (i) increased production of select crops and protection of livestock assets; (ii) enhancement of agricultural value chains; and (iii) scale-up and strengthened community consumer cooperatives and organizations and community food centers for the distribution of agricultural outputs and provision of affordable food to vulnerable groups. These efforts are geared towards increasing the availability of agricultural products and ensuring affordable food access for vulnerable populations.

General Assumptions Used in the Analysis

7. The parameters for the models have been derived from a variety of sources, including interviews with farmers and entrepreneurs, information from ongoing World Bank projects in the country, and estimates from the design team. The design team collected data on labor and input requirements, capital costs, prevailing wages, yields, farm gate and market prices, and input and transport costs. The team took a conservative approach in making assumptions for inputs and outputs and considered potential risks.

8. **Inflation.** All the available inflation estimates are based on historical data before 2022. Consumer price inflation in Sudan averaged 91.6 percent in the ten years before 2022. The inflation is largely attributed to economic challenges, political instability, and external factors. The country has grappled with soaring inflation rates, reaching unprecedented levels, and impacting the cost of essential goods and services. The project intends to disburse all funds in the first three years of implementation. The average projected inflation rate was factored into the economic analysis especially for the activities to be financed in local currency.

Figure 2.1: Inflation Rate (CPI, annual variation in %) in Sudan from 2013 to 2022



9. **Exchange rate.** The Central Bank controls the levels of the official exchange rate, which was equal to SDG 601.6 for US\$1 in December 2023. There is also a parallel market rate (at about SDG 610 for US\$1 as of December 2023), which was always notably higher than the official rate due to factors such as limited access to foreign currency through official channels and higher demand for hard currency. This difference in rates has created challenges for businesses and individuals seeking foreign currency, often leading to a preference for the parallel market despite potential risks. While the difference between the official and parallel rates seems minimal (from June 2023) compared to the previous years, to be on the safe side, the activities were budgeted using the official exchange rate.

10. **The shadow exchange rate** was calculated at US\$1 = SDG 674.4. It was then used to calculate the standard conversion factor.

³³ United Nations Population Fund. 2022.. *Investing in Three Transformative Results: Realizing Powerful Returns*, New York.



11. **Prices** for commodities/inputs reflect annual average and those paid/received by farmers/entrepreneurs and imply potential risks. A standard conversion factor of 0.89 was applied to inputs and outputs when converting financial prices into economic prices.

Table 2.1: Price Conversion

Item	Unit	Sorghum	Groundnut	Sesame
World market price, nominal (UN Comtrade, Dec 2023)	\$/t	172	2,050	1,657
Quality differential		0	0	0
Equivalent value of SDG Product	\$/t	172	2,050	1,657
Freight and Insurance Cost to SDN port	\$/t	45	40	40
Value at SDN Port		217	2,010	1,617
Conversion to SDN (converted using Shadow exchange rate, Dec 2023)	SDG:\$			
Value at SDN Port	SDG/kg	146.1	1,355.6	1,090.5
Port handling charges, storage & loss	SDG/kg	4.3	4.3	4.3
Internal handling, transport costs	SDG/kg	11	11	11
Value at wholesale market	SDG/kg	161.42	1,370.91	1,105.87
Transport costs local to wholesale market	SDG/kg	3	3	3
Dealer handling & processing costs	SDG/kg	3	3	3
Value at local market	SDG/kg	155.4	1,364.9	1,099.9
Transport costs: farmgate to local market	SDG/kg	4	4	4
Economic value at farmgate	SDG/kg	151.25	1,360.74	1,095.69

12. **Discount rate.** A discount rate of 6 percent³⁴ applied for the analysis to reflects the Opportunity Cost of Capital to assess the viability and robustness of the investments. The selection criterion for the IRR is to accept all projects for which the IRR is above the opportunity cost of capital, namely 6 percent. Using the IRR as the measure, the models' sensitivity to the changes in parameters can be assessed by varying the cost of investments, production costs, and revenues.

13. **Labor cost.** Although gender wage gaps exist, on average, the proxy labor cost per day is valued at SDG 3,500 both for male and female labor for the sake of the analysis. However, most of the farm activities (about 80 percent) are performed by family labor, which is free in financial terms.

