
Sudan's Other War: The Place of Gold

The Economic Impact of the War in Sudan No. 2



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July 2023

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Cover credit: Illegal mining operation using cyanide (2022).



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1. Introduction

The war ravaging Sudan since mid-April between the Sudanese Armed Forces (SAF) and the parallel army known as the Rapid Support Forces (RSF) has expanded. The first clashes broke out in Khartoum, and fighting subsequently advanced to the Darfur and Kordofan regions, and Blue Nile State. In these regions the conflict takes on a tribal character portending an aggravation into a multi-party civil war. The escalation of violence has generated a humanitarian crisis that continues to deteriorate on daily basis. Thousands of people have been killed and injured, and more than 2.5 million Sudanese citizens have been forced into displacement and migration, according to the International Organization for Migration (IOM).¹

In most parts of the country, access to basic services such as water and electricity deteriorated. The activities of educational institutions came to a halt. More concerning is that access to life-saving medicines gravely declined, and the health system is on the verge of collapse.² The bombardment by both warring forces in the capital, Khartoum, expedited the destruction of a significant part of Sudan's industrial infrastructure. The country's largest markets were completely looted and private homes were plundered and burned down by the RSF and gangsters. The banking and financial sectors in their entirety have been brought to a standstill as many banks were robbed and electronic systems of financial transfer failed or were rendered inoperative.

The situation is quite bleak. Efforts exerted by local and foreign actors to end the war, though modest, are challenged by the latent resistance of war economies with internal and external associations, which would set forth new conflict dynamics where political and logistical support would eventually be available to the warring parties. This would, without a doubt, prolong the conflict and remodel it into a

¹ "International Migration: The displacement of about 2.5 million people inside and outside Sudan due to the continuing violence," Muhajir News, June 2023, available at <https://shorturl.at/ltDRU>, see also reports of the United Nations Children's Fund on the situation of children available at <https://shorturl.at/jknpw>

² "Death by bullets or disease: The health situation in Sudan is on the brink of complete collapse," *Al-Mahshid*, June 16, 2023, at <https://shorturl.at/mDEHQ>

long-term civil war, a scenario whose likelihood is increased by numerous internal factors, from the proliferation of arms to deep social and political cleavages.

Under these circumstances where Sudan is plunging rapidly into a full-blown civil war and a total collapse of the state, this article discusses the gold trade, one of Sudan's complex economies associated with militarization, tribe, and affecting traditional livelihoods. The article highlights developments in gold mining after the eruption of the current war. It also discusses policies that contributed to the predicament. It forms part of a broader series on the economic impact of the war.

1.1 The nature of conflicts and resources

Up to this point in the current armed conflict in Sudan, new war economies haven't yet crystalized. However, there are several indicators that signal, though preliminarily, likely future scenarios. Gold is Sudan's most valuable resource, top export, and foremost source of foreign exchange. Furthermore, the gold sector in Sudan involves intensive security interventions. Hence, this paper will discuss the most important developments in the gold mining sector, their relation to the enhancement of war economies and the internal and external impacts they create.

Since its independence in 1956, instability and conflicts have ravaged Sudan. Following the secession of South Sudan in 2011, an acute economic crisis burdened Sudan as it lost two thirds of its oil production, which is equivalent to 90% of the country's foreign exchange.³ Concurrently, the Sudan government encouraged expansion of gold production, in all manner of ways. This coincided with a significant global increase in gold prices which rocketed from an average of 17.8 USD per gram in 2000, to 57 USD in 2012.⁴ Despite increased gold production, the economic crisis in Sudan persisted and expressed its toll as a balance of trade deficit.⁵ That severe economic crisis contributed significantly to setting in motion the December Revolution in 2018, which ousted former president Al Bashir. However, the dominant military and economic structures survived the change and remained in control of the economy, redirecting resources to consolidate their political dominance.

