

THE EUROPEAN UNION EMERGENCY TRUST FUND FOR STABILITY AND ADDRESSING THE ROOT CAUSES OF IRREGULAR MIGRATION AND DISPLACED PERSONS IN AFRICA

T05-EUTF-HOA-SD-45

Action Document for the implementation of the Horn of Africa Window

1. IDENTIFICATION TABLE

Title/Number	Fostering Smallholder Capacities and Access to Markets in Food Insecure Areas of Darfur		
Total cost	Total estimated cost: EUR 9,600,000 Total amount from the EU Trust Fund: EUR 8,000,000		
Aid method / Method of implementation	Project approach Indirect management with World Food Programme		
DAC-code	52010	Sector	Food aid/Food security programmes

2. RATIONALE AND CONTEXT

2.1 Summary of the Action and its Objectives

The Action contributes to the EU Trust Fund objectives (1) creating greater economic and employment opportunities; (2) strengthening the resilience of communities and in particular the most vulnerable. The Action is **also aligned with the Valletta Action Plan priority domain (1)** development benefits of migration and addressing root causes of irregular migration and forced displacement, in particular through “investing in development and poverty eradication”, and to support “resilience, in particular to the benefit of the most vulnerable, in particular women and children, and communities hosting protracted refugee populations, including through rural development, food and nutrition security, health, education and social protection”. This Action is aligned with and contributes to the following Sustainable Goals for Development (SDG): SDG 2 "End hunger, achieve food security and improved nutrition and promote sustainable agriculture"; SDG 5 "Achieve gender equality and empower all women and girls"; SDG 6 "Ensure availability and sustainable management of water and sanitation for all"; SDG 8 "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; SDG 12 "Ensure sustainable consumption and production patterns"; SDG 13 "Take urgent action to combat climate change and its impacts". The intervention also supports the right to food as per the International Covenant on Economic, Social and Cultural Rights, ratified by Sudan in 1986.

Sudan is a country of origin, transit and destination, at the centre of the migratory routes connecting Africa with the Mediterranean. Sudan accounts for the 2nd largest population of internally displaced persons (IDPs) in Africa (3.2 million, **2.7 million of them being in Darfur**). Darfur borders Central African Republic, Chad and Libya. It is one of the most deprived areas of the country in terms of poverty and social services availability. Yet, Darfur possesses a huge development potential, but also a high risk of producing further displacement and migratory flows if this potential is not fulfilled.

The **overall objective** of the project is to enhance the food and income security of smallholder farming households in Darfur. The **specific objectives** of the project are to: i) Increase household food availability by reducing pre-farm gate losses; ii) Empower smallholders to sell surplus grain at higher prices; iii) Strengthen capacity of smallholders and farmer’s groups to access markets and value chains.

This intervention represents a pilot approach aiming to develop a model for Post-Harvest Loss reduction in Darfur. Over **21,700 farmers are to be reached in each state** targeted by this Action to ensure that the model developed can be tested, amended and replicated across the range of contexts that exist for

smallholder farmers in Darfur. **At least 40% of the direct beneficiaries will be women**¹ (feasibility will be verified during inception phase, based on the situation on the terrain). Indirect beneficiaries are estimated at 325,500². **Participation will be open to resident farmers, IDPs who have access to land and returnees** (both former refugees and IDPs, currently estimated at 115,000 in South Darfur, 2,773 in West Darfur and 23,793 in Central Darfur) with the exact mix varying across localities and states and to be determined through applying the targeting criteria.

The **intervention logic** assumes that rural development can address factors that compel people to move by creating business opportunities and jobs for young people. It can also lead to increased food security, more resilient livelihoods, better access to social protection, reduced conflict over natural resources and solutions to environmental degradation and climate change.

The **geographical scope** of the project focuses on South Darfur, West Darfur, and Central Darfur States. Indicatively the 11 following localities will be targeted: Nyala locality, Beleile, Al Salam and Gereida (**South Darfur**), Zoom, Zalengi, Muktar and Bendisi (**West Darfur**) Habila, Geneina and Krenick (**Central Darfur**).

2.2 Context

2.2.1 Country Context

With an area of app. 1.9 million km², Sudan is the third largest country in Africa. An estimated population of 40 million inhabitants is growing rapidly. It is estimated that **40% of the population is below 14 years**.

Sudan is a **low middle-income country and is a fragile country** (OECD, World Bank). About **46.5% of the population lives below the poverty line**, with 8% in extreme poverty. Socio-economic indicators remain low in a context of deep economic crisis, with reduced revenues after the independence of South Sudan, low oil prices and an economy which is not diversified. In the global Human Development Index rankings, Sudan was placed at 166 out of 187 countries in 2014. It is estimated that **20% of the active population is unemployed**, with women's unemployment nearly twice that of men. Agriculture remains the main source of employment, although the urban informal sector is reported to account for more than 60 per cent of GDP. Poverty is heightened by inefficient development plans and strategies, reduced public expenditures on basic services, and erosion of land and natural resources. An interim Poverty Reduction Strategy Paper (I-PRSP) and the Five-Year Program for Economic Reforms were approved by the Sudan parliament in December 2014. The process to prepare a "full" Poverty Reduction Strategy Paper (PRSP) is currently stalled. However, GoS is expected to release the results of the 2014-2015 Household Survey in late 2017.

