
Sudan's Food Crisis: Contributing Factors and Political Ramifications

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1 Background

The agreement brokered by Turkey on 22 July between Russia and Ukraine unblocking the exports of Ukrainian wheat to global markets came as a welcome relief. If fully implemented, the deal would dampen the prices of wheat and improve the flow of supplies to the countries, Sudan among them, with critical exposures to serious food deficits in the wake of the Russian invasion of Ukraine. However, Sudan's serious food supply shortages are primarily driven by domestic factors that must be addressed to improve the country's food self-sufficiency. In June, the World Food Program (WFP) estimated that 15 million Sudanese, or one third of its population, were facing food insecurity and that this may increase to 40% of the population before the end of the lean season.¹ The reasons for this crisis are numerous: erratic rain patterns during the country's summer and winter agricultural seasons in 2021/22, mismanagement of land and water resources, and recurrent conflicts in production areas have reduced yields. At the same time, the economic crisis is making it harder to sustain traditional subsidies to the sector and import fertilizer and other agricultural inputs, undermining production, or the import grains to compensate for decreased domestic yields.

The October 2021 coup d'état halted the macroeconomic reforms of the civilian-led reformist government that were just beginning to make progress towards stabilizing the economy. In the months that followed, ill-advised public policies implemented by the Ministry of Finance and Economic Planning (MOFEP) and the government-owned Agricultural Bank of Sudan (ABS) negatively impacted access to credit. Severe shortages of foreign currency reserves in the Central Bank of Sudan (CBOS) and the suspension of international aid packages further complicate access to food. The state is failing to respond to the crisis effectively and prepare for the new agricultural season of 2022/23. Sudan's coup leaders have failed to meet their obligation to feed the population, and are ill-positioned to do so, facing popular rejection at home and international isolation, and having weak, bureaucratic

¹ ECHO, "Sudan - Food insecurity," June 17, 2022, <https://reliefweb.int/report/sudan/sudan-food-insecurity-dg-echo-wfp-fao-echo-daily-flash-17-june-2022>

institutions, and lacking effective management. The rejection of the current political regime by the population is both fed by, and contributes to, the government's inability to respond effectively.

The suspension of significant budgetary support and development aid commitments to Sudan by multilateral and bilateral agencies has aggravated the food crisis. Aid from organizations such as WFP and countries in the Middle East has been affected. Foreign aid suspensions included US\$ 700 million in budgetary support by the United States Government (USG),² US\$ 500 million as direct budget support from the World Bank's (WB) International Development Association (IDA), and over US\$ 2 billion in economic assistance from IDA for key economic sectors, such as energy, irrigation canals, agriculture, and health³ Further, the WB and International Monetary Fund's (IMF) initiative for addressing the external debts of Highly Indebted Poor Countries (HIPC) was also frozen.⁴ This international economic isolation and political turmoil has impeded efforts to respond to macroeconomic shocks including steep devaluation of the local currency, high forex volatility, rampant inflation, and increasingly high domestic and imported food and non-food costs, which may become persistent.⁵ Overall, weak government policies and institutions are significantly affecting people's access to food.⁶

The political situation does not seem likely to allow for these patterns to be reversed in the near future. On one hand, the Sudanese public is refusing dialogue with the military while at the same time facing shrinking democratic space and declining quality of life. On the other hand, the military regime has limited legitimacy, governance capabilities, accountability, or responsibility over the delivery of basic social services to the Sudanese public. Not only is there a stalemate in the political process, but representatives of the opposition have yet to announce publicly how they would ensure food security were they to restore the derailed civilian leadership of the transition. Sudan's inability to address its food crisis – and particularly domestic cereal deficits – is a symptom of the country's political and economic dysfunction and at the same time political and economic dysfunction are distracting political attention from addressing these issues.

