International Labour Organization | PROSPECTS

Socio-Economic Assessment: East Darfur and West Kordofan States, Sudan

consilient

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Caption: Young man escorting his cows in Assalaya Locality, East Darfur, June 2021.
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Foreword

Sudan has a long history of hosting refugees and asylum seekers, some of whom are looking for better employment opportunities, but most are fleeing conflict in neighbouring countries. The majority of the 1.1 million refugees are South Sudanese, but Sudan also hosts refugees from Chad, the Central African Republic, the Democratic Republic of Congo, Eritrea, Ethiopia, Somalia, Syria and Yemen. Many of the refugees in Sudan reside in rural out-of-camp settlements, which are often located in remote and underdeveloped areas with limited resources, infrastructure and basic services in the country's southern states, Darfur, Kordofan and White Nile. Furthermore, since November 2020, more than 56,000 refugees from Ethiopia arrived in Sudan's Eastern states, fleeing the conflict in Ethiopia's Tigray region.

Moreover, another 1.9 million people remain internally displaced because of long-term recurring conflict caused by unresolved and inter-communal clashes, aggravated by small arms proliferation and the presence of heavily armed tribal militias. Protracted displacement puts communities across Sudan at risk of protection threats, including gender-based violence, targeted attacks, and violations of basic human rights. The restriction on freedom of movement in conflict-affected areas also affects these communities' ability to engage in income generating activities. This contributes to the undermining of opportunities to support self-reliance and pursue durable solutions to displacement.

In 2019, the Partnership for improving prospects for host communities and forcibly displaced persons (PROSPECTS) was launched with support of the Ministry of Foreign Affairs of the Kingdom of the Netherlands (Netherlands MFA). The Partnership is focusing its technical assistance on improving the quality of life for forcibly displaced and host communities from al Nimir camp and the nearby settlement of Assalaya in East Darfur, and Al Meiram and Kharasana Settlements in West Kordofan.

The analytical framework for this study was jointly developed by Consilient Global Sudan, the PROSPECTS Sudan programme team, the PROSPECTS Global Monitoring and Evaluation Officer, as well as a number of key technical specialists from various ILO technical departments. This includes, technical specialists from the Skills and Employability Branch, the Enterprises Department, the ILO's Jobs for Peace and Resilience Unit, the Child labour Branch, and the ILO's Social Protection Department.

Surveying more than 1,100 households from forcibly displaced and host communities and conducting a number of key informant interviews and focus group discussions, the study provides an in-depth assessment of local labour market conditions, household vulnerabilities, and access to services in selected localities of East Darfur and West Kordofan. Thereby, it establishes comprehensive baseline data in support of the Programme's results based monitoring framework, provides relevant contextual knowledge on social cohesion and market opportunities to identify the design of ILO activities and policy advice, and advises on beneficiary selection criteria.

I would like to congratulate the Government of Sudan for its continuous efforts towards creating the necessary conditions to promote self-reliance and integration of refugee populations, in spite of the numerous economic and political challenges faced in the country. I would particularly like to thank Consilient Global for their excellent work in conducting the assessment, and the UNHCR and UNICEF and the IFC for their collaboration with the ILO. Finally, I would like to thank the Embassy of the Netherlands for their generous support to this assessment and the production of this report, undertaken in the wider context of the innovative PROSPECTS Partnership.

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Executive Summary

Together with UNHCR, UNICEF, the IFC, and the World Bank, the ILO is implementing the Partnership for improving prospects for host communities and forcibly displaced persons (PROSPECTS) in Egypt, Ethiopia, Iraq, Jordan, Kenya, Lebanon, Sudan, and Uganda. In Sudan, PROSPECTS aims to establish and strengthen sustainable solutions and support systems that enhance protection and basic services in areas where forcibly displaced persons (FDPs) and host communities (HCs) are living, and envisions the following outcomes:

1. increased number of displaced and host community people with quality education and training;
2. increased number of refugees and host community members with enhanced livelihoods and/or employment in decent work; and
3. increased government protection, social protection, and inclusion for forcibly displaced and host communities.

Methodology

In support of the PROSPECTS partnership in Sudan, Consilient conducted a Baseline Survey in the PROSPECTS target locations: Al Meiram, and Kharasana/Keilak in West Kordofan, and Assalaya and Al Nimir camp in East Darfur. Additional data was collected in Khartoum, Ed Daein (East Darfur), and El Fula (West Kordofan). The survey sought to develop a baseline against which to measure the PROSPECTS partnership's short- and medium-term outcomes. Specifically, the survey:

1. developed a baseline against which to measure the partnerships short-and-medium-term outcomes;
2. informed project planning by providing relevant contextual knowledge on social cohesion and market opportunities;
3. established baseline values outside of the PROSPECTS indicator framework to inform a possible impact assessment after the partnership;
4. answered learning questions and identify potential cross-linkages to Pillar 4: New Ways of Working (presented in a separate *Learning Questions Report*; and
5. established beneficiary selection criteria for different planned livelihood interventions.

The Baseline Survey applied a mixed-methods approach, including a desk review of secondary literature, and relevant legal and policy frameworks, a quantitative household survey with community members, a quantitative market opportunities survey with business owners, key informant interviews with key community stakeholders, and focus group discussions with community members. The collection of 1,172 household surveys, 64 market opportunities surveys, 64 key informant interviews, and 32 focus group discussions was completed in January 2021.

Background

Since the removal from power of former president Omar Al Bashir in 2019, Sudan has experienced rapid political and economic developments. Nationally, the Transitional Government of Sudan (TGOS) is pursuing a new social contract with the people of Sudan by prioritizing peace and socio-economic reform. Internationally, Sudan is re-establishing ties with international partners. In December 2020, the United States removed Sudan from the list of State Sponsors of Terrorism, after the trade embargo and a number of sanctions on Sudan had already been lifted in 2017.

Economically, however, Sudan is suffering from the consequences of economic stagnation and underinvestment (in part due to the international sanctions placed on the country), amplified by the secession of South Sudan that left Sudan's oil reserves depleted. More than 80 per cent of the population of Sudan relies on the agricultural sector, which is hampered by soil degradation, desertification, a lack of water for irrigation and limited transportation networks. Since the beginning of 2018, Sudan has been

experiencing an acute economic crisis that results from the depletion of Sudan's foreign exchange reserves leading to the government's inability to subsidize the imports of fuel, food and pharmaceuticals. This economic crisis is characterized by hyperinflation (the inflation rate for December 2020 was 163 per cent), and ultimately led to the TGOS devaluating the Sudanese pound (SDG) from 55 pounds to 375 pounds per US dollar.

On 12 March 2020, Sudan registered its first COVID-19 case, putting further pressure on Sudan's vulnerable population. The COVID-19 pandemic has had an unprecedented social and economic impact on Sudan: exports fell, and prices of basic commodities, and unemployment rose even further. The outbreak of COVID-19 in Sudan stresses the already inadequate access to safe water, sanitation, and good hygiene practices and further challenges Sudan's strained public health preparedness and response systems.

Sudan also hosts a large displaced population. The Humanitarian Response Plan (HRP) of 2021, the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) identified 3.6 million FDPs in Sudan, besides 9.8 million vulnerable host community members requiring humanitarian assistance. Sudan has a long history of hosting refugees and asylum seekers, some of whom are looking for better employment opportunities, but most are fleeing conflict in neighbouring countries such as South Sudan, Chad, the Central African Republic, the Democratic Republic of Congo, Eritrea, Ethiopia, Somalia, Syria and Yemen. Many of the refugees in Sudan reside in rural out-of-camp settlements, which are often located in remote and underdeveloped areas with limited resources, infrastructure and basic services. Since November 2020, more than 56,000 refugees from Ethiopia arrived in Sudan's eastern states, fleeing the conflict in Ethiopia's Tigray region.

Another 1.9 million people remain internally displaced in Sudan as a result of long-term recurring conflict, caused by unresolved and inter-communal clashes, aggravated by small arms proliferation and the presence of heavily armed tribal militias. Protracted displacement puts communities across Sudan at the risk of protection threats, including gender-based violence, targeted attacks, and violations of basic human rights. The freedom of movement in conflict-affected areas also impacts the communities' ability to engage in livelihoods. This contributes to the undermining of opportunities to support self-reliance and pursue durable solutions to displacement.

In East Darfur, the PROSPECTS partnership targets Assalaya and Al Nimir Camp. More than half of the 2,172,108 people living in East Darfur reside in rural areas. The main economic activities include agriculture, livestock rearing and trade; about 84 per cent of the population rely on natural resource-dependent livelihoods. The population suffers from low social indicators, insufficient access to government structures and service delivery, and has limited access to labour markets. East Darfur also hosts 76,890 refugees and 60,396 IDPs, most of whom live in self-settlements or among the host community. Most refugees in East Darfur fled conflict in South Sudan, while IDPs fled inter-ethnic conflict between Arab and non-Arab tribes. Tensions between different community groups in East Darfur have long been heightened. Especially in Assalaya, communities often live segregated from each other, harmful stereotypes of IDP communities persist, and IDPs and refugees both face discrimination from the host community (HC). In addition, attacks by HC members (often belonging to nomadic-pastoralist tribes) against IDPs and refugees are frequent. During the two weeks Consilient spent in Assalaya, two attacks took place. Such attacks often leave victims severely injured.