In many countries where transparency, political participation, and democracy are lacking, abundance of resources translates into civil war and conflict. The term "resource curse" was coined to describe this situation.⁶ A number of studies have been conducted on the relation of conflict to resources, and comparing conflicts over gold with those motivated by oil and other resources. A group of researchers argue that in oil producing countries, conflicts revolve around political centers because governments have greater capabilities to buy loyalties and tighten their security grip. On the other hand, gold conflicts tend to take place on the periphery. This is because gold mines are usually spread over large regions and gold is associated, in many cases, with land grabbing and loss of traditional livelihoods. Furthermore, gold can easily be smuggled across borders, and its profits can enter global monetary systems. Some researchers have further distinguished between oil and gold conflicts in terms of "capital

³ Salah, Mohamed, "Siar Alzhab: Altaklifah albyyiea wa alijtmiayya ffitadeen," Jazeerat Alward Bookshop, Cairo, 2018; Chevillon-Guibert, "The Gold Boom in Sudan: Challenges and Opportunities for National Players," International Development Policy 7.1, 2016, available at <https://journals.openedition.org/poldev/2258>

⁴ World Gold Council, "Data from 1970 to 2018," in Salah, A.M., "atr t' dīn al-dhb 'li al-bī' it fi swārdī wālmnātq al-mğāūrī. [The environmental effect of mining in Sawarda and the surrounding areas]." Six-Party Committee for Environmental Protection and Anti-Gold Mining, 2018.

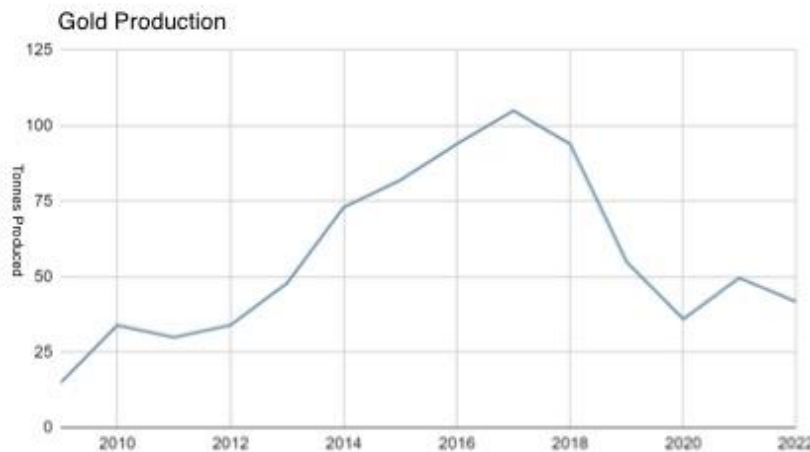
⁵ Chevillon-Guibert, R., Ille, E., & Salah, M., "Power practices, mining conflicts and the gold economy in the Sudan under the Al-Inqaz regime," *Politique africaine*, (2), 2020, pp. 123-148.

⁶ Van der Ploeg, F., "Natural resources: curse or blessing?," *Journal of Economic Literature*, 49(2), 2011, pp. 366-420; Rosser, A., "The political economy of the resource curse: A literature survey," Centre for the Future State, Institute of Development Studies, 2006.

intensive” activities which are usually associated with oil, and “labor intensive” activities, including gold mining.

Sudan is not an exceptional case. The discovery of oil led, in one way or another, to the redirection of the conflict to the center of political power. This transformation resulted in putting an end to one of Africa’s longest conflicts. On the other hand, during the past decade gold conflicts have continued in Sudan’s peripheries. Gold has significantly fanned the flames of disputes in conflict-ridden areas. Furthermore, gold profits financed conflict. In many locations, conflicts centered around gold sites such as Jebel Amer. This coincided with a significant expansion in gold mining activities and production, as shown in the figure below:

Official Gold Production in Sudan



The shrinkage of official gold production following the December Revolution that deposed Al Bashir in 2019 reflects declining control of its production, weakened oversight institutions,⁷ and expanding control over gold mining activities and exports by the military and security actors, including militias. Unofficially, however, the gold production in fact rose compared to the rates during the Al Bashir era. For example, during a parliamentary session, Musa Karama, the Minister of Industry and Trade at the time, stated that the total gold production in 2017 was 250 tons, not the 105 tons reported by official statistics.⁸ Karama further accused his own government, stating that, according to inside information available to him, the difference between the officially declared and the actual gold production was the quantity of gold smuggled either across land borders, or directly through the country’s airports where networks of corruption were used to smuggle gold right under everyone’s nose. Karama’s statement provides clear evidence that alternative networks were dominating the economy. Additionally, it attests to the systematic erosion of state institutions vis-à-vis the growing dominance of the military actors and a limited number of investors over the most valuable resource in the country.

