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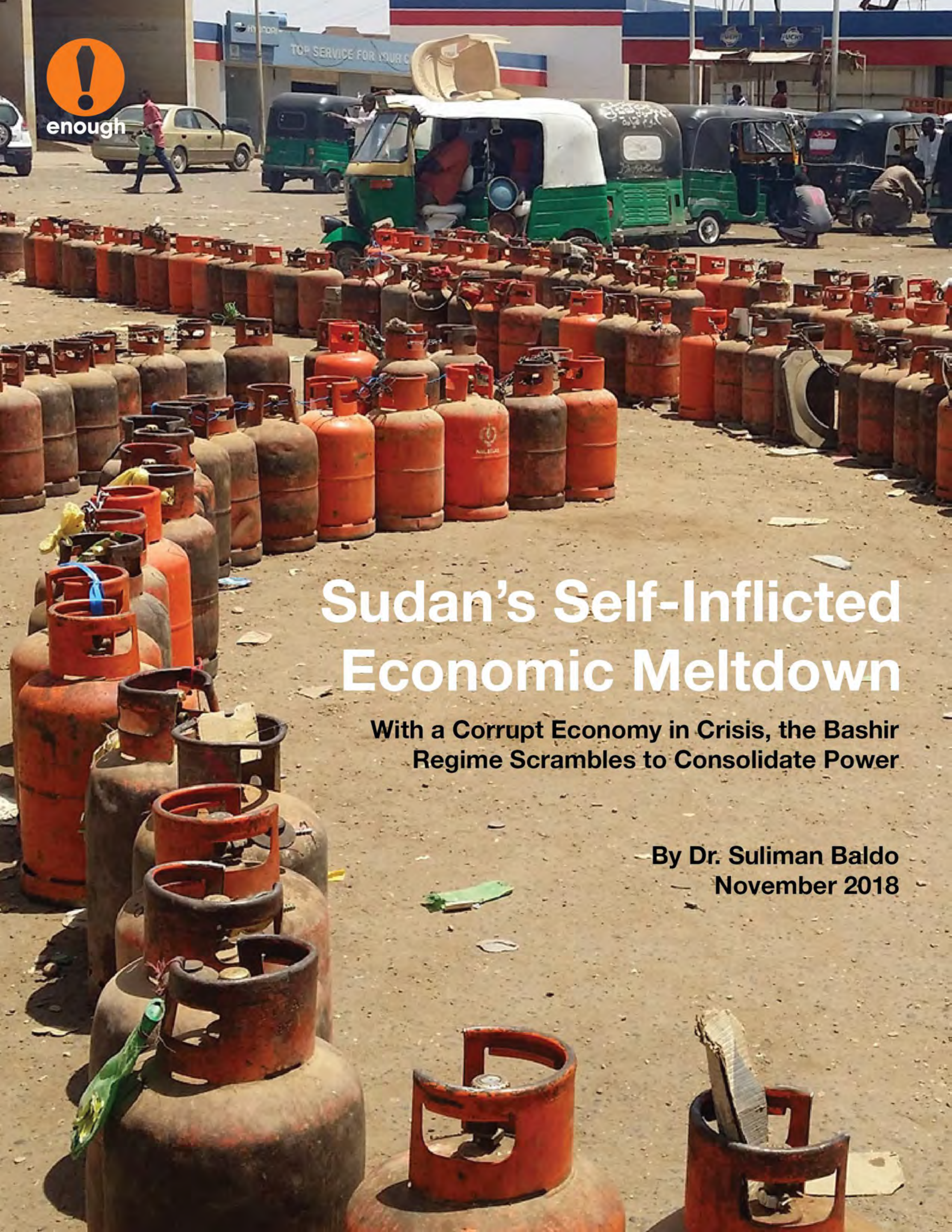

Sudan's Self-Inflicted Economic Meltdown

With a Corrupt Economy in Crisis, the Bashir Regime Scrambles to Consolidate Power

By Dr. Suliman Baldo

November 2018

Cover photo: Omdurman, Nile Service Station,
at the peak of fuel and cooking fuel gas shortages.
May 19, 2018. Photo: Ayin.

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Executive Summary

On September 9, 2018, 18 months into one of Sudan's worst economic crises, President Field Marshal Omar al-Bashir dissolved the Government of National Consensus that took office in May 2017 and appointed a new prime minister, declaring this a first step toward the implementation of sweeping reforms to permanently heal the economy. The new prime minister, Mutaz Musa, stated shortly thereafter that his cabinet would have "400 days and 3,000 hours" to accomplish the task ahead of the 2020 "political horizon," a thinly disguised reference to the presidential elections slated for that year, in which President al-Bashir will be seeking a new term, *de facto* his uninterrupted seventh.[1]

President al-Bashir will likely seek this seventh term during an economic crisis. The symptoms of an economy in disarray and hurtling to imminent collapse, which is currently the case, were long in the making and hard to miss—a national currency in freefall, hyperinflation settling in, and foreign investors and lenders kept at bay by evidence of mismanagement of the country's rich resources and of pervasive corruption protected by the highest institutions of the state. The demise of the national economy was largely self-inflicted and predictable, a result of nearly three decades of structural macroeconomic deformities and distortions.

Despite the regime's consistent efforts to blame U.S. sanctions for its woes during the preceding 20 years, the period since the end of sanctions shows where the real fault lies. The economy carried the ills that come with the dominance of an autocratic one-party system parading under a thin democratic disguise, characterized in the case of Sudan by the ruthless suppression of political and civic spaces; preference for military rather than political solutions for internal armed conflicts; lack of transparency and accountability for the management of state resources; the prevalence of widespread corruption; and the pillaging of state resources by the ruling elites and their corporate allies—both domestic and international. Any state, even one with the resources to secure lasting prosperity for its population, would be left teetering on the brink of failure by such irresponsible management and looting. Sudan is no exception.

Most impactful among the structural causes of today's economic crisis is the overwhelming government intervention in the economy through distorted policies and direct participation in trade and business through hundreds of government companies and others owned by senior government officials, members of their families and their business allies, or the ruling party and its deeply entrenched organizations (e.g. youth and women associations and various professional syndicates that adhere to and help reinforce state propaganda). Despite large revenue flows during the 1999-2011 "oil decade," estimated at $70 billion, Sudan failed to modernize investments in the traditional sectors of agriculture and livestock that together contribute up to 40 percent of Gross Domestic product (GDP) by World Bank estimates. Instead, most of the state's budgetary resources continue to be allocated to the security sector and state bureaucracy. Worse, during the same oil decade, and while squandering billions on projects dictated by regime consolidation rather than economic feasibility considerations, Sudan added tens of billions of dollars in non-concessionary loans to its crushing debt burden, mainly from China and regional lenders. The debt now stands at an estimated $56 billion and is characterized by the International Monetary Fund (IMF) as unsustainable, representing another structural vulnerability of the economy. All of this comes amid continued violations and abuses of human rights, civil rights, and religious freedom.[2]

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With the situation spiraling out of control, the Government of Sudan has scrambled for quick fixes to address the symptoms of the crisis but failed to address its root causes to date. It opted for crisis management structures and administrative approaches under the defunct cabinet led by First Vice President Retired General Bakri Hassan Salih and, due to a procedural oversight, could not even manage to secure the appointment of a qualified finance minister in the cabinet sworn in on September 14, one who could prioritize sound economic policy over regime security and survival.[3]

Healing Sudan's economy and steering it to recovery and growth are inconceivable without the government's adoption of far-reaching macroeconomic reforms, including the reversal of its spending trends. Sudan's multi-tiered exchange system has to be fixed; its natural resources need better harnessing for the benefit of the national economy; and credible and independent anti-corruption mechanisms must be introduced instead of recent sham anti-corruption measures. Such sweeping reforms would require a political transformation and a new social contract featuring broader political participation, reconciliation and peace among previously warring parties, empowerment of small businesses, and real protections of property rights. Also required are better respect of and protection for fundamental human rights, including freedoms of belief, expression, and association.

