

Annual Performance Report

Sustain Sudan Project (SSP)

February 25, 2026

IFDC
Developing Agriculture from the Ground Up

SUSTAIN AFRICA

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Acronyms and Abbreviations

ABS	Agricultural Bank of Sudan
CIMMYT	International Maize and Wheat Improvement Center
CTC	CTC Group
ETG	Export Trading Group
GE	General Energy
IFDC	International Fertilizer Development Center
LOP	Life of Project
IPTT	Indicator Performance Tracking Table
IRM	International Retail Materials
KPIs	Key Performance Indicators
MEL	Monitoring, Evaluation, and Learning
MFI	Micro Finance Institution
SSP	Sustain Sudan Project
UCB	United Capital Bank
WAS	WAS Trading Co Limited

Executive Summary

Sustain Sudan Project (SSP) has primarily initiated the reversal of the collapse of agricultural input markets in war-torn Sudan, demonstrating that a market-based approach is not only possible but is the most viable path to counter hunger in fragile and conflict contexts. In its first year of operation, SSP has not only exceeded its core delivery targets but has also achieved a more significant outcome: it has begun to rebuild the confidence of international suppliers, local agro-dealers, and financial institutions in Sudan's agricultural economy. By treating the market as patient, not just a pipeline, SSP has laid out the groundwork for a sustainable, private-sector-led revival of local food production.

Realizing Targets and Rebuilding Markets in Crisis
Operating with time constraints while building new local relationships amidst an active conflict, SSP realized its first-year targets. The project secured 53,700 metric tons of essential agricultural inputs (48,500 MT of fertilizer and 5,200 MT of certified Irish potato seed). More critically, SSP successfully reversed the paralyzing risk perception that had driven international suppliers from the market. By cultivating commercial relationships based on transparency and demonstrable follow-through, SSP secured first shipments from ETG and IRM while increasing quantity of AgriCo to an all-time high. These same suppliers are now proactively negotiating forward contracts for Year 2, signaling the initial stage of sustainable market re-engagement.

Forging a Resilient, Multi-Channel Supply Chain
SSP has built a robust and diversified input distribution system by working through and strengthening Sudan's existing commercial networks. Rather than creating a parallel system, SSP forged lasting relationships with four core Sudanese agro-dealers: General Energy, WAS Trading, CTC Group, and Nutri Crop, primarily shifting their business practices. The project deployed five distinct distribution models tailored to different market segments, creating a resilient ecosystem that can withstand security shocks:

- **Managed Schemes Model:** SSP's importation of fertilizer catalyzed the Agricultural Bank of Sudan (ABS) to resume direct engagement with large-scale irrigation schemes. As a result, the ABS will deliver 12,500 MT of fertilizer to the New Halfa (8,500 MT) and El Gazira (4,000 MT) schemes, activating public finance infrastructure for over 25,000 farmers.
- **Commercial Bank Sales Model:** Used a first loss guarantee to unlock private bank liquidity, with United Capital Bank providing 100% of lending capital, proving that agricultural lending can be commercially viable.
- **Microfinance Institutions (MFI) Sales Model:** Demonstrated smallholder creditworthiness by channeling a fully funded facility through Al Ebdaa MFI, directly contradicting market assumptions about the risk of lending to this segment.
- **Integrated Supply Chain Model:** Created a closed-loop system for the Irish potato value chain, linking input supply with technical extension and guaranteed offtake. This model, which delivered 5,200 MT of seeds and 4,000 MT of fertilizer, proved so resilient that it successfully navigated armed supply seizures and maintained the only sustained agricultural input channel operating in Darfur during the reporting period.

- **Retail Agro-Dealer Network Model:** Supported the establishment of 60-day supplier credit as a market norm between hub dealers and downstream retailers, distributing 37% of total fertilizer volume purely on commercial terms.

Institutionalizing Change and Building for the Future

SSP's strategy is not just to deliver inputs, but also to create a self-sustaining agricultural finance and supply ecosystem. The project's systemic impact is evident in the behavioral shifts of market actors and the institutional frameworks it is helping to build. Agro-dealers who initially doubted SSP are now competing for larger allocations and investing in their own capital. Financial institutions, having observed the successful absorption of first-mover risk, are signaling readiness to engage.

As part of its long-term exit strategy, SSP has embedded sustainability mechanisms into every facet of its work. The project designed its innovative financing instruments, from first loss guarantees to impact-linked grants, to be time-bound, thereby avoiding dependency and building a track record of creditworthiness. The partnership with WAS Trading has moved beyond a donor-facilitated pilot, with the company now seeking to strengthen institutionalization of the integrated value chain model as a permanent business line. Furthermore, SSP's local and international market knowledge alongside adaptive management ensured close collaboration with local partners, thereby laying the foundation for a strong agricultural economy when Sudan emerges from conflict.

Strategic Positioning and the Path Forward

SSP has successfully navigated the inherent trade-off between delivering inputs at speed and building long-term market systems. By prioritizing scale through established actors in Year 1, while deliberately signaling its intent to broaden inclusion in Year 2, the project has avoided creating market distortions. The dialogue among ecosystem actors has now fundamentally shifted, from questioning whether market-based input supply is possible to actively plan how to scale it. This shift is the necessary precondition for attracting the larger financial instruments and policy accommodation required for a fully sustainable market. SSP has proven that even in the depths of conflict, the power of the private sector can be re-ignited to pull resource-poor farmers back into productive value chains, offering the only sustainable path to food security for Sudan.

1. Background and Strategy

Sustain Sudan Project (SSP) stimulates the power of the private sector to revive local food production and counter famine by addressing critical market failures that have collapsed the supply of essential agricultural inputs. Our analysis, supported by experts like the Clingendael Institute, confirms that large-scale food aid cannot meet Sudan's needs; the only sustainable path to food security is reviving Sudan's inherently viable agricultural economy.

