

Corruption in revenue collection in wartime Sudan



A group of displaced at an RSF checkpoint

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A prominent feature of the April 15, 2023 war in Sudan is the deterioration of governance and the decline in oversight over the performance of ministries and government institutions, particularly related to revenue collection, expenditure and resource management. Accountability, transparency and the state's control of public funds have declined in an unprecedented manner during nearly two years of conflict.

Many factors have contributed to the near-total collapse of government performance and the creation of an environment of corruption and lack of transparency, most notably the pre-war conditions. The conflict between the Sudanese Armed Forces (SAF) and the Rapid Support Forces (RSF) occurred in the wake of the October 25, 2021 coup that enabled the military to monopolize power. Back then, the SAF chief and Chairman of the Sovereignty Council, Abdel Fattah al-Burhan, announced the dissolution of the Sovereignty Council and dismissed most of the ministers and state governors of the civilian government. He further declared a state of emergency, and many supporters of the previous transitional government were arrested.

Administration was entrusted to ministry undersecretaries who were later appointed as acting ministers, including the prime minister, who had been an administrative employee in the Council of Ministers. Powers were concentrated in the hands of the SAF commander and his deputy in the Sovereignty Council, RSF commander Mohammed Hamdan Dagalo (Hemedti).

The coup led to severe economic difficulties, which continued until the war erupted on April 15, 2023. Corruption and financial violations were widespread in the pre-war period. Several businessmen benefited from privileges and facilitation due to their connections to the leaders of the military coup. According to press reports, corruption was concentrated in the gold export and monopoly petroleum import businesses. This corruption escalated with the onset of war.

Among the factors that undermined control over public funds was the fall of 136 headquarters of ministries and government agencies to the RSF.¹ RSF also controlled large areas of other states in Sudan. Although most of these areas are productive and host active trade in agricultural crops, livestock, and basic consumer goods, the RSF has not formed a proper administration or financial system. The RSF began to freely manage the resources of those regions, without interference from the central government, in addition to collecting illegal fees and tolls from citizens in exchange for allowing them to engage in commercial activities. As a result, Port Sudan in the east of the country was designated as the temporary administrative capital. Not all government employees were able to relocate to Port Sudan, however, and the government did not ask them to do so because it was unable to meet their financial obligations to them. The ministries are currently run with limited manpower, while some critical departments are completely unstaffed. In his speech at the Economic Conference in Port Sudan, Finance Minister Jibril Ibrahim acknowledged the shortage of staff in the ministries and its impact on government performance. He promised in to “we will pay their salaries in full (...) and will enable the ministries to bring in their essential employees so that they can perform their duties.”²

¹ Sudan Tribune, “After a Year of War: Will Control of SAF- and RSF-Held Areas Shift?” April 15, 2024 (in Arabic), available at the link: <https://sudantribune.net/article284466/>.

² Ministry of Finance and Economic Planning website, “Speech of Dr. Jibril Ibrahim Mohamed, Minister of Finance and Economic Planning, at the opening session of the first economic conference to address the challenges of war during the period November 19-20, 2024, Red Sea State - Port Sudan,” available at: <https://v.qd/ZvJeo2>

The economy in areas controlled by both parties operates as a war economy, shaped, and at the same time fueled, by ongoing violence, as the warring parties compete for resources to fund their military operations. A key characteristic of this war economy is its facilitation of institutional corruption, as control measures are frequently abandoned. Violence and threats of violence are often used to force civilians to pay fees and taxes, whether to the government in Port Sudan and local administrations in RSF-controlled areas.

The relationship of the SAF and RSF with the army

During the rule of the Muslim Brotherhood under Omar Al-Bashir (June 1989 - April 2019), the SAF and the National Intelligence Security Service (NISS) expanded their business activities, establishing companies that speculated in crops and competed with the private sector in the production and export of meat and the import of construction materials, fuel, sugar and other basic commodities. In 1993, a commercial and industrial organization known as the Military Industry Corporation (MIC) was established, which began with various industrial complexes and commercial companies. Pursuant to a law passed by the parliament of Al-Bashir's regime, the name of MIC was changed to the Defense Industries System (DIS). The law excluded DIS from all financial and administrative regulations governing public agencies in Sudan and gave it the right to invest its funds without the oversight of the National Audit Chamber and exempted it from the controls of the purchasing, contracting and accounting regulations to which government agencies are subject.³

By the time Bashir was overthrown, DIS owned 200 companies, in addition to grey companies that were established with public money from the budgets allocated to the security sector, but registered as private enterprises owned by NISS/SAF employees or their family or business connections.

