

# Round Table III: Food systems in settings of (active) conflict: Sudan

## Context

Violent conflict is rising globally. According to research by PRIO ([2024](#)), 2023 recorded the highest number of state-based conflicts since 1946. The Armed Conflict Location & Event Data (ACLED) project estimates that in 2024 one in seven people worldwide have been exposed to violent conflict ([2024](#)). The Global Network Against Food Crises annual report on food crises reports that in the 20 conflict affected countries it monitors, 134.4 million people are facing hunger mainly as a result of conflict ([GNAFC, 2024](#)). Not coincidentally, global humanitarian needs are at an all time high. The Global Humanitarian Overview 2024 shows that for 187.8 million people in urgent need across 71 countries USD 48.65 billion is required, of which currently 11.23 billion is funded. UNOCHA further reports that on average only 16.1% of these humanitarian appeals were funded between May of 2023 and 2024 ([UNOCHA, 2024](#)).

In these conflict-affected settings, armed actors may weaponize food resources in conflicts -also referred to as food wars- to exert control, complicating efforts to restore formal agricultural economies and increasing humanitarian challenges ([Messer & Cohen, 2024](#)).

**Food wars** are organised, armed conflicts in which one or both sides use food and hunger as weapons. This includes destroying agricultural infrastructure, markets and resources, leading to reduced agricultural production, disrupted food markets and long-term deterioration in health and nutrition even after conflicts have ended. Strategies include destroying agriculture and livestock, disrupting markets and trade, and restricting access to food in the form of emergency relief. These tactics are used by both state and non-state actors, including militias, who can manipulate food aid to control the population or force conversions. In 2018, the UN Security Council adopted [resolution 2417](#), condemning the deliberate starvation of civilians as a war crime punishable by international sanctions.

But even without intent or strategy, violent conflict can severely affect food systems by destroying assets and resources, displacing skilled farmers, and diverting resources from agriculture to military spending. Moreover, changes in household dynamics, such as an increase in female-headed households, often shift production from market-oriented farming to subsistence farming. Further, distribution channels for food are often disrupted, resulting in decreased food movement and reliance on black markets, which inflates

prices and limits food access for communities ([Delgado et al. 2022](#)). Increasingly, actors therefore look to the possibilities that support for markets and the private sector offers to keep food systems functioning in areas of crisis in addition to humanitarian approaches.

In these contexts, most private sector activity is informal and most food is produced by small scale farmers. While formal small and medium sized enterprises (SMEs) as well as larger companies exist, most economic activity is driven by small-scale and micro-entrepreneurs like street vendors, home-based producers, and family-owned shops. According to the International Trade Center, SMEs make up 90 percent of all businesses in fragile environments and research shows that between 2006 to 2020 on average 70 percent of employment in conflict-affected areas was self-employment. Many of these self-employed entrepreneurs in fact are engaging in 'survival entrepreneurship'. Which means they use entrepreneurship as a coping mechanism - out of necessity - instead of basing it on a clear business opportunity. For most, this affects the viability and competitiveness of their business. However, while these entrepreneurs often start out of necessity, many in time establish crucial niches that support local food systems, despite the challenges they face. In fact, ITC refers to a so-called 'Phoenix effect' where businesses that have been supported to cope through conflict are more likely to take off on a growth trajectory once stability starts to take hold and the business environment improves ([ITC. 2023](#)).

Currently, there are a number of key approaches that are used to support the private sector in fragile and conflict-affected settings (FCAS). On the humanitarian side, increasingly organizations work with cash or vouchers, allowing people to purchase what they need, preserve market dynamics and allow dignity of choice for affected populations during crises. The [EMMA toolkit](#) is one approach developed to map markets in emergencies for this purpose. This approach to understand markets and work with them ties into another common approach: Market Systems Development (MSD). When used for food security outcomes in FCAS, civil society organizations (CSOs) 'diagnose' market dynamics - specifically understanding why markets fail to supply food - then focus on building or supporting market functions and enabling systems that allow food markets to function again. CSOs try to take a step back and act as 'facilitators' or markets, to cause as little market distortion as possible ([Bolling & Vrancken, 2020a](#)).

#### **Case: Markets in Sudan**

[Food security projections](#) for Sudan reveal an impending hunger catastrophe of unprecedented scale, comparable to the Darfur crisis of the early 2000s. The Food and Agriculture Organization (FAO), the UN Children's Fund (UNICEF), and the World Food Programme (WFP) have issued warnings about the rapidly worsening conditions as conflict devastates food systems in the country after more than a year of war.

