

2023 ANNUAL REPORT



Sudan Transition and Recovery Support



Sudan Transition and Recovery Support Trust Fund (STARS)



ACKNOWLEDGEMENTS

This Annual Progress Report of the Sudan Transition and Recovery Support (STARS) Multi-Donor Trust Fund Umbrella Program was prepared by a team led by Mohamed Osman Hamid STARS Team Leader, Limya Abdelaziz Mohamed Ibrahim, STARS Co-Team Leader, and Fared Mohamed Ahmed Hassan, Consultant, under the leadership of Milena Stefanova, Country Manager for Sudan. Core team members included Maisa Osman Mukhtar Nurein, Program Assistant and Sara Azhari, ET consultant. Editorial support, graphic design, and typesetting were provided by Gimga group.

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FOREWORD



Ousmane Dione

*Country Director for
Ethiopia, Eritrea, Sudan,
and South Sudan*

The Sudan Transition and Recovery Support (STARS) is the lead umbrella trust fund operating in Sudan where political instability culminated in an armed conflict. The military takeover of October 25, 2021 has impacted Sudan's transition journey and caused the World Bank and development partners to pause their programs in Sudan. The deepening conflict, coupled with other shocks like natural disasters, has contributed to a deteriorating economic situation, further affecting vulnerable people's ability to cover basic needs, requiring immediate response. STARS' role as a rapid response vehicle for the quick mobilization of finance is in line with the World Bank's increased focus on flexibility and speed when responding to the crisis in Sudan. An example of STARS catalytic role during the period of military takeover and pause on disbursement to the Government of Sudan is the STARS-financed Sudan Emergency Social Safety Nets Project, which was quickly approved by donors to support access to cash and food for poor and vulnerable households in response to Russia's invasion of Ukraine.

The April 15, 2023 armed conflict has further exacerbated living condition and led to vast displacement and humanitarian crisis. The World Bank and STARS development partners have remained flexible in response to the armed conflict shocks, adapting social safety nets delivery mechanism to focus on in-kind food transfers given the liquidity crisis and banks' inaccessibility.

Important progress was made on the social safety nets program, while limited or no progress on other areas given the pause on disbursement on the committed funds to Government. The STARS Annual Progress Report highlights contributions made to the social safety nets, key challenges encountered during implementation, as well as lessons learned to inform future engagement. Going forward, STARS will remain a platform for development partners' dialogue, collaboration, and a financing vehicle for Sudan's emergent needs and priorities and the World Bank' approach will focus on supporting short- and medium-term resilience at the community level to withstand the multiplicity of shocks in times of conflict.

We thank our development and implementing partners for their ongoing commitment, productive collaboration, shared vision, and dedicated support to the people of Sudan during these tough times. We look forward to working together in the critical months and years ahead, as we collectively continue to innovate and push the frontiers toward greater resilience, stability, and prosperity.

ACRONYMS AND ABBREVIATIONS

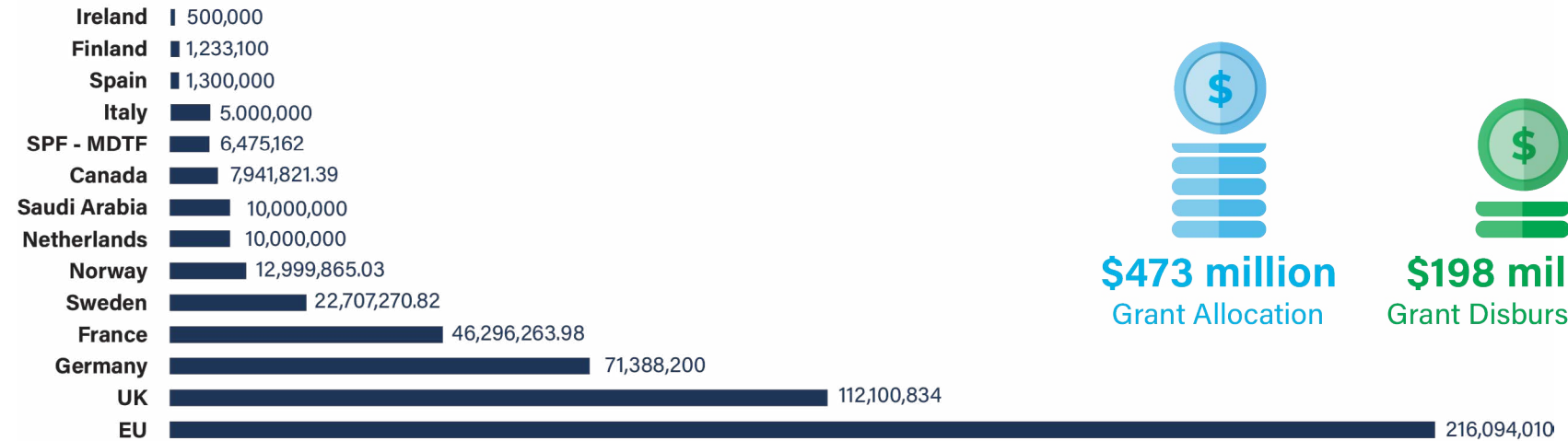
BETF	Bank Executed Trust Fund
CEN	Country Engagement Note
CERP	COVID-19 Emergency Project
DP	Development Partners
FM	Financial Management
HH	Household
IDA	International Development Association
IDP	Internally Displaced Persons
MDTF	Multi-Donor Trust Fund
MoU	Memorandums of Under Standing
OP	Operational Policy
PC	Partnership Council
PDO	Project Development Objective
PPG	Project Preparation Grant
PIU	Project Implementation Unit
RETF	Recipient Executed Trust Funds
SDG	Sudanese Pound
SESNP	Sudan Emergency Safety Net Project
SFSP	Sudan Family Support Project
SMPF	Sudan Multi-Partner Fund
STARS	Sudan Transition and Recovery Support
US\$	United States Dollars
WB	World Bank

EXECUTIVE SUMMARY

STARS Annual Progress Report - At a Glance

June 2023

Total Contributions Received (US\$) Million




\$473 million
 Grant Allocation





\$198 million
 Grant Disbursement

Focus Areas

-  **Social Protection**
-  **Economic Revival and Better Governance**
-  **Resilience and Basic Services**
-  **Crisis Response**

Results

Alleviated food insecurity risks for the poorest households, mainly in Darfur and Kordofan states, providing cash and food transfers to 2 million beneficiaries, surpassing the target.

-  **Contributed to mitigating food insecurity**, providing in-kind food grants to 150,000 beneficiaries, above the target of 100,000.
-  **Reduced gender and other disparities and fostered inclusion with** about 60 percent of the in-kind food and cash beneficiaries being female, exceeding the target of 50%.
-  **Enhanced safety net delivery systems** as 1.38 million beneficiaries have biometric registration, (target of 1.5 million) and 101,860 beneficiaries (5 percent, against a target of 10 percent) were reached through mobile money transfers.

Cross - Cutting Themes

Strengthening gender, social equity and conflict sensitivity that is integrated into each focus area.

I. The Sudan Transition and Recovery Support (STARS) Multi-Donor Umbrella Annual Progress Report provides a detailed account of STARS implementation progress, challenges, and results during January 2022 to June 2023, a turbulent period, culminating in a devastating armed conflict. Following a brief period of political transition in 2020 and early 2021, escalating tensions between military and civilian parts of the transitional government culminated in a military takeover in October 2021. The takeover precipitated an economic and security crisis and a political deadlock that prevailed between domestic stakeholders until April 15, 2023, when an armed conflict between the Sudanese Armed Forces (SAF) and the Rapid Support Forces (RSF) erupted. The conflict is causing widespread loss of life and property, substantial infrastructure damage, massive basic services and economic activities disruption, and vast displacement and rising humanitarian needs. These developments adversely affected STARS progress. With the World Bank pause in effect following the military takeover in 2021, STARS financed people-centered emerging needs including the ongoing Sudan Emergency Safety Nets Project (SESNP). This report focuses on social protection results as limited progress was made on other focus areas of the STARS, including economic revival, resilience and basic services, and crisis response given the challenging context.

II. Efforts to flexibly adapt the implementation of the STARS portfolio in the face of a challenging environment have been accelerated. While the pause remains in effect, the world Bank quickly responded to the growing food insecurity risks in the country spilling over from the Russia's invasion of Ukraine and approved, with the support from STARS development partners, US\$100 million in financing to the WFP for a new Sudan Emergency Safety Net Project.

The World Bank disbursed 100 percent of the project funds to WFP and approximately US\$82 million, 82 percent of available project funds were spent by end June 2023. The armed conflict since April 2023, has slowed down project implementation significantly and in response the World Bank in consultation with partners approved a three-month extension of the closing date to September 30, 2023. SESNP implementation remains flexible, adapting the delivery mechanisms to focus on in-kind food transfers, rather than cash transfers, to vulnerable people in the accessible target states of Al-Gazira and Red Sea during the current situation where banks are inaccessible, and cash is hard to come by. In addition, the simple design of the SESNP, which targeted critical areas needed for addressing food insecurity and was well suited to Sudan's FCV context, facilitated implementation as evidenced by the results achieved.