Sudan has borders with some of the most unstable countries in East Africa: Central African Republic, South Sudan, Libya, Eritrea and Chad. Sudan is at the centre of the Eastern African migration route, towards North Africa and Europe. Hundreds of migrant workers (including seasonal labourers, often neglected by statistics), asylum-seekers and refugees are originating from or transiting through Sudan every month, with only a minority choosing to settle in the country. Traffickers and smugglers are operating in the country. OCHA (2017) estimates that about **3.2 million people are internally displaced (IDPs) and almost 800,000 are the refugees and asylum seekers**. The capital, Khartoum, and Northern State, Kassala, Gedaref, Red Sea and White Nile are the most affected areas by migration flows heading to Europe through Egypt and Libya. In White Nile State, a continuing flow of South Sudanese refugees is registered. About **84% of the new arrivals are women and children**. Sudan also hosts significant numbers of Syrian refugees and several thousand Yemeni refugees who have arrived in recent years.

¹ Women are the crucial link in post-harvest – they perform up to 80% of the harvest activities, and are usually responsible for 100% of food preparation.

² Based on a household size of 5 people.

After South Sudanese, **Eritreans are the second largest group of refugees in Sudan**, with 107,000 (September 2017) refugees residing in nine camps in the East of Sudan, all situated in the Gedaref and Kassala region. The chances of them undertaking onward migration is increasing as the majority are young people, and unwilling to stay in enclosed camps.

Sudan also has one of the largest population of internally displaced people in Africa. In Darfur alone, some 1.6 million displaced people are registered as living in camps. For unregistered IDPs i.e. displaced people living in rural settlements and urban areas, estimates vary considerably, especially as there is no systematic registration of displacement outside camps.

Darfur covers around 26% of Sudan's area (493,000 km²) and is home to nearly one-quarter of Sudan's population, 62% of who live below the national poverty line³. Livelihood practices among pastoralists, agro-pastoralists, sedentary farmers and urbanites are inter-dependent, with farmers owning livestock, pastoralists engaged in cultivation, rural families receiving remittances from urban centres, and urban families employed as labour in rural farms. **Trade among these groups is considered the lifeblood of Darfur's economy.** Even through the conflict, pastoralists continue to rely on the sales of grain by farmers, with whom they exchange animals, which are then used as a safety net, particularly after poor agricultural seasons. Since 1972, the region has experienced 16 drought years.

2.2.2 Sector Context: policies and challenges

The **most common agricultural systems in Sudan include the rain-fed traditional sector (including mixed agro-pastoral systems), rain-fed mechanised sector, the irrigated sector, and pastoral sector.** The rain-fed traditional sector is generally a low-input and low-output system engaged by smallholder farmers focused primarily on staple food crops for domestic production, including sorghum, millet, and to a lesser extent also wheat. Conversely, cash crops for export, such as ground nuts and sesame, are grown in mechanised, irrigated settings, offering wage labour opportunities to rural households without access to land for own production. Extensive application of marginal, low-productivity and climate-sensitive farming systems for national consumption, makes the country extremely vulnerable to food insecurity.

On average, **women's participation in agriculture reaches up to 70 percent in Darfur.** There is an inconsistency between the policy goals in agricultural improvement and the resulting demise of women farmers. Women farmers have very little access to assets, inputs, services and markets than men. Their rights to land and other natural resources are often less secure. Land available to women farmers tends to be of poorer quality, and they have less access to high-yielding seeds, fertiliser, pest control measures and mechanised equipment. Women are time-poor due to competing demands of childcare, household food processing and preparation as well as collecting water. Women have less education and are frequently excluded from training and extension services, and women farmers often have no representation in farmer groups.

In all Darfur states, the main livelihood activities are agriculture (crops) or livestock production. Food insecurity is prevalent in all states, the main cause being inadequate agricultural inputs. However, recurrent conflict, inter-ethnic conflict and frequent clashes between armed groups are also factors in high food insecurity, as they prevent farmers from accessing land and hinder livestock movement.⁴

According to the latest available **Darfur Food Security Monitoring (May 2017)**, the proportion of food insecure households among surveyed protracted IDPs increased from 43 to 58 percent from May 2016 to May 2017⁵. Several drivers of vulnerability were identified in long-standing food security constraints:

³ Darfur Development Strategy, 2015

⁴ Country Programming Framework, FAO, 2015

⁵ Food Security Monitoring System, May 2017, WFP

high food prices, high transportation costs, displacement, marginal livelihoods and limited access to livelihoods.

The agriculture sector exhibits **low productivity because of poor farming practices, major post-harvest losses, a persistent gender gap and the disruption of agricultural activities by insecurity**. Furthermore, when poorly managed, smallholder crop production systems have a low productivity because of **declining soil fertility and inability to cope with increasing climatic variability**, particularly droughts. Livestock production also suffers due to restrictions on mobility and land use conversion.⁶ The **capacity to involve young people in agriculture is limited** partially due to issues of access to, and control over, productive resources (land and capital), and limited knowledge and skills in modern/adaptive farming techniques.⁷

Natural disasters contribute to Sudan's food insecurity. Sudan's vulnerability to natural hazards was highlighted in **2015 when drought resulted in a largely failed agricultural season**. The rainfall shortage affected 3.5 million people and only scale-up of humanitarian assistance avoided massive displacements from rural areas. In **2016 extreme seasonal rainfall caused major floods**, resulting in increased food insecurity through displacement, livelihood disruption and damage to property, assets and infrastructure.⁸

Domestic food production is dominated by cereal grains. Crop diversification beyond cereals is quite narrow and is limited to sesame and groundnuts in the rain-fed sector, and legumes and pulses in irrigated areas. Cereal production is highly variable due to erratic intensity and distribution of rainfall. As the main producers of staple food crops, **smallholder farmers are crucial to the achievement of national food and nutrition security objectives**. However, their production systems are exposed to high-risks, such as pests, natural disasters, conflict and market shocks. Often farmers lack the capacities to cope with the subsequent shocks. Exposure to high levels of risk and lack of capacity to manage these, compounded by other factors, such as poor access to markets, extension services, and income generation opportunities have trapped smallholder farmers into cycles of low productivity.^{9,10}

Strategies to smooth out shocks to food production are fragmented and stretched and productivity enhancing investments are limited for the domestic sector (imports taking the priority). A **greater focus is needed on the development and strengthening of domestic value chains** of critical concern for the most vulnerable, like millet and sorghum, making use of advanced techniques and technologies, especially on post-harvest losses, which can be responsible for up to 40 percent of losses in the sector.