Despite the structural deformities of the economy and the near total absence of these protections, the United States, European Union, and others seek to normalize and encourage investment in Sudan. However, until the aforementioned reforms are introduced, Sudan will likely struggle to attract significant private investments and development aid. Prevailing risks should persuade Sudan's prospective economic partners to impose appropriate pressures and encourage the exercise of enhanced due diligence practices in response to the high risks of money laundering and illicit financial practices, both of which currently characterize the business environment.

Specifically, the United States government should impose sanctions, pursuant to the Global Magnitsky sanctions program, on the networks involved in the corruption and human rights abuses that perpetuate these unlawful practices. The United States, United Kingdom, and other governments encouraging investment in Sudan should issue Advisories or similar bulletins to banks and others in the private sector highlighting the significant money laundering risks emanating from endemic corruption, the gold trade, and other issues in Sudan. These Advisories can help ensure that the private sector is acting against the transactions and accounts that fuel the corrupt practices currently crippling the Sudanese economy and people. Additionally, and as described in the "Roadmap" Brief accompanying this report, companies should be encouraged through appropriate measures to implement enhanced due diligence to deal with human rights and other risks, including through the UN Guiding Principles on Business and Human Rights, OECD Guidance for Responsible Supply Chains, and Equator Principles. Finally, the United States and other governments should consider establishing public reporting guidelines for companies doing business in Sudan, similar to the Burma Responsible Investment Reporting Guidelines.

Background

Since mid-2017, Sudan has witnessed a downward spiral of all vital economic indicators, signaling a deepening economic crisis that continues to impact all aspects of life in the country. The crisis occurred at a time of high hopes amongst the Sudanese business community and civil society circles, and indeed among the public at large, that the permanent lifting of decades-long U.S. trade and financial sanctions on Sudan in October 2017 would place the economy on a path of stabilization and sustainable recovery. While the lifting of U.S. sanctions effectively removed all restrictions on financial transactions between Sudan and the rest of the world, the reluctance of international financial institutions and major corporations to inject new capital investments in the Sudanese economy offers compelling indications of the unfavorable business and investment environments. The wide expectations of rapid improvements were, as a result, quickly dashed. The removal of U.S. sanctions merely exposed the structural deformities and distortions that have characterized the mismanagement of the national economy in Sudan since the ascension of the Inghaz ("Salvation") Regime to power by coup d'etat in 1989.

Many did not miss the irony that a monumental partial relief measure such as the removal of U.S. economic and trade sanctions could be the prelude to the worst economic crisis in decades. The latter was long in the making, a direct result of three decades of mismanagement and the hijacking of the national economy by the ruling elites of Sudan's Islamist Movement, an offshoot of the Muslim Brotherhood that was the power behind the throne of the Salvation Regime during its three-decade reign. The Islamist Movement aggressively pursued the political and economic empowerment of its members even before the 1989 power grab through the aggressive policy of "Tamkeen," which amounted to consolidation of power.

In its literature, the Islamist Movement argued that control of the economy by commercial interests affiliated with the movement was a necessary first step towards the introduction of an Islamic model of economic development and social justice. As such, the Islamist Movement perceived control of the economy as a prerequisite for the realization of its "civilization project" – consisting of the establishment of a model modern Islamic state as an alternative to globalization and the unipolar capitalist order that prevailed in the post-Cold War era. However, over time, the combined effects of economic mismanagement and large-scale government corruption exposed the bankruptcy of the "civilization project" at the economic level as well as at the moral and religious levels.

In today's Sudan, wealth is concentrated in the hands of members of the inner circles of power and their relatives, enablers, and facilitators.

As it pursued absolute political, security, and economic power, the regime metamorphosed from an ideologically driven movement, inspired by the principles of radical political Islam, into a violent kleptocracy that owes its political survival to its ability to militarily crush marginalized communities, buy the loyalty of multiple constituencies, and spend much of the country's resources on a sprawling security and defense sector.[4] Abandoned were the regime's lofty plans for founding its political legitimacy on delivering economic development and prosperity to the population through a unique model it proclaimed was globally superior to any other.

In today's Sudan, wealth is concentrated in the hands of members of the inner circles of power and their relatives, enablers, and facilitators, who built their fortunes by looting the country's considerable natural resource wealth and state assets at a high cost to the population. The regime responded to armed movements, which rose to demand a fairer share of the national wealth and political representation for their constituencies in the economically-marginalized and politically-disenfranchised regions of Darfur, Blue Nile, and South Kordofan, by orchestrating deadly campaigns of mass atrocities against civilians in these regions. These campaigns of collective punishment have made Sudan home to one of the largest populations of Internally Displaced Persons (IDPs) and a source of large refugee and migration outflows.

Setting the stage for the current economic crisis was Sudan's failure to adapt to the multiple economic shockwaves that resulted from the independence of South Sudan, the most crippling of which was the loss of 75 percent of proven oil deposits, accounting for 95 percent of Sudan's exports and more than half of the government's revenue. The result of the losses was a persistent fiscal crisis, severe shortage in foreign exchange, growth deceleration, and extremely high inflation rates.[5]

The sharp downturn from the sustained revenue growth during the 1999-2011 "oil decade" caused livelihood hardships, triggering large-scale demonstration in numerous cities of Sudan in 2012 and again in September 2013. Popular protests against steep rises in the cost of living also erupted in 2017 and 2018. The government violently repressed the latter protests. In one episode in the capital Khartoum, more than 200 demonstrators were killed.

The spectacular expansion in the production of artisanal gold that coincided with the loss of the bulk of oil exports placed Sudan on track to be among the largest gold producers in Africa. Although this new industry gave temporary relief, it ultimately failed to fully compensate for the loss of oil revenue. This failure owed to a persistent foreign exchange crisis. Private agents mining gold in the country are supposed to sell it to the government through the Central Bank of Sudan (CBS), but erratic CBS policies for the purchase of gold have made it at times more profitable for artisanal miners and their intermediaries to smuggle it through Sudan's porous borders with neighboring countries. As a result, a large percentage of gold production goes unaccounted for in the national budget. Making matters worse, several outspoken ministers and parliamentarians have attributed the budget's failure to capture more of the revenue from gold to mismanagement, corruption, and large-scale smuggling, including by influential elites.

Sudan remains on the U.S. Department of State's list of State Sponsors of Terrorism (SST), to some extent limiting Sudan's potential access to much-needed debt relief. Negotiations for a second phase of diplomatic engagement between the U.S. and Sudan to lift Sudan's designation as an SST began in earnest after October 2017, stalled during the following months, but appear poised to resume at the time of this writing. The delay was due to domestic political uncertainties triggered by the economic crisis and the change in the U.S. presidential administration. The lifting of U.S. economic sanctions practically removed any meaningful pressures on Sudan to deter the country's regime from killing its own people and supporting international terrorism. However, even if the U.S. lifts Sudan's SST designation tomorrow, its leaders in Khartoum would still need to undertake radical economic reforms to be considered for debt relief under the Heavily Indebted Poor Countries (HIPC) process.[6] Such removal should also be conditioned at a minimum on the government's implementation of a just and permanent peace, introduction of better protections for the fundamental rights of its citizens, and genuine governance reforms that would transition the country to democracy.

