Sustain Africa

Financial Report 2025

IATI Activity Identifier:XM-DAC-7-PPR-250000492

Date: 29/04/2026

INTERNATIONAL FERTILIZER DEVELOPMENT CENTER
46 DAVID LILIENTHAL DRIVE | MUSCLE SHOALS, AL 35661 | USA

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

Table of Contents

1. Introduction 2
2. Financial Incentives 4
2.1. Various categories of Financial Incentives 4
2.2. Magnitude of Financial Incentives 5
2.3. Detailed Comments on Grants 5
2.4. Detailed Comments on Finance and De-risking 6
2.5. Detailed Comments on Contingencies 7
3. Project Budget Utilization Netherlands 8
3.1. Netherlands Budget Utilization Overview 8
3.2. NL Staff Costs Comments 9
3.3. NL Subcontracting Costs 9
3.4. NL Travel Costs 10
3.5. NL Other Direct Costs 10
3.6. NL Indirect Overhead Cost 10
4. Project Budget Utilization Norway 11
4.1. Norway Budget Utilization Overview 11
4.2. NO Staff Costs Comments 12
4.3. NO Subcontracting Costs 12
4.4. NO Indirect Overhead Cost 12
5. Accruals 13
6. Checks and balances 14
6.1. Donor Contributions and Trial Balance Netherlands 14
6.2. Donor Contributions and Trial Balance Norway 14
7. Sign-off 15

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

1. Introduction

Sustain Sudan is a programme jointly supported by the Ministry of Foreign Affairs of the Netherlands and the Embassy of Norway to Sudan. Its goal is to increase imports of farm inputs (fertilizers, seeds, crop protection) and access to finance for farmers and agro-dealers, to allow farmers to produce sufficient food for local food security and exports of agricultural commodities.

The project started on May 1, 2025, with a Grant Decision by the Ministry of Foreign Affairs of the Netherlands issued on May 31, 2025 that allowed the project to charge back to May 1. The budget allocated through that Grant Letter was USD 10,000,000, for a project period between May 1, 2025 and September 30, 2026.

Effective October 1, 2025, the Embassy of Norway to Sudan has joined the donor coalition. This has added a budget of USD 3,000,000 to the project, for the period of October 1, 2025 until December 31, 2025, and – recently confirmed – also a budget of USD 2,000,000 for the period of January 1, 2026 until September 30, 2026.

The sections below provide a summarized financial and utilization analysis for each of the grants received during the 2025 reporting period. In a separate document, we will update the remaining budget for 2026 and provide an updated liquidity prognosis.

The donors have agreed that the project budget is managed as one integrated budget, and the project is managed as one, integrated project. To that extent the project management has the mandate to assign certain tasks within the project to a specific donor and charge the costs of those tasks to that assigned donor. The project management has asked both donors to align on the conditions for the project (e.g., applicable sanctions guidelines) and for the management of the project and budget (e.g., reporting dates and audit guidelines) as much as possible, to enable this uniformity of project management also in practice. The addition of the Norwegian budget has led to a revision of the entire budget effective October 1, 2025 – not only affecting the Norwegian part, but also the Dutch part.

The project is managed by IFDC as part of its Sustain Africa platform and has subcontracted several parties like CIMMYT (on-the-ground-implementor), 249 Startups (on-the-ground business developer) and Clingendael Institute (advice on safety and security and geopolitical dimensions). The role of Sustain Sudan is to broker business transactions between international suppliers of farm inputs and Sudanese agribusiness partners. Sustain Sudan does not take trading position in farm inputs, but it can provide – relatively small – financial incentives to “make the deal work.” In chapter 2 we provide further details on this.

The budget of Sustain Sudan exists of 4 parts:

- Expenses for IFDC staffing and other direct operating costs.
- Reimbursement of subcontracted parties.
- Financial incentives for partners of the program.
- Indirect Overhead Costs.

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

An important principle for Sustain Sudan is the learning agenda and openness to learning along the way. The war in Sudan is, unfortunately, unique in its size and humanitarian impact, and in that it doesn't have its equal elsewhere in the world. Safety and security issues, but also the economic fallout of the war, the actions of the Sudanese government and other relevant actors, and the novelty of applying a market-based approach in such a situation, ask for constant agility and openness to adapt. Especially in the field of Financial Incentives, this has led to tailormade incentives and finance- and risk-sharing solutions for each individual project partner. Donors have given Project Management the mandate to apply the Financial Incentives budget – of initially USD 5 mln and eventually USD 5.6 mln – as needed.