Due to its security influence and control over the country's economy, the security establishment was able to impose itself as a partner to the civilians during the democratic transitional period. The deal was that civilians would lead the executive work in the Council of Ministers and the military component shares with them the membership of the Transitional Sovereignty Council (TSC), which was charged with the ceremonial duties of the head of state. But the TSC seized the actual power due to the dominance of the SAF and the RSF in decision-making therein. Despite this, the pressures on the civilian Council of Ministers helped to reveal many details of the economic and financial empire of the military component. Investigative surveys have shown that the income of these companies in 2020 amounted to approximately 110 billion Sudanese pounds, or the equivalent of two billion dollars at the exchange rate at the time.⁴ Another investigative report also showed that the Ministry of Finance granted security companies broad customs and tax exemptions. These studies revealed that most agricultural inputs were

³ Alrakoba, "Defense Industries System: I took Everything but gave Nothing," November 5, 2020. At the link: <https://v.qd/wUaHEn>.

⁴ Louay Hisham, "The SAF's Economic Interests: How did 'Deep State' Networks Hinder the Democratic Transition?" masr360 (in Arabic), March 20, 2023, available at: <https://v.qd/oxPnMT>.

granted to companies affiliated with the SAF or through understandings between the SAF and importers of fertilizers, seeds.⁵

These pressures led the military component in the Transitional Government (TG) to accept a plan floated by the civilians in the same government to transfer its manufacturing and commercial capabilities to the public sector or to partnerships to be created between the private sector and banks, provided that the pure military industries remain under the control of DIS, exempted from paying taxes for several years under Al-Bashir regime. Despite broad outlines agreement, this was not fulfilled. The structural reforms undertaken by the Council of Ministers to address macroeconomic distortions, such as lifting subsidies on fuel and flour and unifying the exchange rate - directly threatened the economic interests of the security establishment. This emerged later as one of the main drivers of the October 25, 2021, coup.

The RSF were active in gold mining in the Darfur and Kordofan regions with the sanction of the Bashir government, in exchange for using them in fighting the opposition armed movements. The RSF also obtained significant amounts of money after participating in the Yemen war, known as Operation Decisive Storm (2016). The commander of the RSF was able to cleverly employ this money and direct it to commercial activities within the state until he was able to chair the Economic Emergency Committee formed by former Prime Minister Abdullah Hamdok. The committee was responsible for providing basic commodities to the country through a mechanism called the Consumer Goods Portfolio.⁶

Hemedti's involvement in the economic emergency committee has yielded several gains for his commercial companies, which were registered in the names of members of his family and inner circle. As they had gained considerable monetary resources from the proceeds of the gold trade and from the Yemen war, Al-Junaid Multiple Activities Co Ltd, owned by Lieutenant General Abdelrahim Dagalo, the second commander of the RSF, contributed more than half of the capital of the Strategic Commodities Fund (SCF).⁷ RSF leaders sought to acquire the equivalent of (30%) of DIS shares after the October 25, 2021 coup, and before the eruption of the war, but this faced great resistance from the SAF leaders, according to informed sources.⁸

The activities of the SAF and RSF companies exploiting their influence in power were one of the causes and manifestations of the economic crisis during the transitional period. Former Prime Minister Abdullah Hamdok revealed that "82% of public funds were outside the control of the Ministry of Finance, and only 18% of the resources are controlled by the Ministry of Finance."⁹ A number of observers believe that the efforts of both SAF and RSF to maintain their economic gains by controlling state decision-making was one of the reasons behind the

⁵ Yazid Sayegh, 'Civilianization of Sudan's Military Companies: How a Transition to Civilian Control Can Succeed', 23 April 2021 (I Arabic), available at: <https://carnegieendowment.org/research/2021/04/sudans-military-companies-go-civilian-how-the-recent-divestment-agreement-can-succeed?lang=ar¢er=middle-east>.

⁶ Al Jazeera Net, 'Hemedti to Chair the Economic Committee: Will the UAE's Desire to Control Sudan's Ports Succeed?', April 25, 2020, available at: <https://v.gd/0JqNjx>.