In West Kordofan, the PROSPECTS partnership targets Kharasana/Keilak and Al Meiram. The population of West Kordofan is estimated at 1.3 million, and the state hosts 86,535 IDPs and 60,987 refugees (from South Sudan). IDPs in West Kordofan have often fled interethnic fighting (between nomadic pastoralist tribes and IDP communities) within the state or in the neighbouring South Kordofan. All refugees reside in self-settlements that are often remote and dislocated from the state capital, El Fula. Most of the population of West Kordofan (60 per cent) lives in rural areas, about 70 per cent of the inhabitants are farmers, and around 25 per cent of the population is nomadic-pastoralist. Like East Darfur, West Kordofan has limited economic and livelihood opportunities, low social indicators, poor access to government services, and there is fierce resource-competition between farmers, nomadic-pastoralists and FDP populations.

Main findings

- **Demographics.** The target locations selected for PROSPECTS in Sudan each have large FDP populations. As a result, overall vulnerability levels in these communities are high: heads of households often did not complete primary school; most households had a household income that was significantly lower than the World Bank absolute poverty line; most households do not possess agricultural tools or other production assets; and they are unable to save.
- **Demographics.** The two main drivers for vulnerability in the target communities are household migration status and the geographic location where the household is residing. The Baseline Survey found that HC households were least likely to score poorly against some of the vulnerability indicators. However, the difference with refugees was marginal, while IDPs often scored significantly worse on vulnerability indicators than refugees and HC households. In addition, households living in East Darfur scored better against the vulnerability indicators overall (with the exception of the Coping Strategy Index). It should be kept in mind here, however, that much foreign aid is concentrated in Al Nimir camp in East Darfur, and the target locations in East Darfur are in less remote locations than those in West Kordofan.
- **Demographics.** In 2020, the World Food Programme switched support to the target communities from in-kind distributions to cash transfers. In East Darfur, community members widely reported issues with food security, because the cash transfers did not cover the same amount of food as the in-kind distributions. In part, this is due to the fact that East Darfur State has faced one of the highest inflation rates compared with other states in Sudan. Food insecurity in East Darfur also became apparent in the analysis of the Coping Strategy Index: households in East Darfur were significantly more likely to score as "high coping" than those in West Kordofan.
- **Access to services.** Basic government structures, including health care provision, education, and social service provision (including Zakat, and the NHIF) are available in each of the PROSPECTS target locations. Though, the coverage of these services is limited.
- **Access to services.** Despite high levels of vulnerability, social protection coverage (outside the National Health Insurance Fund (NHIF)) is limited. This is largely due to the fact that most community members are employed in the informal sector. IDPs are particularly unlikely to receive assistance from both the government (including the NHIF) and international organizations because many do not have a registration card. Even when households are covered by the NHIF, health centres only provide a very limited range of services, depriving people of much needed care.
- **Access to services.** Schools and health centres in all locations lack the staff and equipment to function adequately. Health centres in West Kordofan lack doctors. For this reason, community members in Kharasana/Keilak and Al Meiram prefer to seek healthcare at private clinics over government-provided services. Schools suffer from closures because of the COVID-19 pandemic, and the non-payment of teacher salaries. The school in Al Nimir camp appears to be best equipped out of the PROSPECTS target locations, as a result of support provided by international actors.
- **Access to services.** In each of the target locations, not all water points are functional, and do not provide sufficient quantities of water throughout the year. Moreover, contamination of water and related waterborne diseases were reported in each of the target locations.
- **Employment and decent work.** Some of the key challenges posed to the ILO's planned activities in the target locations are very high unemployment rates, high vulnerable employment rates, and low labour force participation rates, together with low average wages. The combination of these indicates that the local markets in target locations will likely not be able to absorb additional (skilled) labour.
- **Employment and decent work.** In addition, the high vulnerability rates and low household income across all PROSPECTS target groups challenge participation in employment and skills development activities, because households have more urgent needs that need to be met first.

- **Employment and decent work.** Limited access to social security, informality, displacement and unsafe working conditions are the most important factors that contribute to lower Decent Work Index scores. However, it will be very likely be very challenging for PROSPECTS to improve these scores, because most employment in the target communities takes place outside (where there is heat, strong sun and dust), and the government service infrastructure has very low capacity to sustainably support improvements.
- **Private sector.** Business owners (respondents to the market opportunities survey) have slightly higher household incomes, and score slightly better on some of the vulnerability indicators (such as the ability to save) than community members in the household survey. Because the difference is only marginal, it is unlikely that the local markets are able to absorb new business activities. Instead, opportunities lie in the improvement of production and transportation infrastructure, and linking local businesses and cooperatives with larger market networks.
- **Private sector.** Businesses in the target locations operate at a highly localized scale, often at the very end of the value chain, without engaging in value-adding business activities. Together with efforts to make larger market networks accessible for community members, PROSPECTS could introduce a number of value-adding activities, including storage, packaging and food processing (such as oil-making).
- **Private sector.** Cooperatives remain fairly rare in the target communities, but willingness to participate is high. It is recommended that PROSPECTS plans sufficient time and effort to communicate the purpose, different organizational structures, and benefits of cooperatives.
- **Market opportunities.** Business development in the PROSPECTS target communities is limited by the very low purchasing power of community members, the lack of accessible financial services, the lack of sufficient transportation and financing services linking the target communities to wider market networks, and ongoing inflation. Businesses all suffer from ever increasing costs of business input and the inability to save for future investments when formal financial services are already not accessible to them.
- **Market opportunities.** Key market opportunities in the target locations centre around adding value-adding activities to existing agricultural production and investing in particularly profitable value chains, infrastructure development, and transportation services.
- **Market opportunities.** Possession of mobile phones is quickly increasing in Sudan, including in the PROSPECTS target locations, and the Bank of Khartoum recently introduced a new mobile payment application: Mbok. These developments may offer additional opportunities for the connection of remote locations, such as the PROSPECTS locations, to state and national market networks.
- **Skills and training.** The target communities lack technical and vocational education and training (TVET) opportunities. There may be no TVET centres at all, or they are not functional, or they lack adequate training equipment. Members of the PROSPECTS target communities can only access TVET opportunities in state capitals, sometimes in private education centres. Because attending training outside of the community is expensive, most people are taught skills by family members or friends.
- **Skills and training.** Activity planning of the ILO should take into account that agriculture and livestock herding in the target communities is not only a profession, but also an integrated part of the social and lifestyle fabric. This may mean that changing production processes, switching to other crops or animals, or training in completely different areas of work may meet resistance from prospective beneficiaries.
- **Skills and training.** Overall, business owners in the PROSPECTS target locations are somewhat reluctant to take on apprentices. While most prefer to hire unskilled or low-skilled staff for financial reasons, such staff often perform very specific and a limited number of different tasks. Business owners most indicate they do not have the time to train apprentices. Business owners in West Kordofan are particularly reluctant to take on apprentices.

Beneficiary selection

High levels of vulnerability and very low capacity of government service provision challenge the impact ILO's PROSPECTS activities can have on its beneficiaries. Inclusion of highly vulnerable households in employment and skills development programmes is that they will likely only help beneficiaries on the shorter term in meeting urgent needs such as food, health and education expenses. But, such households are unlikely to experience structural improvement of their livelihoods after the activities are completed. However, the PROSPECTS partnership allows for coordinated targeting of such vulnerable households: once some of the urgent needs of households are met by Partners, some of the needs of households are relieved, and the chance of the said household sustainably benefiting from livelihoods programming increases.

Based on the findings of the Baseline Survey, recommended groups for the ILO to prioritize in its activities include members of female-headed households, women (in West Kordofan in particular), refugees in West Kordofan, IDPs in all target locations, HC members in the surrounding areas of Al Nimir (and to a lesser extent HC members living in rural areas surrounding Assalaya), youth, and persons living with disabilities. After specific beneficiary selection criteria for specific activities have been drafted, it is recommended that the ILO closely cooperate with existing community committees to select beneficiaries and to plan and coordinate the implementation of activities.

Conclusions

The PROSPECTS partnership will face a number of overarching challenges in the selected target communities owing to the high concentration of FDP populations, limited availability of government service provision, and remote geographical location. Development programming can only yield results in somewhat established communities, and in communities where urgent household needs are largely met. The target locations, however, are in an important sense centred around the presence of FDP populations, and where they are not, host community households are often highly vulnerable as well.

Typical ILO development programming focuses on the improvement of quality and extension of coverage of government (social) service provision. Government presence in the PROSPECTS target communities, however, is very low or absent entirely. In addition, international actors are the most important service providers in each of the target communities. Such services, however, are only of a temporary nature, and subject to funding terms. The ILO will have to adapt activities to a context in which improvement of quality and coverage of services does not address the inaccessibility and of such services.

In the labour market, the primary challenges hampering market development and expansion are the absence of adequate transportation networks (and subsequent isolation from larger market networks), high inflation rates (and until recently the parallel USD-SDG exchange rates), and access to finance. Business owners rarely meet the requirements for official registration, and bank loans and would allow them to grow and compete in larger market networks.

In addition, the USD-SDG parallel exchange rate until February 2021 led to PROSPECTS funding losing 80 per cent of its value, because service providers in Sudan operate against the parallel rate. The SDG was floated in February 2021 and has remained fairly stable since. However, the Sudanese economy is going through rapid changes, and parallel rates causing a steep increase of implementation costs continues to pose a risk to the PROSPECTS partnership.

Lastly, limited social cohesion in West Kordofan and East Darfur further challenges development programming. In East Darfur, ongoing conflict between HCs (often pastoralist tribes), and FDP populations (IDP populations in particular) divides communities and hampers economic development and cooperation. While not as severe, attacks by pastoralist tribes on IDP populations in West Kordofan are on the rise.

The baseline also highlights a number of opportunities for PROSPECTS in the target communities. Because communities have a long history of receiving international assistance, the partnership can benefit from a number of existing community structures. Community committees, in particular, have experience coordinating the implementation of international development projects, basic service provision, beneficiary selection and conflict resolution. They offer the opportunity to integrate the roles and responsibilities of the planned Local Economic Development Committees (LEDCs) into existing structures, rather than having to create such structures from scratch.