The Root Causes of the Crisis: Economic Distortions and Institutional Corruption

An Enough Project 2016 report, "Khartoum's Economic Achilles' Heel: The intersection of war, profit and greed," laid bare the main distortions of the national economy and predicted that they would lead to serious economic troubles if left unaddressed.[7] The crisis was fully predictable then, and its occurrence should come as no surprise. Its rapid onset and harsh impacts on the public and the government's desperate attempts to contain it continue to be chronicled in real time by Sudan researcher Eric Reeves.[8]

Below are the main distortions that made Sudan's economic meltdown inevitable.

1. Heavy debt burden

According to the IMF, Sudan's external debt reached $52.4 billion at the end of 2016, equivalent to 111 percent of GDP and to 1,035 percent of Sudan's export revenue for the same year. The IMF forecasts a rapid growth of this crushing debt burden, reflecting arrears accumulation and the rapid exchange rate depreciation of the Sudanese Pound (SDG) to the dollar. The Economist Intelligence Unit estimated that Sudan's total foreign debt reached $56 billion at the end of 2017, of which an estimated $10 billion was owed to China.[9]

Given the contraction of the economy following the independence of the South and the loss of three quarters of oil productive capacity, Sudan's debt will remain unsustainable. While the U.S. is not among its main creditors, normalization of Sudan's relations with the U.S. and the revocation of the U.S. SST designation will be vital for Sudan to seek debt relief. To qualify for such debt relief, Sudan will need to undertake profound reforms in the way it manages its economy and valuable resources as well as political reforms in favor of good governance and transparency.

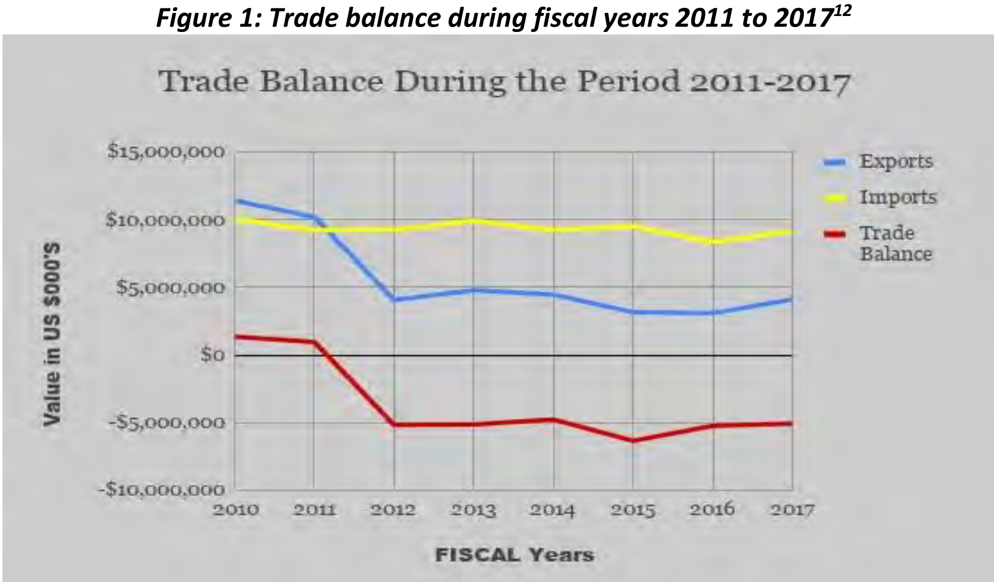
Aggravating the debt crisis and negatively impacting Sudan's international credit rating is its default in payment of installments for existing loans from its economic partners, whether states or corporate lenders, including ones from China and India that invested large sums in the country's oil sector during the oil decade. A case in point is that of ONGC Videsh Ltd, an Indian oil investment firm that engaged international arbitration proceedings against Sudan in May 2018 to recover in excess of $400 million in unpaid oil dues since 2011.[10] Sudan's poor record in repayment of loans explains the reluctance of China, among other traditional economic partners, to step forward to assist the government with relief funding as the current economic crisis unfolded.

2. Recurrent internal and external deficits in an unfavorable international environment

The 2018 budget projected a large deficit of SDG 55 billion (equal to $1.833 billion at the devalued SDG, which puts it at 30 to the dollar), representing an increase of 289 percent in the deficit over 2017. The government sought to finance that deficit by increasing taxes, such as by doubling the Value-Added Tax (VAT) on telecommunications and increasing customs on imported goods. The exchange rate used for calculating the domestic pound equivalent of customs duties on imported goods rose from SDG 6.6 to SDG 18 to the dollar, thus raising customs rates on all imported goods by 170 percent.[11] The fiscal deficit is likely to grow further due to the devaluations and the inflation they triggered, with both factors contributing to a reduction in production capacity and curtailment of tax revenue. The few resources available to the government to finance the deficit include monetization, loans from friendly Arab Gulf countries, and the issuance of bonds.

Sudan's trade balance also remained in the red beginning in 2012, when revenue from oil exports shifted to the independent South Sudan. Following this seismic rupture, Sudan's total exports covered just short of or above half the value of its imports, as shown in Figure 2 below.

Figure 1: Trade balance during fiscal years 2011 to 2017[12]



Source: CBS Annual Reports, at https://cbos.gov.sd/en/publication-type/annual-reports.

External sources that the government relied on in the past to reduce the twin domestic and external trade deficits have proven of limited value in recent years. Namely, transit fees on South Sudan oil exports dropped dramatically because of the 2013 conflict in South Sudan. Decline in international oil prices and their engagement in the costly military intervention in Yemen are limiting Saudi Arabia's and the United Arab Emirates' ability to continue propping up a Sudanese government that they also suspect of keeping open back channels with their regional adversaries Qatar, Turkey, and Iran. Last, and despite the lifting of U.S. economic and trade sanctions, Sudan's continued designation by the U.S. as a sponsor of international terrorism contributed to keeping foreign investors and financial institutions at bay as evidenced most recently by the CBS figures for foreign investment flows in 2016 and 2017 of just above a billion dollars in each year.

In attempting to address the dual internal and external deficits, CBS relied on monetary policies and tools that only contributed to the acceleration of the inflation and the depreciation of the Sudanese pound. Most harmful to the overall economy was the addiction to printing money to finance the internal deficit instead of imposing harsh cuts on government expenditures, buttressing productive and social sectors, curbing official corruption, and rationalizing imports.[13]

According to Dr. Mutasim Elagraa, an independent economist and regular commentator on economic issues, the large injection of local currency was "almost the only reason for the inflation of prices and the collapse of the value of the nominal pound against foreign currencies and not the greed of traders or currency dealers as the government claims."[14] This is yet another reason why Sudan's economic crisis is self-inflicted and can only be corrected by far reaching reforms and not the quick fixes that have characterized the government's crisis management— or, rather, mismanagement—to date.