Lack of access to marketing information and information asymmetry between producers and sellers is one challenge undermining small-scale family farming. The **channels for disseminating market information in fragile areas are weak**. Mainly the whole sellers and big buyers are the actors who determine prices. In addition, prices depend on productivity and time of harvest.¹¹

The project also assists Sudan meeting its signatory commitments to the AU Malabo Declaration, where African Heads of State committed to halving post-harvest losses by 2025. **Sudan faces post-harvest losses of approximately 30%** across most if not all its staple grain harvests. The impact of this until now ignored 'enemy' has an impact on Sudan and its people that rivals even civil conflict. Post-harvest loss

⁶ FAO, Study on Small Scale Family Farming in the Near East and North Africa: Sudan Country Study, 2017

⁷ UNDAF 2018-2021

⁸ Practical Action, WEB

⁹ Country Strategic Review (CSR), WFP, GOS, 2017

¹⁰ As per Microfinance guidelines, total credit should not exceed 20,000 SDG, for small farmers the amount of loans links with the actual need to cultivate the limited areas they have, it ranges between 1500 - 3,000 SDGs

¹¹ Sudan Agricultural revival project, 2008-2015

impacts the entire country's economy, but most directly, the 4.2 million smallholder farmers and their families.

Degradation of natural resources and agricultural land has become more evident in recent years, including the loss of arable soil and reduced soil fertility. The **conflict in Darfur**, together with increased population, a lack of economic opportunities and eroded governance mechanisms has led to maladaptive dependency on fuel-wood and charcoal extraction as an alternative livelihoods strategy for both farmers and for pastoralists, resulting in the rapid depletion of woodlands over extensive areas and the almost destruction of forest reserves.

Smallholder rain-fed farmers targeted through this project face **several key challenges in breaking cycle of subsistence farming** to becoming viable sellers on the local or national market¹² related to **climate, low productivity, socio-economic factors, and natural resource management**.

The **private sector/service** providers are traditionally involved with big mechanised farming and rarely respond to the needs of small farmers. Availability of inputs is a problem facing small holders, resulting in delay in sowing and low productivity. Traders as well prefer to work with bigger farmers in urban centres rather than negotiate with small holders in rural areas. The difficulties for small holders are exacerbated by the concentration of businesses in the main market city and consequent falling numbers of cereal traders in secondary markets. In Nyala cereal traders increased to 300 in 2014 (they were 30 in 1998 and 100 2002) with the number of cereal petty traders¹³ rising from 200 in 1998 to almost 700 in 2014. On the other hand, no more than 20 traders operated in 2014 in the secondary markets of Umm Dukhn, West Darfur (they were 60 in 2002).¹⁴

Similarly, **banking services** and credit providers operate at state level, but mainly target big farmers. WFP surveys of smallholder farmers show that nearly two-thirds of finance of small-scale farmers originates from their own savings, 10 percent is obtained from family friends and the rest is obtained through the informal shail system or by purchasing inputs from agricultural companies and traders with deferred payment, normally at a high price.¹⁵ The reluctance of the financial institutions, especially banks, to lend to single smallholders is attributed to their perception that agricultural risk is high because of rainfall variability, vulnerability to drought and fluctuations of commodity prices. Farmers also have limited collateral to secure loans as it is difficult to verify land titles and property rights in rural areas. Furthermore, the remoteness of small-scale farms from urban centres and the dispersed demand due to low population density in those areas considerably increase transaction costs for the service providers. However, some limited successes were reported in the Kassala and Blue Nile States during the period 2007 to 2014.¹⁶

Several recent Strategies have been adopted by the Government of Sudan, including the **Interim Poverty Reduction Strategy (IPRS)**, which focuses on agriculture to compensate for the loss of economic revenue from oil. The **Darfur Development Strategy (2013-2019)** is a component of the Doha Document for Peace in Darfur (DDPD). Strengthening the agriculture sector is a critical element of the strategy and initiatives such as this action will go a long way to providing the stability required to set a foundation for peace.

¹² FAO, Study on Small Scale Family Farming in the Near East and North Africa: Sudan Country Study, 2017

¹³ The majority of petty traders are women, often female heads of households

¹⁴ Cash and Market Assessment, WFP, 2016.

¹⁵ WFP, Farmers to Markets Baseline Study, 2016

¹⁶ In Blue Nile State the project by the Central Bank of Sudan on microfinance resulted in a cumulative amount of SDG 20 million in loans by 2014 for small holders agriculture. In Kassala, a micro-finance project was funded and run by the Agricultural Bank, the Farmers Bank and the Kassala Microfinance Corporation, reaching 14 201 smallholders In 2015, microfinance operations succeeded in extending support to a total of 62 625 clients, including small agricultural and animal-raising producers, with a total of SDG 76.72 million in loans.