In addition, business and cooperative registration fees are fairly low. Facilitating the registration of businesses and cooperatives, including the facilitation of the Chamber of Commerce inspections, would allow a large number of individuals to enter the formal economy. For refugees, the ILO could explore the opportunity of receiving special permission for refugee business registration as part of the PROSPECTS partnership, granted by the Ministry of Cabinet.

Furthermore, the number of individuals that own mobile phones is also increasing in the target communities. With access to a mobile phone, it becomes easier for businesses and cooperatives to operate at a regional, state, and national scale. In addition, the Bank of Khartoum has introduced a mobile money application (Mbok) that would also allow individuals and businesses to access banking services without the physical presence of financial service providers in the area. While this was not covered in this Baseline Survey, the ILO could explore the opportunities to set up bank accounts for beneficiaries, business owners and cooperatives in the target locations with the Bank of Khartoum.

Lastly, female participation in the labour market is relatively high compared with male participation, despite social and religious norms in Sudan that tend to exclude women; conflict and forced displacement makes it necessary for increasing numbers of female heads of households to engage in income generating activities, because they could no longer be supported by other community members. The ILO can benefit of this relatively high acceptance of women in the labour market (compared to other locations in Sudan), and further boost this acceptance with community awareness activities.

Recommendations

The Baseline Survey makes the following recommendations for the implementation of ILO's PROSPECTS programming in Sudan.

- Provided that location selection will not change, the ILO should adapt its programming, as well as its targets to the high household (HH) vulnerability levels in the target communities.
- To address the issue of infrastructure that prevents the target communities from connecting to larger market, education, and service networks, the ILO should make the development of alternative transportation networks an integral part of its programming. For example, this may be achieved by supporting the establishment of cooperatives focused on facilitating transportation of goods and people.
- Existing cooperatives should be actively included in ILO programming as beneficiaries, key stakeholders, or both. It is likely that cooperative members will require access to vehicles for transportation to this end. The Agricultural Bank sometimes provides loans to cooperatives. In case such loans are not sufficient, it would be recommended for the ILO to provide trucks instead.
- The ILO should seek collaboration with the Bank of Khartoum to explore financing and financial management opportunities using mobile money in the target locations (where no physical financial services are available).
- It is recommended for the ILO to include an in-kind distribution component of essential production equipment to its programming to ensure that communities have access to the tools needed to engage in more efficient production processes.
- To ensure sustainability of increased production and inter-state export capacity of communities, the construction of communal storage facilities may be required.

- For the selection of beneficiaries, the ILO should closely engage with formal and informal community structures: local administration, community leaders and community committees should be closely involved in activity design and planning and beneficiary selection.
- Beneficiary selection should be validated with a very brief rapid assessment of ten to fifteen questions conducted with selected beneficiaries to ensure they indeed meet the selection criteria, and are likely to benefit from support aimed at structural improvements.
- Beneficiaries that do not appear to meet the selection criteria should be referred to other PROSPECTS Partners for more suitable interventions.
- PROSPECTS Partners should closely coordinate efforts with other international partners active in Al Nimir and Assalaya to ensure complementarity, avoid duplication of efforts and mutually benefit from specific expertise of particular organizations.
- For the facilitation of economic development in East Darfur, it is recommended that PROSPECTS activities also include social cohesion and peace building activities to ensure that livelihoods support activities and do not fuel further conflict, and that economic development is inclusive in the target locations.
- The ILO should seek collaboration with the Ministry of Cabinet to explore the opportunities of providing business registrations for refugee businesses and cooperatives owned or led by refugees.
- Alongside activities aimed at increasing skills and employment opportunities, it is recommended to conduct community awareness sessions that promote female participation in the labour force. Such activities should include men and women equally, and advocate for female participation in a way that is sensitive to community norms with the regards to the position of women. For example, men are likely to oppose the idea of women becoming financially independent and equally share in household decision-making, while it is more likely that they will be receptive to overall increasing household income and decreasing household vulnerability.
- It is recommended that any activities including the provision of equipment for production closely aligns with the income-generating activities supported by the ILO. Overall, there is very little production equipment present in the communities (apart from donkeys and ploughs for agricultural production). While data appears to point towards the need for grinding mills and oil presses, activities that focus on added-value and accessing larger market networks will also likely need trucks, storage facilities, equipment needed for packaging, and so on.

Contents

Figures and tables

Abbreviations

FDP	Forcibly displaced person
FGM	Female genital mutilation
GDP	Gross Domestic Product
HC	Host community
HH	Household
HRP	Humanitarian Response Plan
ICC	Intra-cluster correlation
IDP	Internally Displaced Person
IDI	In-depth interview
IFC	International Financial Corporation
ILO	International Labour Organization
KII	Key informant interview
LEDC	Local Economic Development Committee
MFA	Ministry of Foreign Affairs
MoE	Margin of error
MOS	Market Opportunities Survey
NCCW	National Council for Child Welfare
NHIF	National Health Insurance Fund
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
PPE	Personal protective equipment
PROSPECTS	Partnership for improving prospects for forcibly displaced persons and host communities
PLWD	People living with disabilities
RCSI	Reduced-Coping Strategy Index
SCVTA	Supreme Council of Vocational Training Authority
SDG	Sudanese Pound
SGVB	Sexual and gender-based violence
TGoS	Transitional Government of Sudan
TMC	Transitional Military Council
TVET	Technical and Vocational Education and Training
UN	United Nations
UNHCR	United Nation's Refugee Agency
UNICEF	United Nations Children's Fund
US	United States
USD	United States dollar
VTC	Vocational training centre
WFP	World Food Programme

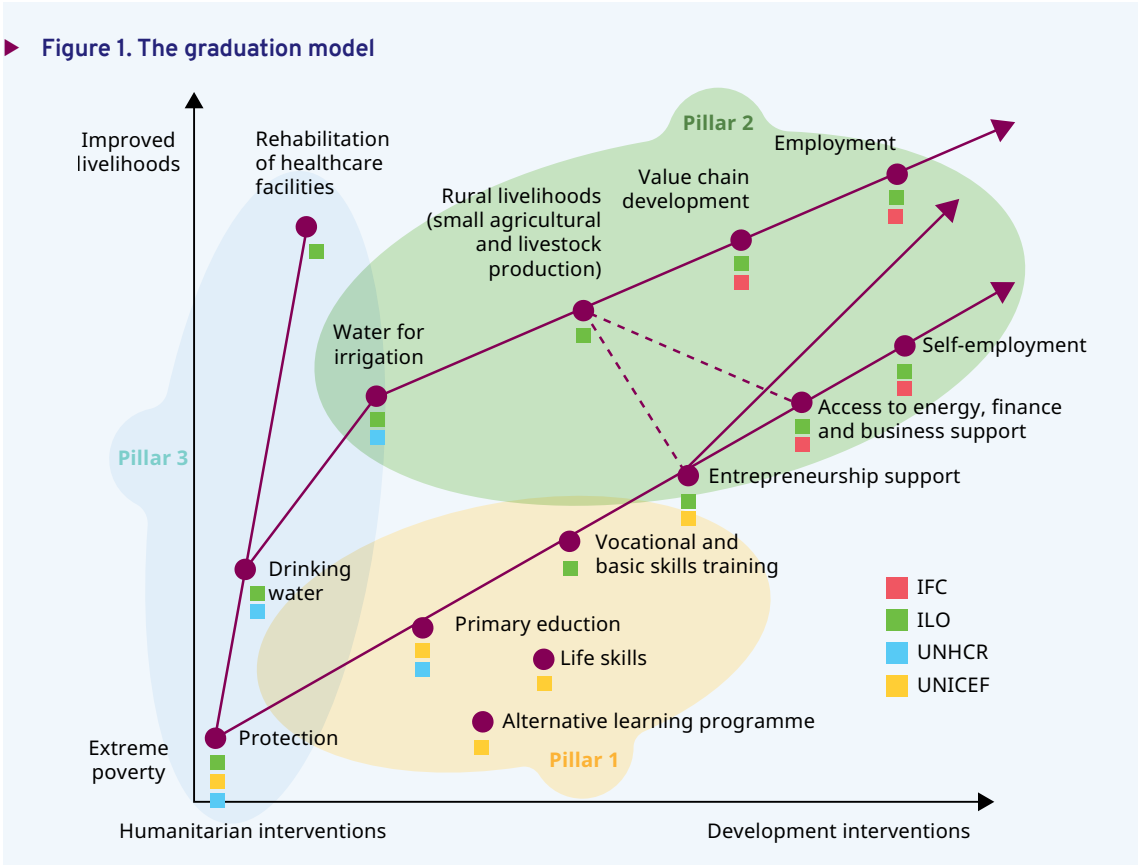
Introduction

In 2019, the Partnership for improving prospects for host communities and forcibly displaced persons (PROSPECTS) was launched with support of the Ministry of Foreign Affairs of the Kingdom of the Netherlands (Netherlands MFA). The International Labour Organization (ILO), together with the United Nations Refugee Agency (UNHCR), the United Nations Children's Fund (UNICEF), the International Finance Corporation (IFC), and the World Bank will work on sustainable improvements in the well-being and independence of forcibly displaced persons (FDPs) and host communities (HCs) in Egypt, Ethiopia, Iraq, Jordan, Kenya, Lebanon, Sudan and Uganda.