The peculiar nature of gold production in Sudan stems from the reliance of the industrial sector primarily on exploiting mining waste. Mining waste is produced by artisanal miners who extract, using mercury, only 30% of the ore from the rocks they reach with greatest difficulty. Gold companies, on the other hand, can quite cheaply extract around 70% of the gold left in that ore. This is known as the Sudanese

⁷ The Sudanese government declared production of 41.8 tons, whereas the internationally monitored gold exports were estimated at 80.1 tons in 2022. Data available at Gold Hub, “Global Mine Production Data,” <https://shorturl.at/bij15>

⁸ Minister of Industry: Actual gold production is 250 tons, most of which is smuggled through the airport,” Al-Raqq, 2018 available at <https://alragraq1.blogspot.com/2018/01/250.html>

model of gold production through waste treatment companies (waste is also called tailings or *karta*).⁹ It is safe to claim that having a stake in Sudan's gold sector requires maintaining ties with the authorities, in order to facilitate production operations from obtaining work licenses, down to provision of security. These ties are called-for measures in such high-profit activities, especially in foreign trade. The gold sector in Sudan absorbs intensive labor power. As many as 2.8 million workers are directly engaged in digging mines, and about another five million workers in associated professions.¹⁰

This distinctive and overlapping nature of the gold sector has contributed to the creation of conflicts in Sudan's peripheries, as well as in the center of political power. The gold sector is generally considered one of many stumbling blocks obstructing democracy in Sudan,¹¹ an aspect that will be elaborated on in another article. However, it is salient to point out herein that the SAF, RSF, and other security actors were all keen to keep their economic activities from overlapping.¹² However, these forces began to compete fiercely over the gold mining sector, more so after the October 2021 coup, which was ended with, or rather culminated in, the war now ravaging the country.

2 Gold and the Sudanese war

The military deployments taking place as the ongoing war progresses indicate that the RSF seeks to control gold reserve areas and production sites. This would enable the RSF to continue financing their high-cost military operations. On the other hand, the SAF hasn't run any operations to shield either of these locations, as looting and encroachments spread. Although large regions of the country are controlled by SAF, they seem heedless of the RSF tightening their grip on gold producing sites in Darfur. Nor have any of the armed movements, includes the Sudan People's Liberation Army (SPLA-North) led by Abdelaziz al Hilu, attempted to interfere in mining operations. Most military parties have some association with gold mining. However, the RSF seems to have devised its own path regarding this valuable resource. First, it developed an institutional mining investment. Second, its leaders and personnel at the state level are well connected to gold mining activities. Lastly, they need to fund extended military operations. All that has led to the emergence of gold as a military target.

The early hours of the morning of April 15 witnessed the eruption of war in Khartoum. All eyes were focused on the confrontations taking place at the Presidential Palace, SAF Headquarters, Khartoum Airport, and other strategic locations in the capital. Simultaneously, however, another war broke out away from Khartoum. A war over gold. In North Darfur State, the RSF tightened their grip on Jebel Amer's famous mines. In 2020, the ownership of the mines in Jebel Amer was transferred to the government of Sudan, in exchange for a deal that stipulated paying Al-Junaid Company, owned by Abd al-Rahim Dagalo, the second in command of the RSF, US \$200 million as compensation. On top of that, Dagalo was also offered 33% of the shares of Sudamin, a governmental company affiliated with the Sudan Ministry of Minerals (MoM). Described as unfair and political,¹³ the deal was criticized by many, including high level leaders of the state.

⁹ Abdelrahman M. Salah and Enrico Ille, "How Sudan's gold boom is changing labor relations in Blue Nile State," Rift Valley Institute, March 2020, available at <https://bit.ly/3ALeCL2>

¹⁰ Abdelrahman M. Salah, "The Price of Gold: The Environmental and Social Cost of Mining," Gazirat Alward, Cairo, 2018.

¹¹ "Democratic stumbling in Sudan" is the title of a book by Professor Atta Al-Batthani addressing the various challenges facing the democratic transition in Sudan published in 2022. One of the issues discussed is the sensitivity of dealing with resources.

