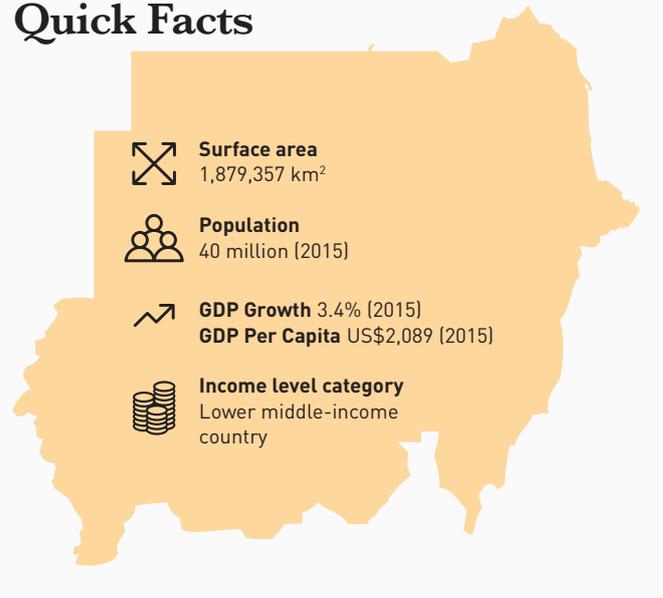




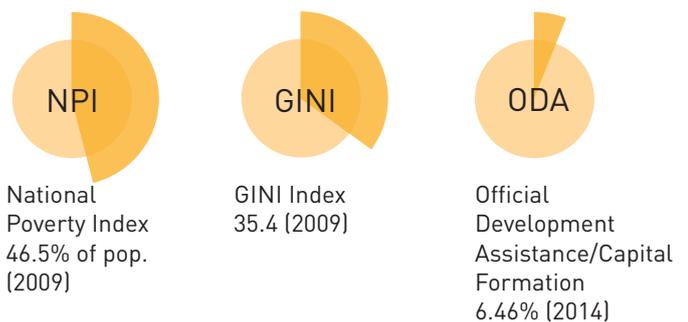
1. Country Context

Sudan, a country in transition from conflict to post-conflict, has an increasingly young and urbanized population. The country had high economic growth rates and rapidly rising per capita income throughout the 2000s. However, growth was unbalanced, leading to large disparities in development indicators among different regions. The outlook for Sudan continues to be uncertain due to loss in oil production, considerable foreign debt, international sanctions, conflicts and reduction in development co-operation. Sudan's susceptibility to internal and international armed conflict continues. The country has made progress in combating HIV/AIDS, malaria and other diseases; however, it is lagging in poverty reduction, education, access to safe water, and improved sanitation. Following the global oil price slump in 2015/2016, the Sudanese economy suffered, but signs of recovery have emerged as the country undergoes economic diversification. Low global food prices and a significant increase in FDI have boosted economic growth. Growth is expected to strengthen to 6.2% in 2016. Net ODA in 2014 totalled US\$871.9 million, constituting 1.2% of GNI. The top partners include UNDP, the Arab Fund, the EU, the United Kingdom and the Global Fund.

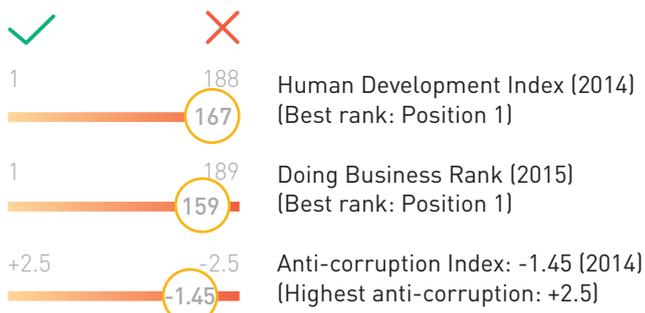
Quick Facts



Key Development Indices:



ODA per Capita US\$22.16 (2014)



Inflows (% Gross Domestic Product)

LATEST YEAR AVAILABLE



Key Development Challenges

Sudan has rich natural resources, but its development has been held back by conflicts. It is crucial to revive and diversify the Sudanese economy, thus establishing alternative livelihood opportunities. Other problems are low rainfall, over-cutting, over-cultivation and over-grazing, which have led to high rates of rural exodus. High growth in urban areas has contributed to environmental degradation. The implementation of sound environmental policies is hampered by institutional capacity constraints, civil conflicts and lack of resources. The country is very exposed to negative effects of climate change.