The four-year partnership (2019–2023) includes a wide range of technical assistance interventions that range from humanitarian assistance to development assistance, and can broadly be categorized in three thematic areas or pillars: Pillar 1, Education and Learning (led by UNICEF); Pillar 2, Employment (led by the ILO); and Pillar 3, Protection and Inclusion (led by UNHCR). Within this pillared model, implementation will be collaborative and will leverage comparative advantage, expertise, and capacities to promote the resilience of targeted communities. A conceptual framework, the Graduation Approach, was designed to highlight the pillared focus areas of the various streams of partner assistance along the humanitarian and development nexus. Specifically, the framework locates programming and activities along the humanitarian-development-peace-nexus (x-axis) and their contribution to improving community livelihoods (y-axis).

The PROSPECTS partnership includes a fourth pillar: New Ways of Working (led by the ILO until June 2021). This pillar focuses on the documentation of progress to improve the collaboration between PROSPECTS partners in support of the commitment to rolling out the graduation approach jointly, in order to create synergies and continuity between humanitarian and development interventions. To this end, PROSPECTS partners have formulated specific learning questions for each of the programmatic pillars that will ultimately inform strategic learning, effective inter-agency collaboration and communication, and global, regional and national influence.

Figure 1. The graduation model



In Sudan, the vision of the PROSPECTS partnership is to establish and strengthen sustainable solutions and supporting systems that enhance protection and basic services in areas where FDPs and HCs are living. In line with the first three programmatic pillars, PROSPECTS planned outcomes are:

1. increased number of displaced and host community people with quality education and training;
2. increased number of refugees and host community members with enhanced livelihoods and/or employment in decent work; and
3. increased government protection, social protection, and inclusion for forcibly displaced and host communities.

In 2020, the ILO commissioned Consilient to conduct a Baseline Survey in anticipation of PROSPECTS activity implementation in East Darfur and West Kordofan. The Baseline Survey establishes comprehensive baseline data, provides relevant contextual knowledge on social cohesion and market opportunities, and advises on beneficiary selection criteria. In January 2021, Consilient completed data collection for the Baseline Survey in Khartoum, East Darfur (Ed Daein, Assalaya and Al Nimir), and West Kordofan (El Fula, Kharasana/Keilak, and Al Meiram). The data collected includes 1,172 household (HH) surveys, 64 market opportunities surveys (MOS), 64 key informant interviews (KIIs) with key stakeholders at the federal, state and local level, and 32 in-depth interviews (IDIs) with community members.

In February 2021, data analysis for this Baseline Survey was completed. This Baseline Survey includes an overview of the key findings: the Background section covers the desk review that was conducted in preparation of Baseline Survey design, followed by the Findings section, and recommendations for Beneficiary selection. The report also includes an Executive Summary, Research methodology, Conclusions and Recommendations.

In addition, a stand-alone document was created for assessing partnership collaboration by answering the Learning Questions under Pillar 4 of the PROSPECTS partnership. This report reviews the progress made so far by the partnership, identifies challenges and opportunities for collaboration, lists lessons learned so far, and provides recommendations for the continuation of the PROSPECTS partnership.

Background

On 11 April 2019, President Omar Al Bashir was removed from power, after ruling Sudan for nearly 30 years, and replaced by a Transitional Military Council (TMC). In September, the Transitional Government of Sudan (TGoS) was formed because protest continued calling for the establishment of a civilian government. The TGoS, headed by Prime Minister Abdullah Hamdok, is pursuing a new social contract with the people of Sudan by prioritizing peace and socio-economic reform. For 2020, the TGoS doubled the national health and education sector budgets, and plans to invest in basic social services.[1]

In 1993, Sudan was placed on the US list of State Sponsors of Terrorism, cutting the country off from international banking, financial systems and trade linkages. While a number of sanctions and the trade embargo were lifted in 2017, and Sudan's status as a State Sponsor of Terrorism was lifted in December 2020, the country is still facing the consequences of years of economic stagnation and underinvestment. As a result of the secession of South Sudan in 2011, oil reserves, the main driver of growth in the Sudanese economy, depleted. This resulted in the decline of industrial and service sectors as well. More than 80 per cent of the Sudanese population relies on the agricultural sector, which is hampered by soil degradation, desertification, a lack of water for irrigation, and limited transportation networks. On top of that, decades of limited investment and underdevelopment have resulted in weak service infrastructures, with huge disparities between rural and urban areas.[2]

Since the beginning of 2018, Sudan has been experiencing an acute economic crisis resulting from the depletion of Sudan's foreign exchange reserves under the former regime. The government was no longer able to subsidize the imports of fuel, food and pharmaceuticals. The economic crisis is characterized by hyperinflation, which went up to 163 per cent[3] in December 2020. Ultimately, the crisis led to the TGoS devaluating the Sudanese pound (SDG), which went from 55 pounds to US$1 down to 375 pounds to US$1 in February 2021. Inflation strongly affected the price of basic commodities such as food and medicine, and led to a sharp increase in household vulnerability. In 2020, about 9.3 million people required humanitarian support.[4] In addition, the inflation rates, together with a fixed USD exchange rate and other

1 UNDP, Sudan Country Info and OCHA Sudan 2020 Humanitarian Response Plan.

2 UNDP, Sudan Country Info and OCHA Sudan 2020 Humanitarian Response Plan.

3 Sudan Central Bureau of Statistics.

4 Sudan Prospects Partnership Country Vision Note, 2018 and Sudan 2020 Humanitarian Response Plan.

capital controls, also hampered development; development activities funded by international donations were spent on input and resources against the parallel rate. This also affected PROSPECTS programming in the first year: at the time of data collection, the parallel rate was five times higher than the official rate. This meant that, had the partnership wanted to buy inputs for programming at a rate of US$100,000, this in practice cost US$500,000.

On 12 March 2020, Sudan registered its first COVID-19 case. The TGoS is implementing a number of prevention methods that include early diagnosis and contact tracing, risk communication, social distancing, quarantine and isolation, and in-country movement restrictions. However, COVID-19 has had an unprecedented social and economic impact on Sudan. As a result of the pandemic, exports fell, and prices of basic commodities and unemployment rose. The outbreak of COVID-19 in Sudan stresses the already inadequate access to safe water, sanitation, and good hygiene practices and further challenges Sudan's strained public health preparedness and response systems.[5]

Displacement

Displacement in Sudan is highly complex. In the Humanitarian Response Plan (HRP) of 2020, the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) identified 3.6 million FDPs in Sudan, besides 9.8 million vulnerable host community members requiring humanitarian assistance.[6]

Sudan has a long history of hosting refugees and asylum seekers, some of whom are looking for better employment opportunities, but most are fleeing conflict in neighbouring countries. The majority of the 1.1 million refugees are South Sudanese, but Sudan also hosts refugees from Chad, the Central African Republic, the Democratic Republic of Congo, Eritrea, Ethiopia, Somalia, Syria and Yemen. Many of the refugees in Sudan reside in rural out-of-camp settlements which are often located in remote and underdeveloped areas with limited resources, infrastructure and basic services.[7] Since November 2020, more than 56,000 refugees from Ethiopia arrived in Sudan's Eastern states, fleeing the conflict in Ethiopia's Tigray region.

Moreover, another 1.9 million people remain internally displaced in Sudan as a result of long-term recurring conflict caused by unresolved and inter-communal clashes, aggravated by small arms proliferation and the presence of heavily armed tribal militias. Protracted displacement puts communities across Sudan at risk of protection threats, including gender-based violence, targeted attacks, and violations of basic human rights. The freedom of movement in conflict-affected areas also impacts the communities' ability to engage in livelihoods. This contributes to the undermining of opportunities to support self-reliance and pursue durable solutions to displacement. While registered South Sudanese refugees in Sudan do not require a work permit,[8] they are not permitted to purchase land or register a business without a Sudanese passport holder. Overall, refugees, internally displaced persons (IDPs), returnees, nomadic populations, populations affected by conflicts and natural disasters, female-headed households, and people living with disabilities remain particularly vulnerable.[9]

5 H.N. Altayb, N.M.E. Altayeb, Y. Hamadalnil, M. Elsayid, N.E. Mahmoud, "The current situation of COVID-19 in Sudan", 2020, and World Bank, "World Bank Group Provides Support to Help Sudan Manage the Health and Economic Impacts of the COVID-19", September 2020.

6 OCHA estimates that, in total, 13.4 million people are projected to need humanitarian assistance in Sudan, including 2.5 million IDPs, 1.1 million refugees (remainder would be 9.8 host community members). Source: Humanitarian Response Plan Sudan 2021.

7 UNHCR.

8 EU, IGAD, ILO, An assessment of labour migration and mobility governance in the IGAD Region. Country Report for Sudan, (2020), p. 14.

9 UNHCR and PROSPECTS partnership: Multi Annual Country Programme 2020.

Access to services

Education and skills development

Decades of underinvestment have severely undermined service provision in Sudan. In terms of the education sector, almost 3 million children in Sudan are out of school; educational service provision is weakest in the areas that host the most FDPs. Major obstacles to attending school include relatively high costs of schooling (including transportation, purchasing of books, purchasing of uniforms, and so forth), lack of classrooms, social norms,[10] and child marriage. Nationally, 76 per cent of primary school-aged children, and only 28 per cent of secondary school-aged children, are enrolled in school. In the Darfur states, South and West Kordofan, and Blue Nile, school enrolment rates are very low (47 per cent).[11]

Little investment is made into Technical and Vocational Education and Training (TVET), and the programmes that exist do not align with the demands of the labour market. Vocational training centres (VTCs) in East Darfur and West Kordofan are often poorly maintained, lack power, or are no longer functional. Where VTCs are still functional, training and technical capacity is low, and services usually do not reach rural populations. Training equipment is often outdated, not adequate for market-oriented training sessions, or not used at all owing to the lack of funding to provide training.[12]

Key challenges affecting the access and quality of education and skills development amongst vulnerable HC and FCP children and adolescents include: poor infrastructure due to decades of under-investment and conflict; low quality of education leading to poor learning outcomes; a high number of OOSC including FDP and vulnerable hosts requiring support to enter and remain in education; outdated curriculum and limited teacher capacity; inadequate VT services; weak school to work transition; barriers to girls' education; and exclusion of children with disabilities because schools are too far away.[13]

However, the Supreme Council of Vocational Training Authority (SCVTA), in collaboration with the Japanese Agency for International Cooperation, is formulating a strategy for the transitional governance period. Its main pillars will include capacity building of VTC staff, and updating and upgrading curricula; increasing the number of VTCs to at least one in each state to increase accessibility; increasing the availability of skills upgrading courses for employed workers to increase productivity; and strengthening the work-based-learning system, especially in the informal apprenticeship training system.