The proposed intervention will support Sudan in delivering on pledges (particularly regarding raising the annual agricultural productivity) made by Sudan, when it signed the **Comprehensive Africa Agriculture Development Programme (CAADP)** compact in 2013. Sudan's **National Agriculture Investment Plan (SUDNAIP)** is a five-year investment plan which maps the investments needed to achieve the Sudan CAADP target of 6% annual growth in Agriculture Domestic Product. **Sudan has pledged to pursue this target through allocating a minimum ten percent of its budget to the agricultural sector.**¹⁷

2.3 Lessons Learnt

The activities under this programme will build on WFP's farmers to Markets (F2M) programme conducted both in Darfur and other states of Sudan since 2009. WFP has also partnered with the Federal Ministry of Agriculture and the Central Bank of Sudan to enable smallholder farmers to access markets for training, insurance, and credit. Thus, WFP assisted 45,000 smallholder farmers across Sudan to improve production. Overall, the Post-Harvest Losses (PHL) model also builds on successful implementation and lessons learnt from seven countries in East and Central Africa. **WFP's Global Post-Harvest Knowledge and Operations Centre (KNOC)**, located in Uganda will provide technical support to the programme. Over the past years, several important lessons from these projects, both inside and outside of Sudan have served to inform the design of the project. These include: i) need for stronger and more **robust monitoring and evaluation systems** – and to have an evidenced based proof of concept; ii) **focusing interventions**, e.g one element of the value chain; iii) **gender equity**.

Access to reliable crop storage equipment, improved storage methods and better access to improved extension services will increase overall production for smallholder farmers in Darfur in the short term and long term based on WFP experience implementing similar projects across seven countries in Eastern Africa in the past ten years. By strengthening farmer's associations and the capacity of local institutions, farmers can better engaged with traders and private sector (both for procuring the right inputs and for marketing of products), and this change will be sustained.

The project will also learn lessons from the **Initial Post Harvest Losses (PHL)** projects being implemented in the East of Sudan, where a model for PHL has been first developed (taking in due account the contextual differences between the East and Darfur).

The design of the project is heavily influenced by a diverse range of lessons learnt from WFP's extensive experience in on-the-ground implementation of the Zero Food Loss Initiative in multiple countries, and the experience of the WFP Global Post-Harvest Centre, such as: **farmers are not beneficiaries – they are participants; storage price variety replaces targeting; marketing – not sensitisation; private sector is key; governments are only one piece of the puzzle; harvest timing is not negotiable; communication is key to success.**

The global **WFP Zero Food Loss Initiative**, has already had 250,000 farming families participate since 2015. The combination of effective training at the household level, and working with the private sector to build supply chains to ensure consistent, profitable supply of hermetic (airtight) storage is a successful, *scalable* combination. An **independent impact assessment by MIT¹⁸ found that participating families had increased incomes (3x on average), improved food availability in lean seasons, improved nutrition & health, improved sons & daughters schooling, and perhaps most importantly, reduction in woman's workload and an improvement in their socio-economic status.** The **Zero Food Loss Initiative** began its initial rollout in Sudan in 2016 with similar results.

¹⁷ Sudan National Investment Development Plan, Ministry of Agriculture, 2015

¹⁸ MIT Independent impact assessment on WFP Post Harvest

2.4 Complementary Actions

The project is a central element of the **WFP's shift from A Protracted Recovery and Relief Operation (2016-17) to a 5-year Country Strategic Plan** (and bridging Interim Strategic Plan). As set out in the paper on Collaboration among the United Nations Rome-based Agencies on Delivering on the 2030 Agenda, complementary strengths and capacities of WFP and the other two Rome-based UN agencies (RBA) the Food and Agriculture Organisation of the United Nations (FAO) and the International Fund for Agricultural Development (IFAD) **this project forms part of the RBA's efforts in Sudan to support SDG 12.3 (on Food loss and Waste).**

Other ongoing EUTF projects with which synergies will be leveraged include: i) The *Research and Evidence Facility* (EUR 4.1 million implemented by School of Oriental and African Studies (SOAS), International Migration Institute and Sahar Research Foundation) is currently financing SOAS' study on migratory fluxes in and from Darfur, whose results are expected in spring 2018 and could thus be fed into the inception phase of the project; ii) The *Facility on Sustainable and Dignified Return and Reintegration in Support of the Khartoum Process* (EUR 25 mn, implemented by IOM) plans to launch a labour market survey in some urban areas in Darfur. Despite the different geographical scope (urban for the study and rural for the proposed intervention) some of the results will be used during the first phase of assessment; iii) Connections will be explored with *Strengthening Resilience for IDPs, Returnees and Host Communities in West Darfur* (EUR 12.7 million) with regard to linking the rural populations with health care facilities improved by that project.

2.5 Donor Coordination

Donor coordination in Sudan is fragmented and as yet unstructured. A Development Partners Group (DPG) was established in 2015 following preparatory work by the UK (DFID) and the EU. The DPG convenes active development partners in the country on an irregular basis. A retreat to consider a future modus operandi for the DPG was held in June 2016. The UNDP acts as a secretariat to the DPG. The objective of the DPG is, as in other developing countries, to act as an umbrella of for thematic sector groups. In Sudan only a few sectors have groups of this nature. First steps in the establishment of a Donor Coordination Group on Agriculture have been taken by the Ministry of International Development and UN system in Sudan. Similar to groups in Health and Education, the group is intended to become the platform for policy discussions, exchange of information, knowledge sharing and technical advice. The group would also support Government of Sudan in the revision of key documents, by coordinating the strategy review process and providing expertise, as requested/needed. The EU and UK have made efforts to establish a donor group on Integrated Water Resource Management (IWRM), which will be informed about and consulted on relevant aspects of this project.