As a result of the learnings during the winter season 2025 (and the reporting period May 1 – December 31, 2025), the Financial Incentives budget has been structured and re-named. In the chapter 2, this structuring and re-naming will be clarified.

This financial report, its underlying financial administration and management process will, with approval of the donors, be audited in May and June 2026, for which Terms of Reference have been agreed. After the audit, a final version of this Financial Report will be submitted to the donors and filed according to IATI standards.

At any given time, project liquidity appears in 3 forms:

- **Committed amounts**, due to contracted arrangements with subcontracted parties or business partners of Sustain Sudan to whom financial incentives have been awarded, that have not been paid out yet. In those cases where this moves from one year to the next (the commitment was made in 2025 but the pay-out will take place in 2026), these amounts are accrued and a provision is taken for the total amount of these commitments. The calculation of these provisions is given in chapter 5.
- **Cash collateral** for guarantees that have been issued by IFDC to a business partner, and other committed amounts that are used to enhance financing structures to business partners. Amounts used for cash collateral are earmarked in the budget and can not be used for other purposes as long as the collateral arrangement is in place.
- **"Free to use" budget** that can be used to cover other expenses as specified in the project budget.

The sum of these amounts should at any given moment be the total liquidity that IFDC has available in the project budget, and this squaring, for reporting date December 31, 2025, is done in chapter 6.

All amounts, unless specifically indicated otherwise, are in USD.

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

2. Financial Incentives

2.1. Various categories of Financial Incentives

An important part of the Sustain Sudan project budget – almost 40% - will be used to provide financial incentives to international and domestic business partners to realize their imports of farm inputs into Sudan, and to reduce the risks and costs of it. The financial incentives are very small compared to fertilizer subsidies in other countries, yet have shown – in combination with Sustain Africa's track record and business partner network – to be effective in contracting business partners.

After a few months of orientation on the most effective financial incentives, these have now been categorized into:

- **Grants** – non-recoverable donations of money to reduce the costs of business partners for doing business in Sudan, with the intent (i) to secure that they are sufficiently incentivized to do that business and (ii) that the costs of the imported farm inputs products to the (farmer) end-user are as low as possible.
- **Finance and de-risking** – recoverable funded and un-funded risk participations, that are subject to credit risk, country (political) risk, operational risk and in some cases also to currency risk. The intent is to recover as much of the principal of the funded risk participation, or to avoid or recover payout of an unfunded risk participation, as possible, and to re-use these recovered amounts again in a next phase. Basically, this has the potential to become a mini "revolving fund" within the project budget.
- **Contingencies** – unforeseen expenses related to the above.

In the third quarter of 2025, this structuring and the preferred naming of various components became increasingly clear. The following re-naming and re-assignment of the Financial Incentives budget has been applied:

Budget items Aug 2025			**Budget items Oct 2025**	
NL Grants Seeds/CP/RSF-controlled	1,000,000		NL Grants, IL grant	1,000,000
NL Guarantees (revolving) & other incentives	3,000,000		NL Grants, Fertilizer Discounts	2,000,000
NL CIMMYT hand-over	600,000		NL Unfunded risk participations	1,600,000
NL Learning agenda (integrated in MEL)	250,000		NL Funded risk participations	250,000
NO Vouchers	1,000,000		NO Vouchers	1,000,000
NO Guarantees (revolving) & other incentives	2,000,000		NO Grants, Fertilizer discounts	1,000,000
			NO Unfunded risk participations	1,000,000

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

2.2. Magnitude of Financial Incentives

After hand-over of USD 600,000 from the CIMMYT budget to farmer financing, the NL and NO parts of the financial incentives budget 2025 combined provided a budget of USD 5.6 mln. Utilization, including an farmer finance arrangement to be signed in 2026, stands at 97.9%, of which 53.1% has been used for Grants and 44.8% for Finance and De-risking.

Import ("CFR") prices of fertilizer and potato seed combined add up to a total of USD 32 mln. This is the import value of farm inputs that the Sudanese agro-dealers see as their investment. Grants amounted to 9.3% and financing to 7.8% of this total. We conclude that ballpark 10% of grants is enough to incentivize agro-dealers to make the imports, instead of 100% in the case of free handouts of fertilizers.

In terms of end-user costs, in total estimated at USD 49 mln for our imports in 2025, the grants amount to 6% and the financing to 5%. Set against usual subsidy percentages between 30% and 80+ % of retail value of fertilizer, the 6% should be considered as a very low percentage.

Altogether, we conclude that a relatively small budget is sufficient – but also indispensable – to incentivize agro-dealers to do the deal, assuming that they see sufficient demand and uptake capacity in the market to on-sell their product.