¹² "Le Figaro: Wagner's mysterious game in support of Hemedti What effect and repercussions?" *Al-Quds Al-Arabi*, April 2023, available at <https://shorturl.at/oJOU3>

¹³ "Undersecretary of the Sudan Ministry of Mining (MoM) Muhammad Yahya: The transfer of Jabal Amer to the government is a political deal," *Al-Rakuba*, November 2020, see www.alrakoba.net

The mission of securing Jebel Amer mines, now owned by the state according to the aforementioned deal, was assigned to the RSF, who eventually took control of the site. Once the war broke out, state property was tampered with, and its holdings were plundered. Thus, an early message of the war was, to a certain extent, about the role of gold. Afterwards, the RSF took control of Kabkabiya Locality, in which Jebel Amer is located in North Darfur and arrested the commander of the 21st Brigade.¹⁴

On May 24, the most critical event took place. The Sudan Gold Refinery fell into the hands of the RSF. Serving both public and private sectors, the refinery is used to filter gold prepared for export. According to testimonies given by officials from the refinery, there was 1.6 tons of gold owned by the private sector, of which 800 kilograms were already refined, and the other half was waiting for refining in the refinery at the time that it was captured by the RSF. An additional 1.3 tons of unrefined gold owned by the Bank of Sudan was also at the refinery as well as four tons of tailings that have high percentage of silver. Considering the prevailing global prices of gold in April 2023 the quantity of the refined gold seized by the RSF in this operation is estimated at no less than \$150.5 Million.¹⁵

As reported by Sudan Transparency and Policy Tracker (STPT) sources, another main store of Sudan's gold reserves is held in the Central Treasury, at the Bank of Sudan branch adjacent to SAF headquarters. Breaking into this highly secured treasury requires advanced techniques and cutting-edge technical expertise. This cast doubts about the capabilities of the RSF to obtain this particular reserve, despite the fact that they control the area.

It is also worth mentioning that wealthy families in Sudan keep their savings in private treasuries managed by commercial banks in the form of finished gold jewelry and foreign exchange, especially US dollars. Branches of commercial banks, including El Nilein Bank, Bank of Khartoum, Faisal Islamic Bank, and Sudanese French Bank, especially their Khartoum 2 branches, where these treasuries were kept have been systematically looted since the eruption of the war. All are located in areas controlled by the RSF in Khartoum. Hence, fingers are pointed at the RSF as being involved in looting the citizens' savings.

Witnesses from Khartoum relate that in order to find hidden jewelry, gold detection devices were used during the looting of civilian homes.



Illegal mining operations using carried out by individuals connected to the RSF in their areas of control (2022)

This claim indicates that the perpetrators have both the technical knowledge and the devices necessary for looting activities. These activities were conducted in the areas seized by the RSF, which indicates the role of gold in the war at both individual and institutional levels. They also highlight the overlapping, in war and peace conditions, of military activities and institutions with gold mining and export networks.

The RSF didn't, in fact, stop there. On June 5, they captured Kutum locality, and its military garrison led by the 22nd Brigade. The SAF garrison is

¹⁴ "RSF announces its control over a number of SAF locations (video)," *Al-Mashad*, in Arabic, April 15, 2023, available at: <https://shorturl.at/dehKL>

¹⁵ Markets Insider, "Price of gold," <https://markets.businessinsider.com/commodities/gold-price>

located proximate to the district of Kabkabiya.¹⁶ Interestingly, the RSF continued its control over the mining sites in Kutum engaging in intensive military fortification in Hashaba, Abd al-Shakur, and Absikeen areas, even when Kutum locality remained under SAF control at the beginning of the war. Control of mining operations and application of forced measures of safeguarding have also been used in areas such as Al-Malha and Mellit, near Libyan border. The RSF sustained their attempts to expand and gain full control over even larger areas.

Operations to control mining sites continued, as the RSF further held its sway over large areas in South Darfur, namely in Al Radom, Singo, Aghbash, Dharaba, and all the gold-rich areas scattered South of Buram close to the border with Central African Republic. This stronghold was reinforced by the seizure of Um Dafouk on June 13,¹⁷ which is strategic border area and vital route for both logistical support and gold exports.

2.1 State policies after the eruption of war

In the first week of the war the Sudanese Mineral Resources Company (SMRC) issued a decision to hand over the companies' production of gold to the security committees at state level. These security committees shall be in charge of securing their respective gold production until it reaches export sites. Security breaches and the spread of theft and encroachments accompanying the supply processes of fuel and vital mining chemical materials have forced gold mining companies, including the Russian company Kush Alliance, in Red Sea State, the largest production company in Sudan and Meroe Gold Company (Alsawla) operating in the River Nile State to shut down.