III. While limited progress was made on other focus areas given the pause, STARS achieved notable results, surpassing almost all its indicator targets for the Emergency Safety Net project as highlighted below. However, the risk to sustaining results is high primarily due to the continued conflict, uncertain political situation, fragile environment, and volatile economic and social conditions.



The safety nets program targeted the poorest households, mainly in Darfur and Kordofan states. West, Central, North Darfur and North Kordofan states with a high poverty prevalence rate (exceeding 66 percent), host 67 percent of cash transfer beneficiaries. The remaining balance is allocated to the eight target states with a moderate prevalence (65-47 percent), including Blue Nile, South Darfur, Red Sea, South Kordofan, East Darfur, Gadarif, West Kordofan and Kassala.



Contributing to averting food insecurity in Sudan.

In-kind food and cash transfers were provided to 2,143,366 most food insecure people across 12 states, exceeding the target of 2 million. While 1,984,759 beneficiaries received cash transfers (exceeding the target by 5 percent), some 158,607 beneficiaries received in-kind food transfers (exceeding the target by nearly 60 percent).



Strengthening gender and social inclusion through increasing the participation of women and marginalized groups in the safety nets program.

The program employed participatory conflict sensitivity, consensus building, and community resilience approaches to foster inclusion. About 60 percent of the in-kind food and cash beneficiaries were female, exceeding the target by nearly 10 percentage points. In West and Central Darfur states, more than 80 percent of the cash recipients were women. About 3 percent of the beneficiaries were persons with disabilities. Some 70 percent of the beneficiaries under the cash-based transfers sub-component were residents while 30 percent were internally displaced populations; while through in-kind transfers, 55 percent of the beneficiaries were residents, and 45 percent were IDPs. Overall, the program has helped reduce gender and other disparities and enhance inclusion.



Enhancing safety nets delivery systems.

Some 1.377 million beneficiaries now have biometric registration, close to the target of 1.5 million. Connectivity constraints due to the rainy season and limited internet network have impacted registration. Only 101,860 beneficiaries (5 percent, against a target of 10 percent) were reached through mobile money transfers due to limited or no connectivity/network, especially in remote areas. Collaboration with payment service providers—MTN, Sudatel, Blue Nile Mushreg Bank and Bank of Khartoum—needs further improvements and, with hindsight, the partnership could have transited to more than transactional to leverage digital technologies and improve financial inclusion. Increased access to a mobile money agent/bank is crucial for financial inclusion and would greatly facilitate access to cash transfers, particularly for women.



The analytical and advisory services (ASA) on social protection supported the strengthening of the social safety nets delivery systems,

including (i) developing registration and enrollment system, ensuring women were given priority in the enrollment and registration process and eventual receipt of grants; (ii) deploying the use of digital payment (e.g., mobile money, cash cards and bank accounts); (iii) strengthening the MIS system that was linked to various data sources; (iv) developing outreach and communication manual and citizen engagement; and (v) preparing the Social Protection Diagnostics to be completed in FY24.



Strengthening financial sector stability. Prior to the pause, the analytical and advisory services (ASA) program provided strategic technical assistance and analytical support to the Central Bank of Sudan to strengthen financial sector stability: reviewing the amended Banking Business and providing input in support of Asset Quality Reviews for 17 banks. It also included support provided to the authorities in conducting a National Risk Assessment (NRA). There was also support towards the development of the National Strategy of Financial Inclusion, which included the conclusion of a nationally representative demand-side survey in the reporting period, indicating that Sudan has one of the lowest levels of financial inclusion in Sub-Saharan Africa, with only 15.3% of adults (aged 15+) having a financial account; as well as the finalization of supporting diagnostics (consumer protection, legal and regulatory framework for financial inclusion).



Supporting frontline health workers. Prior to the pause, health laboratories equipped with supplies for COVID-19 testing, including about 9 million COVID-19 vaccines, enabled the vaccination of 19 percent of the target population (12 fully vaccinated, 6 partially vaccinated and one percent received a booster dose). The vaccination was compounded with reaching-out more than 6 million Sudanese with awareness messages on combating COVID-19 and importance of vaccination. The program supported strengthening the country health system capacity to provide optimal care through provision of life-saving medications to around 19,000 patients admitted to 38 isolation centers throughout Sudan. Limited progress was made during the reporting period, including the training of about 94 health staff in infection prevention and control.

IV. Looking Forward: STARS's progress points to critical areas needing further reform and support: While the humanitarian needs of the current conflict are dire, there is a need to embed development in the emergency response. The World Bank's approach going forward will focus on supporting short- and medium-term resilience at the community level. This approach underlines the uncertainty and inability to channel funds to government as well as the World Bank's commitment to remain engaged in times of crisis. While a comprehensive needs assessment is missing, the UN estimated some US\$3.03 billion would be needed to provide urgent aid in Sudan and over one million that fled into neighboring countries. The UN-held pledging conference for Sudan raised US\$1.5 billion to fund life-saving relief efforts. The World Bank and STARS will continue to provide a platform for coordinated efforts to respond to Sudanese needs while building a foundation for a more strategic approach for sustainable development. The World Bank is adopting a two-phased approach to STARS programming: (i) addressing immediate food security needs while aiming to enhance capacity for short- and medium-term crisis response (e.g., SESNP that remained active) and (ii) focusing on medium term interventions to protect human capital through critical social services and build resilience by supporting livelihoods.

Section II

STARS DEVELOPMENT OBJECTIVES, DESIGN AND RELEVANCE

STARS has provided an opportunity for coordinated development partners support and a platform for dialogue with the government. Since its establishment in 2020, STARS grant envelope has amounted to close to US\$523 million in funding from fourteen donors (Table 1). STARS-supported Sudan Family Support Program helped mitigate the impacts of critical macroeconomic reforms which paved the way to Sudan's arrears clearance to IDA and the reaching of the Heavily Indebted Poor Country Initiative (HIPC) Decision Point in June 2021. STARS also financed other high priority interventions (including Sudan Emergency Support Project and Sudan COVID-19 Emergency Response Project), as well as analytical activities in the macro-fiscal, governance, private and financial sector. STARS was administered by the World Bank and operated in close partnership with government and development partners through the Partnership Council (PC). Due to the pause, the configuration of the PC changed. Government is no longer participating nor co-chairing PC meetings with the Bank until normalization.

The broad scope of STARS offers flexibility to equip the Fund to respond to emerging priorities. STARS has four thematic areas of focus: (i) social protection, (ii) economic revival and better governance, (iii) resilience and basic services, and (iv) crisis response. The broadening of STARS thematic areas is a desirable design feature that equips the Fund to capture the range of potential programming under STARS depending on available financing, the evolution of Sudan priorities and socio-economic needs of the people.

STARS thematic areas were closely aligned with the World Bank's Strategy. The Fund was fundamental to the implementation of the 2020 WBG Country Engagement Note (CEN), contributing to the achievement of most objectives under its two focus areas of reengagement and contributing to a renewed social contract. Specifically, STARS thematic areas were fully aligned with four of the CEN's six objectives, namely: (i) mitigating the impact of economic reforms and COVID-19 through an improved social program system;

(ii) completion of key reforms to initiate steps toward comprehensive debt relief under the HIPC Initiative, including arrears clearance, and access to IDA resources; (iii) strengthening the government's institutional capacity and accountability, including supporting the establishment of a social protection system; and (iv) macroeconomic and fiscal reforms to revive the economy. The focus areas of the STARS and the CEN were also fully aligned with the World Bank's Strategy for Fragility, Conflict, and Violence (2020-2025), which highlights the importance of strengthening institutions and governance, and fostering economic growth and job creation. They were also aligned to the World Bank Global Crisis Response Framework (GCRF), through the GCRF pillars on strengthening resilience through macro-fiscal reforms (pillar 1); and on building long-term resilience and enhancing crisis preparedness (pillar 3).

STARS thematic areas of focus were also relevant for the country context. STARS was designed to support Sudan's economic and peacebuilding transition and build country delivery systems, including for crisis response. The transition has been accompanied by economic difficulties and deteriorating living conditions, COVID-19 pandemic, flood, the military takeover of October 25, 2021, and the military confrontation between the two rivals—SAF and RSF—that started on April 15, 2023. The recent conflict has led to a severe food insecurity and humanitarian situation, requiring immediate crisis response.