2. Efforts to Implement the Effectiveness Principles

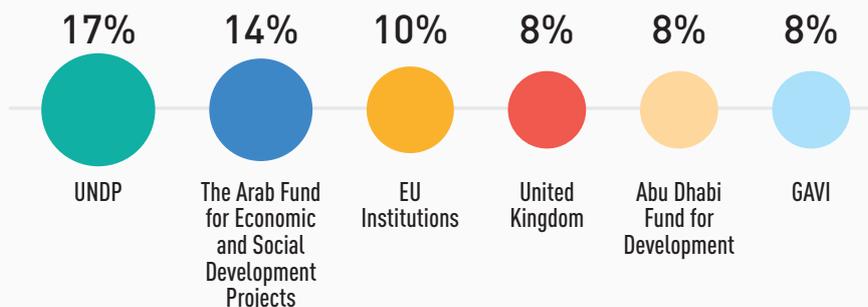
A. Policies and Tools for Partners' Alignment

The Five-Year Development Plan, the Five-Year Economic Programme and the Poverty Reduction Strategy Paper guide Sudan's development efforts. Sudan has substantially improved the operationality of its development strategies. The links to the MDGs are strengthened through localization and integration into sector

strategies and annual targets. ODA-funded projects in Sudan are largely in alignment with national priorities, which could be explained by the fact that development partners channel significant funds through a Multi-Donor Trust Fund (MDTF) or Sudan Multi-Partner Fund (SMPF) administered by the World Bank. Under the MDTF/SMPF, a

results-focused co-operation programme, all projects need to be endorsed by the government before submission to an oversight committee, which has provided strong basis for alignment. In addition, all MDTF/SMPF projects are screened through thematic working groups to ensure consistency with sector policies.

Major Development Partners of this Round (by Reported Disbursements)



Participation in 2014 Monitoring

Yes



Existence of a National Co-operation Policy

Yes

B. Governance and Management of Development Finance and Co-operation

Since 2015, the coordination of official development finance and partners falls again under the responsibility of three ministries: the Ministry of International Co-operation (MIC), the Ministry of Finance and National Economy (MoFNE) and the Humanitarian Aid Commission (HAC). The MoFNE and the MIC are respectively the government's central focal points for loans and grants. The MIC is mandated to lead and formulate international co-operation policies such as the Sudan Aid Strategy. The Ministry created a Supreme Council for external official development finance headed by its first deputy, a technical committee and the MIC board that includes experts and specialists in official development finance in Sudan. The most constructive forum for the coordination of official development finance is the regular Sudan Consortium Meeting, which brings together Sudanese authorities

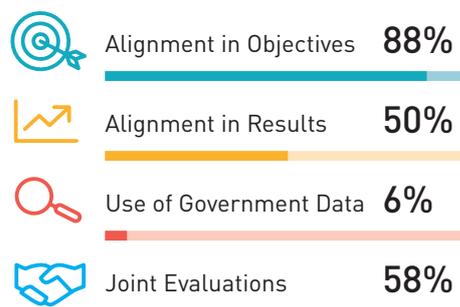
and international partners, including NGOs and CSOs, to review progress on policy commitments and to renew partners' financial pledges. More frequent meetings take place within the Oversight Committee of the Sudan Multi-Donor Trust Funds (MDTF), where the government reviews implementation of agreed-upon programmes with partners. In order to effectively use information about official development finance, the government developed the Sudan Aid Information Database System (SAID) as the government repository for all external assistance. The most important coordination vehicle for official development finance in Sudan has been pooled finance such as the MDTF, which has tried to overcome capacity constraints challenging the management of official development finance. Sudan also participates in South-South co-operation.

3. Country Ownership

Indicator 1: Partners' Alignment and Use of Country-Led Results Frameworks

Eighty-eight percent of development co-operation reported in 2015 generated high alignment at an objective level. However, 50% integrated the country-led results framework and only 6% used national monitoring systems, indicating partners' strong tendency to use their own systems. In 58% of planned project evaluations, the government will play a role. There is considerable variation in the use of country

results frameworks among partners, with Japan being the best performer in this regard. The government has introduced a results-based monitoring and evaluation system. Coverage of the monitoring and evaluation framework is sectorally and geographically comprehensive. Sudan has also developed an M&E module in the Sudan Aid Information Database.