Going forward, the intent is to reduce the "Grant" contribution per Mton of imported product gradually over the coming period (for which a ceiling has been issued), and to increase the level of financing as more integrated and sustainable way of incentivizing the business in Sudan. The Grants, however, were and are an indispensable part of the entire value proposition of Sustain Sudan, and will need to remain part of our product offering for the time being.

2.3. Detailed Comments on Grants

Specific comments on Grants by item:

- **An impact-linked returnable grant** was structured as an intermediate form between grant and finance instrument. The amount of USD 700,000 was assigned in 7 equal parts to 7 KPIs. If the target value of the KPI is realized, the return of the grant is waived. If not, the recipient is held to repay the related USD 100,000. This instrument has unlocked the supply of 5,200 Mtons of seed potato, with an expected final food impact of around 100,000 Mtons of potato.
- **Fertilizer discounting grants** in total of USD 2,091,191 have been issued with a few goals. First and foremost, they have led to inclusion of Sudanese agro-dealers into the program that would otherwise not have happened, and no alternative supplies were foreseen. In that sense, the discounts have unlocked 32,500 Mtons of fertilizer. Second, they have been sized to compensate for the price differential with Omani fertilizer, that – according to general insight in the market – usually is white-labelled Iranian product. This has removed the incentive to procure Iranian, sanctioned, product.
  With all discounts, we have agreed with the agro-dealers that this benefit would be passed on to the farmers. In reality, it is hard to verify independently to what extent the price

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

benefit is really propagated through the supply chain to farmers, because of lack of any benchmark in the Sudanese market. As far as our information about 2025H2 goes, commercial imports were not more than 5,000 Mtons, fully subsidized imports not more than 3,000 Mtons and remaining stocks within Sudan below 1,000 Mtons. This makes the agro-dealer partners of Sustain Sudan, with their fertilizer imports of 37,000 Mtons, by default price-setters in the market. Price buildups are being developed, but will also only give clarity by approximation, as collection of detailed data would undermine the competitive position of each agro-dealer individually. Price ceilings, in the end, meet anti-trust objections and are also not acceptable to agro-dealers because of the ongoing, extravagantly high depreciation of the value of the Sudanese pound (SDG). Demand, however, has exceeded our supplies, as can be concluded from the swift turn-around of the stocks. Altogether, then, we must conclude that the offering was sufficiently attractive to farmers.

- **Procurement of fertilizer bags** ad USD 123,940 for 2 of the three buyers was a matter of convenience to those buyers. To compensate for this, the fertilizer grants in their case were marginally lower than to the third buyer. The same "convenience argument" goes for the coverage of port fees. Ideally, these would have been foreseen in the purchase contracts – but they weren't, as the situation in Port Sudan is not fully comparable to the situation in other ports. Sustain Sudan has chose to cover these fees at USD 1.5 / Mton.
- **Vouchers** have not been used in 2025H2. Farmer organizations indicated that vouchers entitling (smallholder) farmers to certain discounts on farm inputs purchases, although welcome, would only be effective if those same farmers primarily had access to finance. The simple reason being that, even in case a product is discounted by say 20%, the farmer in the current situation in Sudan neither has the financial resources to pay the remaining 80%, nor has access to finance for financing it. As a result, we focus primarily on getting farmer finance in place now.

2.4. Detailed Comments on Finance and De-risking

Specific comments on Finance and De-risking by item:

- **A guarantee** of USD 1.342 mln has been issued as a direct counter-guarantee for the deferred payment of one of the agrodealers for their fertilizer purchases. The guarantee was issued by IFDC and accepted by the international supplier of the fertilizer, in spite of the lack of a credit rating of IFDC. This "trust" is typical between longer term partners within Sustain Africa. The guarantee served as collateral for the deferred payment because this particular agrodealer was not able to have an internationally confirmed L/C issued. Unfortunately, many of the agro-dealers in Sudan, working with their existing banks, are unable to issue internationally acceptable L/Cs. The capabilities of IFDC to issue, manage and sustain a portfolio of guarantees of course are limited, and we are currently assessing how a dedicated vehicle for risk participations should be structured. This USD 1.342 mln guarantee unlocked the supply of 4,000 Mtons of fertilizer.