Section III

COUNTRY CONTEXT: CHALLENGING ENVIRONMENT FOR STARS

STARS implementation faced enormous challenges following the military takeover in October 2021, and the April 2023 armed conflict marked a new and dramatic phase of the Sudan's power transition. Since the toppling of long-time ruler Omar al-Bashir in 2019, Sudan has been enmeshed in a rocky transition toward civilian government that turned into military takeover and recently armed conflict. There are many competing and overlapping dimensions to the current conflict. The violence that the two rival factions unleashed over the control of Khartoum and its surrounding areas has trapped civilians (who are exposed to scarce food supplies), crippled essential services, disrupted economic activities, and damaged infrastructure. The conflict extended to other areas of the country with the clear risk of escalation and no clear sign of when the situation could be stabilized. These developments have and will adversely affect STARS level of engagement.

The October 25, 2021, military takeover brought the transition to an abrupt stop and caused the Bank and development partners to pause their programs. The military takeover led to a pause in operations, including STARS-supported projects, and the triggering of the World Bank Operational Policy (OP) 7.30: Dealing with De Facto Governments, which is still in force. The IMF and AFDB programs followed suit and paused new disbursements. On October 26, 2021, the United States suspended financial support to Sudan of US\$ 700 million dollars. Donor support for Sudan, which was projected to increase in 2021 from 1.5 percent of GDP to 2.7 percent, was at risk. Following the military takeover, a political deadlock prevailed between domestic stakeholders in the military and the broader security apparatus, armed groups, political parties, and civil society. In the interim, nationwide street protests intensified in defiance of the military takeover and continued to exert pressure on the military leadership to step down.

On December 5, 2022, a political agreement between the military and the main civilian block was signed, but the April 15, 2023, armed conflict, disrupted the agreement implementation.

The agreement was the first step in a two-phased approach of concluding the political negotiations on the new transitional arrangements. The agreement consisted of a declaration of principles whereby the signatories commit themselves to return to a civilian-led government with several elements spelled out such as having a civilian Prime Minister and Head of State, setting up a Security and Defense council to contain the military and armed groups, and committing to a two-year transition period with elections to be held at the end. The framework agreement also referred to five key issues (including the sensitive security sector reform) that would be further debated and agreed during Phase 2¹. It was envisioned that Phase 2 would be completed by early April 2023, but by mid-April an armed conflict disrupted the process.

The political instability coupled with other shocks like floods, has contributed to a deteriorating economic and poverty situation, further affecting much of the population's ability to cover basic needs.

Five consecutive years of recession (2018-2022) resulting in a cumulative GDP contraction of 11.3 percent, high inflation, compounded by shocks arising from civic unrest, and floods, poverty

and food insecurity increased. Extreme poverty increased by 10 percentage points from 18.4 percent in 2018 to 29.1 percent in 2022 at a line of US\$2.15/day in 2017 PPP.² Food insecurity remained alarmingly high throughout the last quarter of 2022, deteriorating further into the first quarter of 2023. According to the WFP latest Comprehensive Food Security Vulnerability Assessment (CFSVA, March 2023), the number of acutely food insecure people increased from 14.8 to 16.8 million during this period. Poverty and food insecurity prevalence rates vary significantly across states, with the highest rates observed in Darfur and Kordofan states.

The April armed conflict has further exacerbated food insecurity and led to vast displacement and severe humanitarian crisis.

Over 2.6 million people have been displaced since the conflict began on April 15, with 560,000 becoming international refugees, according to the UN Office for the Coordination of Humanitarian Affairs (OCHA) estimates as of end June 2023. At least 1,133 people have been killed and 11,796 injured, according to the Federal Ministry of Health, as of June 30, 2023. The numbers continue to be underreported due to difficulty in gaining access to information.³ The disruption to aid has been costly, with food and other supplies running low and the lean period between harvests imminent.

¹ Those are (i) security sector reform; (ii) transitional justice; (iii) implementation of the Juba Peace Agreement; (iv) the dismantling of the old regime; and (v) the Eastern Front conflict (that involves a coalition of rebel groups operating in eastern Sudan along the border with Eritrea, particularly the states of Red Sea and Kassala).

² World Bank (2022). Sudan Macro-Poverty Outlook.

³ The WFP, which is implementing the SESNP, briefly suspended all operations in Sudan on April 16 after the death of three employees caught in the violence.



It is likely that the violence in Sudan will have large impacts on regional food insecurity, with 560,000 people having fled to neighboring countries.⁴ Many of those fleeing—Sudanese and refugees from other countries who once sought safety in Sudan—are heading to Chad, CAR, Egypt, Ethiopia and South Sudan, all countries grappling with their own food insecurity. The WFP has called for an increased food assistance to fight hunger in Sudan and the broader region as food insecurity has spilled across borders.⁵ Before the conflict, food insecurity was projected to worsen in Sudan, with most of the food insecure population concentrated near the borders with neighboring countries. The most-affected groups are internally displaced people (IDPs); returnees; conflict-affected populations in parts of Darfur, and Kordofan states and refugees from Ethiopia, South Sudan, and other nearby countries.

⁴ The number of international refugees could rise to as many as 800,000 as the conflict continues.

⁵ For example, the WFP has called for \$162.4 million in funding to support 2.3 million people in urgent need of food assistance in Chad. Food insecurity in northern CAR and South Sudan is expected to deteriorate.

Section IV

STARS FINANCIAL STATUS AND PORTFOLIO PERFORMANCE

As of June 2023, STARS donors pledged US\$525 million while contributions received were US\$523 million. The remaining balance of US\$2 million committed, but not yet received, is from the Government of the Netherlands and was expected to cover work related to private sector development. About US\$ 524,838 were returned to the SPF in 2022, following SPF closure. Table 1 provides a summary of STARS receipts, disbursements, and fund balance.



Table 1: STARS Financial Status as of June 30, 2023

Item	Amount in USD	Note
Stars Total Commitments with Signed Agreements	525,150,499.82	
Contribution Received	523,150,499.82	Table 2
Unpaid Contribution	2,000,000.00	
Investment Income	13,848,210.00	
SPF Refund of Prorata	524,838.28	
I. Total STARS Fund	536,473,871.54	
II. Total STARS Grant Allocations	472,911,855.66	Table 3
Bank Executed Trust Fund grant allocations	5,221,855.66	
Technical Support to the Sudan Covid-19 Emergency Response Project	700,000.00	
Technical Assistance to Sudan Social Security Investment (phase 2)	127,879.66	
Technical Support to Sudan Family Support Program	3,500,000.00	
Analytical Program on Productivity, Resilience and Growth	593,976.00	
STARS Program Management	300,000.00	
Recipient Executed Trust Funds Grant Allocation	467,690,000.00	
Sudan Covid-19 Emergency Response Project	15,485,000.00	
Sudan Family Support Program	350,000,000.00	
Sudan Household Survey	1,730,000.00	
Sudan Emergency Safety Net Project	100,000,000.00	
Project Preparation Grant for the Sudan Family Support Program	475,000.00	
III. Administrative Fee on above RETFs	19,207,600.00	
IV. STARS Available Fund (IV=I-II-III.)	44,354,415.88	

To date, STARS supported nine activities (projects, technical assistance, and analytical activities) with total allocation of US\$ 472.9 million, and disbursements amounting to US\$198 million or 41 percent of total committed funds. Disbursements reflect slower than anticipated implementation pace due to Government-implemented programs remaining on pause. While all disbursements paused in October 2021, on July 15, 2022, the \$100mIn Sudan Emergency Safety Net Project (SESNP) became effective, and the funds were fully disbursed to the WFP to support access to cash and food for poor and vulnerable Sudanese households. Consequently, its implementation progress and contribution to achieving STARS objectives are fully reflected in the narrative of this report. Total disbursements vary significantly by the four thematic areas of focus (Table 3). Disbursement ratios range from 7 percent for economic revival and better governance focus area to 87 percent for crisis response focus area (Table 3).

Table 2: Donor Pledges and Contributions Received as of June 30,2023

Name of the Donor	Pledged Contribution in Own Currency	Donor Currency	Pledges (US\$)	Contributions Received (US\$)	Pending Contribution (US\$)
Canada	10,000,000	CAD	7,941,821.39	7,941,821.39	0.00
EU	182,900,000.00	EUR	216,094,010	216,094,010.00	0.00
UK	82,181,000.00	GBP	112,100,834	112,689,968.60	0.00
Germany	60,000,000.00	EUR	71,388,200	71,388,200.00	0.00
France	42,000,000.00	EUR	46,296,263.98	46,296,263.98	0.00
Sweden	200,000,000.00	SEK	22,707,270.82	22,707,270.82	0.00
Norway	117,000,000.00	NOK	12,999,865.03	12,999,865.03	0.00
Italy	5,000,000.00	USD	5,000,000	5,000,000.00	0.00
Spain	1,000,000.00	USD	1,300,000	1,300,000.00	0.00
Netherlands	10,000,000.00	USD	10,000,000	8,000,000.00	2,000,000
Ireland	500,000.00	USD	500,000	500,000.00	0.00
SPF - MDTF	7,000,000.00	USD	7,000,000	6,475,161.72	0.00
Saudi Arabia	10,000,000.00	USD	10,000,000	10,000,000.00	0.00
Finland	1,000,000.00	EUR	1,233,100	1,233,100.00	0.00
Total STARS			525,150,499.82	523,150,499.82	

Source: World Bank staff estimates. Note: About US\$ 524,838.28 were returned to SFP in 2022, following SPF closure.