At the EU level, donor coordination takes place through the EU Heads of Cooperation meetings, as well as the EU+ (Switzerland and Norway) Migration working group held on a monthly basis.

3. DETAILED DESCRIPTION

3.1 Objectives

The **overall objective** of the project is to enhance the food and income security of smallholder farming households in Darfur. The **specific objectives** of the project are to: i) Increase household food availability by reducing pre-farm gate losses; ii) Empower smallholders to sell surplus grain at higher prices; iii) Strengthen capacity of smallholders and farmer's groups to access markets and value chains.

3.2 Expected Results and Main Activities

The **geographical scope** of the project focuses on South Darfur, West Darfur, and Central Darfur States. Indicatively the 11 following localities will be targeted: Nyala locality, Beleile, Al Salam and Gereida (**South Darfur**), Zoom, Zalengi, Muktar and Bendisi (**West Darfur**) Habila, Geneina and Krenick (**Central Darfur**). These localities have been selected based on the following criteria: all areas experience moderate to high levels of food insecurity prevalence; small holder farming (farmers with access to 10 feddans of land) represents a significant livelihood for residents, returnees and IDPs; areas are relatively stable and accessible for WFP and partners; existence of functioning markets; presence of mixed communities¹⁹ (i.e. host communities, IDPs, returnees); no significant disputes over land tenure. The list of localities will be validated by WFP in coordination with the European Union Delegation during the inception phase, based on the abovementioned criteria.

The action will contribute to the improvement of food security and livelihoods for 65,100 farming households in the three States over three years through a ‘cascade approach’ whereby a smaller number (approximately 2,100) are targeted in the first year to develop a proof of concept to farmers in the targeted areas. Year 2 will see an additional 10,500 farmers receiving training and purchasing subsidised silos and as demand grows around 52,500 farmers in year 3. This model has been tested and proven successful in other countries in the region.

Key Results and indicative activities include:

Result 1: Reduction in Post-Harvest Losses

- WFP, State Ministry of Agriculture and project partners will conduct awareness raising sessions at state, locality and community level to increase Raise awareness among smallholder farmers about the impact of post-harvest losses on food production and security.
- Based on training materials developed by WFP, partners will deliver tailored trainings to targeted farmers on post-harvest loss management strategies and techniques.
- Provide subsidised/free of charge storage options in the form of household level silos and hermetic sacks. These storage options will be provided free of charge in the first year of the project to farmers meeting the criteria and expressing willingness to test them. In the meantime, as a model for private sector engagement is established, farmers participating in trainings will have the option to purchase storage at subsidised cost.
- Beginning from a baseline to be conducted during the inception period of the project. The uptake and impact of trainings and technologies will be closely monitored throughout the project and results disseminated to stakeholders to support the development of a PHL model for Darfur.

Result 2: Increased smallholder agricultural productivity

- WFP partners will in year one undertake a capacity assessment of farmer group/association capacity to serve smallholder farmers in each of the targeted localities.
- Based on the above assessment – WFP (through partners) will provide inputs, equipment, services such as storage technologies at a larger scale, early warning information (linked to WFP’s technical assistance project with the Sudan Meteorological authority) market information and trends and links to microfinance options.
- Operating through existing farmers’ associations, WFP partners and MoA extension staff will provide technical trainings to promote the improvement and diversification of smallholder productivity through smallholder climate smart agricultural practices. These may include increasing knowledge of harvest management technologies, application of basic food safety principles, maintenance of the physical storage structures, water availability (scarcity), increasing farmer access to market information and

¹⁹ It should be noted that refugees have no legal access to land or right to work (some pilot schemes are being introduced in the East, but they have yet to be expanded to Darfur) and consequently are unlikely to benefit from the proposed intervention.

transport options, early warning seasonal forecasts to project how the climatic conditions might impact on food storage or marketing strategies

Result 3: Enhanced smallholder and association capacity to engage in value chains and private sector

WFP will develop a platform for private sector engagement in the PHL model for Sudan in year one of the project. This will include:

- a study looking at markets for agricultural inputs (silos and hermetic bags), examining the potential channels for marketing and training, and gaining a better understanding of the supply elements of the project (markets for domestic production and supply chains) in addition to identifying financing options for targeted farmers.
- Based on the above, WFP will develop a model outlining the private sector’s role in both providing PHL inputs at an affordable price for farmers, and also facilitating greater access to markets for sale for smallholder farmers.
- Year 2 and 3 of the project will be dedicated to implementing the private sector model – whereby WFP and partners will coordinate among stakeholders (farmers, GoS, traders) to promote the ‘business’ of PHL in order for farmers to benefit from a sustainable model of livelihoods.
- In parallel, WFP will continue to conduct capacity development activities with farmers’ associations to enable cooperative approaches and economies of scale. This may include training and inputs to support supply chain and warehouse management, business training courses for farmers etc.

3.3 Risks and Assumptions

Risks	Risk level (H/M/L)	Mitigating measures
Conflict and Insecurity	M	Coordination and cooperation with international actors, local NGOs, community groups and leaders, as well as the Government of Sudan will ensure that security situation is constantly monitored in order to a) guarantee the safety of the staff and beneficiaries and b) comply with national security rules and procedures.
Drought/Floods	M	Activities related to preparedness and climate adaptation integrated into the project plan.
Disputes between Farmers and Pastoralists: Delay in project implementation	M	More focus on awareness raising, advocacy, mainstreaming of peace building and conflict resolutions mechanisms in the natural resources and livelihoods activities
Cultural practices, Social Norms and Taboos: Effective targeting of women will be impacted	M	Advocacy and awareness raising; Ensuring project staff recruitment and training has a strong gender lens.
Communities reject programme methodology: Negative impact on targeted locations	L	Prior to target selection, methodology will be discussed with communities through planned awareness raising sessions.