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

- **Funded financing** of USD 152,000 was extended to Al Ebdaa MFI, who have used this to supply fertilizer on credit to their smallholder farmer members. For Sustain Sudan, this amounts to credit risk on Al Ebdaa, but because the loan is denominated in SDG, also to currency risk. The loan includes a 5% interest rate over 6 months, which is only partially sufficient to cover the expected currency loss over the tenor of the loan.
- **Unfunded financing** of USD 948,000 is being negotiated with United Capital Bank, which we expect to materialize in 2026. Upon signing of the contract, the amount will be deposited in a USD deposit at UCB's branch in Dubai @3% interest rate per annum. UCB has agreed to extend financing up to SDG 4.3 bln. At the end of the contract, any incurred losses will be settled against the deposit. In this case, any currency depreciation will effectively reduce the USD value of the settlement. Sustain Sudan's risk participation is – pari passu with UCB – 78%. This risk participation serves as the main model that we would see applied in domestic financing going forward.
- **The management cost** of the USD 1.1 mln of the funded and unfunded above has been agreed at 6%, or USD 66,000.

2.5. Detailed Comments on Contingencies

Specific comments on Contingencies by item:

- **Demurrage** (the cost of layover of the vessel in Port Sudan longer than contracted) has been an issue of much negotiation between participants. Sustain Sudan has acknowledged at least partial responsibility for 3 days of demurrage (due to an advice that in the end turned out to cause up to 3 days of delays) and has chosen to cover the related cost of USD 54,000. Added to this were small cost-sharings in the settlement of unresolved demurrage at USD 5,541 and USD 14,950.50.
- **Exchange rate** losses ad USD 4,155 have been incurred.
- **Darfur logistics** for transport of part of the seed potatoes to this – most heavily affected – part of Sudan have been much more costly than anticipated. Also part of the stocks – some 50 Mtons of seed potato – have been looted by the RSF. Sustain Sudan has made a small contribution of USD 2,000 to cover these costs.
- **Bags transport** from Egypt to Sudan has incurred additional, unforeseen cost ad USD 22,359.
- **In total,** contingencies ended up at USD 103,006 or 1.9% of extended financial incentives.

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

3. Project Budget Utilization Netherlands

3.1. Netherlands Budget Utilization Overview

Budget Description	2025 Budget	Actual Exp + Finance	Depletion Rate
Staff Costs	$689,900	$422,735	61%
Activity Costs	$4,638,047	$4,221,928	91%
Activity Related Travel Costs	$175,000	$40,841	23%
Other Direct Costs	$110,000	$7,708	7%
Indirect Costs	$355,346	$207,061	58%
Total Budget	**$5,968,293**	**$4,900,273**	**82%**

Sustain Sudan Project-Netherlands Budget monitoring									
Tasks/Code	Category	Sub-category	Total Budget	2025 Budget	Actual Expenditure: May-Dec	Finance & De-Risking (Cash Collateral)	2025 Remaining Budget	2025 Depletion Rate	Total Budget Depletion Rate
5102.1.1	IFDC staffing	Direct Program Staff	$ 1.199.500	$ 614.300	$ 399.916	$ -	$ 214.384	65%	33%
5102.1.2		Corporate Services	$ 173.600	$ 75.600	$ 22.819	$ -	$ 52.781	30%	13%
Total : Staff Costs			**$ 1.373.100**	**$ 689.900**	**$ 422.735**	**$ -**	**$ 267.165**	**61%**	**31%**
Activity Costs									
5102.2.1	Sub-contracting	CYMMIT	$ 1.423.200	$ 500.000	$ 579.236	$ -	$ (79.236)	116%	41%
5102.2.2		249 Start-ups	$ 500.000	$ 250.000	$ 244.834	$ -	$ 5.166	98%	49%
5102.2.3		Clingendael		$ -	$ -	$ -	$ -	0%	0%
5102.2.4		Afriqom	$ 102.000	$ 102.000	$ 101.866	$ -	$ 134	100%	100%
5102.2.5		Contract mgt Fees	$ 203.800	$ 125.000	$ -	$ -	$ 125.000	0%	0%
5102.2.6	Grants	Fertilizer Discounts via A/D	$ 2.000.000	$ 1.681.047	$ 1.892.351	$ -	$ (211.304)	113%	95%
5102.2.7		Impact Linked Grants	$ 1.000.000	$ 382.170	$ -	$ -	$ 382.170	0%	0%
5102.2.8		Vouchers	$ -	$ -	$ -	$ -	$ -	0%	0%
5102.2.9		Unforeseen	$ -	$ -	$ 61.641	$ -	$ (61.641)	0%	0%
5102.2.10	Finance and De-risking	Unfunded Risk Participation	$ 1.600.000	$ 1.597.830	$ -	$ 1.342.000	$ 255.830	84%	84%
5102.2.11		Funded Risk Participation	$ 250.000	$ -	$ -	$ -	$ -	0%	0%
Sub-Total:Activity Costs			***$ 7.079.000***	***$ 4.638.047***	***$ 2.879.928***	***$ 1.342.000***	***$ 416.119***	**91%**	**60%**
5102.2.12		Travel	$ 358.800	$ 175.000	$ 40.841	$ -	$ 134.159	23%	11%
Total: Activity Costs			**$ 7.437.800**	**$ 4.813.047**	**$ 2.920.769**	**$ 1.342.000**	**$ 550.278**	**89%**	**57%**
Other Direct Costs			**$ 460.000**	**$ 110.000**	**$ 7.708**	**$ -**	**$ 102.292**	**7%**	**2%**
5102.3.1	Office Operations Costs	Office Costs	$ 240.000	$ 90.000	$ 7.131	$ -	$ 82.869	8%	3%
5102.3.2		Communications & Translations	$ -	$ -	$ -	$ -	$ -	0%	0%
5102.3.3		Miscellaneous	$ -		$ 578	$ -	$ (578)	0%	0%
5102.3.4	Program Audit	Annual Program Audit	$ 220.000	$ 20.000			$ 20.000	0%	0%
		End of program Audit					$ -	0%	0%
Total: Direct Costs			**$ 9.270.900**	**$ 5.612.947**	**$ 3.351.212**	**$ 1.342.000**	**$ 919.735**	**84%**	**51%**
5102		Indirect costs	$ 695.318	$ 355.346	$ 207.061	$ -	$ 148.286	58%	30%
Total Budget			**$ 9.966.218**	**$ 5.968.293**	**$ 3.558.273**	**$ 1.342.000**	**$ 1.068.020**	**82%**	**49%**