Table 3: STARS Grants Allocations and Disbursements as of June 30, 2023

Thematic Area/ Project ID	Project Name	Implementation Modality	Grant (\$)	Disbursements (\$)	Closing Date
SOCIAL PROTECTION					
P17352	PPG for Sudan Family Support Program	Recipient Executed	475,000	447,247	12/31/2021
P17352	Sudan family support program	Recipient Executed	350,000,000	80,764,200	12/31/2023
P17352	Technical Support and Diagnostics for the Sudan Family Support Program	Bank Executed	3,500,000	2,944,416	6/30/2023
P178989	Sudan Emergency Safety Nets Project	Third-party Implementation	100,000,000	100,000,000	6/30/2023
Sub Total			453,975,000	184,155,863	
ECONOMIC REVIVAL & BETTER GOVERNANCE					
P171371	TA: The Sudan Social Security Investment Authority	Bank Executed	127,880	127,880	6/30/2022
P176302	Sudan Household Survey	Recipient Executed	1,730,000	0	6/30/2023
P178527	Analytical Program on Productivity, Resilience, and Growth	Bank Executed	593,976	0	6/30/2024
Sub Total				127,880	
CRISIS RESPONSE					
P174352	Sudan Covid-19 Emergency Response Project	Recipient Executed	15,485,000	13,393,806	12/31/2023
P174352	Sudan Covid-19 Emergency Response Project	Bank Executed	700,000	699,950	12/31/2023
Sub Total			16,185,000	14,093,756	
TF0B9003	STARS Program Management	Bank Executed	300,000	32,721	
Sub Total			300,000	32,721	
Grand Total			472,911,856	198,410,220	

Source: World Bank staff estimates. Note: the above table excludes information on administrative fees.

Focus Area 1: Social Protection with the objective of establishing a social protection system, including implementation of Sudan Family Support Program (SFSP) and the follow-up Sudan Emergency Safety Net Project (SESNP) to mitigate the impacts of economic reforms and shocks. Social Protection (SP) was the largest thematic area of focus before the operations paused in October 2021 and remained the largest area with four activities: Project Preparation Grant (PPG) for SFSP, the SFSP, Technical Assistance (TA) and Diagnostics for SFSP, and SESNP. The four activities were financed by one Bank Executed Trust Fund (BETF) and three Recipient Executed Trust Funds (RETF) valued at US\$454 million and undisbursed balance of US\$270 million. Only SESNP is under implementation but the armed conflict since April 2023, has slowed down project implementation significantly with US\$ 17,798,035 remaining to be spent before the original closing date of June 30, 2023. In response the World Bank approved a three- month extension of the closing date to September 30, 2023, to support the Sudanese people with food transfers during the current circumstances of liquidity shortages and food crisis.

The World Bank and development partners engagement in this focus area has evolved from a pilot technical assistance approach to a focus on the country's broader social protection system. Engagement was initiated in 2016 under the World Bank's closed projects— TA on Impact Evaluation: Design of Sudan's Cash

Transfer Program (TF0A2309) that informed the design of the Sudan Safety Net Project (SSNP- P148349)—financed by the previous Sudan Multi-Partner Fund (SMPF)⁶ Even with its modest initial amount of US\$3.5 million, the SSNP positioned the World Bank as a first mover in a space where, hitherto, Sudan's authorities were wary of outside involvement. It was an important part of how the world Bank repositioned itself as a trusted partner. The TA and the SSNP strengthened the capacity of the government to implement its self-resourced safety nets system that provided cash transfers to a limited number of beneficiaries, amounting to 500,000 (about one percent of the population).⁷ Following Sudan's political transition in 2019, the government requested support from the donor community to scale up the safety nets system to mitigate the impacts of reforms and shocks. The Sudan Family Support Program (SFSP-P173521) was launched in October 2020, with the aim of supporting a large cash transfer scheme covering 80 percent of the population. However, there were delays in delivering pledged resources for the SFSP through the STARS, which the World Bank managed by adopting a flexible and phased approach toward implementing the SFSP. This paused project was followed by the ongoing Sudan Emergency Safety Net Project (SESNP-P178989) to address immediate food insecurity needs and a planned follow-up project to build resilience and support livelihoods.

⁶ The SMPF was administered by the World Bank and operated in close partnership with Government and development partners. The financing envelope of the SMPF is estimated at US\$10.7 million and the principal objective of the SMPF is "to provide a platform for coordinated financing to support the Government of Sudan's implementation of the I-PRSP as well as support the development and implementation of the full PRSP" (Bank's Board Document on Establishment of a Sudan Multi-Partner Fund, Report Number 86397-SD, April 2014, p.1).

⁷ The TA and the related SSNP aimed at developing the safety net targeting instruments, options for payments, the architecture for the program's Management Information System, payment mechanisms, and bolstering advocacy and communications according to the World Bank. 2008. Project Paper: Sudan Social Safety Net (P148349). Report No: Report No: PP1535.

Focus Area 2: Economic Revival and Better Governance that aims at building and strengthening economic systems, including procurement, financial, management, and implementation capacity; enhancing social accountability; and supporting household budget surveys. The focus area supported three activities valued at US\$2.5 million: (i) TA to the Sudan Social Security Investment Authority (US\$ 0.1 million, BETF) that was fully disbursed and closed on June 30, 2022; and (ii) Sudan Household Survey (US\$1.7 million, RETF) which closed on June 30, 2023 without progress given the pause; and (iii) the recently approved Analytical Program on Productivity, Resilience and Growth (US\$0.6 million, BETF) to be undertaken in FY24.

Focus Area 3: Resilience, and Basic Services that aims at addressing long-standing disparities between the center and the periphery and extending support to conflict-affected states. There are no ongoing activities under this area.

Focus Area 4: Crisis Response with the main goal of enabling Sudan to respond to emergencies with a development response that is complementary to humanitarian assistance. The focus area has two activities valued at US\$16.2 million and an account balance of US\$2.1 million. These activities include Sudan COVID-19 Emergency Response Project (RETF) and Sudan Emergency Response Project (BETF). Due to the pause on disbursements to Government, project activities were not implemented, and consequently limited progress was made focused on training and support for frontline health workers to deliver essential health services.



Section V

ASSESSMENT OF OUTCOMES AND STARS CONTRIBUTION

This section analyses progress under STARS areas of focus during January 2022 to June 2023, while overall STARS cumulative results achieved since its inception in 2020 are provided in Annex 1. The last STARS Annual Progress Report (May 2020 to December 2021) provided a detailed analysis of earlier progress which is summarized in Annex 2.⁸



Social Protection

Despite the working environment challenges, STARS-supported SESNP achieved significant results, exceeding almost all its indicator targets. SESNP provided social assistance through in-kind food and cash transfer to 2,143,366 most food insecure people across 12 states, exceeding the target of 2 million. The project reached 1,984,759 beneficiaries through the cash-based transfers (exceeding the target by 5 percent) and 158,607 beneficiaries through in-kind food transfers (exceeding the target by nearly 60 percent). The food security assessment carried out by WFP informed the targeting mechanism of SENSF social safety nets program (Figure 1).⁹ Table 4 summarizes SESNP key results achieved, while Annex 3 provides a detailed assessment of key and intermediate results indicators, showing baselines, targets, and status of achievement.



⁸ The last STARS Progress Report noted that before the pause, outcomes of thematic area 3 (resilience and basic services) included contribution to the greater capacity of the government to undertake education sector reforms, greater resilience and participation of women and youth in development activities, and community asset creation. In addition, interventions also provided an important signal to people in conflict-affected areas. They offered ways to move forward with development interventions regarding basic service delivery, livelihoods, and social inclusion, using, where possible, community-driven development (pp7-8). The thematic area of crisis response supported the provision of life-saving medications for optimal care of people with COVID-19; expanded the isolation capacity in Khartoum state (Omdurman Teaching Hospital) and other affected areas; strengthened a national surveillance; and supported vaccine deployment, providing vaccines to 19 percent of the population (12 fully vaccinated, 6 partially vaccinated and 1 percent received a booster dose).

⁹ WFP food insecurity and vulnerability assessment 2021/22. Statistics on food insecurity are based on available information and forecast as on April 14, 2022.