The cessation of operations of many companies has significantly invigorated illegal gold production activities. Cyanide and thiourea are both used in these unlawful schemes, severely harming the environment, especially in the northern and eastern states of the country that have not been subject to fighting. This dynamic helps explain the expansion of parallel economies controlled the SAF, which are not newfound in any way, but are expanding in the mining sector.¹⁸ It must be noted that prior to the eruption of the current war, part of these operations were conducted inside SAF military areas or under their protection.¹⁹ Army institutions allowed a number of their leaders and personnel to invest in mining, or in leasing land



Illegal mining activities within agricultural lands belonging to Atbara Military Garrison (2022)

¹⁶ "The RSF announces capturing the Brigade Garrison in North Darfur," *Al Emirat Alyoum*, 6 June 2023, available at: <https://www.emaratalyoum.com/politics/news/2023-06-06-1.1755408>

¹⁷ "The RSF's control of Umm Dafouk warns of an expansion of the war beyond the borders of Sudan," *An-Nahar Al-Arabi*, 16 June 2023, available at: <https://shorturl.at/wAEV1>

¹⁸ Alliance of Demand-Based Bodies (Tam), "River Nile State sounds the alarm of a growing chaos in mining activities," 22 June 2022, in Arabic, available at: <https://shorturl.at/fkG49>

¹⁹ After the October 2021 coup, many mining operations appeared inside the military areas, for example the Darwa area of the Artillery Corps, Atbara, and areas inside the Dardeeb Military Garrison and other sites. See, Ghradab, facebook post, August 22, 2023, available at <https://m.facebook.com/ghadhabanger/posts/3136315656679633/>.

to gold investors who are tempted by the protection these officers would provide for their illegal activities.

With regard to the export of gold from the alternative capital, Port Sudan, the Ministry of Finance revised gold export measures by stipulating that gold sale proceeds shall be paid before export operations commence. This condition creates great difficulties for legal exporters whose ability to produce and transport products is greatly affected by the war. These financial hurdles led to the expansion of smuggling operations, especially across Sudan's vast land borders. The Ministry of Finance has also allowed tailing companies to sell their production locally after deducting the state's share, which is 33% of the tailing companies' total production, and 18% for production companies. These arrangements were introduced in a bid to ease export difficulties, considering the inability of the Bank of Sudan to either purchase gold or maintain the condition of liquidating the gold through the Sudanese Standards and Metrology Organization.²⁰

2.2 The regional community and the impacts of war on the gold trade

Gold mining operations intersect across Sudan's vast borders. There are overlapping mining activities on the northern borders with Egypt, namely in the areas of Halayeb, Shalateen and the triangle linking Sudan, Libya, and Egypt. Sudan's borders with Chad witness overlapping mining activities. Additionally, mining intersects with trade activities between the regions of North/West Darfur and Central/Northern Chad (Al-Tina and Kouri). Similarly, intersection of mining activities occurs on the borders of Sudan with Ethiopia, and to a lesser extent Eritrea. Joint mining activities with South Sudan on the borders with South Darfur has recently commenced, especially in the Boro, Raja and Aweil regions.

Historical ties with neighbors have cast shadows over the gold trade in the context of war in Sudan. Ties between Sudan and Egypt remain the most consequential. By increasing its gold reserves in a bid to prevent its currency from collapsing, Egypt has relied on gold to mitigate the overwhelming economic crisis that came with floating its exchange rate. This has led Egypt to increase its reliance on gold by 11%. Currently, gold represents 25% of the total cash reserve in the country.^{21, 22} The gold reserve of the Central Bank of Egypt jumped from 44 tons to 125 tons in early 2022, an increase of 54%.²³ Gold reserves continued to increase, as shown in the figure below.