Economic development and livelihoods

Business development services, including financial services, are scarce in Sudan. Because of very strict requirements for collateral, it is rarely possible for small or medium-sized enterprises to obtain financing, and banks are normally not available outside state capitals. In addition, the business environment and policy frameworks are not conducive for development.[14] The lack of finance opportunities is one of the main hindrances to expansion and diversification in the agricultural sector.[15] Refugees in East Darfur and West Kordofan in particular face barriers accessing livelihoods and employment opportunities, including

10 Pastoralist children migrate with their families for months at a time and do not attend school in these periods; girls sometimes stop attending school when they start menstruating because of a lack of adequate sanitation facilities; girls are sometimes required to help in the HH, or take care of younger siblings; and families who cannot afford to pay the educational fees for all children tend to prefer sending boys to school over girls.

11 UNICEF Sudan Humanitarian Situation Report – 2019, and Sudan Ministry of Education (2017-2018): EMIS data.

12 African Development Bank (May 2015): "Sudan Capacity Building for Improved Quality of the Education System and Skills Development".

13 PROSPECTS Partnership: Multi Annual Country Programme 2020.

14 Care International (January 2019): Holistic Livelihoods Assessment for South Sudanese Refugees in Darfur & Kordofan States – Sudan.

15 African Development Bank (AfDB, 2019).

the scarcity of water for irrigation to produce more diverse and nutritious crops, the lack of access to finance for business expansion, the absence of agricultural skills development opportunities, and social friction between FDP and host communities as a result of protracted displacement.

Generally, the Sudanese labour market suffers from a high incidence of vulnerable employment and limited availability of social protection and safety nets. In part as a result of urban migration, the informal sector makes up 60 per cent of Sudan's gross domestic product (GDP).[16] Vulnerable employment and unemployment are some of the main causes of poverty in Sudan. Refugees and IDPs often find work in the informal economy. Their status puts them at risk of exploitative and dangerous working conditions.

Overall, key challenges affecting access to livelihoods and employment opportunities amongst vulnerable host and FDP communities include: poor labour market governance (policy and advocacy); informality in the labour market; discriminatory and exploitative labour practices; poor occupational health and safety; lack of access to work permits for FDPs; poor institutional capacity of stakeholders; financial and job exclusion of women, people living with disabilities (PLWDs), and FDPs; and youth unemployment.[17]

Protection and inclusion

Prevailing negative social norms and harmful practices, including female genital mutilation (FGM), child marriage, and significant legal and institutional barriers put children and adolescent girls at risk. In East Darfur and West Kordofan in particular, women aged 20–49 years old often married before turning 18 (41 per cent in East Darfur and 57 per cent in West Kordofan). And, while FGM was criminalized in April 2020, prevalence of FGM has been extremely high in East Darfur (93.8 per cent) and West Kordofan (93.6 per cent).

While the National Council on Child Welfare (NCCW) strives to ensure that all children are protected, a lack of harmonization between the federal and state-level legal provisions remains, as well as a lack of adequate institutional and implementation capacity among duty-bearers. For example, about one-third of the children in Sudan do not possess birth certificates. As a result, they face difficulties registering for schools, retracing family members, determining their age for marriage (for girls in particular), and may become stateless if they are refugee children born in Sudan. A quarter of the children are engaged in child labour, which is also linked to poverty, and lack social protection and services.[18]

Prolonged displacement has exacerbated violations of the rights of FDP children. FDP children are at higher risk of physical and sexual and gender-based violence (SGBV), child labour, and trafficking in addition to loss of property and livelihoods. Often, they also have limited access to basic services, including protection services. The mobility of the communities FDP children belong to poses additional challenges on collecting data to inform the design of interventions, and inform the tracing of children that are in need of assistance.[19]

Overall, the key challenges affecting protection and inclusion are: weak institutional capacity of protection systems including data management; exclusion of FDPs from legal and social protection systems; discriminatory social practices affecting FDPs, women and PLWDs; high incidence of SGBV; negative social norms and practices, including child labour, FGM, and child marriage, affecting girls and boys; and exploitation of vulnerable HC members and FDPs.

16 UNDP.

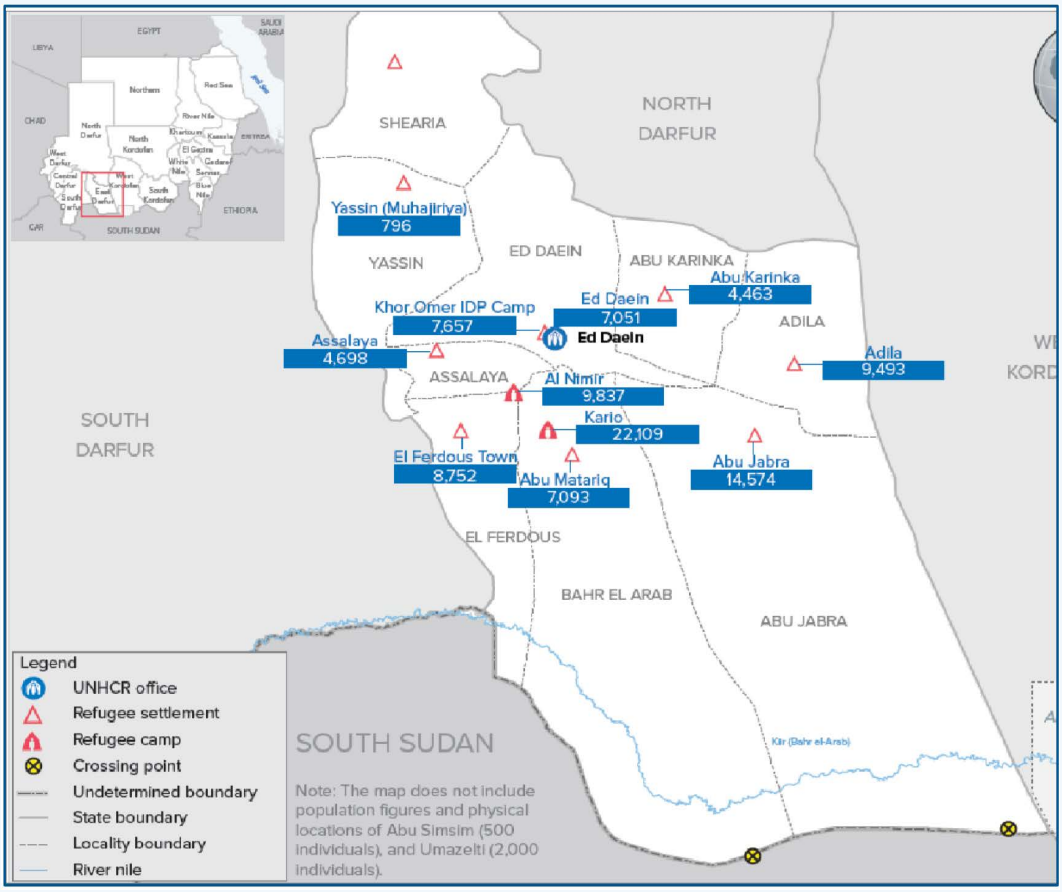
17 PROSPECTS Partnership: Multi Annual Country Programme 2020.

18 UNICEF and Data is based on MICS (Multiple Indicator Cluster Survey) 2014.

19 OCHA Sudan (January 2020): Humanitarian Needs Overview.

Target locations: East Darfur

Figure 2. Map of East Darfur (including refugee camps and settlements)



East Darfur is bordered by South Darfur, North Darfur and West Kordofan, and shares an international border with South Sudan. More than half of the population (61 per cent) reside in rural areas, about 23 per cent are considered nomadic pastoralist, and 16 per cent live in urban settings. There are 2,172,108 people living in East Darfur, of whom 76,890 are refugees and 60,396 IDPs. IDPs in East Darfur have fled interethnic conflict (between Arab tribes, and non-Arab tribes including the Fur and Zaghawa) within the state and in surrounding states. Most refugees (68 per cent) reside among host communities in self-settlements. Others live in the two main refugee camps in East Darfur: Kario and Al Nimir. The main economic activities in East Darfur include agriculture, livestock rearing and trade; about 84 per cent of the inhabitants of East Darfur rely on national resources dependent livelihoods. The population suffers from low social indicators, insufficient access to government structures and service delivery, have limited access to labour markets, and refugees and IDPs face discrimination from the host community.

The PROSPECTS partnership has selected Al Nimir camp and villages and smaller settlements surrounding Assalaya settlement as target locations for programming in East Darfur. This Baseline Survey specifically looked at present social cohesion between communities living in the target locations, and between communities and the government. Tensions between different community groups in East Darfur have long been heightened. Especially in Assalaya, communities often live segregated from each other, and harmful stereotypes of IDP communities (the were referred to as "bloodsuckers" by host community members during data collection) persist. In addition, attacks by host community members (often belonging to nomadic-pastoralist tribes) against IDPs and sometimes refugees are frequent. During the two weeks Consilient spent in Assalaya, two attacks took place. Such attacks often leave victims severely injured.