Assumptions

The assumptions for the success of project implementation are the following:

- Economic stability is maintained, guaranteeing a conducive environment for economic development;

- The political relations between the EU and Sudan will not deteriorate affecting the relations with Sudanese authorities
- The localities chosen remain accessible for the international project staff throughout the project implementation period.
- Market prices for agricultural inputs remain affordable to farmers and prices for agricultural and livestock products offer a reasonable margin for benefits.

3.4 Cross-cutting issues

A **Rights Based Approach** with specific focus on the rights of women and most vulnerable groups will be applied to all activities. This approach will accompany all actions targeting a form of employment that promote women empowerment and decent jobs for women and youth to help curb population growth.

Gender equality: a gender perspective will be integrated into every phase of the action: design, implementation, monitoring and evaluation – with a view to promoting equal rights and opportunities for women and men. From an operational point of view, the differing needs and abilities of the most vulnerable women, men, girls and boys will be identified and assistance targeted accordingly. The action will ensure equal opportunities and access to services, gender balanced human resource management, and gender sensitive monitoring and evaluation system including gender-disaggregated data collection and gender performance indicators. Areas of consideration will include an adequate representation of women farmers, particularly in Darfur, by establishing minimum targets of 40 percent women’s participation in the project. During the inception phase, an analysis of strategies for the integration of gender throughout programme activities will be undertaken. In particular, this project will be guided by WFP Sudan’s Strategy for Gender Mainstreaming which identifies WFP’s key tools for gender mainstreaming its operations in Sudan.

In accordance with SDG 5 and the "EU toolkit on mainstreaming gender equality in development cooperation", attention will be paid to women and vulnerable groups, emphasising analysis, awareness raising, promoting women’s voice, and sex disaggregated data and indicators, which mirrors five of the eight building blocks of the EU toolkit and WFP’s own Gender Toolkit.²⁰

Social inclusion: The project will adopt a community-based participatory planning approach that is expected to ensure that the needs of different stakeholders are considered, and particularly that potential barriers to participate in the project for specific groups such as women farmers, are reduced. WFP’s Three-Pronged Approach (3PA) and other tools will be used to design equitable, efficient and effective interventions.

Environment and cultural heritage: Any infrastructure rehabilitated or constructed under the Action will adhere to international best practices and respect local and traditional construction techniques and designs. WFP is also working with UN Environment to finalise tools for environmental screening of all WFP’s programmes in Sudan, including this action.

Conflict prevention: By improving the production quantity and quality, therefore improving livelihood security the project is expected to contribute to reducing conflict in the targeted communities. Since the most potential conflicts concern dispute over land and natural resources, the project will help in reducing these conflicts among targeted communities. In addition, through targeting localities which have a mix of resident, IDP and returnee farmers, it is hoped the action will promote peace-building through a model of private sector investment.

Climate change: the introduction of climate smart agriculture practices under Result 2 is directly responding to the challenges linked to climate change in the region. The intervention will strengthen

²⁰ WFP’s Gender toolkit provides a comprehensive guide to integrating gender into WFP’s work and activities across the board.

resilience of the farmers and reduce their exposure to short-term risks, while also strengthening their resilience by building their capacity to adapt and prosper in the face of shocks and longer-term stresses. Possible activities will be based on adopting a landscape approach building upon sustainable agriculture (use of drought-tolerant varieties and introduction of conservation agriculture techniques).

3.5 Stakeholders

Partners under this project include:

- **Cooperating Partners:** WFP will work with NGO Cooperating Partners (CPs) to implement the training and capacity development component. WFP will play a technical assistance role, in addition to overall coordination, monitoring and evaluation. Following a set of information sessions, WFP will launch a Call for Proposals to select NGO partners - based on a set of criteria (technical capacity, operational reach, financial capacity).
- **Federal and State Ministry (ies – in all states) of Agriculture:** WFP has a long standing MoU with both federal and state Ministries of Agriculture which will be renewed under this action to highlight the PHL model. The Federal Ministry of Agriculture has committed to include PHL as a specific area of technical training as part of its national Agricultural Extension Package.
- **Private Sector:** To ease the process of getting the project moving and to ensure the project sustainability, the private sector will be involved from the onset to catalyse the manufacturing, distribution, and sale of post-harvest equipment as a profitable, commercial business. The creation/strengthening of association will increase the interest of private sector to work with the targeted beneficiaries, reducing the costs and risks for both parties.
- **Microfinance Institutions:** Microfinance services have proven (especially in rural areas in Darfur and in the East) to be a central tool to reduce poverty and will be incorporated on the project implementation. The model Facilitating access for small farmers, through association, to financial services is key to guarantee the sustainability of the project
- **Farmers Associations/Groups:** As key stakeholders in the project, local farmers associations (and cooperatives) will form an integral part of ensuring effective outreach to farmers and that the project is embedded in local structures, and therefore sustainable. Based on the new system of getting the farmers grouped adopted by the Government, the project will work to strengthen the existing ones and create new, to attract private sector/credit providers. The Agricultural Associations Act sets parameters for development of associations and Financial institutions have developed rules and frameworks for working with associations. Given that there are already a number of programmes targeting support to associations, a mapping and capacity assessment of associations in targeted localities will provide a starting point for support,
- While the **most vulnerable population (IDPs in camps and landless peasants)** are unlikely to directly benefit from the intervention unless they have access to land. However, given the model of private sector engagement that is central to the PHL approach, it is expected that these households will also benefit through increased farming and business labour opportunities as local markets are stimulated. Over time, with increased market supply due to reduction of post-harvest loss, market prices also stabilise, benefiting all consumers.
- **Village Development Committees (VDCs):** To ensure the project is targeting the right people at village level, and as part of the project objectives in building the farmers groups capacity, the VDCs will be involved throughout the project implementation cycle, during the implementation, the project will be closely coordinating with the 12 VDCs at locality level for the targeted localities (representing all farmers groups). Village committees have shown to be a precious entry point to work with rural communities in projects both in Darfur and other areas of Sudan.