The Netherlands grant has recorded a budget utilization rate of 82%, resulting in a variance of 18% against the approved annual budget. The variance is primarily attributable to implementation timing, recruitment delays, cost allocation adjustments and lower than anticipated supervision costs during the reporting period. More detail is given in the following paragraphs.

Activity costs during the reporting period included:

- **Subcontracting** of implementing partners (CIMMYT, 249 Startups and Afriqom).
- **Grants** extended to suppliers and agro-dealers, reported in chapter 2.
- **Finance and De-Risking** interventions, reported in chapter 2.

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

- **Contingencies** / unforeseen expenditures, including procurement of fertilizer bags and payment of demurrage charges, reported in chapter 2.

One-time contract management fees, originally part of IFDC's budget proposal to both donors for closing the contracts with CIMMYT, Clingendael and 249 Startups, have not been charged in 2025. Reallocation to 2026 will be discussed with the donors as part of the overall 2026 budget discussions.

3.2. NL Staff Costs Comments

The staff costs budget reflects lower-than-anticipated absorption, mainly due to delayed recruitment and onboarding of staff, and lower than foreseen oversight costs. Several key staff members joined the program after the month of May, resulting in reduced salary expenditures during the first half of the implementation period and contributing to the overall variance. Unutilized budget will be available for 2026, and can – within the donor guidelines – also be re-assigned to other activities. The costs of the Global Director Sustain Sudan have, effective October 1, 2025, been re-assigned to the Norwegian budget. All others have remained on NL.

3.3. NL Subcontracting Costs

Costs for sub-contracting 249 Startups and Afriqom have materialized as planned, with no other deviation from the budget than the timing of invoicing. To make sure that the 2025 data reflect the real use of budget, the expenses for 2025 that are effectively paid out in 2026, will be accrued and a provision for those payouts has been made. The composition of the accrual is reported separately in chapter 5. Taking this into account, budget utilization of 249 Startups and Afriqom has been (almost) 100% as planned.

249 Startups has, on our request, offered additional services in the form of (i) fertilizer bags procurement and (ii) management of farmer finance funds. These additional activities have been separately contracted and budgeted, and are separately reported under Financial Incentives in chapter 2.

CIMMYT, to date, has only invoiced one of the two contracted amounts for 2025 and issued a financial report ad USD 579,236 for 2025. While the intent was, to spread this amount over Norway and the Netherlands, financial and audit guidelines have led us to book this amount in 2025 entirely on the Netherlands.

During the year 2025, a few developments in CIMMYT budget utilization became visible:

- Like within IFDC, the buildup of CIMMYT staff within Sudan went slower than foreseen.
- The Sustain Sudan Donor Advisory Committee has given the additional guideline to avail the technical assistance only on demand of agro-dealers, and this demand of course only materialized over time. Since then, it has been decided to focus the technical assistance on-the-ground primarily on (i) yields and nutrient use efficiency (ii) seeds and seeds

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

financing and (iii) access to finance. This technical assistance will largely be provided in 2026. As a result, CIMMYT staffing on-the-ground in 2025 was lower than foreseen.