3. Overwhelming government intervention in the economy

The predominance of "grey companies" in the economy of Sudan was compellingly documented in a confidential briefing by a well-placed regime insider, Musa Karama, an outspoken Islamist currently serving as federal Minister for Trade and Industry, to the Economic Officer at the U.S. Embassy in Khartoum in March 2008. The briefing, later made public by Wikileaks,[15] showed that these grey companies are either government-owned or semi-public—capitalized with public funds but "entrusted" to individual Islamists to run them on behalf of the ruling National Congress Party (NCP); the NCP's grassroots organizations for youth, students, and women; or as money-making arms of Islamic charities. The grey company mechanism has made it possible for the National Intelligence and Security Service (NISS), Sudan Armed Forces, and the Ministry of Interior to be dominant operators in the Sudanese marketplace, including in the telecommunications, media, banking, mining, oil, and agro-industrial sectors.[16]

To this day, the regime continues to reward these grey companies with government contracts and exempts them from business taxes and customs dues, creating an unfair marketplace for private businesses lacking these concessions. The revenue the grey companies raise has been used in part to feed foreign accounts and create foreign companies that the government effectively used to evade U.S. economic sanctions before they were lifted. Grey companies were initially created to provide "political money"—the war chest that allows the NCP to buy loyalties, engineer divisions and defections within the armed and political opposition, and purchase the wholesale loyalty of tribal groups and their government-sponsored militias by having their leaders on its payroll.[17] However, the absence of controls and accountability for the revenue flowing through this public and semi-public business sector became, over time, a main enabler of Sudan's political economy of corruption.[18]

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The latest official figure for the number of government-owned companies came from the former Minister of Justice, who stated in mid-August 2018 that there were currently 431 government companies out of the total 53,373 companies registered under the company law throughout the country.[19] Notably, a 2012 report by an official commission set up by the Ministry of Justice to enumerate government-owned companies documented the existence at the time of 603 parastatal companies owned by different government entities. However, it is not the number but the size of their operations that matter, which may account for the government's denial of access to the Ministry of Finance and the Auditor General's Chamber to the accounts of these companies and the remarkable absence of their revenue and expenses in the national budgets. The 2012 commission recommended the retention of only 50 strategic companies—conceivably the weapons and heavy industry factories owned and operated by the secretive Military Industrial Corporation as well as some agro-industrial and private security companies owned by the NISS— and urged that the rest be privatized. In addition to offering difficult-to-obtain evidence of the extent of the intervention of the government in the marketplace to the detriment of the private sector, the Minister of Justice's statement shows that the government still has a long way to go to exit the marketplace.[20]

Minister Karama remains concerned about the crippling impact of the grey economy, charging as recently as this October that "the size of the hidden economy is not known… off-budget expenditure and *tagneeb* [Arabic for "setting aside or keeping regular government revenue off-budget"] by either government companies or grey corporations consume more than 28% from the total budget resources."[21] His frustration speaks volumes about the impotence of cabinet ministers in the face of the hidden actors who appear to enjoy more decision making powers in running the economy.

4. Distorted foreign exchange system

Sudan maintains a system of multiple exchange rates that allows the government to lower official exchange rates of the SDG to the dollar to certain priority sectors as determined by the CBS. Examples of such are the CBS rates for government transactions and "strategic imports"—namely, oil products, agricultural inputs, medicines, and wheat—and the "incentive" rate conceded to commercial banks with the aim of attracting foreign currency flows from their clients and emigrants' remittances. However, the tight CBS exchange restrictions have led to an ever-widening margin between the official rates of exchange and that of the parallel black market, fueled largely by high demand for imports of consumer goods and luxury goods, capital flight, profit repatriation by foreign investors, and citizens travel for all purposes.

5. Pervasive, large-scale official corruption

While the government is supposed to earmark the official overvalued exchange rate for the imports of strategic goods, it has also extended access to this favorable rate to those in the business community with links to the inner circles of power. The preferential allocation of hard currency to government-owned companies and parastatals at an official exchange rate exposes the Sudanese economy to widespread corrupt practices as the recipients are able to engage in any number of fraudulent procurement practices, such as substituting inferior and cheaper products; false invoicing for strategic goods allegedly procured; paying kickbacks to foreign suppliers and government officials awarding contracts; and collusion with other companies competing for government contracts. Some have simply resorted to exchanging their hard currency allocations on the Sudanese black market, making huge profits overnight.

A particularly egregious example of this strand of corruption occurred between 2016 and 2017, when corrupt businessmen and senior bank officials, including some in the foreign exchange departments of the CBS and commercial banks, featuring prominently Bank al-Shamal al-Islami (the North Islamic Bank), conspired together to embezzle over $230 million earmarked for the importation of life-saving drugs at a subsidized cost. Upon receiving the dollars at the official rate, the traders and colluding bank officials proceeded to sell their dollar sum on the black market at more than three times the price they paid for it. Others profited from CBS letters of credit to import luxury goods, as was later revealed when the scandal was publicly exposed. Trials of those involved in the scam are still underway at the time of this writing due to suspicious delays resulting from three changes in judges over the course of a year.[22] Loyalists are only held to account for such illicit practices as a result of infighting among them over access to lucrative contracts, with one party selectively leaking information and documentation on the misdeeds of the other to the local press.

An equally striking example of corruption encouraged by the multiplication of government and parastatal companies consists of *tagneeb*, allowing senior officials to keep substantive off-book sums of money and revenues collected from the public and companies doing business with the government. In an arrangement marked by a total lack of transparency and accountability, such revenues are deposited in special accounts, accessible only to political appointees in senior ministerial positions to spend from as they see fit according to the political and patronage agendas dictated by the regime.[23] Off-budget accounts resulting from *tagneeb* are not subjected to the control and oversight of the Ministry of Finance. Further, the culprit ministries flatly deny access to these accounts to Sudan's independent Audit Chamber, which dutifully names the fraudulent ministries in its periodic reports to parliament—to no effect.

6. *Overspending on the security sector and government bureaucracy & underspending on the productive and social sectors*

During its nearly 30 years in power, the government's spending choices have consistently reflected the total priority given to the defense and security sectors to the detriment of other vital sectors. Second in the government's priorities are employee benefits and the sovereign sectors— which the government relies upon, together with the security sector, for its survival. The productive sectors of agriculture and livestock, which provide for the livelihoods of the overwhelming majority of the population and were responsible for the preponderance of export revenues prior to the discovery of oil and gold reserves, enjoy no such preferential treatment even though they continue to contribute an estimated 30 to 40 percent of GDP and to be major contributors to Sudan's foreign currency revenues. A similar lack of investment in the local industrial sector and the crippling taxes and government fees levied on its back have forced a majority of factories to shut down. Lowest in the government spending priorities are the public health and education sectors that have each received a meager 10 percent or less in the annual budgetary allocations during the three decades of the "Salvation" regime.[24]

The government's national budget figures are notoriously unreliable, as it does not publicly release information on its actual expenses on the defense and security sector. In 2009, the World Bank estimated that more than 60 percent of Sudan's budget was spent on the sector. The opaqueness led Harriet Baldwin, the UK's Minister of State for Foreign and Commonwealth Affairs, to state in response to a parliamentary inquiry in mid-2018 on Sudan's defense expenditure, "In the absence of reliable information from the Government of Sudan, our assumption is that such spending constitutes between 60 and 70 percent of Sudan's national budget."[25] This percentage does not take into account additional off-budget expenditure, representing actual costs that are spent above budget or that are not recorded in the budget figures released to the public and to regional and international financial institutions.