SSP addresses two principal market failures exacerbated by the war: (i) the severe breakdown of supply chains and financing for quality farm inputs, particularly fertilizer; and (ii) the prohibitive risk perception that prevents private agro-dealers, financiers, and international suppliers from re-engaging in the market. We are addressing these failures by:

- Creating a sustainable, market-based ecosystem for agricultural inputs using "smart" de-risking and incentives: We provide targeted, time-bound support to agro-dealers, banks, and suppliers to reduce the overwhelming risks and transaction costs of restarting input supply. This includes establishing a Trade Guarantee Facility and designing voucher-based price support (not blanket subsidies) to enable smallholder farmer access without creating market distortion or dependency. Our approach pulls marginalized farmers back into viable commercial relationships with suppliers.
- Implementing a partnership-based operating model to rebuild systems: We work through and strengthen Sudan's existing network of professional agro-dealers, farmer organizations, financial institutions, and logistics providers. Our strategy is to build a diverse range of partnerships critical to (a) securing import financing, (b) testing innovative distribution models for safer areas, (c) developing adapted financial products for agro-dealers, and (d) reducing the perceived and real risks of operating in Sudan's agricultural sector.

SSP supports the entire input supply chain to restart and expand by facilitating access to trade finance, de-risking transactions for international suppliers, and promoting the smart use of targeted vouchers. This support aims to create a core group of viable agro-dealers and financiers equipped to sustain transactions after the project ends, ensuring the foundation for a strong, private-sector-led agricultural economy when Sudan emerges from conflict.

Alongside humanitarian aid, SSP mobilizes the essential inputs required to reactivate Sudan's agricultural market system. By unlocking the finance and supply chains necessary for farmers to produce food, SSP pull smallholders back into productive value chains. This contributes directly to the overarching goal of reducing hunger through sustainable, market-based local production.

2. Input Sourcing

SSP realized its first-year target for agricultural input delivery, securing 53,700 metric tons of fertilizer and certified seeds against a target of 50,000 MT (107%) for the winter season. SSP delivered 37,500 MT of fertilizer and 5,200 MT of certified Irish potato seeds through direct structuring / facilitating arrangements. An additional 11,000 MT of fertilizer were catalyzed as a result of the initial direct engagement. The project secured and distributed these inputs despite operating without finalized contractual instruments or disbursed funds at multiple decision points, during a period of acute global fertilizer supply constraints and continued volatility in Sudan's import and payments systems.

More significantly, the project has begun to reverse the risk perception that had paralyzed Sudan's agricultural input market. International suppliers who committed shipments on verbal assurance are now negotiating forward contracts for Year 2. Local agro-dealers who initially doubted supply would materialize are requesting expanded allocations and investing their own capital in preparation. A market that viewed SSP as an unproven entrant twelve months ago now treats the program as a credible, predictable market facilitator.

Table 1: Sourced Inputs Volume (MT)

Agro-dealer	Urea	DAP	AmSul	Potato Seeds
General Energy	37,650	0	0	0
WAS Trading Co Limited	2,000	2,000	0	5,200
CTC	0	6,350	0	0
Nutri Crop	0	0	500	0
Total	39,650	8,350	500	5,200

2.1 Systemic Impact: Reversing Market Failure in International Supply Chains

Perceived risk drove the withdrawal of international fertilizer and seed suppliers from Sudan, specifically, the view that payment would not materialize - given damage of assets due to the conflict and outstanding payments for some - and that procedural friction outweighed potential returns. SSP pursued a strategy of deliberately cultivating commercial relationships, transparent negotiation, and demonstrated follow-through discipline. This approach aimed to substitute institutional processes in the short term and rebuild supplier confidence over time.

SSP approached partners with whom it had accumulated relational capital through prior engagements that included Export Trading Group (ETG), Agrico, and International Retail Materials (IRM). The project team maintained transparent communication regarding constraints and structured creative payment and delivery terms.

Suppliers committed to manufacturing and dispatch schedules with contracts under finalization and irrevocable payment instruments under processing / to be received. All three counterparties cited the project team's availability, honesty about delays, and consistent follow-through on prior engagements as sufficient guarantee to re-enter the Sudanese market.

All suppliers who shipped on trust in Year 1 have signaled willingness to engage on forward contracts for Year 2. This shift from trust as substitute to trust as complement represents the initial stage of sustainable market re-engagement.

2.2 Strengthening Last-Mile Distribution: Partnering with Sudanese Agro-Dealers

Parallel to securing international supply, SSP addressed the collapse of last-mile input distribution. Rather than constructing parallel systems, the project worked through Sudan's existing network of professional agro-dealers.

Under time constraints ahead of the winter planting season, SSP identified, vetted, and contracted four Sudanese agro-dealers General Energy (GE), WAS Trading Co Limited, CTC Group, and Nutri Crop using segmented contracting strategy that balanced immediate volume requirements with longer-term systemic inclusion objectives.

Agro-dealers who initially doubted SSP's ability to deliver are now requesting expanded allocations and engaging as partners in forward planning. These actors are not passive recipients of aid; they are active commercial participants responding to early signals of market re-activation. A functional, Sudan-wide dealer-led distribution mechanism is now in place and capable of channeling inputs at scale.

In Year 2, SSP aims to broaden and deepen the agro-dealer network to aggregate smaller, more remote, and more diverse actors.