- As a result, we have agreed with CIMMYT to re-focus USD 600,000 of the original budget for technical assistance to farmer finance, thus increasing the Financial Incentives budget from USD 5 to USD 5.6 mln. All other conditions of the CIMMYT budget remained in place as agreed.

3.4. NL Travel Costs

Activity-related travel reflects lower depletion due to limited travel during the reporting period. The major reason for this was the travel ban to Sudan issued by IFDC after the May 4, 2025 drone attacks on Port Sudan (the main travel hub into the country), effective until today with exception of participation in diplomatic convoys – which has not materialized for IFDC staff in 2025. Other than two team meetings and a few attendances to international fertilizer conferences, no other major travel activities were undertaken in 2025, resulting in the aforesaid under-utilization of the budget. Unutilized budget will be available for 2026, and can – within the donor guidelines – also be re-assigned to other activities.

3.5. NL Other Direct Costs

Other direct costs include office-related expenditures such as office rent, internet charges, communication fees, and miscellaneous operational expenses. The lower depletion rate under this category is attributed to:

- Office rent being charged only for the last quarter of the year
- Internet and communication expenses were recorded only for the months of November and December
- The “low profile” communications strategy that we maintained for our first deliveries (to avoid unwanted delays and additional cost as a result of Sudanese government interventions), which led to lower than anticipated communications costs.

3.6. NL Indirect Overhead Cost

Indirect Overhead Costs (IOC) were applied at 15% of total eligible direct costs (excluding subcontracting) from May 1 to September 1, as per the budget affirmed by the NL Grant Decision. From September 1 to December, Indirect Overhead Cost rate was revised to 7% of total costs, in line with the IOC conditions used by the Government of Norway. The adjustment in the IOC rate contributed to the overall expenditure variance for the period.

IOC is charged over the total of IFDC direct costs, financial incentives and costs of the Afriqom data license and Clingendael advisory, but not over budget of sub-contracted parties (CIMMYT and 249 Startups) who charge their own IOC up to the agreed 7%.

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

4. Project Budget Utilization Norway

4.1. Norway Budget Utilization Overview

Budget Description	2025 Budget	Actual Expenditures + Finance	Depletion Rate
Staff Costs	$64,000	$55,000	86%
Activity Costs	$2,753,581	$1,265,687	46%
Indirect Costs	$163,394	$87,653	54%
Total Budget	**$2,980,975**	**$1,408,357**	**47%**

Sustain Sudan Project-Norway Budget monitoring									
Tasks/Code		Budget Description	Total Budget	2025 Budget	Actual Expenditure: Oct-Dec	Finance & De-Risking (Cash Collateral)	2025 Remaining Budget	2025 Depletion Rate	Total Budget Depletion Rate
5160.1.1	IFDC staffing	Program Management	$ 196.300	$ 64.000	$ 55.000	$ -	$ 9.000	86%	28%
Total : Staff Costs			**$ 196.300**	**$ 64.000**	**$ 55.000**	**$ -**	**$ 9.000**	**86%**	**28%**
Activity Costs									
5160.2.1	Subcontracting	CYMMIT	$ 1.482.500	$ 639.000	$ -	$ -	$ 639.000	0%	0%
5160.2.2		249 Start-ups	$ -	$ -	$ -	$ -	$ -	0%	0%
5160.2.3		Clingendael	$ -	$ 70.000	$ 72.579	$ -	$ (2.579)	104%	0%
5160.2.6	Grants	Fertilizer Discounts via A/D	$ 1.000.000	$ 244.581	$ 319.830	$ -	$ (75.249)	131%	32%
5160.2.7		Impact linked Grant	$ -	$ 700.000	$ 700.000	$ -	$ -	100%	0%
5160.2.8		Vouchers	$ 1.000.000	$ -	$ -	$ -	$ -	0%	0%
5160.2.9		Unforeseen	$ -	$ -	$ 21.278	$ -	$ (21.278)	0%	0%
5160.2.10	Finance and De-risking	Unfunded Risk Participation	$ 1.000.000	$ 950.000	$ -	$ -	$ 950.000	0%	0%
5160.2.11		Funded Risk Participation	$ -	$ 150.000	$ -	$ 152.000	$ (2.000)	101%	0%
Total: Activity Costs			**$ 4.482.500**	**$ 2.753.581**	**$ 1.113.687**	**$ 152.000**	**$1.487.895**	**46%**	**28%**
Other Direct Costs			**$ -**	**$ -**	**$ 17**	**$ -**	**$ (17)**	**0%**	**0%**
5160.3.1	Òther direct costs	Office Costs	$ -	$ -	$ -	$ -	$ -	0%	0%
5160.3.2		Communications & Translations	$ -	$ -	$ -	$ -	$ -	0%	0%
5160.3.3		Miscellaneous	$ -	$ -	$ 17	$ -	$ (17)	0%	0%
5160.3.4	Program Audit	Annual Program Audit	$ -	$ -	$ -	$ -	$ -	0%	0%
		End of program Audit	$ -	$ -	$ -	$ -	$ -	0%	0%
Total: Direct Costs			**$ 4.678.800**	**$ 2.817.581**	**$ 1.168.704**	**$ 152.000**	**$1.496.877**	**47%**	**28%**
5160		Indirect costs	$ 350.910	$ 163.394	$ 87.653	$ -	$ 75.741	54%	25%
Total Budget			**$ 5.029.710**	**$ 2.980.975**	**$ 1.256.357**	**$ 152.000**	**$1.572.618**	**47%**	**28%**