14. The models compare two scenario – “With project” and “Without project”, and show incremental revenues and costs generated by investments financed by the project.

Financial Analysis

15. The financial cost-benefit analysis was performed based on three indicative key cash and staple crop/farm budgets (selected crops were sesame, sorghum, and groundnut) as well as one indicative enterprise model on aggregation/transportation of the produce. The financial analysis aims to illustrate the attractiveness and profitability of the interventions supported by the project.

16. **Improvement of agricultural production of strategic crops.** The project aims to facilitate the provision of productivity-enhancing equipment and services to farming cooperatives and/or organizations located within a 150-kilometer radius of the target areas. Individuals eligible for support will have the opportunity to seek grants, potentially up to a maximum of US\$300 per feddan (equivalent to 4,200 square meters). These grants are intended to be disbursed by the project directly to cooperatives and SMEs involved in agricultural activities as specified below.

³⁴ Globally introduced social discount rate in accordance with the latest World Bank requirements. The social discount rate used for the economic analysis is based on World Bank estimations, proposed by a standardized methodology. See Discounting Costs and Benefits in Economic Analysis of World Bank Projects. May 9, 2016.



17. The financial analysis is based on crop budgets, namely typical input-output models of various crops based on observed practices. Table 2.2 below summarizes crop performances in project areas in With and Without Project scenarios. Increases in yield vary somewhat among different crops but, in general, all three models show a positive NPV, ranging between SDG 22,659 and SDG 60,690 and IRRs higher than the discount rate (from 19.3 percent to 26.2 percent), which indicate their financial viability. Table 2.2 below demonstrates the crop budget financial analysis.

Table 2.2: Financial Analysis, Crop Budget Models Summary

Gross Margin Model	Total area sown (feddan)	Unit of production / year	Without Project (WOP)		With Project (WP)		Incremental analysis (WP vs WoP)				
			Production	Net benefits (SDG/Yr)	Production	Net benefits (SDG/Yr)	Productivity increase (%)	Net benefits increase (%)	IRR (%)	NPV (SDG)	B/C ratio
Sesame (1 feddan model)	24,480	kg/feddan	220	124,073	255	140,879	16.1%	13.5%	19.3%	37,906	1.96
Sorghum (1 feddan model)	36,720	kg/feddan	670	66,185	797	77,108	19.0%	16.5%	21.2%	22,659	1.47
Groundnut (1 feddan model)	20,400	kg/feddan	120	151,093	146	174,700	21.3%	15.6%	26.2%	60,690	2.91

18. **Enhancement of agricultural value addition.** Participating SMEs and cooperatives are expected to supply agricultural inputs and services crucial for farming operations, including but not limited to transportation, logistics, storage (including solar-supported cooling equipment), packaging, and semi-processing. Their involvement is pivotal in providing essential support to ensure the smooth execution of farming activities within the project framework. In the indicative financial analysis, it was assumed that an SME accesses a financing of about US\$ 45,000 (SDG 27,072,000) to purchase a truck with a capacity of 10 tons. This truck will be used for transportation of the produce from a farm to a market. The analysis yielded an IRR of 18.0 percent and an NPV of SDG 9,751,887. The benefit to cost ratio is 1.15, which proves the financial viability of such a model.

Table 2.3: Financial Analysis. Value Chain Support Model - Transportation

Investment cost (SDG)	27,072,000
Discount rate	6%
NPV @ 0.06	9,751,887
IRR	18%
NPVb	74,830,299
NPVc	65,078,413
B/C ratio	1.15
Switching values Benefits	-13%
Switching values Costs	15%

19. **Scale-up and strengthening of community consumer cooperatives.** Referred to as "Al Khayma," these community consumer cooperatives and organizations have been initially set up on a smaller scale through the initiatives of local community-based organizations. They play a pivotal role in the food supply chain, facilitating the flow of produce from farms to consumer markets. The project will expand and amplify these initiatives, including community food centers that offer prepared meals to local residents. This expansion involves establishing links between supported farming cooperatives and/or organizations and these community consumer cooperatives and organizations. The aim is to ensure that these entities receive agricultural produce at reasonable prices, thus extending affordability to consumers in conflict-affected communities, including those in vulnerable situations. The financial benefits will be accrued in the form of family budget savings as the produce prices on these markets will be subsidized by the project and will be lower than other market prices by 10-15 percent.