2.3 Behavioral Shift: Market Confidence Indicators

While SSP realized its first-year inputs volumetric targets, behavioral shifts among market actors represent the program's most significant outcome. International suppliers who require months of persuasion to ship on verbal assurance are now proactively proposing forward contract terms for Year 2. Local agro-dealers who doubted supply would materialize are now competing for larger allocations and committing their own working capital. Financial institutions and logistics providers that remain on the sidelines are now signaling readiness to engage, citing the successful absorption of first-mover risk. During start-up, market actors viewed SSP as an unproven entrant; after the winter season, they regard the SSP as a credible facilitator and predictable partner.

This credibility catalyzed the Agricultural Bank of Sudan (ABS) to resume direct engagement with large-scale irrigation schemes, the traditional backbone of Sudan's formal agricultural sector. By demonstrating that input supply was reliable, GE as largest importer through SSP enabled ABS to reactivate its financing channels for significant tonnages, restoring a credit model that had lapsed since the onset of conflict. The momentum extended further: General Energy (GE) is now independently importing a second vessel with 11,000 MT of Urea (Saudi origin/SABIC) from ETG, a transaction made possible by the foundations laid in the initial transaction cultivated between GE, and ETG under SSP during the winter season. These foundations include contracting to payment terms to the final complete payment of the LC etc.

2.4 Managing Strategic Trade-Offs: Volume, Inclusion, and Systemic Integrity

Year 1 identified a core tension characteristic in market systems programming within acute crisis contexts: the need to move at the speed of emergency while staying spot-on to long-term market strengthening objectives.

SSP navigated this trade-off by strategically segmenting its dealer engagement. The project prioritized rapid scale through established commercial actors capable of moving volume immediately, while simultaneously signaling that Year 2 would deliberately expand the base to include smaller and more diverse enterprises. This approach did not produce a perfectly representative dealer cohort in Year 1. More critically, it avoided creating new market distortions or locking in dependency relationships.

SSP now enters Year 2 positioned to refine this balance by deepening partnerships with proven performers while systematically broadening access for a wider set of Sudanese agro-dealers capable of serving more smallholder farmers.

2.5 Enabling Environment: Early Engagement

The sustainable revival of Sudan's agricultural input market requires predictable trade policies, streamlined import processes, and functioning finance. SSP has not resolved these structural constraints in Year 1.

More importantly, the dialogue among ecosystem actors has shifted, from whether market-based input supply is possible to how to scale it. That shift is not merely symbolic. It is the necessary precondition for the financial instruments and policy accommodation that must follow if the market is to be sustainable and expand

3. Input Distribution

SSP delivered 48,500 MT of fertilizer and 5,200 MT of certified Irish potato seed. The project deployed five distinct distribution models: Managed Schemes, Commercial Bank Sales, MFI Sales, Integrated Supply Chain, and Retail Agro-Dealer Network, each tailored to specific market segments and risk profiles.

These results were achieved through supported agro-dealer partners WAS, CTC, General Energy, and Nutri Crop, who translated finance and partnerships into last-mile delivery across Gezira, White Nile, Sennar, Gedarif, Halfa, Port Sudan, River Nile, Northern, Khartoum, Darfur, Kassala, and other States. That meant navigating complex logistical hurdles, active security volatility, and the absence of finalized contractual instruments at multiple decision points. SSP moved inputs anyway.

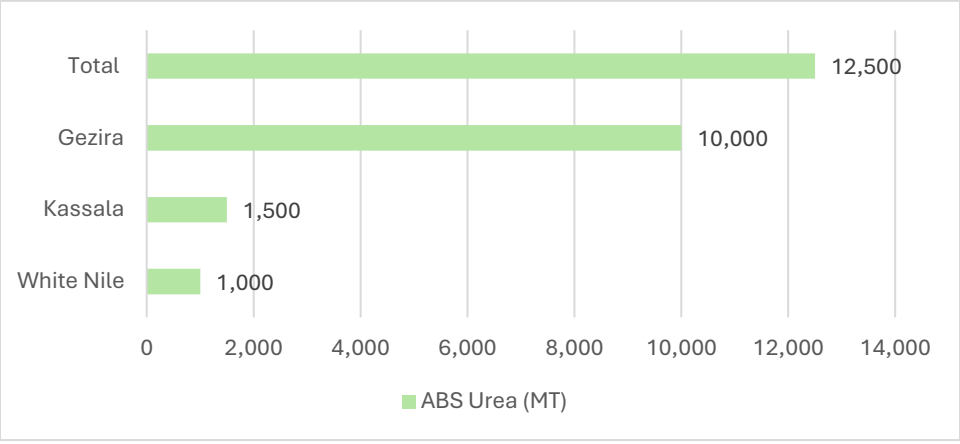
3.1 Managed Schemes Model: Activating Public Finance Infrastructure

SSP's importation of fertilizer catalyzed the Agricultural Bank of Sudan (ABS) to resume direct engagement with large-scale irrigation schemes, the traditional backbone of Sudan's formal agricultural sector. The availability of SSP-supplied inputs from General Energy (GE) enabled ABS to reactivate financing channels, restoring a credit model that had lapsed since the onset of conflict.

Under this revived model, ABS bears all credit and currency risk, insulating the project from foreign exchange exposure while ensuring predictable input costs for beneficiary farmers. ABS provided Shariah-compliant financing structured around seasonal repayment calendars, addressing a critical absence of formal agricultural credit for irrigation scheme farmers. Leveraging the large fertilizer volume facilitated by SSP and available through GE that made the lending viable; ABS and GE managed direct engagement with the schemes.

The model distributed 12,500 MT of Urea fertilizer, valued at approximately USD 10 million, to farmers in major irrigation schemes including New Halfa (8,500 MT) and El Gazira (4,000 MT). This volume represents 33% of SSP's total fertilizer delivery, reaching an estimated 25,000 farmers across approximately 50,000 hectares.