Norwegian budget utilization is in a sense distorted because an amount of USD 948,000 for farmer financing (to be closed with United Capital Bank) has not been recorded in the 2025 numbers or accruals, as this was by that time only an oral commitment for which detailing and signing of the contracts will take place in 2026. Accounting guidelines prevent us from including the oral commitment in the provision.

With this amount, utilization of the Activity costs would have reached 82.3% and overall budget utilization 79.0%.

Activity costs during the reporting period included:

- **Subcontracting** of advisory partner Clingendael.
- **Grants** extended to suppliers and agro-dealers, reported in chapter 2.
- **Finance and De-Risking** interventions, reported in chapter 2.
- **Contingencies** / unforeseen expenditures, including procurement of fertilizer bags and payment of demurrage charges, reported in chapter 2.

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

One-time contract management fees, originally part of IFDC's budget proposal to both donors for closing the contracts with CIMMYT, Clingendael and 249 Startups, have not been charged in 2025. Reallocation to 2026 will be discussed with the donors as part of the overall 2026 budget discussions.

4.2. NO Staff Costs Comments

The staff budget – used for covering the costs of project management by Sustain Sudan's Global Director as of October 1, 2025 – is expended for 86% due to some unforeseen leave in December.

4.3. NO Subcontracting Costs

Costs for sub-contracting Clingendael as project advisor have materialized as planned, with no other deviation from the budget than the timing of invoicing. To make sure that the 2025 data reflect the real use of budget, the expenses for 2025 that are effectively paid out in 2026, will be accrued and a provision for those payouts has been made. The composition of the accrual is reported separately in chapter 5. Taking this into account, budget utilization of Clingendael has been 100% as planned.

For the costs incurred by CIMMYT, reference is made to paragraph 3.3. Due to accounting guidelines, CIMMYT expenses in 2025 have been fully charged on the Netherlands budget. In 2026, the intent is to spread these over the NL and NO budgets.

4.4. NO Indirect Overhead Cost

Indirect Overhead Costs (IOC) were applied at 7% of total costs, in line with the IOC conditions used by the Government of Norway. IOC is charged over the total of IFDC Direct costs and Financial Incentives as far as covered by the Norwegian donor, but not over budget of sub-contracted parties (only applicable to 2026) who choose to charge their own IOC up to the agreed 7%. In line with overall budget utilization, IFDC's IOC charges were lower than anticipated at 54%.

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

5. Accruals

Accruals concern commitments of Sustain Sudan made in 2025, but only realized (paid out) in 2026. To provide an accurate record of the financial implications of the activities carried out by Sustain Sudan, these amounts are added in our financial report above. For liquidity management purposes, the accruals are summarized below.

Total accruals in the Netherlands budget are:

Budget category	Budget item	Counter-party	Amount
Sub-contracting	2nd Instalment, actuals 2025	CIMMYT	79,236
Sub-contracting	Contract mgt fees 3 contracts	IFDC internal	75,000
Grants unforeseen	Demurrage settlement	CTC Cencom	11,901
Grants unforeseen	Advice risk wrt demurrage	ETG	54,000
Grants unforeseen	Support demurrage	WAS	5,641
Grants unforeseen	Darfur logistics	WAS	2,000
Finance / de-risking	Fund management fee	ESNAD (249 Start-ups)	66,000
Other direct costs	Internal Audit	IFDC internal	20,000
Other direct costs	Travel	IFDC internal	14,058
Indirect overhead costs 7%		IFDC internal	24,588
		Total	**352,433**

Total accruals in the Norwegian budget are:

Budget category	Budget item	Counter-party	Amount
Staff Costs	Program management	IFDC Internal	13,500
Grants	Fertilizer discounts via A/D	SINO Trading	195,840
Grants unforeseen	Bags transport / clearing	249 Startups	22,359
Indirect Overhead Costs ad 7%		IFDC internal	17,377
		Total	**249,076**

Off-balance, we reiterate the commitment to enroll in a farmer finance agreement with UCB ad USD 948,000.