⁷ See Abdul Latif Osman Mohamed Salih, 'The Strategic Commodities Fund (April 2020- January 2023) What lessons for a new effort?', STPT, November 2024, available at: <https://shorturl.at/NutsB>.

⁸ Monte Carlo newspaper on Facebook, 'After the RSF acquired 30% of DIS, Al-Burhan Reconstitutes Zadna Co Board of Directors and appoint Abdelrahim Daglo to it', available at: <https://v.gd/xabO>

⁹ Alhurra, "Sudan: The government criticizes the role of the army in the economy," December 15, 2020 (in Arabic), available at: <https://www.alhurra.com/sudan/2020/12/15/السودان-الحكومة-تنتقد-دور-الجيش-في-الاقتصاد>

October 25, 2021 coup and the April 15, 2023 war provided the SAF and RSF leaders with a conducive environment to achieve even more economic gains.

The de facto government: Collection of public funds to finance the “war effort” monopoly of imports and exports

After the outbreak of the war, some businessmen rushed to show loyalty to the SAF in its fight against the RSF, mostly those who accumulated wealth during the Bashir regime. Some of them “donated money and food supplies to support the SAF,” which in turn rewarded them by allowing them to monopolize the export of critical goods, most notably gold, in addition to importing fuel, sugar and food. A source in the Ministry of Minerals told New Features that gold exporters since the outbreak of the war are the same ones who import fuel.

These businessmen maintain close relationships with one of the influential military figures in the Sovereignty Council who single-handedly ruled the country after the outbreak of war. Sources in the Central Bank of Sudan (CBS) told New Features that the process of selling gold in the bank is often carried out based on decisions of the Sovereignty Council, ignoring the proper documentation cycle and the restrictions and procedures in place. Gold belonging to the CBS was sold to fuel importers under the pretext of supporting the war effort. A source told New Features that the Chairman of the Sovereignty Council, Abdel Fattah Al-Burhan, “personally intervenes” in the sale of gold to importers under the pretext that they are responsible for importing the needs of the SAF, including ammunition. Businessmen close to the SAF also supply gray-market gold to the CBS purchased from artisanal miners that do not comply with the Ministry of Minerals' fees, taxes, or government levies. They then buy it from CBS and export it again.

Some CBS employees complained about “the lack of transparency in the banking system following the eruption of war” and noted that many commercial banks are “disregarding audit and financial control regulations” under the pretext of missing information and archives, staff shortages, and the looting of their headquarters in Khartoum. One employee pointed to an increase in “money laundering within the banking system after the outbreak of war,” but they lack documents to prove this.¹⁰

Despite the liberalization of fuel (diesel, gasoline, and cooking gas), businessmen with close ties to the sovereign Council enjoy significant privileges from SAF, including leniency in taxes and fees including unloading and storage fees as the government in Port Sudan owns the largest storage facilities in Bashayer Port, which is designated for exporting Sudanese oil.

¹⁰ Interviews with bankers who requested to remain anonymous.

Supporting the war effort

The phrase “supporting the war effort” was frequently used in this investigation. It is often exploited as a pretext to justify extorting money from citizens. The entities that most exploit the “supporting the war effort” narrative are localities, crossing points between states, and border customs points. According to the observations of a New Features correspondent, fees are collected at crossing points by force in the presence of armed men accompanied by civilians in areas controlled by both SAF and RSF, and sometimes the collectors are in military uniform.

One indicative example of collecting money under the pretext of “supporting the war effort” is the practice of the Chamber of Commerce in Ad-Dabba, Northern State. Ad-Dabba is a key commercial hub connecting Northern State and the western states of Sudan on one hand and the capital, Khartoum, on the other. Commercial activity in Ad-Dabba intensified after the outbreak of the war due to its relatively safe and strategic geographical location. This prompted relief agencies to relocate their warehouses to the city, from where they distribute food shipments to war-affected areas. As a result, new job opportunities were created, further boosting commercial activity.

Under the pretext of supporting the war effort, the Chamber of Commerce in Ad-Dabba seized the powers of the state and local authorities, even though it is run by volunteer SAF support. It uses a government building as its headquarters, imposes fees on commercial activities and issues transit permits for trucks and commercial vehicles. Truck owners who spoke to New Features reported that the Chamber of Commerce in Ad-Dabba does not use the electronic form 15 designated by the Ministry of Finance to collect money and instead uses unofficial receipts from a “double kit” unbranded notebook and without a stamp. The collectors are civilians accompanied by irregular soldiers from the *mustanfareen* armed with Kalashnikovs.