Figure 1: ABS Urea Distribution



Large-scale irrigation farmers are better capitalized than smallholders who face critical seasonal liquidity gaps and the complete absence of formal agricultural credit. Commercial banks do not lend to this segment; informal credit carries high interest rates. This model provided timely, structured financing aligned with planting calendars, enabling productivity continuity on nationally significant farmland.

3.2 Commercial Bank Sales Model: Unlocking Private Sector Liquidity

SSP deployed a first loss guarantee mechanism (cash-backed, up to 78% coverage) to de-risk commercial bank capital for agricultural lending. United Capital Bank (UCB) provided 100% of lending liquidity while SSP absorbed defined credit risk up to the guarantee ceiling. UCB assumed full currency risk, effectively hedging the project against depreciation by on lending in Sudanese Pounds while SSP held guarantee funds in USD. Input distribution data collection and verification are ongoing and will be reported during the next reporting period.

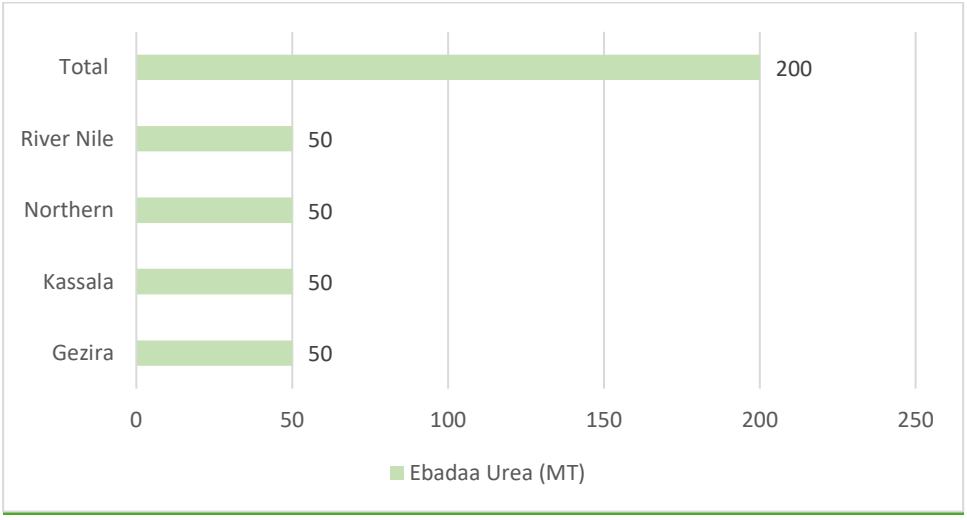
Commercial banks systematically exclude farmers with banking access from agricultural credit, not because capital was scarce, but because risk perception was prohibitive. The conflict has further depleted access to currency. They viewed agriculture as an unbankable sector: correlated risk, unpredictable weather, and unreliable repayment.

What this model demonstrated is that agricultural lending can meet commercial performance standards when appropriately structured, with predictable offtake linkages and time-bound credit enhancement.

3.3 MFI Sales Model: Targeting Smallholder Inclusion

SSP provided a fully funded facility to Al Ebdaa Micro Finance Institution (MF), which on lent to targeted smallholder farmers under terms aligned with seasonal repayment capacity. Al Ebdaa deployed the facility through its existing branch network in River Nile, Northern, Kassala, and Gezira states, utilizing its proprietary group lending methodology-enabling distribution of 200 MT of urea fertilizer.

Figure 2: Al Ebdaa MFI Input Distribution



Smallholder farmers face triple exclusion: from public schemes designed for large irrigation blocks, from commercial banks requiring formal collateral and account history, and from informal credit carrying prohibitive interest rates that trap borrowers in debt cycles. This model demonstrated that targeted smallholder finance is viable when channeled through specialized local intermediaries with deep community presence, flexible underwriting, and appropriate incentives.

3.4 Integrated Supply Chain Model: Closed-Loop Impact

SSP deployed impact-linked grants to create aligned-value ecosystems for Irish potato value chains. These grants incentivized WAS to integrate + increase input supply with technical extension and output market offtake arrangements. The model linked certified seed multipliers, input distributors, and commercial potato buyers (including processing companies and fresh produce exporters) into coordinated production contracts. The impact-linked grant carries specific Key Performance Indicators (KPIs) and requires repayment only if those targets are missed. The guarantee expired without being called, as WAS transferred its required payment on time. As a result, SSP's exposure under these facilities currently carries no risk.

The partnership with WAS alone delivered 4,000 MT of fertilizer (2,000 MT urea, 2,000 MT DAP) and 5,320 MT of certified Irish potato seeds, directly enabling cultivation on approximately 2,100 ha. Certified Irish potato distribution reached six states, with concentrated delivery in River Nile, Khartoum, and Northern State.

Table 2: WAS certified Irish Potatoes Seed Distribution

State/Region	Quantity (MT)	Notes
River Nile	2,613.85	22 Farmers (Inc. 3 Schemes)
Northern	446.6	Farmers (Inc. 2 Schemes)
Khartoum	1,876.55	13 farmers (Inc. WAS Co.)
Darfur	124.15	Successfully Delivered
Kassala	42	2 farmers
Al-Jazeera	21	1 Farmer
Losses	50	Seized/Transit Delays
In Store	25.85	Reserved for Darfur

This distribution footprint represents the limited sustained agricultural input channel operating in Darfur during the reporting period. The 124.15 MT delivered to Darfur reached farming communities that had received no formal input supply since the onset of the conflict. An additional 25.85 MT remains in storage, reserved for Darfur activation as security conditions permit.