The outbreak of the current war in Sudan in mid-April coincided with a spike in gold prices in Egypt, and a simultaneous growing demand.²⁴ On May 10, the Egyptian Prime Minister Mostafa Madbouly issued a decision permitting the import of any quantities of both unworked (raw) and worked gold and made

²⁰ "Important discussions regarding gold in Sudan," Akhbar Al Sudan, May 28, 2023, available at <https://www.sudanakhbar.com/1392500>

²¹Masrawi "Reports: In one year Egypt added 700 kg of gold to its foreign exchange reserve," in Arabic, May 6, 2023, available at: <https://shorturl.at/acqKW>

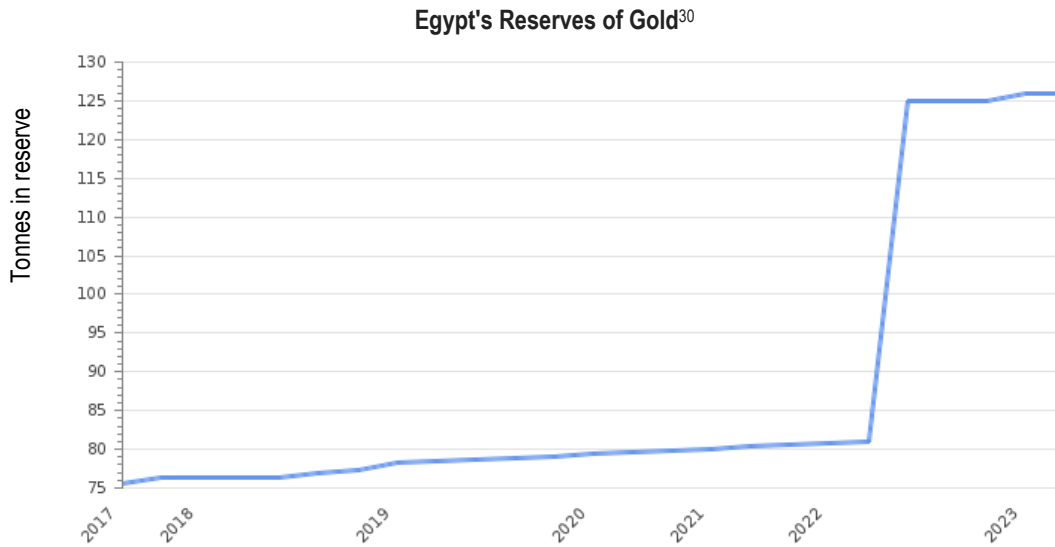
²² Take Profit, "Egypt Foreign Exchange and Gold Reserves," available at <https://take-profit.org/en/statistics/foreign-exchange-reserves/egypt/>

²³ Mahmoud Aljamal, "What Does It Mean for Egypt to Buy 44 tons of Gold in a Month?" *The Independent*, Arabic Edition, May 11, 2022, available at <https://shorturl.at/qyLW8>.

²⁴ During this period, gold prices in Egypt were estimated to be 53% higher than the international price, which contributed to increased inflation, as the real rate of the USD was estimated at 47 pounds against the dollar, although the Central Bank of Egypt fixed the rate at 30.9 pounds against the USD, which contributed to the rise of prices of goods in USD in the parallel market, a phenomenon also experienced in Sudan and which severely affected the local currency.

them free of customs and duties, except for value added tax.²⁵ These measures led to the stability of gold prices in Egypt, at an average of 2315-2350 Egyptian pounds (US\$75-76) per gram,²⁶ by announcing the entry of more than 306 kilograms of worked gold within one month of the decision being issued.²⁷ The volume of unworked gold imports to Egypt was not clearly indicated.

For years, the eastern borders of Sudan, especially with Ethiopia, has been witnessing gold smuggling activities, from Ethiopia to Sudan,²⁸ in exchange for supplies and fuel. President Abiy Ahmed openly declared in the Ethiopian Parliament that the gold extracted from the Benishangul region ends up in Sudan.²⁹ The current war in Sudan curbed these activities. This coincided with increased levels of scarcity of food and fuel supplies along the border with Sudan. The rainy season and road blockages due to natural conditions posed further challenges. It is likely that the military operations on the Southern Sudanese border with Ethiopia, which began in the Kurmuk locality, will affect smuggling operations.