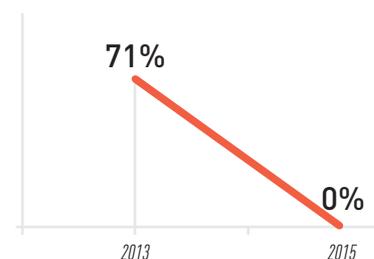


Indicator 6. Development Co-operation is on Budget (Subject to Parliamentary Scrutiny)

Based on results from the current monitoring round, no development co-operation disbursements have been recorded on budget, a significant decline compared to 2013 figures. Two cases contributed to the lack of recording of development

co-operation on budget: 1) finance that was scheduled for disbursement was not disbursed or 2) disbursement that did not go through the budget process or were not recorded by the government.

Percentage on Budget



Indicators 9 and 10. Use of Country Systems

Based on reported use of country systems in the current monitoring round, only 4% of development co-operation used budget execution procedures, 4% relied on country financial reporting and 3% used national auditing procedures. Some 3% of development co-operation used national procurement systems. Partners prefer to use

their own procurement frameworks and only two partners, UNFPA and WHO, channelled development co-operation through country PFM systems. Most ODA was channelled through the MDTF or UN agencies or directly through contractors and NGOs. In the meantime, Sudan has kept its 2.5 score in the Country Policy and Institutional Assessment

(CPIA). Nevertheless, the government is undertaking efforts to strengthen its PFM systems. As regards the proportion of ODA that is untied, Sudan has seen progress from 44% in 2013 to 56% in 2014, but, on the other hand, there is still room for improvement when compared to the 88% of untied development co-operation in 2010.

	Budget (ideal: 100%)	Financial Reporting (ideal: 100%)	Auditing (ideal: 100%)	Procurement (ideal: 100%)	CPIA* (maximum: 6)	Untying (ideal: 100%)
INDICATOR 9B.	4%	4%	3%	3%		
INDICATORS 9A & 10.					2.5	56%

* Country Policy and Institutional Assessment

4. Inclusive Partnerships for Development

Indicators 2 and 3. Fostering Inclusive Partnerships for Development

Most CSOs in Sudan are not involved in the design, implementation and monitoring of national development policies. CSOs have restricted access to government information on development policies and share limited opportunities for capacity-building in the health and education sectors. There seems to be weakness in coordination between CSOs, government, partners and other stakeholders. Most CSOs have no integrated systems of accountability. Sector networks represent specific sectoral NGOs, but there is to be a joint body

representing CSOs to coordinate and lead effective discussion with the government and partners on development policies. The legal and regulatory environment enables the formation, registration and operation of CSOs, but CSOs' access to government information has been limited due to the weak mutual discussion and engagement between the government and CSOs. The notion of public-private dialogue and partnership is present in Sudan. There has been a gradual shift in public policies favouring private sector engagement. The

government has shown interest in and, in some instances, understanding of private sector issues, but currently the private sector does not have any quality-driven engagement in government policies. For the most part, the Federation of Sudanese Businessmen and Employers and the Global Compact Local Network lead dialogue, but there is a lack of quality programmes and mechanisms that would enable the private sector to contribute to development.

Indicator 8. Gender Empowerment

There are no gender-sensitive budgets or systems for tracking allocations for women's empowerment. The government has formed a national committee for the advancement of women's rights and

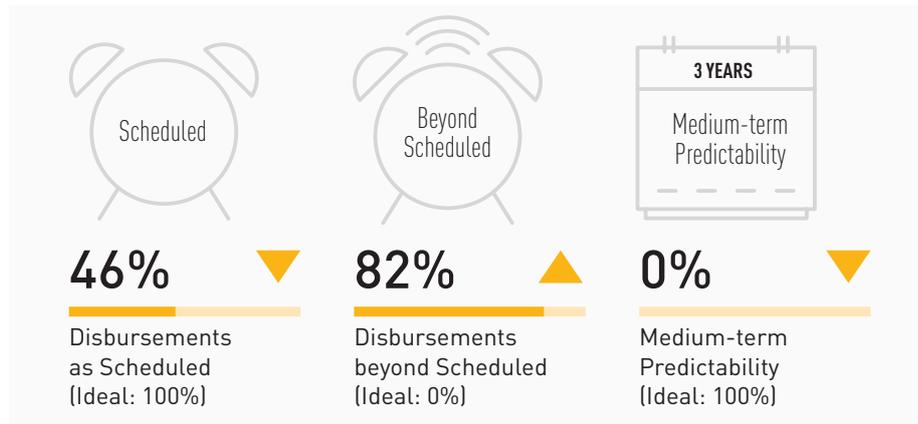
empowerment and national policy has been developed for empowerment of women in Sudan. Women are disproportionately affected in various situations across the country, yet their involvement in leadership