2 Sudan's Food Crisis in Numbers

With an area of 1.9 million square kilometers, millions of arable hectares, and considerable water resources, Sudan has the potential to become one of the largest food baskets of the world. However,

² Matthew Lee, "US condemns Sudan coup, suspends \$700 million in aid," *AP News*, October 25, 2021, <https://apnews.com/article/middle-east-africa-sudan-khartoum-96e7b33b6e1045fce01189e81b36814a>

³ Aidan Lewis, Khalid Abdelaziz and Nafisa Eltahir, "EXCLUSIVE: Sudan cut off from \$650 million of international funding after coup," *Reuters*, December 8, 2021, <https://www.reuters.com/markets/us/exclusive-sudan-cut-off-650-million-international-funding-after-coup-2021-12-08/>

⁴ Radio Dabanga, "Paris Club suspends Sudan debt relief due to coup," June 17, 2022, <https://www.dabangasudan.org/en/all-news/article/paris-club-suspends-sudan-debt-relief-due-to-coup>

⁵ Khalid Abdelaziz, Nafisa Eltahir and Aidan Lewis, "Sudan's economy tumbles in post-coup deadlock," *Reuters*, March 2, 2022, <https://www.reuters.com/world/africa/sudans-economy-tumbles-post-coup-deadlock-2022-03-02/>.

⁶ World Food Programme, "Worsening food crisis looming in Sudan amid economic downturn, displacement, and ruined crops," March 23, 2022, <https://reliefweb.int/report/sudan/worsening-food-crisis-looming-sudan-amid-economic-downturn-displacement-and-ruined>

mismanagement of land and water resources, recurrent conflicts in production areas, and periodic droughts and floods, and COVID-19 have resulted in cyclical food insecurity.

According to the United Nations Food and Agriculture Organization (FAO) and the WFP, more than 18 million people in the country are likely to face acute hunger by September 2022.⁷ In March 2022, WFP's representative and Country Director for Sudan, Eddie Rowe, said in a press release that "there are already worrying signs that access, affordability, and the availability of food is shrinking."⁸ The annual Crop and Food Supply Assessment Mission (CFSAM), estimated total production of sorghum, millet, and wheat for 2021/22 at around 5 million metric tons, 35 percent below the prior year and 30 percent below the five-year average.⁹ Further, the year's summer season harvest was below 2020/21 and the previous five-year average, reflecting a reduction in the areas planted and harvested, and yields. As a result, the CFSAM estimates a gap of about 2.5 million tons of cereal, mainly wheat, that will need to be imported.¹⁰ Additionally, in April 2022, the Sudan Strategic Reserve Corporation (SRC) reported that it had no cereal reserve.

Affordability is a major constraint, as food prices have been increasing rapidly in 2022. The WFP reported in April 2022 that staple food prices had increased an average 10-15 percent compared to the previous month, remained 200-250 percent higher than respective 2020/21 prices, and were four to five times higher than the five-year average.¹¹ Prices of wheat increased over 50% in one month, from SDG 36,895 in February 2022 to SDG 56,000 / 90 kg by mid-April 2022.¹² This is due in part to the weakening national currency, disruptions in importation caused by blockades at Port Sudan¹³ as well as globally high wheat prices driven primarily by the war in Ukraine.

3 Discontented Farmers and Ineffective Government Policies

Wheat is one of the most important commodities for Sudan's food security providing a high proportion of calories consumed. Domestically grown under irrigation with an average productivity of 2.4 tons/ha,

⁷ FAO and WFP, "Worsening food crisis looming in Sudan amid economic downturn, displacement and ruined crops," March 23, 2022, <https://reliefweb.int/report/sudan/worsening-food-crisis-looming-sudan-amid-economic-downturn-displacement-and-ruined>

⁸ Ibid.

⁹ This comprises 3.5 million tons of sorghum and 0.9 million tons of millet from the summer season harvest and an expected 0.6 million tons of wheat from the upcoming winter season. FAO, "Special Report: 2021 FAO Crop and Food Supply Assessment Mission (CFSAM)," March 21, 2022, <https://www.fao.org/3/cb9122en/cb9122en.pdf>

¹⁰ Ibid.

¹¹ Ibid.

¹² Records of wheat prices from different markets across Sudan - Alobid market, Algazira, Aldamazin, Northern state (Dongla), collected by SudanFacts.