Fees are imposed by the Chamber of Commerce in Ad-Dabba on shops and agricultural crops, particularly dates, as well as real estate rented for commercial purposes. Foodstuffs, including dates, sugar and wheat, are collected and sent to Wadi Sayedna military camp in Omdurman, according to statements from citizens from Ad-Dabba who spoke to New Features.

The Chamber of Commerce in Ad-Dabba imposed transit fees on trucks estimated at 400,000 Sudanese pounds and 50,000 pounds on smaller trucks collected in cash. Payment via electronic applications is not allowed. The number of trucks moving from Ad-Dabba to other states is estimated at 100 to 120 trucks per day, while the number of small trucks is estimated at between 50 to 70 per day. The daily collection is estimated at 50 million Sudanese pounds per day US \$ 25,000 per day. The Chamber confirmed that it allocates 74% of its revenues to the war effort, and 26% to the locality, according to an ordinance issued earlier.

No one knows how the amount allocated to Ad-Dabba Locality is paid, as there is no audit of the amounts collected. The Chamber is overseen by Azhari Al-Mubarak, a prominent businessman and one of the largest investors in the gold mining sector. He donated USD five million to “support the war effort,” and has since established close ties with SAF commander, Abdel Fattah Al-Burhan. Eyewitnesses from Ad-Dabba told New Features that Al-Burhan visited Al-Mubarak’s home during the war in acknowledgment of his supportive stance toward the war effort.

One *mustanfar* (mobilized volunteer combatant) from Ad-Dabba told New Features that the volunteers receive very little of the funds for the war effort. He receives about 150,000 Sudanese pounds per month. Most of the mobilized men are under 18 years old, and their arms were funded from the “support the war effort” campaign. The weapons were purchased by a prominent figure in the Chamber of Commerce and an activist in supporting the war effort campaign. Several activists told New Features that the leaders supporting the war effort gained commercial privileges and exemptions to recover the money they donated and more, especially those who work in the field of mining and illegal arms trade. Some *mustanfareen* indicated that most of those who run the Chamber of Commerce are members of the former regime of Omar Al Bashir.

An activist in the Emergency Response Room (ERR) in Ad-Dabba, which is active in supporting internally displaced persons (IDPs), told New Features that they do not receive money or in-kind donations from the Chamber of Commerce. The Chamber views them with suspicion, accusing them of supporting the civil forces. ERR depends on local donations from the community or the support of relief organizations.

The Chamber of Commerce also spent small amounts on schools and health facilities. A school principal in the Ad-Dabba area told New Features that education received in a whole year less than 50% of a single-day income of the Chamber. He said that “Eight schools received amounts ranging between one and two million Sudanese pounds for a year.”

A source close to the Chamber's management told New Features that “in addition to the in-kind materials that the Chamber sends to Wadi Sayedna military camp in Omdurman and some other camps, it sent cash to the government in Port Sudan and supervised the arming of some groups under traditional leaders” and it always purchases weapons from businessmen who support the SAF. A political activist from Ad-Dabba told New Features that “on the first days of the mobilization, a truck loaded with weapons parked in the market where the weapons sold to the citizens, including merchants, who said that it belonged to a well-known gold merchant.”

The Arbitrary Tax Estimates and Paper Instead of Electronic Receipts

Some businessmen complained about tax estimates including business tax and value-added tax (VAT) that are collected at road checkpoints. Several traders emphasized that they chose to close their shops and conduct business deals over the phone. They all denounced the tax estimates as arbitrary overestimations.

An official in the River Nile State Tax Authority said, “we work according to an annual tax assessment, and we have to achieve the assessed amounts from traders.” He pointed out that the government in Port Sudan determines an estimation for each state and for offices according to general guidelines for estimating the tax. He explained that taxes and government service fees have become the main sources of income for the government. The Minister of Finance in the *de facto* government, Jibril Ibrahim, told the media five months after the outbreak of the

war that the biggest challenge facing the authorities was the significant decline in collection from the two main sources of state income, taxes and customs.¹¹

One shop owner told New Features that the tax imposed “is taken from you by force and you are allowed to appeal twice but the third assessment is binding”, and it is often six figures even for small shops.