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The long-term effects of such paltry investment for the wellbeing of the population and the creation of new jobs for its young workforce have devastated the Sudanese education, health care, agricultural, industrial, and transportation sectors. This explains Sudan's consistent ranking at the bottom of the United Nations Development Program's Human Development Index, which records countries' achievements in health, education, and standard of living. For instance, Sudan ranked 165th of 188 countries in 2016 and 167th of 189 countries in 2018.[26]

Expenditure on the government bureaucracy represents another burden on national resources. Allocation of ministerial and lawmaker slots to allied political opposition parties and tribal and regional leaders represents one of the main patronage tools of the regime. Other tools include direct payments and the allocation of government contracts and business concessions to political satellites of the ruling NCP. Occupants of "constitutional positions" span a wide range in the executive branch, from the president, his aides, advisers, and cabinet ministers, to the 18 federal governors, their deputies, and state ministers and provincial commissioners. They enjoy extravagant benefits and privileges by law that represent a heavy expenditure burden on the budget. So do hundreds of federal MPs and members of the 18 state legislatures.

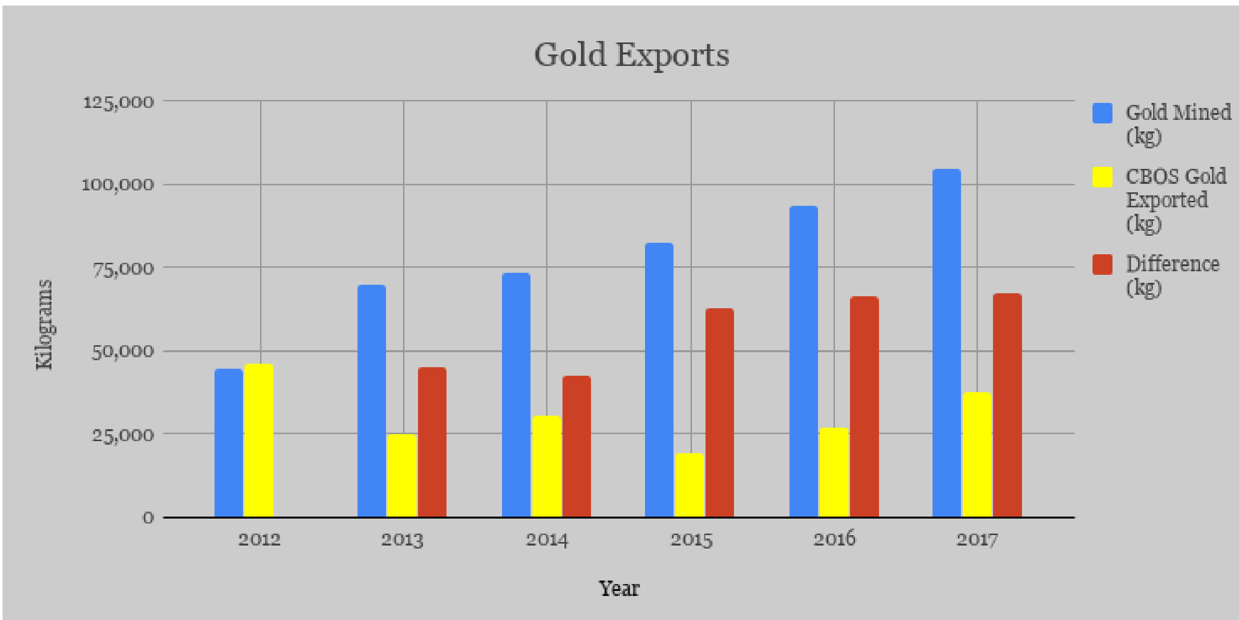
7. Squandering of natural resources: Gold

To offset the loss of revenue from oil that followed the independence of South Sudan in 2011, Sudan accelerated the exploitation of its significant gold reserves. In effect, with few opportunities for employment, hundreds of thousands of Sudanese youth set out to prospect for gold in the country's deserts and savannah plains, making considerable finds through rudimentary artisanal means since 2011. Sudan's gold production jumped from 44.5 tons in 2012 to 107 tons in 2017, some 80 percent of which produced by artisanal miners.

Revenue from the export of gold had the potential of significantly reducing Sudan's external trade deficit and fuel development efforts in the country. However, a high percentage of the annual gold productions ends up being smuggled outside the country by artisanal miners turned away by unfavorable CBS gold purchase policies, including underpricing and undervaluing of foreign exchange. According to several outspoken government and parliamentary officials, much of the smuggling is carried out by other unnamed officials for their personal benefit. It is also quite likely, based on the involvement of the NISS in the gold trade as a purchaser, according to testimony by gold traders, that part of the discrepancy in annual official revenues from gold exports (as compared to the corresponding volume of production for the year) is attributable to the practice of *tagneeb*, in this case to keep off-budget significant foreign currency funds for the defense and security sector and the upkeep of the patronage system that is central to the survival of the regime.

The graph below shows the amount of the annual leakage:

Figure 2: Annual Gold Production vs. Official Gold Exports by CBS



Source: CBS Annual Reports, at https://cbos.gov.sd/en/publication-type/annual-reports.

This trend continued well into 2018. While the Ministry of Minerals reported a gold production of 36.5 tons in the first quarter, CBS reported an official export figure of only 4.8 tons for the quarter for a value of $ 212,096,000.[27] These figures suggest that the bulk of foreign revenue from the sale of gold continued to be held outside the country either by private operators and very likely also by official actors operating under the *tagneeb* umbrella. In either case, these off-budget practices are aimed at feeding the country's patronage system and the military and security sectors.

Crisis Mismanagement Undermines Timid Policy Reforms

In January 2018, widespread protests broke out throughout Sudan against steep consumer price hikes and the lifting of subsidies on wheat that led to the doubling of the price of bread, sending a stark reminder to the regime of the political costs for its mismanagement of the economy. The government violently responded to the protests and detained dozens of opposition leaders and civil society activists for several months without charge or trial. Among the detainees were 15 journalists who were covering the protests, including the local correspondents of the BBC, AFP, and Reuters.[28]

As the crisis settled in in Sudan in 2017, signs of trouble began to multiply in the second half of the year, foretelling of worse to come. Faced with the prospect of imminent economic collapse, the former cabinet headed by Vice President Salih took decisions and introduced policies that failed to address the root causes for the ailments of the economy and instead sought to contain its most obvious symptoms: the severe shortage in foreign currency and the rapid depreciation of the national currency.

1. Crisis mismanagement

Despite the severity of the economic crisis, there appeared to be no coordinated and integrated institutional response to it under the previous cabinet led by Salih. The understanding at the launch of the Government of National Consensus in May 2017 was that the president would be in charge of the sovereign sectors of defense, security, and foreign affairs while the prime minister oversees all other sectors: economic, social services and welfare, federal affairs, etc.

That division of labor did not survive for long. A trend of presidential encroachment on the prerogatives of the cabinet first manifested itself in the formation in late 2017 of a Committee to Control the Rate of Exchange, which took on the crisis management task. Headed by President al-Bashir himself, it had as its members, among others, the heads of the NISS and its Economic Security directorate, the CBS director, the prime minister, and the ministers of finance, trade, and oil.[29] Noticeably absent in its lineup was Mubarak al-Fadil al-Mahdi, the former deputy prime minister and head of the erstwhile cabinet's economic sector committee.