As for the western borders of Sudan, uncertainty prevails. In conjunction with fragile security, especially on the borders with Chad and Central Africa, of which the RSF control a large part, important developments have emerged. On the borders between North Darfur, Northern State, and Libya, looting activities continue to intensify where the so-called Toubou gangs spread across the borders between Sudan and Libya on the one hand, and Chad and Sudan on the other. These gangs are known to be

²⁵ "The Official Gazette publishes the Prime Minister's decision regarding exempting gold imports from customs tax," Al-Youm Al-Sabaa, May 11, 2023, available at: <https://shorturl.at/dnzX6>

²⁶ "After customs exemption: How much gold did Egypt receive in a month?" Sky News Arabia, June 12, 2023, available at : <https://shorturl.at/bgU17>

²⁷ "Egypt: More than 306 kilos of gold entered after the customs exemption decision," *CNBC Arabia*, June 24, 2023, available at <https://shorturl.at/nBN13>

²⁸ Enrico Ille, Mohamed Salah and Tsegaye Birhanu, "From Dust to Dollar: Gold mining and trade in the Sudan-Ethiopia borderland," Rift Valley Institute, November 25, 2019, available at https://riftvalley.net/sites/default/files/publication-documents/RVI.2021.04.27%20From-Dust-to-Dollar_Ille_Salah_Birhanu.pdf

²⁹ "Prime Minister Abiy Ahmed's Explanation on economic issues in parliament," *Ethiopian Insider*, available at https://m.facebook.com/story.php?story_fbid=pfbid02kQ32NytnSbh1F8E64PqLooQ1vTeFvUzv2xGmYZnA3LK9A7tVHylhofrm1qgXwWI&id=100063797570663&mibextid=Nif5oz

³⁰ Take Profit, "Egypt Foreign Exchange and Gold Reserves," available at <https://take-profit.org/en/statistics/foreign-exchange-reserves/egypt/>

active in the weapons and drug trades. The routes of gold mining and trade converge with the same trajectories being used by these groups in these trades, as well as in human trafficking.

Wars generally flare up for known motives. However, as time passes new dynamics arise, and war outcomes feed into new causes of conflict.³¹ As seen in Syria, Libya, Central Africa, Yemen and other countries, significant transformations have taken place as conflicts progress. Economic and political ties with regional and international actors have contributed to the endurance and aggravation of conflicts in these countries. In Syria, control over gas resources and strategic areas played a major role in the continuation of the conflict and set the stage for the intervention of many regional and international parties.³² A similar scenario took place in Libya³³ and the Central Africa Republic. The conflict between Saudi Arabia and Iran was also instrumental in the continuation of the war in Yemen and may play a major role in reaching an agreement in the future.

In Sudan, one of the most important positive factors in the current situation is the reticence of international actors to support warring parties, compared to other countries. Furthermore, many international actors are willing to end the state of war in Sudan. So far, the ongoing conflict has not been clearly linked to the intense global conflict. Despite the attempts to reduce the conflict to a fight between a Russian backed RSF and SAF that is supported by Egypt, the reality shows that the case of Sudan is quite complicated. The overlapping interests induced by the common and intertwined histories of the warring powers make it difficult to delineate clear boundaries between the local, regional, and international interests at this point. This delineation of intertwined interests might become clearer over time and with the shifts in power relations and political stands. The nature of economies shaped by war comes forth as the most significant factor in creating or having an impact on these shifts.

The reason behind the regional and international reluctance to engage in supporting the warring parties in Sudan is not limited to the global preoccupation with the ongoing conflict in Ukraine, nor the fear of fragmentation in the pattern of the Horn of Africa and the Sahel regions, where issues of security fluidity and widespread proliferation of weapons persist. What may actually feed the reluctance to interfere is the consideration of the material conditions associated with the nature of the interests of the various actors in Sudan. In its policy towards Sudan, an international power such as Russia prioritizes the establishment of a military base on the Red Sea and sustainable access to minerals. These interests encourage Russia to create a balanced relationship with all parties in Sudan, especially those in power, which helps keep the mutual relations within the framework of the law.³⁴ This requires Sudan to have a degree of stability. The same applies to Egypt, which prioritizes its internal economic crisis, but is also concerned with maintaining security stability on its southern borders, more or less equates to security stability in Sudan.

These complex equations do not negate the existence of ties and biases by regional and international parties towards local allies. The UAE continues its relationship with the RSF. Likewise, Egypt and Chad do not hide their support for the SAF. With regard to the position on the war in Sudan, biases range, to different degrees, between the Arab countries, IGAD countries, African Union, and the rest of the world. This makes looking into the future trajectories of these biases of great importance. Likewise, it is crucial to consider what factors solidify biases and thus create regional and international incubators for conflict, which contributes to its continuation. It is also necessary to define a clear understanding for how to

³¹ Mohamad, Mohamed Suliman, *Darfur: New Perspective*, (Cambridge: Cambridge Academic Press 2004).