¹³ FAO, "Special Report: 2021 FAO Crop and Food Supply Assessment Mission (CFSAM)," March 21, 2022, <https://www.fao.org/3/cb9122en/cb9122en.pdf>

648 million metric tons (MT) of it is produced annually, on average.¹⁴ However, this only meets 22% of the total national requirement of about 2 million MT of wheat,¹⁵ and 2021/22 is no exception with expected production of 0.6 million MT, representing (30%) of the consumption needs.¹⁶ At most, 30 percent of wheat demand will be produced domestically in 2022, according to the acting undersecretary of Sudan's Ministry of Agriculture and Forests.¹⁷

Sudan therefore requires at least 1.4 million MT of wheat (part of the estimated total cereal needs of 2.5 million MT) imports to fill the supply gap.¹⁸ Historically, the government has imported the largest portion by far of the country's wheat requirements, and it last met its import threshold in 2020. The international response to the post-coup impasse, and related macroeconomic shocks, have further reduced Sudan's ability to import wheat. These constraints have a greater impact on availability than the factors impacting domestic production given that importation provides about 76-78% of needs as compared to 22-24% produced domestically.

As of April 2022, the winter wheat harvest is complete across most production areas of northern and central Sudan. Yields were below average due to shortages of improved seeds and fertilizers, poor irrigation canal maintenance, and the increasing cost of electricity, which has affected access to pump irrigation. The harvest has been significantly impacted by high labor and transportation costs, and the devaluation of the Sudanese Pound (SDG).

After long negotiations between the ABS and domestic wheat producers, the ABS set the concentration price (the guaranteed price at which the government commits to buy) at SDG 43,000 SDG (\$72)/sack (90-100 Kg.) of wheat, which is three times higher than the previous year to encourage them to sell to the government.¹⁹ It is also well above the global price of about USD \$45.95 per 100kg.²⁰ Farmers, however, complained that this price was too low to allow them to make a

¹⁴ Sudan Wheat Area, Yield and Production, <https://ipad.fas.usda.gov/countrysummary/Default.aspx?id=SU&crop=Wheat>

¹⁵ African Bank Development Group, "Wheat Farmers in Sudan Record Increased Yields After Adoption of Proven Technologies," March 30, 2020, <https://allafrica.com/stories/202006160867.html#:~:text=Wheat%20in%20Sudan&text=The%20annual%20wheat%20production%20stands.requirement%20of%202%20million%20MT.>

¹⁶ FEWSNET, "Sudan: Food Security Outlook Update," April 2022, https://reliefweb.int/sites/reliefweb.int/files/resources/SUDAN_Food_Security_Outlook_Update_April_2022_final.pdf

¹⁷ Xinhua, "Sudan to face significant wheat supply shortage: official," April 3, 2022, <https://english.news.cn/africa/20220403/f7ed04b06323418ca5e1469e82a3d2aa/c.html>

¹⁸ However, in the past more has been imported. According to a [CBOS trade report](#), in 2020, Sudan imported 2,749,509 tons of wheat valued almost one billion USD dollars. CBOS, Foreign Trade Statistical Digest, <https://tinyurl.com/5n6jvpvs>

¹⁹ Abdelaziz, Fatma, William, Amy, Abay, Kibrom A., Siddig, Khalid, An assessment of Sudan's wheat value chains: Exploring key bottlenecks and challenges, April 2022, https://play.google.com/store/books/details?id=4_9tEAAAQBAJ&rdid=book-4_9tEAAAQBAJ&rdot=1&source=gbs_vpt_read&pcampaignid=books_booksearch_viewport

²⁰ Index Mundi lists the price as US\$459.59 per metric ton, which translates to 45.95 per 100kg sack, <https://www.indexmundi.com/commodities/?commodity=wheat>

reasonable profit and asked for 60,000 SDG^{21, 22, 23} It is worth remembering that the concentration price for farmers is determined by the state (mainly MoFEP) with the relevant authorities and the Ministry of Agriculture to build a reserve of strategic commodities by Sudan Strategic Reserve Corporation (SRC).

The concentration price differs from the Salam price, which is set through contracts signed between the ABS and farmers at the beginning of the season. This acts as a kind of loan, in which the ABS advances the money setting the Salam price and the date for the delivery of the wheat at the end of the season. However, this price has sometimes been set below production costs, especially in the volatile macroeconomic conditions in Sudan since the 2011 secession of South Sudan, due to inflation and exchange rate volatility. Farmers may find it more profitable to sell their wheat to traders rather than to the ABS, or even smuggle it through Sudan's porous borders to neighboring countries to increase their profits.

In the same vein, the low Salam price offered by the ABS contributes to high default rates, and eventually discourages farmers from undertaking agricultural activities. ABS capital needs to be increased to extend more credit to farmers at reasonable cost. However, the ABS struggles to access the capital to meet farmers' needs.