The marginalization of the former cabinet was perhaps due to its own self-admitted incompetency. The former minister of finance Gen. Mohamed Osman al-Rikabi had remained mostly silent and out of public view as the economy went into a tailspin. Gen. al-Rikabi had no qualms admitting to Parliament in June, during the presentation of the first FY-2018 quarterly performance report, that "we have gone to China and Turkey, soliciting funding, being truthful and deceitful, but there is no patience either in government or Parliament." He added, "the economic crisis has reached the point of no return and the fixes recommended by MPs wouldn't work." The former Finance Minister concluded with the obvious remark that his own government's policies for economic disaster containment contradict best practice: "[A]ny economist who would think there are easy solutions for resolving the problems of the economy would be deluding himself and the public."[30]

2. Addressing exchange rate pressures

The rapidly depleting foreign currency reserves confronted the Salih cabinet with serious consequences, including the rapid depreciation of the pound and shortages in imported strategic commodities. In late April 2018, Salih warned parliament that his government didn't have the $102 million needed for the maintenance of Sudan's main refinery and the six-week oil products reserves that were critical to keep the country running while the refinery underwent long-delayed repairs.[31] As a result, Sudan witnessed severe fuel shortages for months, beginning in April and May, which forced citizens to wait for long hours and at times overnight in kilometers-long queues at gas stations throughout the country's urban areas. The shortages occurred at the critical preparatory period for the agricultural season, threatening to compromise domestic food production and the exports of agricultural products in 2018. They also led to the paralysis of public transport and dramatically raised the cost of commercial transportation of goods, further inflating the cost of production and consumer goods prices. More drastic consequences occurred in rural areas, where people rely on pumps to supply water to their households, their fields, and their livestock.[32]

Foreign currency shortages are likely to persist through 2018, although increases in the production of oil and gold and higher international prices for both commodities, in addition to greater revenues from transit fees on oil exports from South Sudan, are predicted to improve the situation in the coming months. The Salih cabinet's attempts to reverse the precipitous fall in value of the pound were largely security-driven, shying away from tackling the structural causes of the problem head-on. In mid-November 2017, the parallel market exchange rate of the Sudanese pound depreciated against the dollar from SDG 26 to SDG 30, prompting the government to deploy heavy-handed security-driven measures that included introducing a bill hardening charges and sentences for black market currency traders, including potential charges with "money laundering, sabotage of the national economy, and financing terrorism." CBS directed banks to hand over expatriate remittances in foreign currency, declined to accept deposits of currencies purchased from the black market, and denied importers the use of their foreign currency holdings for imports. The crackdown only forced the black market to go deeper underground and failed to stop or reverse the apparent freefall of the pound. By July, the pound had sunk dramatically to just over SDG 47 to the dollar.

Sudan witnessed severe fuel shortages for months, which forced citizens to wait for long hours and at times overnight in kilometers-long queues at gas stations throughout the country's urban areas.

Local media reported that the Committee adopted in early February 2018 an undeclared policy to control the stock of cash circulating in the economy by instructing banks to set upper limits of withdrawals and restrict clients' access to their deposits.[33] As a result, people struggled during 2018 as they saw their daily withdrawals restricted to the equivalent of a few dozen dollars. ATM machines ran dry for months at a time, causing crowds to gather at bank branches. The liquidity crisis reached a peak in late August when people could not withdraw their salaries from the banks in advance of the Islamic holiday, Eid al-Adha. Public trust in the banking system took another hard hit when the CBS announced on June 6, 2018 that it was going to undertake a mandatory partial currency change by replacing the SDG 50 bill, the largest, with a new one, only to reverse the decision weeks later without providing convincing rationale for either decision.[34]

3. Failing to restrain rampant inflation

As a result of foreign currency shortages and the depreciation of the national currency, inflation soared from 33.1 percent in October 2017 to 52.4 percent in January 2018. The inflation rate rose again from 63.86 percent at the end of June 2018 to 63.94 percent at the end July 2018. By this reading, the implied annual inflation peaked to 137 percent, placing Sudan third globally, behind Venezuela and Iran, according to the calculations of Professor Steve Hanke of Johns Hopkins University.[35]

Figure 3: Inflation rate at the end of the month (Dec. 2015 - July 2018).

Source CBS Economic Brief 7/2018, at: https://cbos.gov.sd/sites/default/files/7%202018.pdf.

The 2018 budget introduced drastic policy measures to reform the macroeconomy and prop up the national currency. It applied IMF recommendations for removing the subsidies on wheat and increasing the price of electricity; however, the government shied away from the full removal of fuel subsidies, which are much higher, clearly out of concern for a backlash of popular protests.

While the government ignored IMF recommendations for the floating of the Sudanese pound, it devalued the multiple official rates of exchange assigned by the CBS for different purposes and brought them closer to the black market rate—with the intention of adjusting them regularly to track the black market rate.[36] The government devalued the official rate in December 2017 from SDG 7.0 to SDG 18 to the dollar. In February 2018, the rate for commercial banks' private-sector transactions rose from SDG 18 to SDG 28. These devaluations were meant to close the gap between the multiple official rates and the parallel market rate; however, the latter kept galloping ahead due to the severe shortage of foreign currency supply compared to the evolving demand in the economy.

What the reform measures adopted by the Salih cabinet between May 2017 and September 2018 have in common is their obvious intent to have citizens bear the hardships caused by partial macroeconomic fixes, while protecting the oversized state apparatus and the economic activities of its security and defense sector from any limitations or accountability. A key driver for the acceleration of the depreciation of the Sudanese pound was the ability of the government's own companies and parastatals, which are awash with freshly printed pounds, to purchase their needs in dollars from the black market, as indicated by Dr. Sabir Mohamed al-Hassan. An architect of these economic policies, including as CBS director for over 16 years, he has, of late, taken to criticizing them.[37]

4. Anti-corruption efforts: too little, too late

The main consequence of rampant corruption in Sudan has been its corrosive impact on the socio-economic fabric of the country, destroying the hopes of youth, denying opportunity, and condemning the vast majority of the population to unjust poverty. The pervasiveness of structural corruption and its protection by the highest authorities and institutions in the state, themselves being the main corrupt actors, have uniformly, in the last three decades, earned Sudan poor ratings in global comparative indexes of corruption and ease of conducting business. Transparency International (TI) ranked Sudan 175th of 180 nations in its Global Corruption Perception Index for 2017. TI noted that "Sudan is, without a doubt, one of the most challenging environments for anti-corruption in the world. Corruption is present in all sectors and across all branches and levels of government: public servants are known to demand bribes for services that individuals or companies are legally entitled to; government officials hold direct and indirect stakes in many enterprises, which distorts the market through patronage and cronyism; and the head of state and government is believed to have embezzled up to US$9 billion from oil revenues."[38]

The severity of the economic crisis compelled the government to launch what many rightly interpreted as a maneuver to contain public anger about the impact of corruption on their daily lives and diverting public discontent away from the structural corruption of the regime to focus it on a few disposable regime insiders who the campaign singled out as the "fat cats," a reference to regime loyalists who made huge personal fortunes on the back of the national economy and contributed to its collapse. However, the first anti-corruption measures the government undertook in 2017-18 were security-driven and narrowly aimed at curbing black market currency trading. In late 2017, the Committee to Control the Rate of Exchange, chaired by the president, ordered the arrest of currency dealers, the freezing of their assets, and charging them with sabotaging the national economy.[39]

Adopting the populist approach, Maj. Gen. Salah Abdalla, also known as "Gosh," who was re-appointed director of the NISS in February 2018, threatened to lead an uncompromising campaign against the "fat cats." Among the most prominent business figures close to the regime to have been detained were the directors of Faisal Islamic Bank, Khartoum Bank, and of the Islamic Insurance Company. The spectacular arrest of Maj. Gen. Abdel-Ghafar al-Sharif (Ret), the director of the NISS Political Security Department, long reviled for his personal involvement in countless severe incidents of abject torture of political opponents, only served as a reminder of the fatal limitations of the campaign. A secretive NISS military court sentenced him to seven years of jail time for disciplinary irregularities, pushing over evidence of material corruption the investigation had uncovered to a regular judiciary hamstrung by inadequate laws and political manipulation by the executive.