In addition, Al Nimir camp has some security issues related to food insecurity within the camp. Most qualitative interviewing respondents note that Al Nimir lacks sorghum, and the community is suffering because of the reduction of assistance from the World Food Programme (WFP). In August 2020, WFP cut the food rations by 30 per cent because of funding restrictions. This has caused great distress in Al Nimir camp. Consilient's researcher in East Darfur stressed that the cutting of WFP support was the main concern during most of the qualitative interviews, including the discussions with children. As a result of the reduction of support, regular armed robberies take place immediately after distributions.

Overall, 14 per cent (n=90) of the main household survey respondents indicated they feel unsafe in their community. Especially in Al Nimir, FDP populations feel significantly less safe than host community members: 7 per cent (n=7) of the host community members living in the surrounding areas of Al Nimir feel unsafe, while this is 23 per cent (n=18) of the IDPs, and 25 per cent (n=35) of the refugees living inside the camp. The same discrepancy is present in Assalaya, though the differences between community groups are not as stark.

Figure 3. Access to opportunities and services in East Darfur in % (n=1,172)

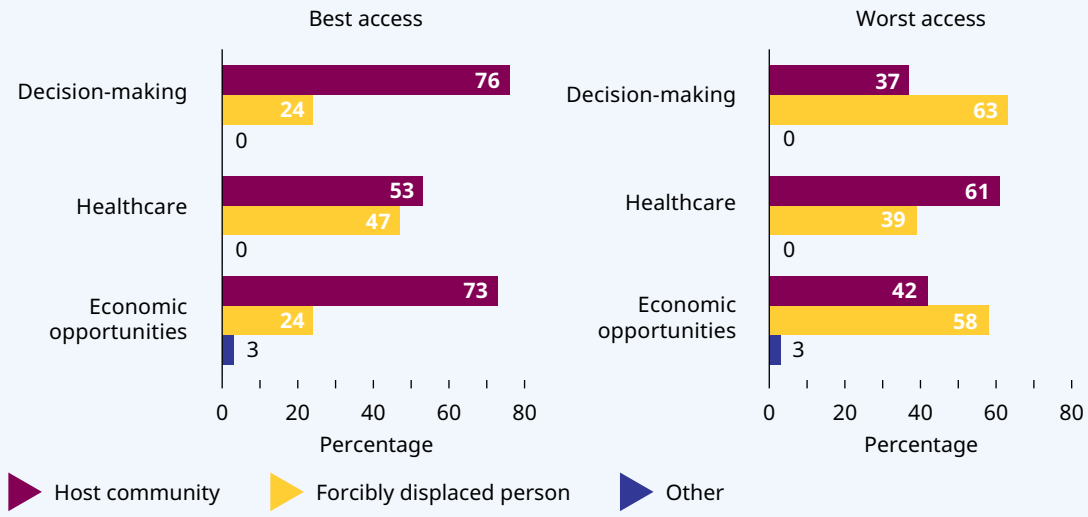


Figure 3 provides insight into how members of different migration status responded to questions of which groups in the community have the most and least influence over decision-making processes, the best and worst access to health care services, and employment opportunities. In the figure, the "other" option was completed by respondents manually and always indicates the private sector.

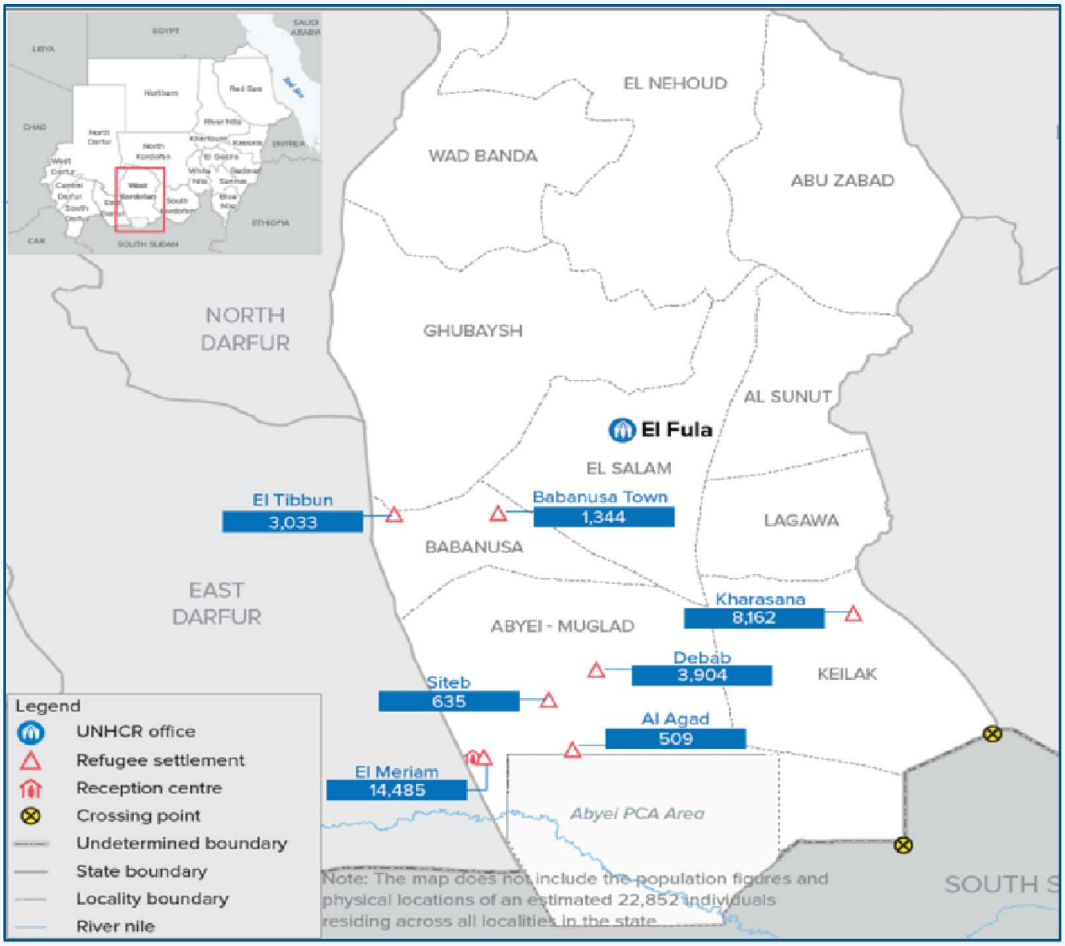
In East Darfur, refugees almost always selected themselves as having the worst access to everything, and HC members as having the best access. While this is likely true in part because refugees are not established in the locations they migrate to, they are the main recipients of national and international assistance in East Darfur. Looking at the data in East Darfur more closely, other displaced groups, such as IDPs, indicate that refugees often have limited access, but they are almost equally likely as HCs have the least access to healthcare services and employment opportunities. In East Darfur, exclusion from services is structural across all community groups. Though, in each of the categories, refugees are perceived to face the most exclusion, but HCs closely follow.

The visibility of government (in services and decision-making), and security forces in the PROSPECTS target locations is very low. While state governments are still engaged in making state-wide policy decisions, and are responsible for providing basic services, such efforts usually do not reach remote areas. In Al Nimir camp, no police force is present at all, and too few (government) security forces are available to protect the camp. Community members in the camp solely rely on community leaders, and the camp administration whenever security threats arise. This is less clear in Assalaya, but it is expected that the presence of security provides in this community is also lower than in those in West Kordofan.

Within communities, many respondents see traditional community leaders, and community committees as the most important (informal) decision-making bodies. Community leaders are normally involved in conflict-resolution between clans (often over land), and in personal disputes. Community committees in both states play a key role in coordinating some of the communities' service delivery and assistance provided by the Zakat Chamber and the international community. In some cases, these committees are also involved in basic conflict resolution. However, this study did not find evidence of structural efforts of the community committees to address structural tensions between FDP communities and HCs.

Target locations: West Kordofan

Figure 4. Map of West Kordofan (including refugee settlements)

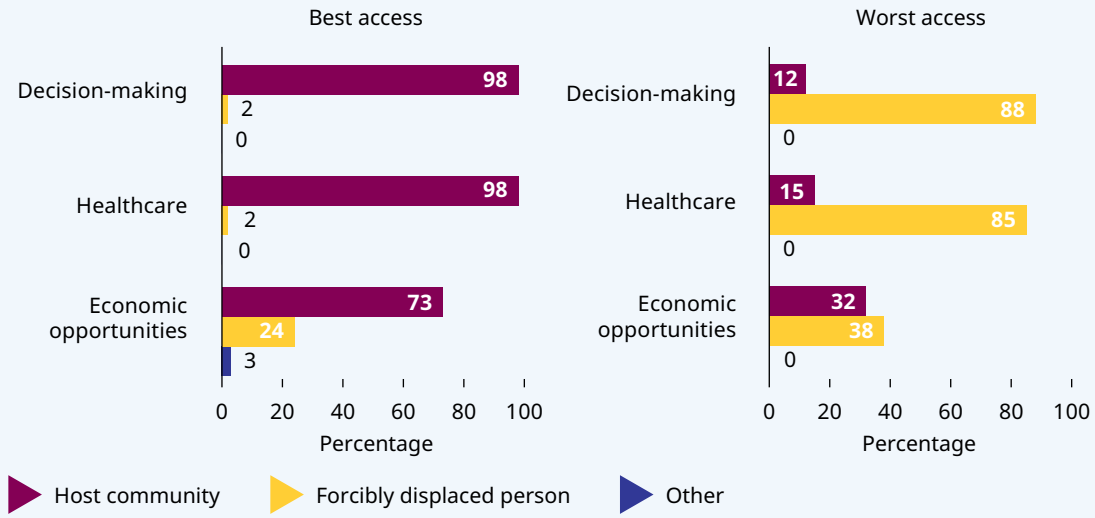


West Kordofan borders North Darfur, North Kordofan, East Darfur and South Kordofan; the state borders the contested area of Abyei and shares an international border with South Sudan. The population of West Kordofan is estimated at 1.3 million, and the state hosts 86,535 IDPs and 60,987 refugees (from South Sudan). IDPs in West Kordofan have often fled interethnic fighting (between nomadic pastoralist tribes and IDP communities) within the state or in the neighbouring South Kordofan. All refugees reside in self-settlements that are often remote and dislocated from the state capital, El Fula. Most of the population of West Kordofan lives in rural areas (60 per cent), about 70 per cent of the inhabitants are farmers, and around 25 per cent of the population is nomadic-pastoralist. Like East Darfur, West Kordofan has limited economic and livelihood opportunities, low social indicators, poor access to government services and there is fierce resource-competition between farmers, nomadic-pastoralists and FDP populations. The PROSPECTS partnership has selected Kharasana and Keilak (treated as one location, and referred to as Kharasana/Keilak throughout the report) and Al Meiram settlements target locations for programming in West Kordofan.