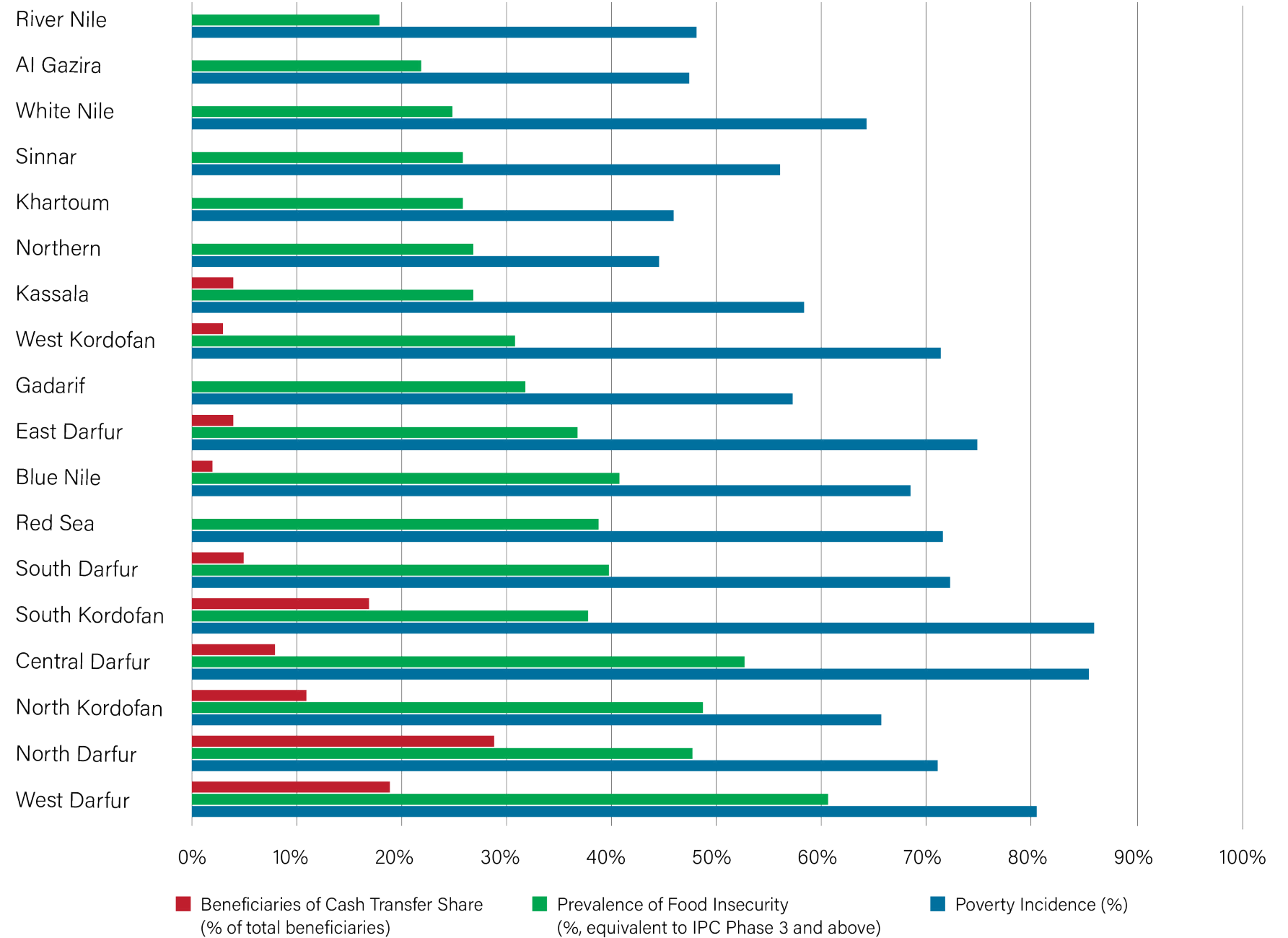
Table 4: Key Results Indicators and Actual Achievements

Indicator Name	Baseline	End Target	Progress Remarks	Remarks
Beneficiaries of social safety net programs (Number)	0.00	2,000,000	2,143,366	Target exceeded by 7 percent
Beneficiaries of social safety net programs, Female (Number)	0.00	1,000,000	1,297,473	Target exceeded by 30 percent
Beneficiaries of Safety Nets programs, Unconditional cash transfers (Number)	0.00	1,900,000	1,984,759	Target exceeded by 5 percent
Beneficiaries of Safety Nets programs, In-kind transfers (Number)	0.00	100,000	158,607	Target exceeded by 12 percentage points
Female heads of beneficiaries' households receiving cash/income support (Percentage)	0.00	50.00	62	Target exceeded by 7 percentage points
Female heads of beneficiaries' households receiving in-kind/food support (Percentage)	0.00	50.00	57	Target exceeded by 14 percentage points
Beneficiaries satisfied with the delivery of cash/food transfers (Percentage)	0.00	80.00	94	Target exceeded by 13 percentage points

Source: World Bank staff estimates.

The in-kind food and cash transfer program targeted the poorest households, mainly in Darfur and Kordofan states. West, Central, North Darfur and North Kordofan states (with a high poverty prevalence rate exceeding 66 percent), host 67 percent of cash transfer beneficiaries. The remaining balance is allocated to the eight target states with a moderate prevalence rate (65-47 percent), including Blue Nile, South Darfur, Red Sea, South Kordofan, East Darfur, Gadarif, West Kordofan and Kassala. In contrast, states with a low poverty prevalence rate are in Northern, Khartoum, Sinnar, White Nile, Al-Gazira, and River Nile states, and their residents did not receive cash transfers (Figure 1). Similarly, food transfers targeted three states that have high rate of prevalence of food insecurity: Blue Nile (50 percent of total beneficiaries); Gadarif (30 percent) and Red Sea (20 percent). Targeting at the locality and community level was mainly through a community targeting system and using targeting committees. While the system worked broadly, amid widespread food insecurity, strengthening of the selection of targeting committees and the transparency of these processes required further improvements.

Figure 1: Poverty Incidence, Prevalence of Food Insecurity and Cash Transfer Beneficiaries by States



Source: Staff estimates based on WFP food insecurity and vulnerability assessment 2021/22, Poverty Reduction Strategy Paper (2021-2023), and Sudan Emergency Safety Nets Project Progress Reports. Statistics on food insecurity are based on information and forecast as of April 14, 2022.

Strengthening gender and social inclusion through increasing the participation of women and marginalized groups in the safety nets program.

The program prioritized adult women as principal recipients of safety nets program to ensure women have a voice in household decision-making and use of entitlements. The program employed participatory conflict sensitivity, consensus building, and community resilience approaches to enhance inclusion. This led to the establishment of new committees that are more inclusive and representative of the communities they serve. About 60 percent of the in-kind food and cash beneficiaries were female, respectively, exceeding the target by nearly 10 percentage points. In West and Central Darfur State, reports show that more than 80 percent of the cash recipients were women. About 3 percent of the beneficiaries were persons with disabilities. Over 70 percent beneficiaries under the cash-based transfers sub-component were residents while 30 percent were internally displaced populations; while through in-kind transfers, 55 residents and 45 percent internally displaced populations were reached. Overall, the program has helped reduce gender and other disparities and foster inclusion.

Enhancing safety nets delivery systems.¹⁰ About 1.38 million beneficiaries have biometric registration, close to the target of 1.5 million. Access constraints due to the rainy season and roads conditions have been experienced, impacting staff travelling to the biometric registration sites as well as the people reaching the sites to be registered. The utilization of digital payments systems increased the number of beneficiaries enrolled in mobile money, reaching 101,860 beneficiaries (5 percent which is below the intermediate results indicator target of 10 percent) (Annex 3). Connectivity and network issues, especially for cash transfer modalities have also been experienced, particularly in remote places. Collaboration and coordination with payment service providers—MTN, Sudatel, Blue Nile Mushreg Bank and Bank of Khartoum—could have been further improved, and the partnership could have transited to more than transactional to enhance utilization of digital payments systems.

¹⁰ Only 10 percent of women (compared to 20.2 percent of men) had a financial account (i.e., registered account at a bank or non-bank financial institution, or mobile money account), and in general Sudan has one of the world's lowest rankings for gender equality (168 out of 189 countries and territories) and remains in the low human development category.

The complaint and feedback mechanism provided easy access to the primary point of contact for inquiries about the SFSP and the GRM call center has been playing a critical role in the process.

About 5,690 complaints were received, of which 87 percent were resolved within 30 days or less, through GRM, surpassing the intermediate results indicator of 80 percent. Majority of the cases (78 percent) involved targeting, profiling and registration and requests for information. Following the Aril 15 conflict and the damage to the call center, the SESNP established an alternative GRM platform, that includes four paid lines and digitalized helpdesks with over 40 trained partner and WFP staff who managed the helpdesk and engaged with several stakeholders. The project team worked with community and shelter committees, leaders, representatives, authorities, and NGOs to ensure that beneficiaries' complaints were well addressed and resolved.