Despite severe security challenges, including the armed seizure of 30 MT of seeds in transit to Darfur, the model proved resilient. WAS rapidly rerouted remaining shipments, maintained transparent communication with SSP and downstream farmers, and successfully delivered 124.15 MT to Darfur. The distribution pipeline, including warehousing positions and pre-negotiated offtake relationships, remains intact despite active conflict.

The seed seizure was a material loss; SSP absorbed it fully through its grant mechanism, protecting WAS's balance sheet and commercial viability. The project's capacity to absorb such shocks is limited. But the resilience demonstrates; rapid rerouting, transparent communication, pipeline preservation, and counterparty commitment, stemmed directly from the relational capital underpinning SSP's partner engagement.

For smallholder farmers, the critical gap is not input access alone, but the linkage between input access and profitable output markets. Financing is insufficient if offtake certainty is absent. Without pre-arranged buyers or price guarantees, farmers face the risk of producing at a loss, unable to recover input costs at harvest. For agro-dealers, value chain integration generates superior repayment performance and deeper client relationships that extend beyond single-season transactions. Farmers with guaranteed offtake in the past demonstrate higher repayment discipline; dealers with integrated service offerings capture greater customer loyalty and repeat business.

WAS demonstrated an appetite for expanded allocations in Year 2. Preliminary discussions focus on geographic expansion to additional states, crop diversification beyond Irish potatoes (including sesame, wheat, sorghum, sunflower, and groundnuts), and institutionalizing the integrated model as a permanent business line rather than a donor-facilitated pilot. WAS has signaled willingness to preposition inventory in Darfur in advance of the next planting season, contingent on security assessments and continued risk-sharing arrangements.

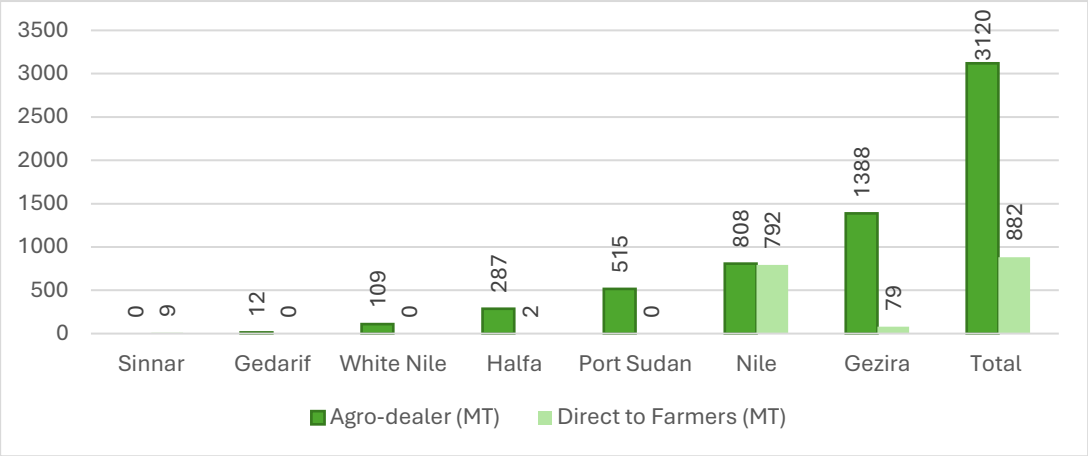
The Darfur pipeline, though tested by active conflict, remains intact and positioned for activation. This represents the only functional, pre-positioned agricultural input channel to Darfur during the reporting period.

3.5 Retail Agro-Dealer Network Model: Private Sector Distribution Efficiency

This model operated on supplier credit extended by hub agro-dealers to downstream retailers, requiring no direct financial risk assumption by SSP. The model facilitated working capital solutions primarily through inventory financing arrangements with commercial banks and trade credit guarantees that enabled hub dealers to extend 30–60-day credit terms to their retail networks. This activated a sustainable commercial pipeline for input access without creating dependency on project subsidy.

During this reporting period, the network distributed 4,850 MT of fertilizer through CTC across 7 states, and 13,950 MT through General Energy, representing 37% of SSP's total fertilizer volume, across other states.

Figure 3: CTC Input Distribution



Critically, this model operated on commercial terms: downstream retailers repaid hub dealers with interest margins; hub dealers serviced their bank facilities from these repayments.

For hub agro-dealers, the binding constraint is working capital gaps that prevent inventory accumulation at scale. Commercial banks require tangible collateral and proven repayment of histories; agro-dealers traditionally operate on cash basis, limiting volume. For downstream retailers, the constraint is cash-on-delivery requirements that force stock-outs during peak planting periods. For farmers, the constraint is geographic access, inputs unavailable near point of need, or available only at prices reflecting fragmented, small-volume procurement.

Prior to intervention, supplier credit between hub dealers and downstream retailers did not exist at scale. Where it did occur, it remained ad hoc, confined to trusted family networks, and limited in term.

The model has now established 60-day credit as a market norm for participating retailers. Going forward, SSP's role is to catalyze these relationships through risk-sharing; an approach not yet deployed during the winter 2025 season.

4. Access to Innovative Finance

4.1 Input purchase finance: Restoring working capital across the supply chain

SSP's input purchase finance model unlocked the structural liquidity constraints long constrained Sudan's agricultural input system. The project deployed complementary supply and demand-side finance instruments, structured as time-bound guarantees and fully funded facilities, to restore working capital flows from international suppliers through local agro-dealers to smallholder farmers. By the end of Year 1, this dual-sided intervention enabled 37,500 MT of fertilizer imports, supported four agro-dealers to access international supply, and delivered over 20,000 MT of inputs to farmers through credit-enabled channels.