Economic Analysis

20. The economic analysis aims to assess country-level project impact. The overall EIRR is calculated at 15.4 percent and the ENPV, with a 6 percent discount rate) is estimated at around US\$72.3 million. It includes total project costs and all benefit streams accrued from project-funded activities.

21. To achieve this result, the following five steps were undertaken:



- (a) The financial prices were converted into economic prices to assess the real costs and benefits from the country's point of view.
- (b) The costs and benefits of Component 1 were aggregated using the assumptions/quantified benefits described at the beginning of the analysis. Since (according to the project cost tables) US\$36,000,000 will have a demand-driven nature and will be identified during implementation (they can be invested in any combination of health, education, WASH, and GBV response activities), for the sake of the analysis, it was conservatively assumed that every US\$1 invested would bring additional US\$5 in benefits.
- (c) The costs and benefits of Component 2 were also aggregated. For instance, it was assumed that about 81,600 feddans would be covered by the project involving around 20,000 farmers (4.08 feddan per farm on average) and households. In the case of SMEs and value chain actors, based on the budget availability, it was assumed that some 300 similar business activities would be implemented. It was also estimated that the project would be able to support 10 community consumer cooperatives and organizations in 20 localities.
- (d) The costs and benefits of both components were aggregated at the project level.
- (e) A sensitivity analysis was conducted.

Sensitivity Analysis

22. Economic returns were tested against changes in benefits and costs and for various lags in the realization of benefits. In relative terms, the EIRR is equally sensitive to changes in costs and benefits. In absolute terms, these changes do not have a significant impact on the EIRR, and the economic viability is not threatened by both a 20 percent decline in benefits and a 20 percent increase in costs, since the EIRR in both cases remains well above the discount rate. A two-year delay in project benefits reduces the EIRR to 10.0 percent. The analysis establishes that the estimated benefits will be greater than the costs of the project.

Table 2.4: Sensitivity Analysis

Sensitivity Analysis (20-year period)	Base case	Costs Increase			Increase of Benefits		Decrease of Benefits			Delay of Benefits	
		+10%	+20%	+50%	+10%	+20%	-10%	-20%	-30%	1 year	2 years
EIRR	15.4%	12.9%	10.9%	6.6%	18.2%	21.3%	12.6%	10.0%	7.0%	12.1%	10.0%
ENPV (US\$ million)	72.3	59.1	46.0	6.5	92.7	113.1	51.9	31.5	8.0	56.0	40.6

GHG Emission and Carbon Shadow Price Calculation

23. In its 2012 Environment Strategy, the World Bank adopted a corporate mandate to conduct GHG emission accounting for IPF projects. The quantification of GHG emission is an important step in managing and ultimately reducing emissions and is becoming common practice for many international financial institutions. To assess a project's net carbon balance, the World Bank has adopted the Ex-Ante Carbon-balance Tool (EX-ACT) developed by the United Nations Food and Agriculture Organization in 2010. The EX-ACT serves as an evaluation framework offering estimations of the influence of agriculture, irrigation, environment, and forestry initiatives on the carbon balance. This balance encompasses the net outcome of all GHGs, expressed in CO₂ equivalent, considering emission or sequestration resulting from project execution compared to a scenario without the intervention (business-as-usual). The ex-ante analysis specifically evaluates projected GHG emission before the implementation of a project, providing insight into the potential environmental impact in terms of GHG generation or absorption.

24. The project is expected to result in a net emission reduction of 124,250 tCO₂-eq and an average net emission reduction of 6,212 tCO₂-eq/annum mainly due to improved agriculture practices on the estimated area of 81,600 feddans.



The application of inputs (mostly urea and Diammonium Phosphate fertilizer), as well as investments in on-farm irrigation were also included; however, they had a negligible effect compared to the improved agronomic practices and increased productivity.