Several traders have been forced to resort to smuggling and paying illegal fees due to high taxes and arbitrary assessments. A food trader working between Shendi and Omdurman told New Features about his journey to deliver the goods and the illegal payments he makes to the authorities’ representatives. He said, “I ship a five-ton truck with food supplies, including lentils, rice, flour, dried milk, tomato sauce, cooking oil, instant noodles, vermicelli, and pasta. The profits from these goods do not exceed 900,000 Sudanese pounds, equivalent to 450 dollars. If I wanted to pay the VAT, which is 17%, it would be greater than the profit I would get and VAT would approach two million pounds, so we deliver our goods with a *kesra* (bribe). After shipping the goods from Shendi market, we carry preliminary pro forma invoices issued by the wholesaler, which are not stamped by the tax authority. Upon crossing the Shendi- Al-Matama Bridge, we arrive at a tax collection point staffed with a tax employee and an armed policeman. We show the pro forma invoices, pay 50,000 Sudanese pounds without getting a receipt and leave. On the road between Al-Matama and Omdurman, there are about 10 checkpoints, at each checkpoint we pay 5,000 pounds to the soldiers, and upon arriving at the Al-Shaheinab, which is the last tax checkpoint, we pay 50,000 pounds to the tax officer, also without a receipt, who surrounds himself with armed men, and we have no way other than paying what he decides. Working through official channels could strip you of your trading capital.” He added, “we pay a ‘bribe’ of about 200,000 pounds, equivalent to USD 100 on the road, and if you pay the fees imposed by the state, you need more than a million pounds and the profit from the goods does not exceed 900,000 pounds, meaning you will lose.”¹²

High customs duties and taxes have compelled several traders to shut down their businesses. Ahmed (a pseudonym) told New Features that he “used to own a wholesale store specialized in food products in Omdurman market. After the war erupted, I started importing food products from the Kingdom of Saudi Arabia (KSA) via Port Sudan. I imported only two shipments and ended business because I was exposed to huge losses due to the high fees imposed on food products. The first problem I faced was the delay in inspection of goods, which led to paying 85 euros per day for storage at the port (beyond the free period), these fees can result in loss of not only profit but the capital invested. It stopped due to the high fees, and my loss in only two shipments that I imported from KSA amounted to 53 million Sudanese pounds.”¹³

The Tax Authority in Northern State imposed high taxes even on owners of small shops. For example, a barber paid an estimated one million Sudanese pounds in tax, and an owner of a medical analysis laboratory was requested to pay a tax of more than two million pounds (New Features obtained the payment receipts). At the same time, traders complained of weak

¹¹ Sudan News Agency, ‘Minister of Finance: The Real Challenge is the Decline of Revenues’, September 15, 2023, available at: <https://suna-sd.net/posts/ozyr-almaly-althdy-alhkyky-nks-alayradat> .

¹² Interview with a trader affected by these procedures- name withheld at the request of the speaker.

¹³ Statements from the concerned merchant, whose name is withheld at his request.

purchasing power as citizens lost their jobs before they were displaced, as well as the failure of the state to pay salaries to the employees.¹⁴

The tax collectors always argue that the increase in taxes is needed to support the war effort. However, the taxes were not reflected in services or support for IDPs, as citizens depend on relief supplies and local initiatives.

State employees complain about not receiving their salaries regularly and considerable deductions on what they do receive. Teachers told New Features that in a year they received only four months' salary, from which all allowances were deducted. This is typical of all civil servants' monthly compensation, consisting of 30% as basic salary and 70 %, consisting of allowances or adjustments to cover rent, work conditions, housing, etc.¹⁵

Customs under the oversight of the military

A source from the Customs Authority confirmed that the military on both sides had taken control of customs points. The source noted that the SAF oversees the eastern ports, including Port Sudan, Oseif and Suakin, well as Awad crossing on the Eritrean border, the Galabat crossing with Ethiopia, the Ashkeit and Arqin crossings in the northern border with Egypt, and the Joda crossing with South Sudan. On the other hand, the RSF controls all border points and crossings on Sudan's western borders, including the Adre crossing with Chad. The RSF controlled the triangle area linking Egypt, Sudan and Libya for more than eight months but lost the area in May 2024 to the SAF and the Joint Forces. The RSF controls vast border areas with South Sudan, the most important of which is a border area in South Darfur.