4. IMPLEMENTATION ISSUES

4.1 Financing Agreement

It is not foreseen to conclude a Financing Agreement with the partner country for the implementation of the action.

4.2 Indicative operational implementation period

The indicative implementation period will be forty-eight (48) months, whilst the overall execution period (including a closure phase of no more than 24 months) will not exceed seventy two (72) months.

4.3 Implementation modality

This action will be implemented in Indirect Management through the conclusion of a PAGODA Delegation Agreement with WFP. WFP works with a wide range of partners to design and implement innovative solutions to many causes and consequences of smallholder vulnerability and food insecurity. Especially potent is WFP's ability to combine deep competency in comprehensive food security analysis, livelihood programming, and monitoring with strong capacity in practical but innovative food supply chain management. In Sudan, WFP has a long-standing presence and expertise with 17 offices and around 1,000 personnel, and has a distinct advantage in the fields covered by this action. This is demonstrated by WFP global supply chain expertise and many years implementing projects in Sudan which support community resilience (natural resource management) and smallholder farmers through the F2M project. WFP has a strong presence in Darfur with two (2) internationally staffed offices and three (3) field offices in the targeted areas.

4.4 Indicative Budget

The total budget of this Action will be EUR 9.6 million, including a contribution from the EU Emergency Trust Fund for EUR 8 million and co-financing from WFP for EUR 1.6 million.

Categories	EU contribution	WFP	Total
Result 1: Reduction in Post-harvest losses.	4,000,000	600,000	4,600,000
Result 2: Increased smallholder agricultural productivity	1,100,000	300,000	1,400,000
Result 3: Enhanced smallholder individual and group capacity to engage with value chains (include input suppliers and commodity buyers)	2,273,000	575,000	2,848,000
Communication and visibility	62,000	15,000	77,000
Audit and Evaluation	565,000	110,000	675,000
TOTAL	8,000,000	1,600,000	9,600,000

4.5 Monitoring, Evaluation and Audit

The programme will be managed by WFP in its Country Office in Khartoum, as well as with the Area Offices and sub-national level and the Field-Offices in the different programme localities. The day-to-day technical and financial monitoring of the implementation of will be a continuous process and part of the implementing partner's responsibilities. To this aim, the WFP will establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the log frame matrix. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. A baseline study will be conducted during the inception phase of the project, to be able to track progress over time, and WFP and partners will undertake annual assessments to monitor progress and impact. The project will submit annual progress reports and a completion report.

The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

All projects implementing this action will have to integrate the EUTF Monitoring and Learning System - MLS (T05-EUTF-HOA-REG-28) for the reporting of selected output and outcome indicators, as well as to take part in case study exercises and the learning strategy developed by the MLS. The project implementing partners will be requested to provide regular (at least quarterly) data to the MLS in a specific format, which will be introduced during the contract negotiation stage.

The projects implementing this action will at least have to report against a selected number of the EUTF output indicators existing at the present date (see list in annex). The monitoring of these indicators will therefore have to be included in the projects' M&E systems (in addition to all other indicators existing in the project's logical framework). As more output and outcome indicators are being developed by the MLS, the projects might be requested to include additional indicators in the course of implementation of the action.

An internal mid-term review will assess progress towards delivering the proposed outputs, and as a result adjustments needed in activities and/or budgetary allocations identified. A final impact and evaluation study will be performed at the end of the project and will show to what extent the baseline data has changed and whether this was in accordance with the targets set, so that relevant conclusions will be obtained with regards to the performance of the project, indicating if future actions are needed to assure sustainability of project activities.

4.6 COMMUNICATION AND VISIBILITY

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action (CVPA), to be elaborated at the start of implementation and supported with the budget indicated in section 5.6 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

The Akvo on-line reporting platform will be used to communicate and report on this action as well as on all projects implementing this action. The logical frameworks of the projects will be encoded in their respective Akvo page and regular reporting of project's activities and outputs will take place on this platform.