WFP reported ten (10) incidents related to looting of food commodities, cash theft and allegations of Sexual Exploitation and Abuse that are being handled by its Office of the Inspector General.

These incidents were referred for case management and reported to World Bank in line with the procedures outlined in the Grant Agreement. However, obtaining non-confidential information from WFP's Office of the Inspector General (such as status of cases, resolved, referred, closed or mitigation actions being implemented) has been challenging. Security related incidents were also reported including the death of three WFP employees caught in the violence. The Bank team has agreed with WFP to submit a comprehensive report that provides details on the case management status of the incidents.



Crisis Response

Providing COVID-19 vaccines to 19 percent of the targeted population, contributing to averting serious illness, hospitalization, and minimization of COVID-19-related deaths.

Cumulatively, as of June 30, 2023, supported COVID-19 Emergency Response Project (CERP) contributed to the deployment of 9 million COVID-19 vaccines to cover nearly 19.31 percent of the targeted population (12.20 percent fully vaccinated, 6.59 percent partially vaccinated, and 0.69 percent received a booster dose). The program also supported reaching-out more than 6 million Sudanese with awareness-raising messages including on COVID-19 and vaccination. Health laboratories were equipped with supplies and the isolation centers were provided with life-saving medications to improve case management. Moreover, 94 health staff trained in infection prevention and control.¹¹ Additionally, the program supported strengthening capacity in safe management of healthcare waste through updating outdated guidelines, training of 164 staff nationwide and provision of needed supplies. The program contributed to expanding subnational capacity to responding to GBV through training of 125 nurses, midwives, and health promoters. Overall, the program covered all 18 states, with a focus on five vulnerable states mainly in Darfur and Kordofan. It is worth noting that IDA-financed COVID-19 project (IDA-D8660) that disbursed US\$10 million (out of a total of US\$100 million) contributed to this progress.



Analytical and Advisory Services

The analytical and advisory services (ASA) program provided strategic technical assistance and analytical support to the financial sector. Prior to the pause, the program supported the Central Bank of Sudan, towards strengthening financial sector stability with the review of the amended Banking Business Act with strong collaboration with the IMF. The program also provided early input towards the Asset Quality Reviews (AQR) which were completed for 17 banks.

The Technical Support and Diagnostics for the Sudan Family Support Program supported the program implementation. The TA focused on strengthening the social safety nets delivery systems including (i) developing registration and enrollment system, ensuring women were given priority in the enrollment and registration process and eventual receipt of grants; (ii) deploying the use of digital payment (e.g., mobile money, cash cards and Bank accounts); (iii) strengthening the MIS system that was linked to various data sources; (iv) developing outreach and communication manual and citizen engagement platforms, and (v) supporting the Social Protection Diagnostics to be completed in FY24.



Risk to Development Outcome

The risk to sustaining the development outcome is “high” as the political situation has further deteriorated since the April 15 armed conflict, resulting in worsening security and household welfare. Efforts to reach a political solution are nascent and subjected to high risks. Unless a political solution is found, Sudan could continue to remain cut off from financing sources that are critical to sustain reforms. Without such assistance, it is likely that Sudan will not be able to maintain outcomes.¹² Macroeconomic imbalances are reemerging compounded by five consecutive years of recession. For example, Sudan may not be able to mobilize resources for the social protection sector and the sector achievements will be compromised. Prolonging the resolution of the political conflict and associated pause of external grants and technical assistance risks undermining the sustainability of results achieved.

¹¹ The training of staff took place during FY23 and was financed by STARS Trust fund (TF0B4119).

¹² While Some outputs of the project like cash and food grants may not be sustainable due to the country’s current economic and political environment, project-supported systems/approaches (e.g., biometric registration, MIS, GRM as a foundation for a national integrated social registry) are likely to be maintained once peace and order is restored.

Section VI

LESSONS LEARNED AND CONSIDERATIONS MOVING FORWARD

Lessons Learned

Flexibility is critical for implementing programs that promptly adapt to urgent needs in a challenging environment. The World Bank flexibly responded to the urgent needs of the Sudanese people in the face of deteriorating living conditions, closely collaborated with STARS partners, and identified the WFP as the appropriate third-party implementing agency for prompt implementation of the Sudan Emergency Safety Nets Project. Making use of operational flexibilities such as third-party implementation modality, has allowed the World Bank to stay relevant and engaged within the boundaries of OP 7.30 and strengthened donor coordination. Given the diminished capabilities of financial services and the liquidity crisis, following the armed conflict, SESNP implementation remains flexible, supplying vital food commodities in the accessible targeted states (i.e., Al-Gezira and Red Sea), instead of utilizing cash-based assistance. Flexibility was also evident in implementing SFSP in phases to accommodate the delayed signing and transfer of pledged commitments.

The third-party implementation modality has strengthened capacity building and is expected to facilitate transferability of systems to government after normalization. As the implementing agency, WFP has extensive experience delivering safety net programs in fragile and challenging contexts and coordinating with local non-state actors and the private sector. In implementing the SESNP, the WFP has contributed to building the national capacity by involving Sudanese nationals in project delivery to create a critical mass and built on existing systems and instruments (e.g., MIS, targeting and biometric registration, GRM, payment systems) to facilitate transferability to government once the pause is lifted. The experience has also led to strengthening WFP internal safeguards and grievance redress mechanisms, as well as its community engagement and communication efforts following close training and supervision by World Bank social risk management experts. Several NGO implementing partners were also trained in social risk management and community engagement which contributed to their capacity building.

The simplicity of social protection program design tailored to the highly volatile environment has facilitated effective implementation as evidenced by the results achieved.

The program design focused on few interventions related to providing unconditional cash and food transfers, underpinned by the WFP Food Insecurity and Vulnerability Assessment. The results indicators were consequently few (i.e., number of beneficiaries of social safety nets program, and beneficiaries satisfied with the delivery of the program) and their targets were set at reasonable levels in line with implementation constraints. These attributes have helped facilitate implementation and achieved notable results, surpassing almost all targets.

The World Bank and STARS development partners continued to have a focus on preserving the social protection system building.

While adopting a third-party implementor, the World Bank and partners continued to focus on social protection system building that could later be transferred to government and contribute to building a modern and adaptive system to be resourced by the government. The continued focus on existing systems and national capacity enhances the likelihood of their transferability.

Looking Forward

Going forward, the World Bank's approach will focus on supporting short- and medium-term resilience at the community level.


In the face of uncertainty and inability to channel funds to government, there is a need to embed medium term approach to the humanitarian crisis¹³ to support livelihoods and reduce dependency. While addressing immediate food security needs and aiming at enhancing capacity for short- and medium-term crisis response (e.g., SESNP that remains active), the approach also focuses on medium term resilience by supporting livelihoods. STARS four thematic areas of focus are purposefully broad to capture the range of potential programming under STARS depending on the evolution of the situation in Sudan and available financing.

¹³ While a comprehensive needs assessment is missing, the UN estimated some US\$3.03 billion would be needed to provide urgent aid in Sudan and for over one million that fled into neighboring countries. The UN held pledging conference for Sudan raised only US\$1.5 billion to fund life-saving relief efforts.

RESULTS FRAMEWORK

Table 1: Sudan Transition and Recovery Support Results Framework

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

	Unit of measure	Baseline	End target	Actual (as of June 30, 2023)	STARS Portfolio	Definition/Description
 Pillar 1: SOCIAL PROTECTION		Describe Outcome 1: Enhanced access to social protection				
Outcome 1 Indicators						
Indicator 1.1: Increased access to social protection project services	Percentage	0	50	94.2	SPFP & SESNP	Number of individual beneficiaries covered by social protection projects or other projects that the World Bank supports. Projects are designed to provide assistance (in-kind or cash) to families or individuals, including those who need help to manage the consequences of the economic reforms or other shocks.
Indicator 1.2: Increased access to receiving cash or income support	Number	0	2,000,000	6,883,366 4,700,000 (SFSP) 2,143,66 (SESNP)	SPFP & SESNP	Number of households receiving cash or income support from World Bank-financed projects (SPFP & SESNP)
Indicator 1.3: Increased number of states implementing social protection programs	Number	0	14	14	SPFP & SESNP	Number of states that SFSP and SESNP or other projects that the World Bank supports cover
Indicator 1.4: Increased poverty-related expenditures	Yes/No	No	Yes	Yes	SPFP & SESNP	Improved expenditure management system, which increases the opportunity to direct more spending to priority "poverty-reduction" sectors
Indicator 1.5: Strengthened targeting and payment systems	Yes/No	No	Yes	Yes	SPFP & SESNP	