A customs source told New Features that the Sudanese army has significantly increased its presence at the state border crossings and customs points after the eruption of war. They also raised the rate of "customs dollar" fourfold, from 440 to 2000 pounds by January 1, 2025. The "customs dollar" is the price at which customs duties on imported goods are calculated.¹⁶

The Sudan Finance Minister, Jibril Ibrahim admitted that in an interview with "Independent Arabia" that there was great pressure on the state budget in 2022. He revealed that the government had moved towards austerity due to diminishing revenue, forcing reduction in spending including on health and education. He said that customs represented 75% of the government's total revenues, though economic observers who spoke to New Features, said it was actually more than 85%.

The increase in the customs exchange rate for the US dollar and taxes were reflected in the prices of goods, which have increased between 100 and 150% placing great burden on the population, and complicated living conditions, according to a number of citizens who spoke to New Features.

¹⁴ Summary of several field interviews by New Features, October and November 2024.

¹⁵ Summary of several field interviews by New Features, October and November 2024

¹⁶ Sudan Ultra, "Increase in customs tariffs threatens to stop imports between Sudan and neighboring countries," October 20, 2024, available at: <https://shorturl.at/eNhdW>.

The tax loss

Speaking on condition of anonymity, a senior official in the tax authority revealed that the tax loss due to the war is immense, particularly following the exclusion of key states such as Khartoum from the tax umbrella. Khartoum accounted for 90% of tax revenues in Sudan before the war, followed by Gezira State, with a tax loss revenue loss to the government estimated at 480 billion Sudanese pounds. Losses of tax revenue resulting from the war in South Darfur State amounted to 240 billion pounds, West Darfur 24 billion pounds, East Darfur 36 billion pounds, and Central Darfur 18 billion pounds.

The source emphasized that the decision by the dismissed Secretary-General of the Tax Authority, Mohamed Ali Mustafa, to open temporary tax files for major taxpayers from war-affected zones in the safe states was crucial. This measure significantly reduced the tax loss to around 30%, from about 50% following the outbreak of the war. Many taxpayers transferred their activities to safe states, which helped raise revenues and revive economic activity in safe states. The source continued: "states such as River Nile and Northern states started contributing significant revenues to the state budget following the outbreak of the war, reaching levels unprecedented in their history."

Corruption due to political influence: loss of 80 billion pounds

One of the apparent examples of corruption in state agencies was the conflict between the Secretary-General of the Tax Authority, Mohamed Ali Mustafa, and businessmen importing petroleum products. The corruption and political influence became clear when members of the Sovereignty Council intervened in favor of the businessmen, and the Secretary-General of the Tax Authority lost the battle and was dismissed.

One source in the Tax Authority emphasized that the reason behind the conflict was Mustafa's insistence on collecting tax arrears from the fuel importers. After meeting with the Secretary-General of the Tax Authority, they agreed to pay the arrears, which represented significant sums, in installments. When the fuel importers did not pay the arrears as agreed, their balances in banks and fuel depots were frozen. The Chairman of the Sovereignty Council intervened and ordered the release of the balances and lifting of the freeze on the warehouses. The source told New Features that Lieutenant-General Ibrahim Jabir, a member of the Sovereignty Council, was behind the dismissal of the Secretary-General, and he is the one who supports businessmen importing petroleum derivatives. The source confirmed that the unpaid arrears amount to around 80 billion Sudanese pounds, equivalent to 40 million US dollars.¹⁷