4.2 Supply-Side Finance: Restoring Agro-Dealer Access to Trade Credit

International fertilizer suppliers require advance payments, letters of credit, or equivalent guarantees to release stock. Sudanese agro-dealers, their balance sheets disrupted by years of conflict and economic instability, lack access to conventional trade finance. Without intervention, imports remain small-scale, opportunistic, and priced at significant premiums.

SSP deployed two complementary instruments to unlock import volumes: direct supplier guarantees to counterparties including ETG and IRM, enabling shipment releases without finalized letters of credit; and bank relationship facilitation to support agro-dealers in securing documented trade finance from commercial banks. Through these mechanisms, the project secured and delivered 37,500 MT of urea, DAP, and ammonium sulphate—104% of target. Notably, 75% of this volume (33,000 MT) required either a direct SSP supplier guarantee or full advance cash payment to secure supplier commitment.

4.3 Demand-Side Finance: Activating Credit Access Across Farmer Segments

Smallholder farmers cannot afford full upfront payment for inputs and remain entirely excluded from formal agricultural credit. Without financing, demand remains suppressed; inputs remain in warehouses, and productivity stagnates. Larger farmers, while better capitalized, also face seasonal liquidity gaps and prohibitive risk perceptions from commercial lenders.

SSP activated three parallel demand-side channels, each tailored to a distinct farmer segment:

For large-scale irrigation farmers, the project leveraged the Agricultural Bank of Sudan (ABS) that deployed government-backed credit. ABS bore all credit and currency risk, distributing 12,500 MT of Urea-46 fertilizer to farmers in major irrigation schemes including New Halfa.

For mid-to-large farmers with banking access, SSP deployed a first loss guarantee mechanism (cash-backed, up to 78% coverage) with United Capital Bank (UCB). UCB provided 100% of lending liquidity; SSP absorbed defined credit risk; UCB assumed full currency risk. UCB disbursed fertilizer loans to

farmers with established banking relationships. Repayment periods aligned with harvest cycles; lenders observed credible offtake arrangements.

For smallholder farmers, SSP provided a fully funded wholesale facility to Al Ebdaa MFI, which on loan targeted smallholder farmers under terms aligned with seasonal repayment capacity. The facility is fully disbursed and serviced within the agricultural season.

More than 20,000 MT of fertilizer, over half of SSP's total distribution, reached farmers through credit-enabled channels. Smallholders demonstrated creditworthiness under active conflict conditions, directly contradicting market assumptions.

4.4 Portfolio Synthesis: Managing Trade-Offs Across Segments

Each demand-side channel carried distinct trade-offs. The government scheme delivered volume at scale but surfaced familiar challenges around leakage and currency risk pass-through. The commercial bank channel mobilized private capital but required de-risking capital. The MFI channel reached the critical smallholder majority but remained capacity constrained. The agro-dealer network financing requires careful deliberation that SSP leads to increased credit portfolio or better terms for farmers.

5. Cross Cutting Areas

5.1 Communication

SSP exceeded its Year 1 communications targets, mobilizing broad stakeholder engagement and securing sustained visibility across international, national, and local platforms. Since shifting from a low-security-profile posture to systematic storytelling, SSP has documented and disseminated the full arc of its intervention, from sourcing to last-mile delivery, demonstrating that agricultural supply chains can function effectively even under active conflict conditions.

5.1.1 Strategic Communications Design

SSP operates under a comprehensive Communications Strategy and Plan that prioritizes narrative control and strategic messaging under the circumstances. Rather than focusing on operational processes, the project communicates how its interventions directly address ground-level (systemic) challenges facing smallholder farmers in conflict context. This pivot has strengthened stakeholder confidence and positioned SSP as a credible, transparent implementer.

5.1.2 Visibility and Documentation

SSP has produced and disseminated 2 blogs, 1 press release, a newsletter, and a suite of branded materials including brochures and fact sheets, which capture project milestones. The numbers could have been higher had we employed a high visibility communications strategy. The project also completed end-to-end photography and videography documenting the full input supply chain, from sourcing and transport to farmer distribution. This visual repository now includes photos and videos from farmers who received inputs, creating participants' project impact records.

5.1.3 Media and digital engagement

Following the 2025 winter season input distribution; SSP issued a targeted press release and amplified its reach through direct engagement with local media outlets, securing coverage that extended the project's visibility beyond traditional development audiences. The project now actively manages its social media channels using a structured content calendar that ensures consistent, high-frequency communication of key messages. This methodical approach has increased audience reach and public awareness of SSP's work.

5.1.4 Institutionalizing Communication Capacity

SSP has not merely executed communications activities; it has built them into the operational fabric of the project. SSP, data collectors, agro-dealers, and partner staff now regularly contribute field photography and beneficiary stories, embedding documentation capacity within the delivery system itself. This ensures that even as SSP evolves, its ability to capture and communicate impact will continue.

5.2 Monitoring, Evaluation and Learning

5.2.1 Development of the MEL framework

SSP designed and deployed its Monitoring, Evaluation, and Learning (MEL) framework during the startup phase. The overall goal of the MEL framework is to support evidence-based programming, performance measurement and management, and reporting and learning through the continuous collection and analysis of timely, accurate, and reliable data on SSP's key areas of intervention. This

facilitates effective performance management, accountability, organizational learning, and adaptive planning and management.

5.2.2 Digital Infrastructure, Human Delivery

SSP digitized input price, exchange rate, fuel, sourcing, and last-mile input delivery data collection using Kobo Toolbox. SSP selected the platform for its intuitive interface, robust offline functionality, and proven performance in fragile states. SSP configured the system to capture both granular and aggregated data at the point of sale.

Digital tools alone do not generate intelligence. SSP recruited and trained local enumerators, drawing from agricultural extension networks and recent university graduates, to collect last-mile input distribution data. Training emphasized technical proficiency, conflict sensitivity, ethical data handling, farmer rapport, and adaptive problem solving. SSP deployed these enumerators to agro-dealer points of sale and, where security permitted, alongside mobile distribution teams into remote communities.