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

6. Checks and balances

6.1. Donor Contributions and Trial Balance Netherlands

Income	1st instalment	June 6, 2025	1,500,000	A
	2nd instalment	Sep 18, 2025	4,500,000	B
	3rd instalment part I	Dec 29, 2025	1,200,000	C
		Subtotal	**7,200,000**	**D**
Expenses	Booked expenses	May 1 – Dec 31, 2025	3,558,273	E
		Subtotal	**3,558,273**	**F**
Cash	Liquid	Dec 31, 2025	1,947,294	G
	Guarantee cash collateral	Dec 31, 2025	1,342,000	H
	Provision for commitments	Dec 31, 2025	352,433	I
		Subtotal	**3,641,727**	**J**
	Balance D-F-J	**Dec 31, 2025**	**0**	

The guarantee, secured by the cash collateral ad USD 1,342,000, expired on Dec 31, 2025 and has since then not been claimed. The cash collateral will fall free in January 2026 and will be re-used for subsequent financial incentives (according to the agreed revolving use of finance and de-risking).

Mid December, the Netherlands donor requested to partially postpone transfer of the 3rd instalment – originally due December 1, 2025 – to January 2026. IFDC has, in the light of the upcoming rest of the 3rd instalment. The second part of the 3rd instalment ad USD 2,300,000 was received on January 15, 2026.

6.2. Donor Contributions and Trial Balance Norway

Income	1st instalment	Oct 23, 2025	3,000,000	A
		Subtotal	**3,000,000**	**B**
Expenses	Total expenses	Oct 1 – Dec 31, 2025	1,256,357	C
		Subtotal	**1,256,357**	**D**
Cash	Liquid	Dec 31, 2025	394,567	E
	Farmer Finance	Dec 15, 2025	152,000	F
	Off-balance UCB / Al Ebdaa	Dec 31, 2025	948,000	G
	Provision for commitments	Dec 31, 2025	249,076	H
		Subtotal	**1,743,643**	**I**
	Balance B-D-I	**Dec 31, 2025**	**0**	**J**

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

7. Sign-off

		
Ben Valk Global Director Sustain Sudan		James Madden Global Finance Manager

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

Xodo Sign Document Hash: 4799d08c32434c5294700ee58f88ec93

Audit Trail

Document Details

Title	Sustain Sudan Financial Report 2025 20260429.pdf
File Name	Sustain Sudan Financial Report 2025 20260429.pdf
Document ID	4799d08c32434c5294700ee58f88ec93
Fingerprint	161881d1b28f00dbda5f714ef058bbc7
Status	Completed

Document History

Document Created	Document Created by Bernardus Hendrik Valk (bvalk@ifdc.org) Fingerprint: 4c7316cc9c22514b9e18657b35efcb87	Apr 30 2026 12:14PM America/Chicago
Document Sent	Document Sent to Ben Valk (bvalk@ifdc.org)	Apr 30 2026 12:14PM America/Chicago
Document Viewed	Document Viewed by Ben Valk (bvalk@ifdc.org) IP: 84.83.177.55	Apr 30 2026 12:14PM America/Chicago
Document Signed	Document Signed by Ben Valk (bvalk@ifdc.org) IP: 84.83.177.55 	Apr 30 2026 12:15PM America/Chicago
Document Sent	Document Sent to James Madden (jmadden@ifdc.org)	Apr 30 2026 12:15PM America/Chicago
Document Viewed	Document Viewed by James Madden (jmadden@ifdc.org) IP: 108.251.146.246	Apr 30 2026 12:29PM America/Chicago
Document Signed	Document Signed by James Madden (jmadden@ifdc.org) IP: 108.251.146.246 	Apr 30 2026 12:29PM America/Chicago

Document Completed

This document has been completed.
Fingerprint: 161881d1b28f00dbda5f714ef058bbc7

Apr 30 2026
12:29PM
America/Chicago

Processed by xodo sign