Yet, a [study by The Cash Consortium of Sudan \(CCS\) and EU](#) revealed that Sudan's commercial sector is functioning, with signs of recovery in some areas. Cross-border trade remains active, and the flow of goods into the country has substantially increased. Despite challenges like blockages, costs, and uncertainties, supply chains are adapting, particularly in transporting goods across conflict zones to reach rural markets and communities. Private sector actors have expressed their ability to boost the supply of staple foods to most high-need areas, though some would need assistance to scale up quickly and efficiently. They formulated recommendations to strengthen supply chains, boost market resilience, enhance consumer purchasing power, advocate for efficient commercial practices, and monitor market dynamics (see Annex for more details).

This market focused approach contrasts with the value chain approach, which takes a more narrow perspective to examine how agricultural products, including food, can be produced and sold to generate income and create jobs - organizing support for chain actors but less focused on the wider system ([Bolling & Vrancken, 2020a](#)). In FCAS, value chains tend to be shorter and more locally oriented, with high interdependency between actors. Strengthening these businesses and value chains is therefore most effective when multiple actors, including the government, are engaged simultaneously. However it is crucial to prioritize conflict sensitivity in targeting value chains to avoid reinforcing harmful power dynamics and exclusion which may fuel conflict dynamics ([Bolling & Vrancken, 2020b](#)).

#### **Case: Working with the private sector in Sudan**

In the midst of this crisis, traditional aid systems are failing, leaving local volunteer groups and the private sector to fill critical gaps ([Hoffman et al. 2024](#)). In the face of state collapse, war, destruction, looting and attacks on civilian volunteers, Sudan's private sector has taken on a vital role in providing essential goods and services to the population, in part due to the resilience it developed during years of dictatorship. Mobile money services, like the [bangkak](#) application, or [Cashi](#), allow people to send and receive money. While private entrepreneurs are setting up [health services](#) as the state system collapses. However, supporting Sudan's private sector does not go without significant risks, as the armed forces, RSF, and other armed groups are deeply involved. Any aid or support for businesses must carefully avoid being exploited by these security-business networks. Strong due diligence process, involving local stakeholders, is essential to identify legitimate businesses and avoid supporting kleptocratic entities tied to conflict actors ([Hoffman et al. 2024](#)).

Finally, a currently emerging approach focuses on creating resilience of food systems. Drawing on resilience building approaches in the humanitarian sector - aimed at strengthening coping mechanisms of communities and households (to anticipate and absorb shocks) - it looks towards a systems level. Similar to MSD it aims to understand how systems deliver food security outcomes, looking at the environmental,

social and economic aspects of a food system to understand how elements of that, like trade, should be supported to so that the system continues to deliver food security outcomes despite (expected) shocks ([Van Uffelen et al., 2021](#)). Where it differs from MSD and value chain approaches is its explicit understanding that in some places crises are (semi-)permanent and shocks will continue to happen. In this way it promotes long-term strategies for investing in crisis areas.

There is a growing recognition of the importance of this long term perspective in FCAS to allow for investment, which is increasingly attracting social impact funders and investors. Within countries affected by conflict and fragility there are huge differences between areas. Identifying what is possible, needed and who to work with in specific areas is essential to understanding how to invest there. For instance, anticipating heightened food demand in areas with incoming refugees and internally displaced persons (IDPs) and assessing whether markets can adapt to prevent localized food shortages may be a core objective for impact-driven investment in FCAS. IKEA foundation and the World Economic Forum dubbed this type of investment '[Humanitarian and Resilience Investing](#)', calling on actors to work together to create a pipeline of scalable investment opportunities (2022). Concrete examples include the [Shuraako](#) programme in the Somali region, which mobilizes capital for investments to SMEs. In a similar vein, [AECF](#) and [AFDB](#) have launched programmes to help SMEs and support the private sector in Sudan amidst its current conflict. While the International Finance Corporation of the World Bank Group has developed guidance to promote private investment in fragile and conflict-affected settings ([IFC, 2019](#)).

## Discussion questions

- What perspective for action exists for multi-stakeholder collaborations in countries affected by active conflict such as Sudan?