5.2.3 Market-Led Aggregated Data

SSP operates on a market-led model. Where large partners enforce strict data protection protocols that restrict access to beneficiary identifiers, the project does not force intrusion. Instead, it aggregates at the transaction level tracking total beneficiaries including farmers reached, volumes sold, prices, and distribution of localities. This approach has enabled SSP to capture data without compromising the commercial relationships that underpin its success and sustainability.

5.2.4 Baseline Value (IPPT to be included in the annex)

SSP established a robust baseline as a strategic anchor for impact verification. SSP synthesized secondary data from the IFPRI Sudan surveys, FAOSTAT, and peer-reviewed agricultural economics literature to construct benchmarks for key indicators:

- Percentage of households reporting improved food availability and security
- Percentage of households reporting improved access to agricultural inputs
- Yield of target crops
- Annual quantity of fertilizer imported into Sudan

These baselines will enable SSP to measure and track outcomes of participating smallholders after accessing inputs through SSP supported channels.

5.2.5 Cost Build Ups

SSP collected and analyzed fertilizer cost build-up data to expose the true drivers of input pricing under conflict conditions. Rather than accepting landed cost as a fixed variable, SSP deconstructed every layer:

- International procurement prices
- Red Sea war risk insurance premiums
- Port Sudan handling and demurrage charges
- Overland freight through contested corridors
- Financing costs incurred across extended transit timelines

This granular analysis revealed that security-related logistics, particularly insurance markups and route contingency charges, accounted for an increased cost premium on fertilizer delivered to farmers, far exceeding traditional freight and handling estimates. That finding informed renegotiated

transport contracts, consolidated shipment schedules to reduce per-unit insurance exposure, and calibrated credit terms that preserved both farmer profitability and agro-dealer viability.

5.2.6 Adaptive Management, Institutionalized

SSP conducted a winter season lesson learned study, collecting structured feedback from project staff, on progress, challenges, and emerging solutions. Findings from that exercise have already shaped Year 2 targeting criteria and supplier selection thresholds. The project now monitors exchange rate fluctuations and fertilizer and fuel prices not as ambient data points but as core procurement intelligence, translating currency volatility and price spikes into actionable routing and warehousing decisions before bottlenecks compound. The same cost build-up data now informs partner negotiations and donor advocacy, equipping SSP to make clear-eyed trade-offs between speed, cost, and risk exposure in each successive season.

5.3 Safety and Security

5.3.1 Integrated Security Risk Management Framework

Since May 2025, the Sustain Project has institutionalized daily security briefings as a foundation of its operational resilience strategy. The Clingendael Institute jointly facilitates these sessions, providing strategic geopolitical analysis through a conflict sensitive lens. CIMMYT and 249Startups enrich them with field-level insights, and the IFDC Security Coordinator contributes to tactical updates. This multi-stakeholder collaboration ensures that security intelligence is both contextually grounded and strategically robust.

Building on this foundation, the project has developed and rolled out comprehensive security strategy documents and field operational manuals. These tools codify standard operating procedures (SOPs), contextual risk assessments, and mitigation protocols, directly informing logistical planning and partner engagement. Notably, the SSP Project has systematically integrated security insights into port logistics planning and agro-dealer distribution networks, thereby enhancing the resilience of downstream supply chains.

5.3.2 Evolving Threat Landscape and Impact on Supply Chains

While active hostilities remain concentrated in West and North Kordofan, the El-Fasher region, and several Darfur localities, recurring incidents have fundamentally altered the perceived security of international supply corridors into Sudan:

Drone strikes on Port Sudan infrastructure: Strikes hit a fuel depot at the airport, triggering widespread concern among current and potential suppliers. Although port operations have continued, the attacks have prompted urgent reassessments of reliance on maritime routes and accelerated contingency planning for alternative overland corridors.

Houthi attacks on Greek cargo vessels in the Red Sea: Houthi forces targeted two vessels, one carrying fertilizers bound for Turkey. These strikes precipitated a 150% surge in insurance premiums for Red Sea transits, compounding cost pressures, and reducing the attractiveness of this primary artery.

Despite these disruptions, most suppliers, including a potential Egyptian partner, continue to favor sea freight over land alternatives. Overland routing from Egypt via the Nile and Lake Nasser remains prohibitively expensive and similarly vulnerable to security breaches, offering no immediate reprieve.

5.3.3 Strategic Adaptations and Sustainability-Driven Responses

In alignment with the Sustain Project's core mandate, to ensure continuous, resilient delivery of agricultural inputs and technical support, we are pursuing the following adaptive measures:

Enhanced stakeholder coordination: Regular security briefings now shared with agro-dealers, translating threat intelligence into actionable routing and timing recommendations.

5.4 Inception Workshop

During the reporting period, the project convened all core implementing partners for a two-day inception and alignment workshop. This critical activity marked a significant step in transitioning from project design to operational implementation. The workshop achieved two primary objectives:

Shared Understanding and Buy-in: The first day ensured all partners gained a common, in-depth understanding of the project's goals, theory of change, and challenging operational context in Sudan. This alignment is foundational for cohesive and adaptive implementation.

Operational Planning and Role Clarification: The second day dedicated to the collaborative development of the initial implementation plan. This resulted in formal clarification and agreement on the specific roles and responsibilities of each partner organization (detailed below).