DETAILED RESULTS

Project name	Sudan Somoud	Project duration (in years)		Total area (ha)	34,272	Global warming potential		
Continent	Northern Africa	Implementation Phase	5	Mineral soil	34,272	CO ₂	1	
Country	Sudan	Capitalization Phase	15	Organic soil	0	CH ₄	28	
Climate	Tropical	Total Duration of Accounting	20	Waterbodies	0	N ₂ O	265	
Moisture	Dry							
GROSS FLUXES								
In tCO ₂ -e over the whole period analysis								
PROJECT COMPONENTS	WITHOUT	WITH	BALANCE	CO ₂ BIOMASS	CO ₂ SOIL	N ₂ O	CH ₄	
Land use changes	Deforestation Afforestation Other land-use	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	
Cropland	Annual Perennial Flooded rice	201,134 0 0	59,695 0 0	-141,439 0 0	0 0 0	-122,830 0 0	-7,977 0 0	
Grasslands & Livestock	Grasslands Livestock Forest mngt. Inland wetlands Coastal wetlands Fisheries and aquaculture	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	
	Inputs & Invest.	247	17,437	17,189	0	3,645	0	13,545
Total emissions, tCO ₂ -e	201,381	77,132	-124,250	0	-122,830	-4,332	-10,632	13,545
Total emissions, tCO ₂ -e/ha	5.9	2.3	-3.6	0.0	-3.6	-0.1	-0.3	0.4
Total emissions, tCO ₂ -e/ha/yr	0.3	0.1	-0.2	0.0	-0.2	0.0	0.0	0.0
SHARE PER GHG OF THE BALANCE								
In tCO ₂ -e over the whole period analysis								
PROJECT COMPONENTS	WITHOUT	WITH	BALANCE	CO ₂ BIOMASS	CO ₂ SOIL	N ₂ O	CH ₄	ALL NON-AFOLU EMISSIONS*
Land use changes	Deforestation Afforestation Other land-use	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0
Cropland	Annual Perennial Flooded rice	201,134 0 0	59,695 0 0	-141,439 0 0	0 0 0	-122,830 0 0	-7,977 0 0	-10,632 0 0
Grasslands & Livestock	Grasslands Livestock Forest mngt. Inland wetlands Coastal wetlands Fisheries and aquaculture	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0
	Inputs & Invest.	247	17,437	17,189	0	3,645	0	13,545
Total emissions, tCO ₂ -e	201,381	77,132	-124,250	0	-122,830	-4,332	-10,632	13,545
Total emissions, tCO ₂ -e/ha	5.9	2.3	-3.6	0.0	-3.6	-0.1	-0.3	0.4
Total emissions, tCO ₂ -e/ha/yr	0.3	0.1	-0.2	0.0	-0.2	0.0	0.0	0.0
AVERAGE ANNUAL EMISSIONS								Tier 2 Annual emissions
In tCO ₂ -e/yr								
PROJECT COMPONENTS	WITHOUT	WITH	BALANCE	CO ₂ BIOMASS	CO ₂ SOIL	N ₂ O	CH ₄	
Land use changes	Deforestation Afforestation Other land-use	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0
Cropland	Annual Perennial Flooded rice	201,134 0 0	59,695 0 0	-141,439 0 0	0 0 0	-122,830 0 0	-7,977 0 0	-10,632 0 0
Grasslands & Livestock	Grasslands Livestock Forest mngt. Inland wetlands Coastal wetlands Fisheries and aquaculture	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0
	Inputs & Invest.	247	17,437	17,189	0	3,645	0	13,545
Total emissions, tCO ₂ -e	201,381	77,132	-124,250	0	-122,830	-4,332	-10,632	13,545
Total emissions, tCO ₂ -e/ha	5.9	2.3	-3.6	0.0	-3.6	-0.1	-0.3	0.4
Total emissions, tCO ₂ -e/ha/yr	0.3	0.1	-0.2	0.0	-0.2	0.0	0.0	0.0

25. Considering the estimated shadow price of carbon that will evolve from year to year according to the World Bank Shadow Price of Carbon Guidance Note, 2017 (Consumer Price Index adjusted prices, US\$, 2022), the overall project EIRR and the ENPV were re-calculated in two additional scenarios. The results of scenarios with a low carbon price (starting from US\$50 and evolving over the years), a high carbon price (starting from US\$99 and evolving over the years), and without carbon are presented in table below.