## Annex: Sudan Commercial Markets Analysis Summary

AREA	SHORT TERM	MEDIUM TERM	LONG TERM
SUPPLY CHAIN CAPACITY STRENGTHENING	<p><b>Establish joint humanitarian and private sector platforms</b> consisting of Chamber of Commerce, trader associations and similar bodies at local and State levels to share programme plans and demand on supply chains and to <b>ascertain capacity, opportunities and challenges and mitigation actions</b>. Consider short term/rainy season needs urgently. Support existing local initiatives and positive coping strategies.</p>	<p><b>Identify and support service providers that play a key role in supply chain capacity and recovery</b>. Through participatory analysis, identify activities and key stakeholders to improve their capacity to provide services for response scale up, e.g. FSPs need to address challenges related to cash circulation/liquidity/e-commerce, etc. Transporters have challenges related to vehicle shortages, transit times and security.</p>	<p><b>Assess and improve supply chain conflict resilience</b>, e.g. strengthen trust within business partnerships, identify/diversify reliable suppliers, improve information management systems and communication, document and share learning, links business to FSPs and MNOs for affordable insurance, loans and foreign currencies services.</p>
	<p><b>Select and support strategic agricultural production and livelihood recovery markets alongside humanitarian action</b>, e.g. quality input subsidies, warehousing, financing, access to machinery, supplier and offtake identification, fuel and transport subsidies.</p>	<p><b>Identify key hub marketplaces and support their recovery</b> (e.g. Nyala and El Fasher). Prioritise hubs close to vulnerable food insecure populations. Activities could include investment in infrastructure, improved market information systems, and access to financial services.</p>	<p><b>In partnership with the private sector, monitor cross-line and cross border commodity flows and sources</b> up and down stream for staple food supply chains to verify flow and timeframes and identify bottlenecks and potential additional interventions.</p>
MARKET ACTOR RECOVERY & EXPANSION SUPPORT	<p><b>Boost market actor capacity to participate in MPCA through business grants to small, medium and large market actors</b> to support their recovery and expansion. Target actors providing essential goods and services in primary and secondary markets, hub markets and rural end markets for maximum impact. Link these market actors to cash recipient households and encourage the use and trust in e-commerce. Promote market integration between hub markets that play a role in supply routes and market functionality.</p>		<p><b>Link targeted market actors to FSPs for affordable, conflict sensitive, and innovative services and products</b> to enable business growth, expansion and resilience (e.g. insurance, loans and foreign currency exchange).</p>
	<p><b>Identify short-term cost drivers that increase overheads and price hikes within the supply chain</b> and implement mitigation actions for maximum short-term benefits, (e.g. temporary warehousing, transport subsidies, pooling of transport services to address truck shortages and delays).</p>	<p><b>Implement medium to long-term mitigation actions to reduce cost drivers and overhead costs, in partnership with relevant authorities/bodies for longer term sustainability</b>, e.g. support communication hubs/aids to improve market information systems; enable warehouse provision and safety; explore alternative trade routes or modes of transportation to bypass high-cost or high-risk areas; support trader negotiations for lines of credit from their suppliers and other innovative pre-financing arrangements (including the opportunity of pooled resourcing and leveraging volumes for better payment terms), to optimise trader profitability and increase beneficiary purchasing power.</p>	
CONSUMER DEMAND & PURCHASING POWER ENHANCEMENT	<p><b>Provide MPCA and/or voucher assistance to households to increase their purchasing power and thus consumer demand</b>. Phase assistance in locations where supply chains have longer lead times due to location, security and capacity. Sequence with market actor support activities for maximum impact.</p>	<p><b>Increase household financial and digital inclusion</b> where services are available.</p> <p>Provide <b>grants and/or in-kind assets</b> (if not locally available) for livelihood recovery.</p>	<p><b>Include households in self-reliance oriented interventions led by local partners and institutions</b>. Engage households in local/national initiatives where relevant and beneficial.</p>
BUSINESS ENABLING ENVIRONMENT IMPROVEMENT	<p><b>Conduct advocacy and awareness raising to relevant bodies, authorities and regulators to:</b></p> <ol style="list-style-type: none"> <li>Engage local governments to: (i) <b>streamline customs procedures</b> to reduce traffic congestions, delays, and uncertainties at border checkpoints; (ii) <b>enhance security measures along trade routes</b> to mitigate risks of looting and robberies; (iii) <b>grant access to suppliers and transporters</b> to reach markets and conduct trade within their areas of jurisdiction; (iv) <b>reduce checkpoints</b> and various forms of formal/informal taxation and seizure of goods.</li> <li><b>Facilitate agreements between authorities and the private sector to designate and secure specific areas for cross-loading</b> at border points to expedite the process and minimise delays. The areas could also be used for prepositioning.</li> <li><b>Facilitate access to, and improvement of, telecommunications</b> e.g. mobile networks and internet to enable mobile-based payments, remittances and communication.</li> <li><b>Encourage FSPs and the Central Bank of Khartoum to address liquidity challenges</b> that are affecting the wider economy.</li> <li>Encourage the wider <b>humanitarian community to utilise functioning commercial supply chains</b> to further support their recovery and local economic growth.</li> </ol>		