Farmers cite a litany of complaints against government policies which they say has contributed to low yields. A member of the farmers' committee, Ibrahim Abdullah Al-Tayeb Judeh, described the 2021/22 wheat season as a failure. He said: "Good productivity is about timing. The planting is supposed to start in the first week of November but the inputs from the governments that were planned to be received in October were in the end delivered in November."²⁴ Our findings validate this view, showing that the availability of agricultural inputs were an important determinant of the season's lower than average productivity. Other complaints include delays in setting a concentration price.²⁵

- a) **Irrigation:** According to a special report published by FAO in March 2022, poor irrigation planning and systems and poor rains had a negative impact on irrigated agriculture, with poor crop performance recorded in most of the irrigated schemes. Only 5,900 hectares were irrigated this year, resulting in a 35% percent decrease in cereal production compared to the previous year.²⁶ In the Al Gazira Scheme, the largest in the country, irrigation was poorly timed during the last season due to inadequate coordination by different authorities and slow decision-making.²⁷ In some schemes, irrigation management authorities had recently been changed. Lastly, significant increases in gasoline and electricity prices affected farmers'

²¹ A sack varies between 90 – 100 kg.

²² Sudanese Online, "Jibril Ibrahim, we have decided that the price of the wheat mobile will be 43 thousand pounds, God willing," March 8, 2022, <https://www.youtube.com/watch?v=nPoCYKfEIf4>

²³ Radio Dabanga, "Sudan Farmers Oppose 'Unfair and Unrewarding' Wheat Price," March 10, 2022, <https://allafrica.com/stories/202203110494.html>

²⁴ Al Sudani, "Wheat...when production becomes a crisis," May 12, 2022, <https://www.alsudaninews.com/ar/?p=150549>

²⁵ Ibid.

²⁶ FAO, "Special Report: 2021 FAO Crop and Food Supply Assessment Mission to the Sudan," March 21, 2022, <https://acrobat.adobe.com/link/review?uri=urn:aaid:scds:US:9c17e5bc-41a6-3b5a-ae0b-a548186208cc>

²⁷ Ibid.

ability to operate irrigation pumps.^{28,29} It is worth noting that Sudan lost large amounts of IDA earmarked to boost its agricultural sector in the wake of the October 25 coup.

Unhappy with a sudden steep increase announced in electricity costs in March, Northern State farmers blocked the main trade highway between Sudan and Egypt for almost six weeks.³⁰

- b) Agricultural finance and credit:** ABS lending arrangements have been unpredictable and unreliable. Typically, ABS charges are levied in-kind (repayment in produce) at a value fixed at planting time jointly by MoFEP, SRC, ABS, and the farmers' associations. Under this arrangement, ABS is expected to provide agricultural inputs such as fertilizer, gasoline, and cash for labor. However, in 2022, ABS demanded that farmers repay the loans in cash.
- c) Poor planning and delivery of fertilizer:** The government has impacted domestic wheat production through delays in providing agricultural inputs, especially urea fertilizer.³¹ Sudan primarily uses urea in irrigated agriculture areas and during the winter season. However, in 2021/22, there were shortages, mainly in irrigated schemes, and prices were prohibitively high throughout the country.³² The ABS announced to its clients that the bank would not provide urea when it was most needed, leaving the farmers with only one option, the black market.

Moreover, the MoFEP lost substantial resources following the October 25 coup, amounting to about US\$ 68 million in foreign assistance from the IMF, of which US\$ 56 million was to cover winter season fertilizer, and US\$ 12 million for pesticides.³³

Available data supported the wheat producers' argument, as it shows availability of imported fertilizer declined steeply during the planting season to a 10-year low (Figure 1), while global prices increased sharply to their highest price in the last five years, 924 USD dollars per ton.^{34,35} In April 2021, the global price of urea was 340 USD per ton but by April 2022 the price had jumped from to 900 USD per ton. (Figure 2).

²⁸ Interviews with farmers from Northern State, March and April 2022.

²⁹ According to interviews with a number of farmers in the Northern State, where there are different types of irrigation methods and each method differs fundamentally in terms of cost.