The campaign demonstrated the inability of the government to bring its elective targets before the civilian judiciary because of credible fears that the accused would reveal in their own defense the intricate business relationships that continue to tie them to those still in the inner circles of power, including members of the president's family. The director of Faisal Islamic Bank al-Baqir al-Nouri was released reportedly on August 28th on bail, following five months of detention.[40] The director of Khartoum Bank, Fadul Mohamed Kheir, accused of diverting millions of dollars through his control of the bank and his other companies, was also released, after months of detention, on October 10th. He was reportedly made to pay $50 million to have the charges against him dropped and the case closed.[41] As a result, none of the several dozen others accused of corruption contributing to the economic collapse have been brought to trial at this writing.[42]

The anti-corruption campaign that the unfolding economic crisis prompted peaked with the inauguration on July 30, 2018 by al-Bashir of an "Investigative Unit of Corruption Crimes." Incorporated in the NISS, the Unit is staffed, in addition to NISS agents, with officials seconded from other executive and judicial bodies mandated to investigate and prosecute corruption cases. However, legal scholar Awad Hassan al-Nour, who served as Minister of Justice for the two years preceding the formation of the Salih cabinet in May 2017, publicly argued that the strict application of the rule of law would require the Office of the Public Prosecutor to be the only one in charge of prosecuting corruption cases, pending the establishment of an independent anti-corruption commission endowed with prosecutorial powers. He also explained why members of the judiciary and the Office of the Public Prosecutor should not have been placed under the authority of an executive body, in this case the NISS. While mandated to investigate money laundering and other economic crimes and interrogate and detain suspects of such crimes, the NISS should hand over the results of its investigation to prosecutors and judges for the rule of law to prevail.[43]

Earlier government anti-corruption initiatives also displayed the lack of political will to uproot corruption. Upon assuming yet another mandate after sham elections on June 2, 2015, al-Bashir announced the establishment of a Transparency, Integrity and Anti-Corruption Commission under his direct authority.[44] In January 2016, the parliament adopted a bill establishing the body. What happened next is revealing. Bashir refused to sign the bill into law, balking at provisions under its Article 25 that would have allowed the removal of the blanket legal immunities granted to members of uniformed forces and senior government officials during the investigation and prosecution of corruption cases.[45] The lack of political will to fight corruption is further evidenced by the demise of the Anti-Corruption Mechanism that the president formed in 2012. Authorities allowed the mechanism to die a natural death by 2015, without having investigated or brought to court a single case of corruption.

Self-Correction at Last?

Thirty years into his uninterrupted presidency, during which he fronted for the Islamist Movement and a strong class of kleptocrats that expanded to include clan and extended family members of regime leaders, al-Bashir still appeared far from admitting the responsibility of the regime he leads for wrecking the economy of a resource-rich country endowed with equally rich human capital, much of it forced into exile for economic and political reasons. In a rare August 21 address to the nation, the president appealed for yet another chance to fix the economic wreck and to alleviate the severe hardships affecting the public as a result of the economic mess, outlining policies purportedly under preparation to correct the distortions of the macroeconomy. Typically, some of the eight points he outlined suggested new strategic directions, but others were merely procedural or aspirational.[46]

The president later touted the appointment of a new cabinet on September 14th as the first step towards the realization of the promised decisive cures to the ailments of the economy. Despite the build-up of expectations towards the launch of the new cabinet, the event turned into a national embarrassment when the government appointed Dr. Abdalla Hamdouk, an independent economist of international credentials serving at the time as the Deputy Executive Secretary of the U.N. Economic Commission for Africa, to the important portfolio of Finance. Dr. Hamdouk turned down the offer, the NCP having announced the appointment without securing his prior approval. This forced the new prime minister, a veteran Islamist and Jihadist from his student days and member of the president's extended family, to double as minister of finance, betraying a lack of thorough discussion of the new policies the president said were in gestation with the original finance minister-designate.[47]

In his first public statement in mid-September, the prime minister said his government would aim to realize comprehensive economic and structural reforms, starting with the deployment of "shock policies" to resolve the problems of inflation and exchange rate.[48]

On October 4, the new cabinet announced a set of policies focused on adjusting the rate of exchange to catch up with the black market rate, with the aim of encouraging exports, rationalizing imports, and stopping the flight of foreign currency earnings from gold exports. The CBS ceded its mandate to fix the official rates of exchange to a newly established, supposedly "independent" Market Makers Mechanism, consisting of nine bank and exchange bureau managers. The government tasked the Mechanism with fixing on daily basis a "realistic (fair)" rate of exchange that more closely tracks the parallel market's. A company owned by CBS also launched new investment instruments aptly labelled "glitter bonds" to be managed by commercial banks with funds raised from the public, promising an anticipated rate of return in the range of 25 to 35 percent on investment to encourage commercial and individual investors to purchase the bonds. The funds thus raised would be used to purchase gold from traditional miners at the newly established realistic rate, with the aim of eliminating the incentive to smuggle gold.[49]

The government anticipates that the new realistic rate would encourage Sudanese expatriates to transfer their remittances, estimated at about $4 to $ 6 billion in annual transfers, through official channels and would similarly incentivize exporters to surrender their export proceeds to the CBS. Importers would buy foreign currency from commercial banks at the new realistic rate to finance imports in accordance with priorities set by the government that favor strategic commodities, such as petroleum products, food, agricultural and industrial inputs, and medicines.

In response to the October 4 announcement, the Sudanese Pound plunged from SDG 40 to SDG 47 to $1 in the parallel market. Since then, the rate of SDG 47.5 to $1 that the Mechanism first announced on October 7 has remained nearly unchanged as of this writing, representing a *de facto* devaluation of the official rate of exchange of the pound by 60 percent from the previous rate of SDG 28 to the dollar.[50] In reaction, the parallel market rate initially jumped ahead of the one set by the Mechanism to SDG 50 to $1, but subsequently stabilized within a narrow range of difference in the weeks that followed.

Predictably, the steep devaluation of the national currency led to higher prices of basic consumer goods and created uncertainty in the market. While taking a bolder and more flexible approach to peg the official rate much closer to the parallel market, the policy package stopped short of fully floating the value of the national currency to be determined by supply and demand conditions. In any event, the successive devaluations of the pound and resulting inflation are expected to erode real incomes and will impact the budget via tax revenues depending on whether the economy picks up or slows down in response to the new policy package.