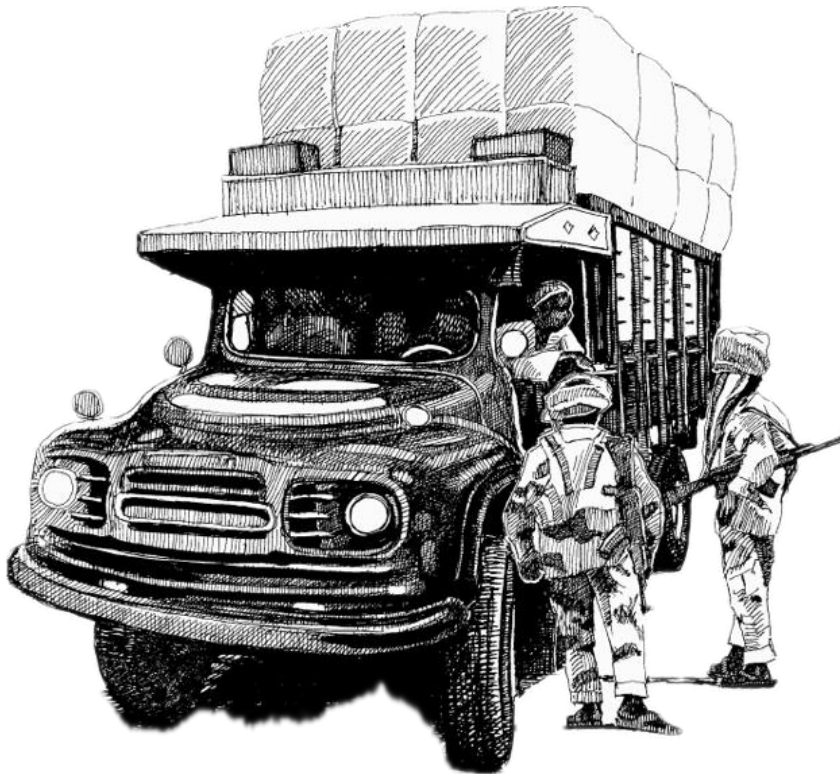
The Secretary-General's dismissal shocked the Minister of Finance, Jibril Ibrahim, who leads the Justice and Equality Movement (JEM), to which the dismissed Secretary-General belonged. This prompted the Minister to protest. The Sovereignty Council had to form a

¹⁷ Interviews in Port Sudan in September - November 2024.

committee to investigate the causes of the dismissal, but for more than two months, its results have not yet been released.¹⁸

RSF at the gates of the states

The RSF subjected drivers of commercial trucks crossing the states under their control to paying fees based on the goods loaded on the truck. Several truck drivers told New Features that when trucks cross from SAF-controlled states to RSF-controlled ones, they would not pass unless drivers paid a sum of money, and sometimes soldiers get a bag of sugar or food supplies." Drivers pointed out that armed individuals ask for money, and sometimes they give you a receipt with the driver's name and the amount paid written on it, stamped by the RSF intelligence. New Features correspondents viewed the receipt, and the source refused to photocopy it for fear of his name appearing and being pursued by the RSF. The amount depends on the type of goods. The driver A.M. told New Features "on one trip, I was carrying a shipment of sugar, and I paid 500,000 pounds, and on the next trip I paid 300,000 pounds, as I was carrying onions and other materials." Another truck driver said: "we are not allowed to enter Omdurman and the RSF-controlled areas in Khartoum and East Nile unless we pay a transit fee for each truck."¹⁹



Commercial truck at an RSF Checkpoint

¹⁸ Sudan News Platform, "After the dismissal of the Director of Taxes, the Sovereignty Council forms an investigation committee," October 2, 2024 (in Arabic), available at: https://sudanplatform.net/80792#google_vignette.

¹⁹ Interviews in Port Sudan in September - November 2024.

We paid to get our goods out

In the first weeks of the war, the RSF established a department from its Military Intelligence operated out of the Sports City in south Khartoum to monitor the traders taking out their goods from *Assouq AlMahalli* (the Local Market) adjacent to the department headquarters, as well as taking out goods from other areas in Khartoum. A trader in the Local Market explained his experience to New Features saying: “I took out my goods for 3 million pounds, and I got a transit permit and a receipt for the amount.” Traders in the electrical appliances market in central Khartoum told New Features that the RSF allowed them to take out goods from Khartoum to Gezira State, before taking control of it later in December 2023, after they paid money to the Intelligence Department in the Sports City, and that they often get a financial receipt for the amount with a transit permit. Another trader told New Features, “I specialized in bread yeast. I paid two million pounds, and an armed force accompanied me to the warehouse. After loading the goods into two seven-ton trucks, they accompanied me to the Khartoum - Gezira State borders. They were in two armed vehicles, and then I had to pay 150,000 pounds to each vehicle crew.”²⁰