³⁰ Radio Dabanga, "Northern Sudan farmers protest electricity bills, block road to Egypt" January 10, 2022, available at: <https://www.dabangasudan.org/en/all-news/article/northern-sudan-farmers-protest-electricity-bills-block-road-to-egypt>

³¹ [AlSudani News, March 11, 2022.](#)

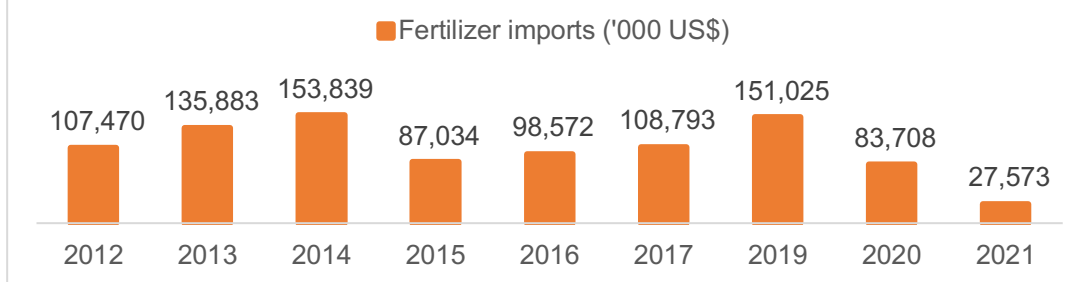
³² Interviews with farmers conducted by SudanFacts, March and April 2022.

³³ The IMF approved the MoFEP to withdraw the said amount from the Special Drawing Rights (SDRs), allocated from the IMF to Sudan (SDRs 604 million, equivalent to US\$ 856 million).

³⁴ World Bank Data, <http://data.worldbank.org/data-catalog/commodity-price-data>

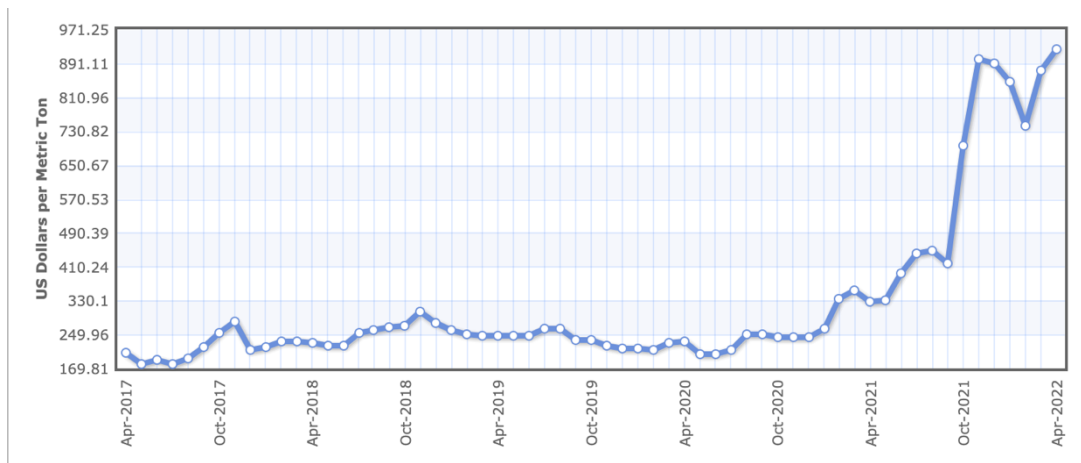
³⁵ Index Mundi, <https://www.indexmundi.com/agriculture/>

Figure 1: Fertilizer importation in Sudan has steadily decreased in the last decade



According to the CBOS, Sudan imported a total of 210,386 tons of fertilizer in 2021 valued at US \$ 82.425 million and 258,121 tons valued at 83.708 million USD in 2020.

Figure 2 Global prices of urea



- d) **Agricultural machinery:** Agricultural machinery was generally available. However, the cost of maintenance and spare parts was high. According to the FAO, rental costs for agricultural machinery are reported to have increased by seven times between 2020 and 2021, with a negative impact on farmers who don't own key implements who consequently have less access.³⁶
- e) **Inability to maintain subsidies:** The ABS is an important purchaser of agricultural products, setting both Salam and concentration prices at rates which are considerably higher than even the high global market price. However, the ABS has also failed to buy harvested wheat in 2022, citing a lack of financial resources to honor its commitment to purchase at subsidized rates. Given that the ABS secures produce for the benefit of the SRC, its inability to purchase wheat from farmers has directly affected Sudan's national stock. The failure of this system poses major risks, as farmers are facing potential losses of harvested produce, especially since the system has meant that they typically have not needed to store their grain