	Unit of measure	Baseline	End target	Actual (as of June 30, 2023)	STARS Portfolio	Definition/Description
Outcome 1 Indicators (cont.)						
Intermediate Results Indicators						
Indicator1.6: Percentage of female families beneficiaries headed by women receiving cash or income support	Percentage	0	2.4	34.64 percent of families (SFSP) 62 percent of individual beneficiaries (SESNP)	SPFP & SESNP	Direct female beneficiaries who benefited from the SFSP program and SESNP
Indicator1.7: Functional national registry platform	Yes/No	No	Yes	<ul style="list-style-type: none"> Memorandum of understanding signed with Ministry of the Interior to upgrade NCR systems Responsibility of NCR is to increase number of Sudanese with national identification number by at least 5 million over the course of SFSP Work plan and budget developed to provide NCR with necessary equipment to facilitate registration and mobile registration units 	SPFP	NCR platform that functions across the country receives support to expand coverage of SFSP
Indicator 1.8: Average number of days for funds to reach beneficiary accounts	Days	0	15	45 (SFSP) 02 (SESNP)	SPFP & SESNP	How long it takes to transfer funds from central account to beneficiaries' digital accounts.
Indicator 1.9: Average number of days for food transfers to reach beneficiaries from Cooperating Partner Warehouses	Days	0	15	9	SESNP	How long it takes to transfer food from warehouses to reach beneficiaries
Indicator 1.10: Time between generation of payroll, and fund transfer to Payment Service Providers	Days	0	5	3	SESNP	SESNP How long it takes to transfer funds from payroll to the Service Providers and to beneficiaries.

	Unit of measure	Baseline	End target	Actual (as of June 30, 2023)	STARS Portfolio	Definition/Description
Outcome 1 Indicators (cont.)						
Indicator1.11: Percentage of recertified households included in cash transfer beneficiary registry	Percentage	0	100	132.8	SSNP	Number of households selected and registered as eligible for cash transfer support
Indicator1.12: Number of newly registered/verified beneficiaries enrolled by WFP using biometric registration	Number	0	1,500,000	880,279		Number of households selected and registered by WFP as eligible for cash transfer support
Indicator 1.13: Increase in accessibility to livelihood services	Yes/No	No	Yes	Yes	SSNP	Impact of project's technical assistance on accessibility of livelihood services, including other livelihood support activities, to PSN beneficiaries (according to beneficiary perception survey)
Indicator 1.14: % of Beneficiaries satisfied with the delivery of cash/food transfers	Percentage	0	80%	76.4%	SESNP	
Indicator 1.15: Complaints resolved in 30 days or less through GRM	Percentage	0	80%	93%	SESNP	Relationship between Claims and Response; measures the ability of project to respond timely to beneficiaries claims.



Pillar 2: ECONOMIC REVIVAL AND BETTER GOVERNANCE

Describe Outcome 2: Improved macroeconomic performance and enhanced transparency and accountability in government institutions

Outcome 2 Indicators

Indicator 2.1: Transparency and accountability	Yes/No	No	Yes			Informing stakeholders in a timely manner about the activities to be implemented and the governance and feedback mechanisms.
Indicator 2.2: Recommended policies, programs, and reforms to support macroeconomic revival adopted	Yes/No	No	Yes			Implementing suggested best course of actions and restructures to support renewal of microeconomic allocations and interactions

	Unit of measure	Baseline	End target	Actual (as of June 30, 2023)	STARS Portfolio	Definition/Description
Outcome 2 Indicators (cont.)						
Indicator 2.3: Quality of laws promoting access to financial services improved	Yes/No	No	Yes			Improving value of laws in terms of contracts ruling the financial procedures to serve its target efficiently and more widely
Indicator 2.4: Access to financial services increased	Yes/No	No	Yes			Number of individuals and families who have received trainings and linked to microfinance institutions
Intermediate Results Indicators						
Indicator 2.5: National data protection and privacy law	Yes/No	No	Yes			National data protection and privacy law submitted to governing council
Indicator 2.6: Legal, regulatory, and supervisory framework reviewed	Yes/No	No	Yes			Final revision for framework needed before being adopted
Indicator 2.7: National financial inclusion strategy finalized	Yes/No	No	Yes			Strategy in its final form ready to be executed



Pillar 3: PEACEBUILDING, RESILIENCE, AND BASIC SERVICES

Describe Outcome 3: Strengthened resilience and improved access to basic services

Outcome 3 Indicators						
Indicator 3.1: Percentage of people with access to improved basic services package	Percentage	0	TBD			Cumulative percentage of people who benefited from improved basic services that have been constructed or provided under the projects
Indicator 3.2: Access to employment opportunities created by projects	Number	0	1,000			Cumulative percentage of people who benefited from improved work environment and opportunities
Indicator 3.3: Number of activities supporting peacebuilding and resilience	Number	0	TBD			Activities implemented by projects supporting peacebuilding and resilience

	Unit of measure	Baseline	End target	Actual (as of June 30, 2023)	STARS Portfolio	Definition/Description
Outcome 3 Indicators (cont.)						
Indicator 3.4: Better livelihoods for women	Yes/No	0	No			Number of women who received livelihood support
Intermediate Results Indicators						
Indicator 3.5: Number of beneficiaries who have received livelihood assets and skills training	Number	0	850	1,278		Number of beneficiaries who have received livelihood assets and skills training
Indicator 3.6: Number of households reached through basic service delivery mechanisms	Number	0	TBD			Households reached through different mechanism of basic services
Indicator 3.7: Number of activities that incorporate risk and resilience factors	Number	0	TBD			Activities designed and implemented based on knowledge of risk and resilience



Pillar 4: CRISIS RESPONSE

Describe Outcome 4: Effective response emergencies in support to Sudanese development efforts

Outcome 4 Indicators						
Indicator 4.1: Increased access to emergency response intervention	Percentage	TBD	TBD			Availability of more procedures that can mitigate impact of unexpected occurrences
Indicator 4.2: Strengthened crisis management and communication mechanisms	Percentage	TBD	TBD			Reinforcement of proper handling of information collection and processing to address a crisis situation
Indicator 4.3: Increased access to emergency response intervention	Percentage	TBD	TBD			

	Unit of measure	Baseline	End target	Actual (as of June 30, 2023)	STARS Portfolio	Definition/Description
Outcome 4 Indicators (cont.)						
Intermediate Results Indicators						
Indicator 4.4: Health staff trained in infection prevention and control (disaggregated)	Number	0	1,000	94 (9.4%): 34 male, 60 female		Health staff receiving infection prevention and control training that follows World Health Organization evidence-based practices and protocols, disaggregated according to gender
Indicator 4.5: Beneficiaries reached through emergency operations	Number	0	2,000,000	2,000,000		Number of beneficiaries approached by any emergency preparedness or management services
Indicator 4.6: Crisis management plan and communication strategy developed	Yes/No	No	Yes			Functional crisis plan and effective crisis communication
Indicator 4.7: Percentage of targeted healthcare facilities with clinical capacity for COVID-19 patients	Percentage	8	100	100		Number of patients testing positive for COVID-19 or their care takers (if deceased) who are satisfied with the treatment received divided by number of patients testing positive for COVID-19

HIGHLIGHTS OF RESULTS ACHIEVED DURING THE LAST STARS ANNUAL PROGRESS REPORT MAY 2020 TO DECEMBER 2021



Social Protection Thematic Area: Sudan Family Support Project (SFSP)

The SFSP paid direct cash transfers to approximately 4.7 million people, of whom 36 percent are women by the end of 2021¹⁴. The SFSP intended to provide cash transfers to Sudanese using a phased approach. To accommodate the delayed signing and transfer of pledged commitments, the SFSP includes two phases-- --with total funding of US\$820 million (provided by the World Bank's Pre-Arrears Clearance Grant (PACG) of US\$410 million and matched by several development partners through the Sudan Transition and Recovery Support Trust Fund (STARS) targeting 24.7 million beneficiaries by June 2023.¹⁵ The first phase, approved on October 8, 2020, is funded by US\$400 million (US\$200 million from PACG and \$200 million from STARS) targeting 11.3 million beneficiaries by December 31, 2022.

Progress achieved shows that as of end 2021, 4.7 million people received SFSP payments, which is more than 40 percent of the target of 11.3 million. An Additional Financing or second phase was approved in March 2021 that added US\$210 million from PACG and US\$210 million from STARS, aiming to reach 13.4 million Sudanese, and thus raising the total number of targeted beneficiaries to 24.7 million by end June 2023. The Sudan Reengagement and Reform Development Policy Financing (DPO-P175139) also supported the implementation of the SFSP s detailed in the table below.

The SFSP implementation was advancing rapidly prior to the pause. Measures were taken to expedite the execution of the SFSP, including the opening of 352 enrolment centers to support registration of beneficiaries. Approximately 9.3 million people were registered by October 2021.

¹⁴ World Bank 2022. Sudan Transition and Recovery Support (STARS) Trust Fund Annual Report.