This Baseline Survey specifically looked at present social cohesion between communities living in the target locations, and between communities and the government. Communities in West Kordofan appear to have stronger social cohesion than those in East Darfur. Most KII and IDI respondents indicate that HCs, FDP communities and nomadic-pastoralist communities in the target locations live together in peace. Although, there are occasional reports that confirm the findings of the ACLED study that there are some armed attacks on FDP communities, and that displacement, at least in the past, did cause tension between FDP communities and HCs. These attacks against IDP farmers tend to increase during the migration season of pastoralists, with an attack that injured 18, and destroyed 200 houses in May 2020.

Overall, only 6 per cent (n=26) of the main household survey respondents in West Kordofan indicated they feel unsafe in their community. This is much lower than in East Darfur. Figure 5 provides insight into how members of different migration status responded to questions of which groups in the community have the most and least influence over decision-making processes, and best and worst access to health care services, and employment opportunities. In the figure, the "other" option was completed by respondents manually and always indicates the private sector.

Figure 5. Access to opportunities and services in West Kordofan in % (n=1,172)



Overall, the general consensus in West Kordofan across community groups is that refugees have the least access to healthcare services and employment opportunities, and the least influence over decision-making. Nomadic-pastoralists are a second to refugees in being perceived as having the least access to employment opportunities.

As in East Darfur, the visibility of government services and decision-making is very low in the target locations in West Kordofan. Especially communities living in Al Meiram are almost completely detached from the state government in El Fula. While state governments are still engaged in making state-wide policy decisions, and are responsible for providing basic services, such efforts usually do not reach remote areas. In West Kordofan, there is a present and active police force that community members prefer to use in case of criminal violations.

Within communities, many respondents see traditional community leaders and community committees as the most important (informal) decision-making bodies. Community leaders are normally involved in conflict-resolution between clans (often over land), and in personal disputes. Community committees in both states play a key role in coordinating some of the communities' service delivery and assistance provided by the Zakat Chamber and the international community. In some cases, these communities are also involved in basic conflict resolution.

Response

In response to Sudan's complex needs, and in support of the efforts of the TGoS to strengthen systems and develop policies that promote inclusion and socio-economic development of FDPs and HCs, the PROSPECTS partnership was established. In close cooperation with local authorities, businesses, the private sector, and communities, the partnership will work to identify, maximize and realize opportunities on the ground for FDPs and HCs. Within the Education and Learning pillar, the partnership promotes skills and knowledge development for school, life and transition to decent work. The Employment with Dignity pillar aims to increase the number of working-age individuals with enhanced livelihoods and/or employment in decent work. The Protection and Inclusion pillar works to increase protection access and inclusion, support social protection, and build community and national capacity.[20] The partnership ensures promoting, planning and documenting more effective and efficient programming, strategic learning, and support to policy development and implementation.

Besides the PROSPECTS partnership, some other interventions are ongoing in East Darfur and West Kordofan. Table 1 provides an overview of some of the main humanitarian and development interventions that are ongoing or have recently concluded in East Darfur and West Kordofan.

Table 1. Interventions by other (international) actors

Organization	Project	Location	Timeframe
American Refugee Committee (ARC) / Alight	WASH (building infrastructure, community management, and awareness raising) Nutrition (therapeutic supplementary feeding programmes, out-patient treatment, stabilization centres, and awareness raising) Peace-building Health (primary healthcare centres, maternal and infant health care) Livelihoods[21] (provision of capital and assets to business owners in Al Nimir – recently)	East Darfur South Darfur	Ongoing
CARE[22]	Health and nutrition	Al Nimir	Unclear
Concern Worldwide Sudan	Community resilience (community development committees, environmental awareness, early warning systems) Health and nutrition (primary healthcare centres and mobile clinics, access to WASH for health facilities) Emergency response (non-food item distributions – plastic sheets for shelter, cooking utensils and mosquito nets)	West Kordofan South Kordofan West Darfur	Ongoing
Islamic Relief Worldwide[23]	Health	Kharasana	Unclear
World Food Programme (WFP)	Food assistance (food for assets – in kind as well as cash transfers) School feeding programmes Food systems and safety nets (inclusion of vulnerable households in community assets, engagement with private sector to address food insecurity, provision of airtight bags to households for food storage) Nutrition (distribution of VITAMINO, and fortified foods)	All of Sudan	Ongoing
ZOA	WASH (Aqua4Sudan – end 2019) Livelihoods and food security (agriculture, climate and environment) Social cohesion Basic education	Gedaref East Darfur North Darfur South Darfur	Ongoing

20 The Government of the Netherlands, IFC, ILO, UNHCR, UNICEF, and the WB "Vision Note for a new Partnership. Sudan" (2020).

21 KII respondents in El Nimer.

22 ED-KII-07.

23 WK-KII-58.

Baseline Survey

An important challenge to implementing humanitarian and development projects in Sudan is the absence of reliable and comprehensive data for activity design and planning in the areas that require the most assistance. Such data gaps include the absence of up-to-date census data. The last census in Sudan was conducted in 2008, before the secession of South Sudan, before significant administrative shifts (since 2008 a number of new states and localities were created, including the establishment of East Darfur and West Kordofan as separate states), and did not aggregate according to migration status or ethnicity. As a result, numbers of HC and returnee populations are largely estimates, and data on refugees and IDPs relies on registration with United Nations (UN) agencies. In addition, the impacts of economic degradation and the COVID-19 pandemic between 2018 and 2020 have outdated the limited data available on livelihoods, purchasing power, and household vulnerability.

This Baseline Survey, therefore, aims to fill in the blanks in the PROSPECTS target locations by collecting data on basic demographic information, access to services, market dynamics, employment and working conditions, and social cohesion to inform programme planning and design (included under Target Locations in this Background chapter).

Research methodology

Research objectives

In anticipation of the implementation of activities in East Darfur and West Kordofan, this survey sought to develop a baseline against which to measure the PROSPECTS partnership's short- and medium-term outcomes. Specifically, the survey seeks to:

1. develop a baseline against which to measure the partnerships short-and-medium-term outcomes;
2. inform project planning by providing relevant contextual knowledge on social cohesion and market opportunities;
3. establish baseline values outside of the PROSPECTS indicator framework to inform a possible impact assessment after the partnership;
4. answer learning questions and identify potential cross-linkages to Pillar 4: New Ways of Working[24]; and
5. establish beneficiary selection criteria for different planned livelihood interventions.

In addition, the survey will assess the situation of working children in the PROSPECTS target locations using ILO's Child Labour Rapid Assessment Methodology. While the data for this study was collected together with the Baseline Survey data, the analysis of data on child labour is included in a separate Child Labour Assessment Report.

24 Presented in a separate Learning Questions Report.

Methods

To best address the research objectives above, Consilient employed a mixed-methods approach. This methodology includes a thorough desk review of secondary literature, legal and policy frameworks, plans and project documentation; a quantitative household survey representative of the target communities and a quantitative MOS; qualitative KIIs with stakeholders at national, state and community level; and qualitative IDIs with members of target HC and FDP communities. The specific communities targeted in this Baseline Survey are El-Nimer camp and Assalaya settlement in East Darfur, Al Meiram settlements, and Kharasana/Keilak in West Kordofan. Table 2 provides a full overview of the research methods and stakeholders included in this methodology.

Table 2. Research methods overview

Approach	Source	Activities	Quantity
Desk review	ILO, UNICEF, UNHCR, IFC, Netherlands MFA	Review existing primary data and secondary literature, including project documentation, legal and policy documents, and other relevant regional and thematic assessments	N/A
Quantitative HH surveys	Host community, pastoralist, refugee, FDPs, and migrant HHs	Conduct quantitative HH surveys in ED and WK	1172 HH Surveys
Quantitative market opportunities surveys (MOS)	Business owners, craft associations, apprenticeships, and so on.	Conduct market opportunity survey using the TREE methodology to identify opportunities	64 MOS
Qualitative key informant interviews (KIIs)	Project and partner staff from ILO, UNICEF, IFC, World Bank, and Government of the Kingdom of the Netherlands Private sector actors Traders/brokers Cooperatives and self-help groups Community leaders	Conduct in-depth key informant interviews with relevant implementing partners and key stakeholders at the national, state, and community levels	64 KIIs
Qualitative in-depth interviews (IDIs)	Business owners Pastoralists Refugee and IDP community members Women and youth	Conduct qualitative in-depth interviews with relevant stakeholders at the community level	32 IDIs

Data collection tools

The household survey was designed to cover three different community segments, to provide context on the target communities, and inform the beneficiary selection criteria by surveying some key demographic information, household vulnerability factors, and social cohesion (Objectives 2 and 5). In addition, the household survey sought to establish baseline values within the short- and medium partnership output framework, and outside this framework to allow for assessments of the impact of the partnership (Objectives 1 and 3) for both of PROSPECTS target groups, HCs and FDPs. This was done by including surveying sections about specific individuals within the household that established representative samples for the working-age population (aged 18 to 64), and children in the households (aged 5 to 17). The section for the working-age population, in particular, assessed the status in the labour market and the working conditions of individuals, and, therefore, also allowed the baseline to make specific and gender-sensitive recommendations for programming. Lastly, the household survey included a consumer demand, which, complemented by the MOS, allowed for the identification of market opportunities.