³⁶FAO, "Special Report: 2021 FAO Crop and Food Supply Assessment Mission to the Sudan," March 21, 2022, <https://acrobat.adobe.com/link/review?uri=urn:aaid:scds:US:9c17e5bc-41a6-3b5a-ae0b-a548186208cc>

and therefore don't have appropriate facilities to do so. They may also seek other markets, including abroad, which may further exacerbate the food crisis by reducing the already low domestic contribution to total needs. The government of Sudan's inability to purchase domestic produce may further discourage local production, leaving importation, which it can even less afford, as the only option.

Many producers describe the purchase price as being lower than input costs due in part to 300% inflation over most of 2021/2022. The offered price also failed to adequately account for low productivity.^{37,38} In addition, the ABS required Gazira farmers to deliver their wheat to the mills of Seen for Grains Co. (a subsidiary of Sudan's Defense Industries System) at the GIAD industrial complex south of Khartoum or the company's mills in al-Baquair, imposing the costs of transport and local and state taxes on farmers.³⁹ Some farmers refused to sell under these conditions. Further, both the MoFEP and the ABS had severe liquidity problems that limited their ability to buy wheat that was delivered.

The Al Gazira Farmers Alliance described the offered price of 43,000 as "unfair and unrewarding," and demanded an increase to at least SDG 60,000. Some farmers in Northern areas have demanded SDG 66,000 to SDG 86,000 depending on the irrigation system in use.⁴⁰ Some farmers in need of cash may be forced to sell the wheat locally at lower prices averaging SDG 27,000 (US\$ 59.3 per 100 Kg. sack), either because ABS is not able to buy their wheat or because they need cash rather than repayment of loans or future inputs offered by ABS. Others were able to sell to traders offering lucrative prices of SDG 60,000 who reportedly exported the wheat to Egypt.⁴¹ Apparently to stem this trend, the CBOS issued a directive on 15 June extending financing to commercial banks to finance mills to purchase wheat directly from farmers. The directive also authorized the ABS and its branches to purchase wheat from farmers for the SRC.⁴² This decision is expected to ease the crisis.

4 Impact of the Global Food Crisis on Sudan Overshadows “Wheat Diplomacy”

Wheat has become one of the major keys in geopolitics today following Russia's invasion of Ukraine.⁴³ The gravity of the global wheat supply crisis was best described by the *Economist*: “The

³⁷ Jamal Abdel Qader Al Badawi, “Calls for early precaution to remedy the food gap in Sudan,” [Independent Arabia](#), March 17, 2022.

³⁸ “Strategic Inventory .. Concerns and Risks,” [AlSudani News](#), March 11, 2022.

³⁹ Al-Taghyeer, ““Gezira” farmers “rather jail” than give Agricultural Bank wheat crops,” in Arabic, available at: <https://www.altaghyeer.info/en/2022/05/30/gezira-farmers-rather-jail-than-give-agricultural-bank-wheat-crops/>

⁴⁰ Interviews conducted with farmers for this report, March to June 2022.

⁴¹ Alaraby, “Sudan's wheat seeps into Egypt,” June 9, 2022, in Arabic, available at: <https://tinyurl.com/yu7a9ady>

⁴² The Central Bank of Sudan, “Financing locally produced wheat,” a directive dated June 15, 2022, in Arabic.

⁴³ Luke Harding and Emma Graham-Harrison in Kyiv, Andrew Roth and Pjotr Sauer in Moscow, Julian Borger in Washington, and Sam Jones, “Ukraine fighting to stop ‘a new iron curtain’ after Russian invasion,” The

war is battering a global food system weakened by COVID-19, climate change and an energy shock. Ukraine's exports of grain and oilseeds have mostly stopped, and Russia's are threatened. Together, the two countries supply 12% of traded calories. Wheat prices, up 53% since the start of the year, jumped a further 6% on May 16th, after India said it would suspend exports because of an alarming heatwave."⁴⁴