Annex I: Mapping against EUTF strategic priorities, Valletta Action Plan and UN SDGs

EU Trust Fund Strategy	Valletta Action Plan	United Nations Sustainable Development Goals
Four main areas of intervention	Five priority domains, and 16 initiatives	17 goals
<p>1) Greater economic and employment opportunities</p> <p>2) Strengthening resilience of communities and in particular vulnerable, as well as refugees and displaced people</p> <p>3) Improved migration management in countries of origin and transit</p> <p>4) Improved governance and conflict prevention, and reduction of forced displacement irregular migration</p>	<p>1) Development benefits of migration and addressing root causes of irregular migration and forced displacement</p> <ol style="list-style-type: none"> 1. enhance employment opportunities and revenue-generating activities 2. link relief, rehabilitation and development in peripheral and most vulnerable areas 3. operationalise the African Institute on Remittances 4. facilitate responsible private investment and boost trade <p>2) Legal migration and mobility</p> <ol style="list-style-type: none"> 5. double the number of Erasmus scholarships 6. pool offers for legal migration 7. organise workshops on visa facilitation <p>3) Protection and asylum</p> <ol style="list-style-type: none"> 8. Regional Development and Protection Programmes 9. improve the quality of the asylum process 10. improve resilience, safety and self-reliance of refugees in car communities <p>4) Prevention of and fight against irregular migration, migrant smuggling and trafficking of human beings</p> <ol style="list-style-type: none"> 11. national and regional anti-smuggling and anti-trafficking legislation, policies and action plans 12. strengthen institutional capacity to fight smuggling and trafficking 13. pilot project in Niger 14. information campaigns <p>5) Return, readmission and reintegration</p> <ol style="list-style-type: none"> 15. strengthen capacity of countries of origin to respond to readmission applications 16. support reintegration of returnees into their communities 	<ol style="list-style-type: none"> 1) End poverty in all its forms everywhere 2) End hunger, achieve food security and improved nutrition and promote sustainable agriculture 3) Ensure healthy lives and promote well-being for all at all ages 4) Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 5) Achieve gender equality and empower all women and girls 6) Ensure availability and sustainable management of water and sanitation for all 7) Ensure access to affordable, reliable, sustainable and modern energy for all 8) Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 9) Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation 10) Reduce inequality within and among countries 11) Make cities and human settlements inclusive, safe, resilient and sustainable 12) Ensure sustainable consumption and production patterns 13) Take urgent action to combat climate change and its impacts 14) Conserve and sustainably use the oceans, seas and marine resources for sustainable development 15) Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss 16) Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels 17) Strengthen the means of implementation and revitalise the global partnership for sustainable development

Annex II- Indicative Logframe Matrix of the Action	Results chain	Indicators	Baseline	Current	Targets	Sources and means of	Assumptions
Overall objective: Impact	To contribute to enhanced the food and income security of smallholder farming households in Darfur.	<p>Poor + borderline Food Consumption Score (FCS)</p> <p>Food and livelihood Coping Strategy Index (CSI)</p>	<p>FCS Poor: Total; 24.7 Female 31.5; Male 19.0</p> <p>FCS Borderline: Total 48.1; Female 47.8; Male 48.3</p> <p>CSI (Food): Total 4.45 Female 4.84 Male 4.13</p>		<p>FCS Poor: Total <24.7; Female <31.5; Male <19.0</p> <p>FCS moderate: Total < 48.1; Female <47.8; Male <48.3</p> <p>CSI (Food) Total <4.45 Female <4.84 Male <4.14</p>	<p>Baseline survey and WFP regular outcome monitoring.</p> <p>Figures provided here are from existing FSMS/monitoring sources for current WFP IDP beneficiaries, and will be updated once baseline assessment is conducted during the first 6 months of the project.</p> <p>Final figures to be established once baseline is available.</p>	
Specific Outcome(s)	<p>Increase household food availability by reducing pre-farm gate losses</p> <p>Empower smallholders to sell surplus grain at higher prices</p> <p>Strengthen capacity of smallholders and farmers groups to access markets and value chains.</p>	<p>% of farmers with reduction on post-harvest losses compared to previous harvest</p> <p>Percentage of male/ female smallholder farmers selling through project supported farmer aggregation systems</p>	Baseline assessment will be conducted during the first 6 months of the project.		To be established once baseline is available	Baseline survey and WFP regular outcome monitoring	<p>-Farmers have access to at least 5-10 feddans of land.</p> <p>-Beneficiaries with agriculture as the main source of livelihood are selected.</p> <p>-Farmers with high crop losses are prioritised.</p> <p>Risks: -Deterioration of political relations between the EU</p>

		<p>% of smallholder farmers supported by project reporting increased their average income as a result of project's direct and indirect efforts.</p> <p>Value and volume of smallholder sales through project supported aggregation systems (farmer groups / associations)</p>					<p>and Sudan Conflict and insecurity Drought/floods. -Disputes between farmers and pastoralists Cultural practices, social norms and taboos. -Lack of access to Communities. -Communities reject programme methodology.</p>
Output 1	Result 1: Reduction in post-harvest losses	<p>1.Number of smallholder farmers who participated in introductory awareness-raising workshops on post-harvest losses (M/F) 2.Number of smallholder farmers who received post-harvest handling training (M/F) 3.Number of participating smallholder farmers supplied with silos/ hermetic bags.</p>	0		Output target to be determined upon consultation with projects' cooperating partners	Project cooperating partners' records	<p>-No adverse events preventing farmers from attending the trainings. -Availability of inputs on time.</p>
Output 2	Result 2: Increased smallholder productivity	<p>1.Number of smallholder farmers who have received training or technical support to access extension services (M/F) 2.Number of farmers associations whose capacity has been assessed.</p>	0		Output target to be determined upon consultation with project's cooperating partners	Project cooperating partners' records	<p>-Presence of functioning farmers associations. -No adverse events preventing farmers in attending training or receiving technical support. -Availability of extension Services.</p>

Output 3	Result 3: Enhanced smallholder individual and group capacity to engage with value chains and markets.	1.Number of farmers associations with a functional platform to cooperate with local retailer/private sector 2.Number of centres established to facilitate farmers training and mobilisation	0		Output target to be determined upon consultation with project's cooperating partners	Project cooperating partners' records	-Presence of functioning farmers associations and centres.
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