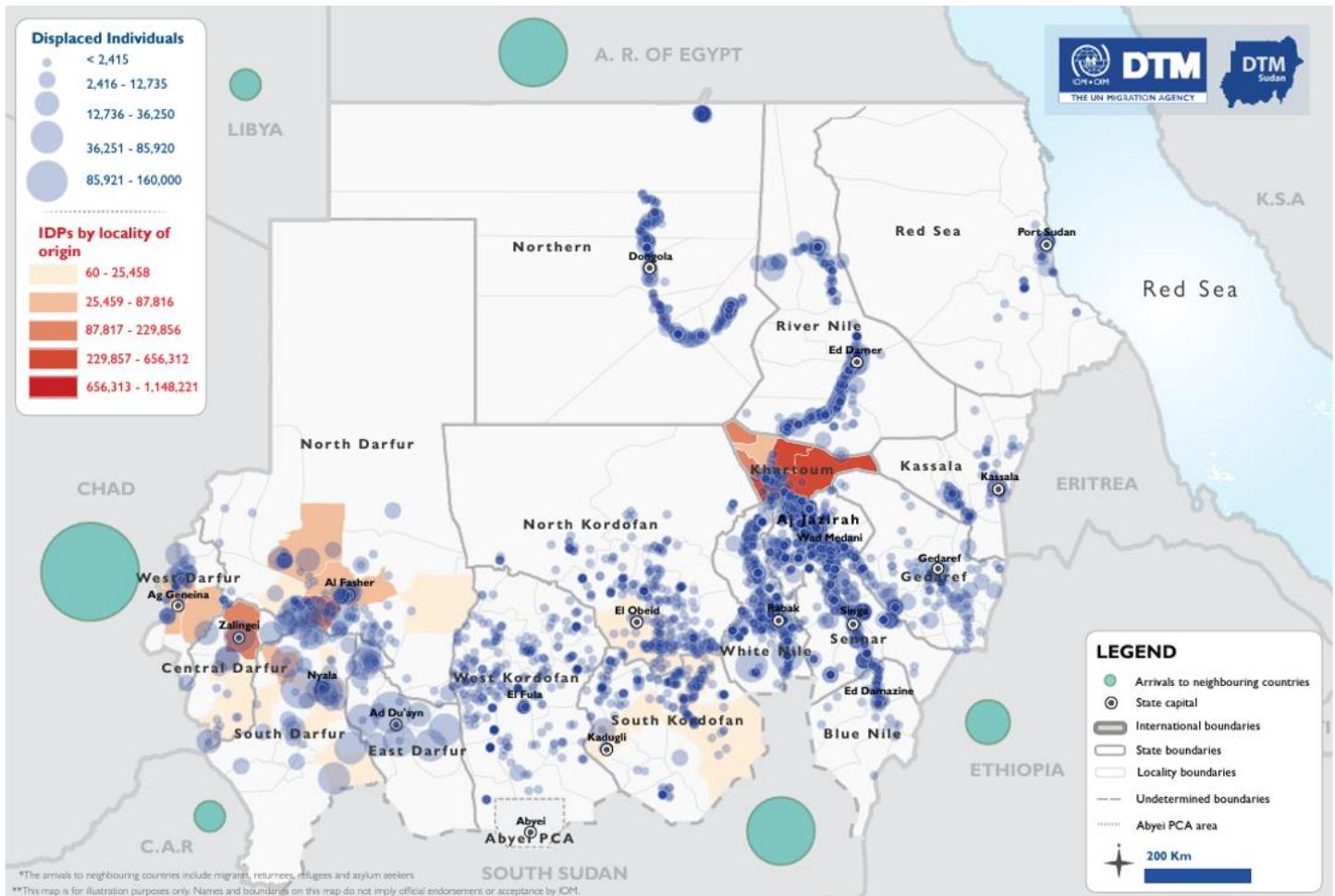
Table 2.5: EIRR and ENPV Considering the Estimated Shadow Price of Carbon

Indicator	Without Carbon Benefits Scenario (Base Case)	Low Carbon Price Scenario	High Carbon Price Scenario
ENPV (US\$ million)	72.3	76.5	80.7
EIRR	15.4%	15.9%	16.4%



ANNEX 3: Sudan Displacement Map

COUNTRY: Republic of the Sudan
Sudan Enhancing Community Resilience Project



Source: UN Migration Agency Displacement Tracking Matrix. Map cleared by the World Bank on February 21, 2024.