¹⁵ STARS development partners include Canada, European Union, Finland, France, Germany, Ireland, Italy, Kingdom of Saudi Arabia, Spain, Netherlands, Norway, State and Peace Building Trust Fund, Sweden, and United Kingdom.

SFSP Phases and DPF Financing and Coverage							
	Decision Review	Approval	Effectiveness	Targeted Beneficiaries (million people)	Targeted Date	Actual Beneficiaries (million people)	Percent of the targeted population
SFSP Phase 1 (US\$400 million)	8-Sep-2020	8-Oct-2020	7-Dec-2020	11.3	1-Dec-2021	4.7	40%
DPF	17-Dec-2020	25-Mar-2021	25-Mar-2021	16.0	1-Dec-2022	4.7	12%
SFSP Phase 2 (US\$420 m)	Number	16-Mar-2021	24-Mar-2021	13.4	SPFP & SESNP	4.7	
Total (Phase 1 & 2) (US\$820 m)				24.7	SPFP & SESNP	4.7	

Source: World Bank staff estimates

The strengthening of payment systems has promoted financial inclusion and accelerated SFSP payments. Following the approval of mobile money regulations, the SFSP has made considerable effort to coordinate closely with Sudan’s payment services providers (PSPs), banks, telecommunication companies, and the Ministry of Interior National Civil Registry to support the strengthening of systems to accelerate payments. To speed up payments, the World Food Program (WFP), the implementer of the SFSP pilot, contracted MTN Sudan as the mobile money operator for the SFSP pilot. SFSP Beneficiaries with MTN SIM cards received transfers into a mobile money wallet with multiple transaction options, including point-to-point, cash-out, cash-in, merchant payment, general medical services payments, and bill payments. Beneficiaries with a Zain or Sudatel SIM card received a mobile money voucher from MTN in their mobile phone. Through the SFSP, the government has also been working with different players to strengthen systems to accelerate payments. Systems being used for payments included mobile money (covering 60 percent of paid beneficiaries)¹⁶, bank (covering 11 percent), and cash card (covering the remaining 29 percent)¹⁷.

¹⁶ World Bank 2022. Sudan Transition and Recovery Support Trust Fund-STARs-Annual Report, Table 1, page17.

¹⁷ Other government efforts included dialogue with the Central Bank of Sudan to license MTN to have its own operating platform for mobile money, offering a license for mobile money to Zain, paying 2 percent grant transfer fees to banks making payments to beneficiaries, and strengthening payment operational procedures including accelerating validation of payment data by payment services providers (PSPs).



Crisis Response Thematic Area

Providing COVID-19 vaccines to 19 percent of the population (12 fully vaccinated, 6 partially vaccinated and 1 percent received a booster dose), through deployment of nearly 8 million doses of COVID-19 vaccines under COVAX and AVATT, as of June 30, 2022. The vaccines program covered all 18 states, with a focus on five vulnerable states mainly in Darfur and Kordofan. Although there was a pause to implementation and disbursement funds from STARS, the team implementing the STARS-supported COVID Emergency Response Project (CERP) received an exemption to continue implementing critical activities aimed at protecting lives, for example supporting the administering of the vaccines using funds already disbursed in the project's designated account. However, IDA- financed COVID project that disbursed US\$10 million (out of US\$100 million) contributed to this progress.

The STARS supported the management of the further spread of the COVID-19 disease. The CERP supported (i) the establishment of a Monitoring and Evaluation system to monitor COVID-19 preparedness and response; (ii) the development and scale-up of risk communication activities (podcasting of radio, television material production, and media campaign); (iii) estimated recovery of 40,807 of COVID-19 cases; and (iv) provision of personal protective equipment (PPE) and training on infection prevention and control. Additionally, the project supported COVID-19 testing and capacity building in monitoring and evaluation, ESS, and Planning.



Peacebuilding, Resilience and Basic services

Before OP 7.30 activation, outcomes of this thematic area of focus included contribution to the greater capacity of the government to undertake education sector reforms, greater resilience and participation of women and youth in development activities, and community asset creation. In addition, interventions also provided an important signal to people in conflict-affected areas. They offered ways to move forward with development interventions regarding basic service delivery, livelihoods, and social inclusion, using, where possible, community-driven development (STARS Annual Progress Report: January to June 2022, page 7).



Economic Revival and Better Governance

Before the pause, activities implemented under this pillar contributed to adopting context-sensitive institutional policies, fostered innovative approaches and instruments, and generated evidence-based knowledge to address Sudan's social and economic challenges. At the project preparation stage, STARS informed new operations through diagnostic and analytical support, local capacity building and dialogue, and knowledge dissemination (STARS Annual Progress Report: January to June 2022, pages 7-8).



STARS Program of Analytical and Advisory Services (ASA)

The ASA program was meant to complement and support investment operations through tailored capacity building and knowledge products. ASA program concentrated on pressing needs for reengagement: financial stability and inclusion, macro and fiscal policy, poverty analytics, and the key sectors of health, water, education, and agriculture.¹⁸ These ASA products contributed to the design and, in some cases, implementation of projects addressing Sudan's fragility. For example, poverty analytics, technical support and diagnostics oriented the distribution of cash transfers provided by the Sudan Family Support Program. The situation in Sudan since the military takeover has slowed or halted implementation, as only analytical work that does not require Government participation could go forward, e.g., geodata/statistical analysis of historical disasters and climate-related events or trends and projections of urban population growth.



¹⁸ Also, a World Bank-IFC collaboration produced a Private Sector Diagnostic.

Annex 3

STARS-SUPPORTED SESNP RESULTS INDICATORS, BASELINES, TARGETS, AND ACHIEVEMENTS

Indicator Name	Base-line	End Target	Progress	Percent of Target Achieved	Remarks
PDO-level Indicators					
Beneficiaries of social safety net programs (Number)	0	2,000,000	2,143,366	Exceeded	Target exceeded by 7 percent
Beneficiaries of social safety net programs, Female (Number)	0	1,000,000	1,297,473	Exceeded	Target exceeded by 30 percent
Beneficiaries of Safety Nets programs, Unconditional cash transfers (Number)	0	1,900,000	1,984,759	Exceeded	Target exceeded by 5 percent
Beneficiaries of Safety Nets programs, In-kind transfers (Number)	0	100,000	158,607	Exceeded	Target exceeded by 60 percent
Female heads of beneficiaries' households receiving cash/income support (Percentage)	0	50.00	62	Exceeded	Target exceeded by 12 percentage points
Female heads of beneficiaries' households receiving in-kind/food support (Percentage)	0	50.00	57	Exceeded	Target exceeded by 7 percentage points
Beneficiaries satisfied with the delivery of cash/food transfers (Percentage)	0	80.00	94	Exceeded	Target exceeded by 14 percentage points
Female heads of beneficiaries' households, satisfied with the delivery of cash/food transfers (Percentage)	0	80.00	92.5	Exceeded	Target exceeded by 13 percentage points
Intermediate Results Indicators					
Average number of days for funds to reach beneficiaries paid by commercial banks (Days)	0	15.00	2.00	Exceeded	Target exceeded by 7 folds
Enrolled beneficiaries to be paid by commercial banks (Percentage)	0	20.00	99.00	Exceeded	Target exceeded by 77 percentage points
Time between generation of payroll, and fund transfer to PSPs (Days)	8	5.00	3.00	Exceeded	Target exceeded by 40 percent

Indicator Name	Base-line	End Target	Progress	Percent of Target Achieved	Remarks
Intermediate Results Indicators (cont.)					
Beneficiaries enrolled in mobile money (Percentage)	0	10.00	5.00	Partially Achieved	50 percent of the target was met
Average number of days for food transfers to reach beneficiaries from Cooperating Partner Warehouses (Days)	0	15	9	Exceeded	Target exceeded by 50 percent
Newly registered/verified beneficiaries enrolled by WFP using biometric registration (Number)	0	1,500,000	1,377,101	Achieved	92 percent of the target was met
SESN branded as an Emergency Project (Yes/No)	No	Yes	Yes	Fully Achieved	Brand worked as a project identity
Communication campaigns have been launched (Yes/No)	No	Yes	Yes	Fully Achieved	
A hybrid system for tracking enquiries, complaints, and grievances (GRM) has been established (Yes/No)	No	Yes	Yes	Fully Achieved	Implemented Mobile App/Toll Free numbers for complaints
Complaints resolved in 30 days or less through GRM (Percentage)	0	80	93	Exceeded	Target exceeded by 13 percentage points
ME&L impact evaluation baseline & follow-up survey conducted. (Yes/No)	No	Yes	Yes	Fully Achieved	ME&L impact evaluation baseline & follow-up survey conducted
ME&L lessons drawn from Sudan's Emergency Safety Nets project experience in an evaluative report (Yes/No)	No	Yes	Yes	Fully Achieved	A report was developed that contains lessons

Source: World Bank staff estimates based on project files, including PAD, ISRs, and Progress Reports.