Table 3: Finalized Partner Roles and Responsibilities Matrix

Partner	Key Responsibilities
Sustain Africa	• Overall project coordination, • Leads fundraising efforts • Negotiate supplier contracts and discounts • Coordinates agro-dealer participation with CIMMYT and 249Startups • Leads procurement and transport • Manage payment systems and guarantees • Tracks input movement and farmer access • Leads baseline studies and donor reporting • Coordinates the learning agenda and future design • Leads communication
Clingendael Institute	• Provides security and political assessments • Supports risk monitoring and communication strategy • Conducts market and food security impact assessments • Contributes to the learning agenda
CIMMYT	• Leads logistics and customs arrangements • Coordinates input distribution schedules • Provides training and extension services • Monitors farmer access and price control • Supports yield assessment and market offtake
249Startups	• Supports agro-dealer training and digital extension • Leads awareness and demand campaigns • Collaborates on risk monitoring and distribution • Provides access to finance solutions
IFDC	• Manages project contracting and legal oversight • Leads financial mechanisms and fiduciary responsibilities

5.5 Lessons learned

SSP designed the lessons learned data collection exercise to capture detailed, qualitative insights into project performance, the challenges navigated, and the practical lessons to carry forward from the project staff. Below are the lessons we learned from the 2025 winter season.

Business Model

- Donor-funded incentives are effective for initiating agro-dealer contracts but are insufficient to overcome the major financing gap that limits downstream uptake and scale.
- High food prices create a viable business case for farmers, but the critical barrier remains a systemic lack of access to finance at the farmer's level.
- Realistic scaling requires planning around hard constraints in uptake capacity, as seen in the estimated 100k MT ceiling for the summer 2026 season.

Operational

- Operational excellence and meticulous risk navigation are non-negotiable prerequisites for success in this high-risk context, as standard practices are inadequate.
- The project's model and record of accomplishment are its primary assets for onboarding international suppliers, highlighting the extreme importance of reputational credibility and trust.
- Internal factionalism and strife severely limit opportunities for demand aggregation, requiring a decentralized and flexible operational approach.
- Bridging the gap between international and in-country operational realities necessitates intensive, hands-on partner management and points to the need for more integrated program leadership and execution.

Finance

- Local financial institutions, including the stronger ones, are constrained by a lack of USD/SDG liquidity and risk appetite, preventing them from being primary funding channels.
- Traditional International Financial Institutions (IFIs) currently show no risk appetite for Sudan's private sector, focusing instead on public finance models.
- To scale finance across the value chain and reach farmers, Sudan needs external, risk-bearing capital structured for high-risk environments, where investors accept an Expected Loss of around 15%.

Communication

- A discreet, low-profile communications strategy is the most effective operational posture, even when regulatory and governmental bodies are formally aware of activities.

Annex 1: Indicator Performance Tracking Table (IPTT)

#	Indicators	Unit of Measure	Data Source	Frequency	Baseline	LOP Target	Actuals	Notes
Goal: Improved food security and agricultural resilience in Sudan								
1	Number of people made food secure as a result project support	Number	National food security assessments FAO/IFPRI/WFP reports	Annual	0	2 mln	Data not available	Data is unavailable pending the release of the winter season food security assessment.
2	Increase in cereal production for users of Sustain product	%	National food security assessments FAO/IFPRI/WFP reports	Annual	0	40%	Data not available	Data is unavailable pending the release of the winter season food security assessment.
Outcome: Increased access to affordable inputs								
3	Farmers receiving inputs as a result project support	Number	Distribution records/Farmers survey	Quarterly	0	No target	92,700	Distribution data indicates that an estimated 92,700 farmers received inputs.
4	Smallholders receiving discounts or financing	%	Distribution records/Farmers survey	Quarterly	0	30%	Data not available	Actual indicator values will be reported in the next reporting period.
5	De-risking budget	USD	Project records	Annual	0	USD 30 mln	Data not available	SSP will report actual indicator values in the next reporting period.
6	Value of finance unlocked	USD	Project records	Annual	0	USD 100 mln	Data not available	SSP will report actual indicator values in the next reporting period.
Output: Fertilizer supply secured and delivered								
7	Volume of fertilizer delivered	MT	Shipping and customs records	Quarterly	0	200,000 Mt	48,500	SSP supported the delivery of 48,500 MT of fertilizer for the winter season.

#	Indicators	Unit of Measure	Data Source	Frequency	Baseline	LOP Target	Actuals	Notes
8	Land fertilized as a result of project support	Arces	Shipping and customs records	Quarterly	0	1.3 ml acre	463698	Based on collected input distribution data, we estimate that farmers fertilized 463,698 acres of land.
9	Number of shipments	Number	Shipping and customs records	Quarterly	0	No target	3	During the reporting period, SSP supported three shipments: Urea and DAP from Saudi Arabia, Ammonium Sulphate from Madagascar, and potato seed from the Netherlands.
10	Potato seed procured (Potato tubers)	MT	Shipping and customs records	Quarterly	0	10,000 Mt	5200	WAS Trading Co Limited supported to import and distributed 5,200 MT of potato seed to River Nile, Northern, Khartoum, Darfur, Kasala, and Al-Jazeera.
11	Potato seed procured for Darfur (Potato tubers)	MT	Shipping and customs records	Quarterly	0	1,000 Mt	124.15	Conflict-affected farmers in Darfur received 124.15 MT of potato seed. However, security concerns kept 25.85 MT in storage, armed groups seized 30 MT while in transit, and delays caused by waiting for the

#	Indicators	Unit of Measure	Data Source	Frequency	Baseline	LOP Target	Actuals	Notes
								Al-Dabba road, the only viable route to Darfur, to open led to the loss of an additional 20 MT.

Donors

Government of the Netherlands

Norwegian Ministry of Foreign Affairs

Partners

SUSTAIN AFRICA

CIMMYT

CGIAR

Clingendael
Netherlands Institute of International Relations

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