Several other challenges face the new policy regime. A limiting factor is the severe dearth of foreign currency reserves at the CBS that the Mechanism could draw from to shore up the pound in the event of rapid increases in parallel market counter offers. Another is that Sudan's agricultural production and exports, which the new policy aims to boost, rely heavily on imported inputs that require the ready and timely availability of foreign exchange at rates that do not cripple production by inflation cost. These non-mineral exports would need significant investments to recover from years of neglect as Sudan continues to export low value added products such as livestock instead of processed meats. Shortages of foreign currencies that the new policies seek to address head on are therefore likely to persist even if the anticipated improvements in the trade balance materialize as a result of better export performance and lower incentives to import. Last, it is crucial to note that under the new regime the government will continue to control the access to and use of the foreign currency flows through the new Mechanism. This would leave significant demand to finance other transactions by recourse to the parallel market—setting the stage for further depreciation of the parallel market rate and adding pressure on the official rate.[51]

In short, while showing more flexibility and determination to rely on domestic resources, the government stopped short of addressing the structural imbalances of the economy, namely the bloated government bureaucracy, the disproportionate expenditure on the security sector, and the tax breaks and exemptions granted to companies owned by security agencies and regime loyalists. Significantly, the new cabinet has yet to take meaningful measures to address the corrosive effects of institutional corruption on the economy.

To bring the crisis under control, the government of Sudan must take measures that it has thus far avoided, including those outlined below.

Necessary Government Reforms for Averting Economic Collapse and Financially Re-engaging with the World

The Government of Sudan has almost exclusively laid the burden of all the partial reforms it has undertaken to date—namely, the partial lifting of subsidies, devaluations, raising of taxes and custom duties, and the more recent reform measures—on the back of its impoverished population while neglecting to take on any of the privileges and benefits that sustain its patron-client networks. The government has failed to credibly attack pervasive corruption by those in the innermost circle of power, members of their families, and business allies.

If Sudan is to sustainably and productively re-engage with the global economy, the government must undertake genuine and far-reaching reform measures to attract foreign investments and development assistance, both of which are now inhibited by government practices and the discouraging business environment. On the other hand, the donor community and private investors should exercise due diligence as they assess engagement with Sudan, lest their assistance end up reinforcing Sudan's violent kleptocracy. Sudan would have to accompany the recommended economic reforms with political reforms, as both areas will allow the business community to breathe and permit civil society groups and opposition political parties to have meaningful roles in the decision-making about economic policies and strategies.

The reform measures should include:

- Drastic reduction of the bloated and unproductive government bureaucracy and constitutional position holders.

- Reduction of military expenditure, including off-budget expenditure. This will require a political and just solution for ongoing armed conflicts in Sudan. It will also necessitate a serious security-sector reform effort to eliminate tribal militias that have been incorporated into, or loosely attached to, the uniformed services at a high fiscal cost.

- Direction of more of the resources of Sudan to the productive agriculture, livestock, and mineral sectors and to fundamental social services, particularly health care and education, that are necessary for improving Sudan's appalling performance in human development indicators.

- Introducing budgetary transparency measures by publishing and widely distributing to the public Sudan's state and federal budgets. This would encourage communities to monitor government spending that was allotted to local development and essential services so that these priority sectors do not become other fronts for official corruption at all levels.

- Seriously and demonstrably attacking corruption and recovering the funds illicitly siphoned by corrupt entities and individuals, including senior officials, so-called "grey companies," and commercial banks. To that end, Sudan should establish an independent anti-corruption commission with prosecutorial powers and remove all legal immunities currently protecting government officials from prosecution for embezzlement of public funds.

- Cooperating with multilateral organizations, including the World Bank and the IMF, to facilitate debt relief through the HIPC process. This requires establishing a track record of reforms and sound policies and developing a credible Poverty Reduction Strategy Paper through a broad-based participatory process.

- Committing to and fully implementing the obligations for governments outlined in the UN Guiding Principles on Business and Human Rights. These include the obligation to respect, protect, and fulfil human rights and fundamental freedoms as well as to remediate appropriately where harm is caused, such as safeguarding against and repairing the harms to which hundreds of thousands of artisanal minors are daily exposed throughout the country through their uninformed and unprotected use of mercury and cyanide. The Government of Sudan should balance these obligations with those required of businesses investing in Sudan and should work in coordination with any such entities to ensure all operations strictly adhere to internationally-recognized human rights norms and standards.

As to Sudan's current and future economic partners, and as long as the current investment environment prevails, characterized as it is with pervasive grand corruption and money laundering practices and risks, our recommendations call for due diligence and the use of leverage to assist in the realization of genuine and lasting political and economic transformations in the country. These pressures include:

- The United States should impose sanctions on networks responsible for corruption and human rights abuse in Sudan, pursuant to the Global Magnitsky sanctions program. In light of the serious levels of corruption described in this report, and the responsibility for both past and ongoing human rights abuses, the Administration should identify and sanction the networks of key individuals, including their business proxies and companies, at the heart of the al-Bashir regime. These networks are not only responsible for atrocities, but their corrupt activities are a major cause of the economic crisis that has led to the precise opposite economic result promised when comprehensive U.S. sanctions were lifted in 2017. Use of Global Magnitsky sanctions on key leaders and their networks will enable the United States to regain leverage and impose much-needed accountability.

- The United States, United Kingdom, and other governments encouraging investment in Sudan should issue Advisories or similar bulletins to banks and others in the private sector that highlight the significant money laundering risks emanating from endemic corruption, the gold trade, and other issues in Sudan, as described above. These Advisories can help ensure that the private sector is acting against the transactions and accounts that fuel the corrupt practices currently crippling the Sudanese economy and people. The government should refer to key publications of the Financial Action Task Force (FATF) focused on money laundering risks related to gold and to corruption. In addition, the U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) should emphasize the need for banks to apply its June 2018 Advisory on human rights and corruption to transactions related to Sudan.[52] Moreover, FinCEN should investigate whether the gold sector or other networks in Sudan constitute a "primary money laundering concern" pursuant to Section 311 of the Patriot Act.

- The United States should also adapt the model of the Burma Responsible Investment Reporting Requirements and require that investment in Sudan above a certain amount (e.g., $100,000 in gross sales) should be accompanied by a public report that outlines who the company dealt with in the country, how it conducted due diligence, whether the transactions involved any engagement with the NISS or military, and what impact the transactions had on human rights.

Finally, in a brief concurrently released with this report, the Enough Project also recommends that regional and international companies contemplating engagement in Sudan observe the best principles and practices as laid out in a number of international guidelines for responsible business and responsible supply chains. These guidelines include: the UN Guiding Principles on Business and Human Rights, OECD Guidance for Responsible Supply Chains, OECD Guidelines for Multinational Enterprises, IFC Performance Standards, UK Bribery Act, Equator Principles, and FATF Recommendations.

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[4] Enough defines “violent kleptocracy” as a “system of state capture in which ruling networks and commercial partners hijack governing institutions for the purpose of resource extraction and for the security of the regime. Ruling networks utilize varying levels of violence to maintain power and repress dissenting voices. Terrorist organizations, militias, and rebel groups can also control territory in a similar manner.” See: Ken Menkhaus and John Prendergast, “Defining Violent Kleptocracy in East and Central Africa,” The Enough Project, October 20, 2016, available at: http://www.enoughproject.org/blogs/definingviolent-kleptocracy-east-and-central-africa.

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[12] CBS, “Foreign Trade Statistical Digest, January – March 2018,” available at: https://cbos.gov.sd/sites/default/files/Digest_Q1-2018.pdf

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