³² Mohamed Hamad, "The Struggle over Syria, Blood Seas ..Gas lines," *Al-Hiwar Almutamadin*, April 24, 2013, available at <https://shorturl.at/xFKW3>.

³³ "Conflict over oil fields wastes Libya's 'most valuable resources,'" *Al-Hurra*, July 15, 2022, available at <https://shorturl.at/cqryV>. Ghassan Salame: The conflict in Libya is a resource conflict," November 9, 2018, available at <https://shorturl.at/sUXZ1>.

³⁴ "Le Figaro: Wagner's mysterious game in support of Hemedti What effect and repercussions?" *Al-Quds Al-Arabi*, April 29, 2023, available at <https://shorturl.at/oJOU3>

contain these tendencies by suppressing the economies of war, as a way to end the status quo in Sudan.

3. Recommendations

3.1 To the de facto government

Any process addressing the issue of “depletion of the country's resources through smuggling and rampant corruption practices” must be a holistic process from the beginning. It must prioritize ensuring resources are available to finance the reconstruction of Sudan in the aftermath of the devastating destruction that has ravaged the country during the war. This requires ending the association between gold and the continuation of war and other forms of violence. These efforts must be part of a larger and more comprehensive process that aims at redefining the role of resources in political transitions, the impact of governance systems on the persistence of the resource curse, and the redirection of the revenues of those resources towards developmental processes. This requires a serious discussion of resource issues and their connection to the transition towards a democratic civilian rule, including:

- Prioritization of reforming the laws and regulations governing the mining sector in a way that closes the loopholes that allow producers to evade paying financial obligations to the state and facilitate smuggling operations.
- A thorough and comprehensive restructuring of the production sectors, particularly the gold mining sector, in a manner that provides transparency and popular participation, in order to limit informal production activities and ensure that all activities comply with the law.
- Any proposal to end the war must include a clear approach to stopping the operations that take place in the mining sector outside the framework of the law, and to prevent any activity of the military and security institutions of the state in this sector.

3.2 To the international community

Classifying the gold coming from Sudan as conflict gold: This requires monitoring the economic transformations taking place in all fields, monitoring the forms of violence in the mining sector in particular, and working to curb war economies more based on the nature of the mining sector and its impact on the continuation of the conflict, and not just banning some companies linked to the parties involved in the war. The first step in that direction is to classify the gold produced and exported from Sudan as conflict-related gold, and work to limit its connection to the continuation of the war.

- **To the Commission of the European Union and the Member States of the Union:**
 - Implement of the EU Regulation on the responsible supply of Tin, Tungsten, Tantalum, and Gold (3TG) from conflict-affected and high-risk areas. The regulation came into force on January 1, 2021, on the gold coming from Sudan, as it is affected by armed conflicts, high levels of corruption, and human rights abuses in mining areas. This is in order to reduce the role of gold in financing the conflict, and to encourage its role in contributing to the reconstruction of Sudan and the development of the country's economy.
- **To the United States of America:** Consider applying the Dodd-Frank Act Regulation, Section 1502 that was passed by Congress in 2010 to gold from Sudan regarding conflict minerals from Congo and the neighboring countries. The regulation requires that companies registered with the Securities and Exchange Commission (SEC) that use these minerals in their products to disclose whether these minerals originated from conflict-affected areas, and whether they fund armed groups in those areas. The aim is

to reduce the flow of funds to armed groups and to promote responsible procurement practices.

- **To the authorities of the United Arab Emirates and the Egyptian authorities:**
 - Work to stop the draining of Sudanese resources by applying strict controls at border crossings and airports to ensure that only official exports are received. In the event of non-compliance, the harshest penalties must be imposed due to the states' failure to adhere to sufficient transparency, which makes them contribute to the support of conflict in Sudan.
- **To companies trading in gold or using it in their products:**
 - Companies must adhere to the necessary due diligence about their supply chains, in order to increase transparency and promote responsible sourcing practices in the minerals supply chain.

a. To Sudanese civil society

- Work on monitoring and curbing all abuses related to the interventions of the military in economic activities, which distorts the economy and increases the possibility of the continuation of civil wars, and for this it is possible to:
 - Establish an observatory of resources and abuses related to their use in financing the ongoing war in Sudan.