Egypt, the world's largest wheat importer,⁴⁵ is especially vulnerable as half of its imports come from Russia and another 30% from Ukraine. Sudan's exposure is even higher as it imports 86% of its wheat from the two countries.⁴⁶ Moreover, Russia is also one of the world's largest producers of fertilizers, and the crisis could also disrupt this supply.⁴⁷

For decades, the government of Sudan considered wheat as a strategic commodity. Sudan usually depends on friendly countries for its wheat imports. According to the CBOS foreign trade report, in 2015 and 2016, Turkey was Sudan's largest source of wheat imports at 30% and 35% respectively. Since 2017, Turkey has been overtaken by Russia from which Sudan imported up to 74% of its needs in 2018.⁴⁸

Sudan's isolation post-coup d'état is adding to the gravity of its wheat gap. Prior to the coup, international wheat grants sought to help Sudan bridge the gap between domestic production and total consumption and reduce its dependency on wheat imports. Regional and international powers made wheat donations to advance their respective strategic geopolitical interests in Sudan. The subscript of the donations sought to favor either outcomes in the transition that would place the military in full control, or, alternatively, to strengthen the chances of civilian leadership and full democratic governance.

For example, in 2019, as Sudan went through the political and security convulsions that followed the fall of Bashir, the United Arab Emirates and the Kingdom of Saudi Arabia jointly donated 540,000 MT of wheat to help stabilize the transition.⁴⁹ These donations stopped following the accession of the civilian leadership to the helm of the transition. In 2020 and 2021, under a swap agreement signed between the government and the World Food Program (WFP), Sudan paid in local currency for

Guardian, 24 February 2022, <https://www.theguardian.com/world/2022/feb/24/russia-attacks-ukraine-news-vladimir-putin-zelenskiy-russian-invasion>

⁴⁴ The Economist Magazine, "The coming food catastrophe," May 20, 2022, subscriber access available at: <https://www.economist.com/leaders/2022/05/19/the-coming-food-catastrophe>

⁴⁵ Mirette F. Mabrouk, "Getting complicated in a hurry: The implications for Egypt of Russia's invasion of Ukraine," MEI@75, March 4, 2022, <https://www.mei.edu/publications/getting-complicated-hurry-implications-egypt-russias-invasion-ukraine>

⁴⁶ France 24, "Ukraine war's impact on wheat threatens hunger in Sudan: aid group," March 21, 2022, available at: <https://www.france24.com/en/live-news/20220321-ukraine-war-s-impact-on-wheat-threatens-hunger-in-sudan-aid-group>

⁴⁷ Wandile Sihlobo, "How the Russia-Ukraine conflict could influence Africa's food supplies, The Conversation, February 24, 2022, <https://theconversation.com/how-russia-ukraine-conflict-could-influence-africas-food-supplies-177843>

⁴⁸ Data collected by Sudan Facts from CBOS annual reports.

⁴⁹ Reliefweb, "UAE, Saudi Arabia confirm delivery of 540,000 tonnes of wheat to Sudan," October 10, 2019, available at: <https://reliefweb.int/report/sudan/uae-saudi-arabia-confirm-delivery-540000-tonnes-wheat-sudan>

200,000 MT of wheat procured from international markets. The arrangement contributed to the financing of the WFP's operations while easing foreign exchange pressures on the CBOS.⁵⁰

In December 2020, the United States committed, in connection with the Abraham Accords for Sudan's normalization of its relations with Israel, to provide Sudan with a wheat grant of 1.68 million MT over four years earmarked for subsidizing bread for the poor. Sudan received only 250,000 MT of the grant by mid-2021. In the wake of the October 2021 coup, the US suspended its economic assistance in Sudan, and later froze remaining wheat shipments.^{51, 52} In 2022, WFP is planning to reach 9.3 million people in Sudan with life-saving food and cash assistance, nutrition support, school meals and livelihood opportunities.⁵³ However, it faces a funding shortfall of US\$270 million through August.

A Russian grant of 20,000 MT of wheat arrived in Port Sudan in early March 2022 as a donation to the Sudanese people at a time of need. It is not clear whether this was one shipment of several. The shipment followed a Sudanese government delegation visit to Russia on the eve of the Russian invasion of Ukraine led by Lt.-Gen. Mohamed Hamdan Dagalo (Hemeti), the deputy chairman of the self-appointed Sovereignty Council and commander of Rapid Support Forces. In the week after the visit, Hemeti made statements supporting the establishment of a Russian naval base near Port Sudan, one of Russia's main goals in Sudan.