and participation continues to reflect only token treatment. The government and CSOs have launched initiatives to improve maternal health.

5. Transparency and Accountability

Indicator 5. Development Co-operation is More Predictable

Short-term predictability of development co-operation has declined from 71% in 2013 to less than 50% in the current monitoring round. Moreover, medium-term predictability has plunged from 71% in 2013 to 0% now. Among partners who have reported to the monitoring, Japan, WHO and UN Agencies have done a considerably good job in communicating in-year disbursements. Their multi-year plan (UNDAF) ending in 2015 did not provide forward-looking spending. As for Arab finance, there is no indication of any future year intention.



Indicator 7. Mutual Accountability

Sudan has not established a formal mechanism enhancing mutual accountability. However, policy documents on official development finance – the Sudan Interim Poverty Reduction Strategy Paper (IPRSP) and the Sudan Aid Strategy (AS) – form the basis for effective partnership

with development partners. The main goal of such policy is to provide the government with a robust and comprehensive vehicle to monitor and manage multiple development partners. Partners have started moving towards common arrangements for providing development assistance. The Sudan Multi-

Donor Trust Fund (MDTF) is an important modality and a driver of increased mutual accountability in Sudan. The Sudan Aid Information Database (SAID) was launched in 2010 to track ODA.

National Priorities Going Forward

“

National priorities will be organized around the Five-Year Programme for Economic Reform (2015-2019) and will serve as a basis for development partners' alignment. The Programme aims to increase production and exports and to improve living standards through comprehensive, equitable development and social welfare, giving the pivotal role to the private sector. Total private sector investments will account for 83.4% of total investment requirements. The Programme has identified the following pillars: macroeconomic stability in domestic fiscal and monetary sectors and external sector; increase in production and productivity; infrastructure development; comprehensive social services; social protection and social welfare programmes; capacity-building; and public-private partnership. High growth rates will be mainly derived from the consistent high growth rates of the services sector; a major jump in the growth rates of agriculture and industry is projected in the initial two years of the Programme, amounting to about 7.3% and 7.2% for agriculture and 9.3% and 7.6% for industry. The Programme aims to reduce the poverty rate to less than 35% by 2019; to reduce unemployment from around 20% in 2015 to less than 15% by 2019; and to improve health insurance coverage from 37% in 2015 to 70% by 2019. It gives due attention to capacity-building in civil service, improving vocational and technical education and training, upgrading capacities of producers' associations, and adopting a special capacity-building programme for women (especially rural women). Civil society organizations are all priorities in the Programme. The Programme advocates the reduction of disparities between states in education, health water supply and energy, reviewing higher education policies to meet the needs of economic development and the labour market and reshaping the institutions that provide research technology for the labour market.

The main impressions and opinions that emerged from the monitoring exercise are:

- The country's systems need to be reinforced and supported if partners are to use them.
- The period between two surveys should be a continuous learning process at the country level, with technical support from OECD & the UNDP Joint Support Team in Sudan plus advisory documents.
- The awareness workshop from OECD & UNDP Joint Support Team in Sudan should take place.
- 'Yes' and 'no' questions should be avoided and preferably replaced by multiple-choice questions.
- Arabic should be considered as the basic language for all stages of the process.

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Ministry of International Cooperation, Government of Sudan**

Disclaimer This document was prepared based on data collected from voluntary reporting to the Second Monitoring Round of the Global Partnership for Effective Development Co-operation and, for Country Context, other open source information available online. The views presented cannot be used or cited as an official UNDP source of information.

For ease of reference, the term 'country' is used to refer to developing countries and territories that reported to the Monitoring Round. Participation in this process and mention of any participant in this document is without prejudice to the status or international recognition of a given country or territory.