A harvest held hostage

When the RSF entered Gezira State in mid-December 2023, the harvest was almost complete. After RSF expanded into various areas of Gezira State, they imposed fees on harvesting the rest of the crops. Y.A. told New Features that the RSF asked them for one million pounds in exchange for allowing them to bring harvesters into the fields, and “we also paid sums in exchange for allowing the crop to be transported to the warehouses.” One farmer stated “we paid for the harvest and for transporting the crop to the warehouses. The estimates are arbitrary, and we cannot challenge it. I was given a receipt for the payment stamped with the name of the commander of the region.” Later, RSF’s soldiers looted many crop warehouses, especially wheat and chickpeas.²¹

Fuel trade

The RSF has been active in the fuel trade in collaboration with traders and businessmen loyal to them in the areas under their control. Sources confirmed that the RSF collects transit fees for fuel tankers and trucks. Fuel is imported from Libya, and trucks are gathered in the Triangle area on the northwestern border of the country, which was controlled by the RSF until May 2024. According to traders, the RSF receives an amount of five million pounds in exchange for allowing trucks to cross the areas under its control in Darfur, and traders who support the RSF have been benefiting from the fuel crisis since the outbreak of the war on April 15. Fuel prices have witnessed an unprecedented rise, which has contributed to the rise in food price in all regions of Sudan.

²⁰ Interviews in Port Sudan in September - November 2024.

²¹ Telephone interviews with farmers and traders in Gezira State, October 2024.

A citizen from Um Rawaba, Kordofan, told New Features that "the price of a gallon (4.5 liters) of diesel reached 75,000 Sudanese pounds," and the demand for diesel is increasing in those areas for use in agriculture and generating electricity, as well as transportation.

South Darfur and Southwest Kordofan import fuel from South Sudan, and it is transported in barrels in trucks. The RSF collects large fees from traders who cross the border with South Sudan in the "Al-Ni'aam" area of West Kordofan, which was targeted by the SAF warplanes on December 1, 2024. Buram in South Darfur is also a center for importing fuel from South Sudan. The revenues that the RSF collects from importing fuel as well as from border crossing fees are estimated at more than 300 million pounds per month, equivalent to USD 150,000, according to sources who spoke to New Features.

Gold: tremendous wealth

One owner of a gold export company - who requested anonymity – told New Features that the RSF companies that work in gold mining and export have not stopped throughout the war period. He pointed out that the prices at which the RSF companies sell gold to the United Arab Emirates (UAE) are higher than the prices before the war.

Several experts believe that the quantities of gold produced by the RSF from mining have declined compared with the period before the war when they expanded mining and purchasing from outside the Darfur region. Reports indicate that Sudanese gold exports to the UAE have shifted transport channels to neighboring countries, especially South Sudan, which it reaches via land routes in agreement with certain generals in South Sudan. The income that the RSF gains from the gold trade cannot be accurately determined, because it is surrounded by a high degree of secrecy and passes through unofficial channels.²²

RSF funds

The RSF declined requests by journalists working on this report regarding information about how the money collected from commercial activities and fees imposed on citizens is spent. The RSF conceals its commercial activity by registering companies in the names of relatives and loyalists of Hemedti. Identical sources told New Features that the money RSF obtained after the war is usually controlled by the region commander and is used to provide supplies including food and fuel, and there is no formal method of collection and spending. In many cases, the funds are treated as personal spoils for individuals.

War related corruption

Several businessmen told New Features that the corruption seen in the seaport in Port Sudan and in government departments is unprecedented. They indicated that it is increasing and taking on new institutional methods as the war continues. They attribute this trend to the government's urgent need for funds, considering the interruption of its revenue sources. A

²² See also the New York Times investigation on the RSF smuggling of gold to the UAE via South Sudan and Uganda published in mid-December 2024, available at: <https://shorturl.at/XGFUW>.

businessman told New Features that "the SAF has begun to bargain with importers to reduce or completely exempt them from fees related to storage and port charges in exchange for taking 70% of the fees and charges in kind, especially for importers of flour, sugar and other food items." The businessman indicated that these dealings are carried out without official documentation, only through approvals from the port management issued to the businessman, his company or his customs agent. On the other hand, a Sudanese businessman in the UAE told New Features that the RSF's imports of gold to Dubai have not been interrupted and that some of the businessmen close to the RSF are planning to export crops and livestock to Dubai via Chad. They have also deposited huge sums of funds in African countries that were in the accounts of Al-Gouni Hamdan Dagalo, the brother of the RSF Commander Mohamed Hamdan, before the US Treasury imposed sanctions on him. The US Treasury imposed sanctions on Al-Gouni Dagalo in October 2024.