5 Anticipated Political and Economic Costs of Wheat Supply Shortages

Rising prices of essential agricultural inputs such as fertilizer and inability of the government to offer subsidies may mean that farmers may have no other option than to abandon wheat production if they do not receive immediate support. This will have grave consequences not only for food security in agricultural production areas, but also on food availability in Sudan. Like other resource conflicts in Sudan, this presents a risk for further conflict and displacement, a concern expressed by Babagana Ahmadu, FAO Representative in Sudan.⁵⁴

⁵⁰ Reuters, "WFP to procure 200,000 tonnes of wheat for Sudan in 2021," March 14, 2021, available at: <https://www.reuters.com/article/us-sudan-wheat-idUSKBN2B608F>

⁵¹ National Public Radio, "U.S. suspends economic aid to Sudan after Monday's military coup," October 26, 2021, available at: <https://www.npr.org/2021/10/26/1049221989/u-s-suspends-economic-aid-to-sudan-after-mondays-military-coup>

⁵² The Jerusalem Post, "US suspends Abraham Accords assistance to Sudan," May 31, 2022, available at: <https://www.jpost.com/middle-east/article-708124>

⁵³ WFP webpage, <https://www.wfp.org/emergencies/sudan-emergency>

⁵⁴ WFP, "Worsening food crisis looming in Sudan amid economic downturn, displacement, and ruined crops," March 23, 2022, [https://www.wfp.org/news/worsening-food-crisis-looming-sudan-amid-economic-downturn-displacement-and-ruined-crops#:~:text=Khartoum%20%E2%80%93%20The%20combined%20effects%20of,Food%20and%20Agriculture%20Organization%20\(FAO\)](https://www.wfp.org/news/worsening-food-crisis-looming-sudan-amid-economic-downturn-displacement-and-ruined-crops#:~:text=Khartoum%20%E2%80%93%20The%20combined%20effects%20of,Food%20and%20Agriculture%20Organization%20(FAO))

Over 818,000 tons of wheat were imported between January and March 2022, three times more than in the same period in the prior year.⁵⁵ Together with procurement from local production, Sudan's wheat needs should be met for the next four to six months. However, with low domestic production, a devaluing currency and rising global wheat prices, the ability of the government to meet need after this buffer period is in doubt.

An interruption of supply of wheat flour to bakeries after this buffer period would mean that the main consumers of bread, Sudan's urban populations in the tripartite capital and other main cities and towns, would face increased prices for this staple as well as other food items. At a time of the political stalemate between the military and civilian opposition to the October 2021 coup, and regular mass protests, the scarcity of food commodities could trigger a new wave of protests like the role played by similar factors in 2018 in triggering the revolution that brought down the Bashir regime.

The government considers wheat one of four strategic commodities for Sudan, alongside agricultural inputs, fuel, and medicines. Its actions should therefore be aligned with the strategic interests of the country, including farmers and consumers, and that is to secure the local production for the benefit of the strategic stock and fill the over 70% gap through importation. Further, purchase prices determined through the MoFEP should include the participation of all the parties involved in the production process, and adequately consider the interests of producers and consumers. Encouraging farmers to continue wheat production in the coming seasons should be an important aspect of any response.

The global food crisis is destined to aggravate Sudan's foreign trade deficit. According to CBOS Foreign Trade Statistical Digest, Sudan's total imports of wheat in Q1 2022 were at 910,342 tons valued at US\$ 366.4 million.⁵⁶ This amount represented 22% of the total trade deficit of the first quarter of 2022, which totaled US \$1.2 billion. It is almost three times as much as the previous Q1 2021 in which Sudan imported 86,251 tons of wheat valued at US\$ 288.9 million. This increases pressures on CBOS foreign currency reserves. If this continues, given the massive shortages of foreign currency resources, the CBOS will cover the wheat importation bill by monetary financing, and this will generate substantial inflation and devaluation of the currency in exchange markets.

⁵⁵ Nafisa Eltahir, "Sudanese farmers war of failing harvests as hunger rises," *Reuters*, June 8, 2022, <https://www.reuters.com/world/africa/sudanese-farmers-warn-failing-harvests-hunger-rises-2022-06-08/>

⁵⁶ Foreign Trade Statistical Digest, CBOS Website.