The MOS survey helped inform the baseline on the characteristics of the private sector in the target communities by assessing existing businesses. This yielded information on the type, size, profitability, and structure of the businesses, including the formality and business development services to which they have access, that may also inform impact studies after the conclusion of the PROSPECTS partnership's activities (Objective 3). Moreover, the MOS complemented the household survey in terms of identifying market opportunities (Objective 2): it collected data on the skills desired from business owners, which this report compared with the skills present in the working population based on the employment section that the household survey conducted with working-age individuals; it collected information on what business owners thought were business sectors with good opportunities and those without opportunities; and lastly, it highlighted the main challenges to business development and entrepreneurship in their communities.

KIIs and FGDs were conducted with all stakeholders relevant to the PROSPECTS partnership at the federal level (PROSPECTS partners, government representatives and private sector actors), at the state level (government representatives, UN agency staff, private sector actors, traders and brokers, and NGOs), and at the community level (community leaders, business owners, cooperatives, traders and brokers, and security providers), including PROSPECTS target groups (FDPs, HCs, youth, and women). Each of the qualitative interviews fed into data analysis for all of the research objectives; they provided detailed context and experiences from key stakeholders that supported the interpretation of the findings in the quantitative surveys, and provided extensive information on specific community dynamics (Objectives 1 to 3 and 5). In addition, KIIs at the state and federal levels also sought to inform answering the learning questions and identify cross-linkages to Pillar 4: New Ways of Working (Objective 4).

Table 3 provides an overview of how the different data collection methods informed the specific PROSPECTS indicators during analysis.

Sampling approach

For the selection of household survey respondents, Consilient employed a clustered sampling approach stratified by the target location and by household type (host community households – HC, and forcibly displaced households – FDP) for the household survey. The use of the geographic strata and the strata by migration status was motivated by the fact that each of these locations has fundamentally different experiences because of geographic location, the composition of the population, and economic and socio-political structures. Household surveys were collected in clusters. This meant that beginning at a randomly selected starting point (using QGIS and East Darfur, and community mapping in West Kordofan), six households would be selected for one cluster using the random walk procedure. In each state, Consilient conducted the same number of clusters (one fewer in East Darfur, because the target population is smaller than the target population in West Kordofan). Within states, half the clusters were assigned to HC households and half to FDP households. The assignation of FDP and HC clusters in each location was relative to the estimated size of the specific population groups.

For establishing the sample size, Consilient also considered the presence of children aged 5 to 18 years[25] to ensure that the child labour data collected is also representative of children living in the target communities. Consilient estimated that this would provide a sample of 965 children in the child labour module (ultimately, Consilient reached 1,066 children). The household survey contained a random selection mechanism for households with two or more children aged 5 to 18.[26] In establishing the margin of error (MoE), Consilient assumed a 95 per cent confidence interval for the estimation of key populations and a design effect of 1.5. For the design effect, Consilient follows the standard practice of intra-cluster correlation (ICC) of 0.10

25 Based on a 5 per cent micro-sample of the 2008 Sudan census in Darfur and Kordofan, Consilient expected that 33.7 per cent of HHs would have no children aged 5 to 18.

26 In HHs with one child aged between 5 and 18, survey questions were asked about this specific child. HHs without children aged 5 to 18 were surveyed, and the child labour module will simply be skipped.

▶ Table 3. Indicator matrix

Indicator or research question	Desk review	HH survey	MOS	KIIs PROSPECTS partners	KIIs private sector	KIIs traders	KIIs cooperatives	KIIs community leaders	FGDs business owners	FGDs pastoralists	FGDs, FDPs and refugees	FGDs, women and youth
1. Completion rates (academic year) at targeted levels of formal or non-formal education (primary and secondary) and training (mandatory)	X	X	X					X		X	X	X
1.1. Number of teachers or trainers who successfully complete accredited training with support from PROSPECTS partners				X				X				
1.2a. Number of people enrolled in formal or non-formal education and training (MFA mandatory indicator) in targeted schools or education and training centres	X	X	X					X		X	X	X
1.2b. Number of children and youth out of school enrolled in formal and informal education with support from PROSPECTS partners	X	X						X		X	X	X
1.3. Number of adolescents and youth and adults who have successfully completed skills-development training (through formal and non-formal pathways), including (i) life skills, (ii) digital skills and (iii) entrepreneurship skills, with support from PROSPECTS Partners		X	X		X		X		X	X	X	X
2a. Number and percentage of forcibly displaced, IDPs, and vulnerable host communities assisted by PROSPECTS who have sustained a for-mal/informal business and or self-employment activity for over six months		X								X	X	X
2b. Number of economic opportunities (jobs) created and/or supported (that benefit hosts and FDPs)		X	X		X	X	X		X	X	X	X
2c. Percentage of refugee and host community members assisted by PROSPECTS working under at least one minimum decent work condition (that is, explicit contractual relation, social security, OSH, satisfactory income or wages		X	X		X	X	X			X	X	X
2d. Value (USD) of private investment mobilized that benefit hosts and FDPs												
2e. Value (USD) of financing facilitated (access to finance)												
2.1. Number of organizations (for example, cooperatives, local economic development committees, etc.) with improved capacities to organize and formalize economic activities* Number of job seekers using employment services (encouraged to apply)					X		X	X	X	X	X	X
2.2a. Total amount of wages, investments or local supplier contracts injected into the local economy												
2.2b. Number of investor or private partnership leads												
2.3a. Number and value of loans outstanding		X	X						X	X	X	X
2.3b. Number of business development service providers (non-financial) providing services and support to refugee, host communities and host community entrepreneurs	X		X		X		X		X			
2.4a. Number of training participants able to identify key labour rights in post-training evaluations												
2.4b. Number of national institutions with awareness/tools to extend labour protection Number of organizations providing information, sensitization and services to facilitate a transition to formality (encouraged to apply)	X			X								
3a. Number of policies, regulations and laws issued or influenced that contribute to better protection and inclusion.	X			X								
3b. Number of forcibly displaced and vulnerable host communities benefiting from national protective services (social welfare, health, education, and so on)		X						X		X	X	X
3.1. Number of policies, plans, laws related to FDPs or HC adopted and/or amended that address gender-sensitive, inclusive access to quality social protection and protection services attributable to PROSPECTS.	X			X								
3.2a. Number of individuals identified as Person with Specific Needs and receiving critical assistance (includes tertiary health referrals).		X						X		X	X	X
3.2b. Number of forcibly displaced and vulnerable host communities benefiting from national protective services (social welfare, health, education etc.)		X						X		X	X	X
3.2c. Number of FDP and HC who benefited from FCPU services disaggregated by age, gender and diversity (that is, legal status and nationality).		X						X		X	X	X
3.3. Number and quality of information, registration, profiling, referral systems and procedures developed or optimized to expand protection and social protection coverage.				X				X				

for nationwide surveys and lower values for subnational surveys. Therefore, an assumed ICC of 0.10 is on the conservative end of the spectrum. For HC households, this sampling methodology ensured an MoE of 5.1 per cent at household level and of 5.3 per cent for selected children within host community households. For FDP households, this methodology ensures an MoE of 5.0 per cent at the household level and of 5.3 per cent for selected children within FDP households.

The proposed household sample size was 1,134, with a fixed cluster size (geographical cluster) of six interviews per cluster (189 clusters in total), but Consilient was able to conduct some additional surveys. Table 4 provides an overview of the sample collected by location and by target population.

Table 4. Achieved quantitative sample

	Host community		Forcibly displaced	
	# Surveys	% Surveys	# Surveys	% Surveys
East Darfur	260 (44 clusters)	47.1%	328 (55 clusters)	52.9%
Assalaya	155 (26 clusters)	28.1%	113 (19 clusters)	18.2%
Al Nimir	105 (18 clusters)	19.0%	215 (36 clusters)	34.7%
West Kordofan	292 (49 clusters)	52.9%	292 (49 clusters)	47.1%
Kharasana/Keilak	106 (18 clusters)	19.2%	124 (21 clusters)	20.0%
Al Meiram	186 (31 clusters)	33.7%	168 (28 clusters)	27.1%
Total	552 (93 clusters)	100.0%	620 (104 clusters)	100.0%

Selection of qualitative interviewing respondents and respondents to the market opportunities survey followed a purposive sampling methodology (for example, respondents were chosen from specific groups relevant to the baseline assessment and PROSPECTS' objectives and planned activities). A total of 64 KIIs conducted at the federal, state and local level was deemed sufficient to include all key stakeholders relevant to the ILO's activities under Pillar 2, and to answer the Learning Questions under Pillar 4. In addition, 32 IDIs were conducted to ensure that each of the specific PROSPECTS target groups (FDPs and HCs), women, and youth could be reached in the PROSPECTS target locations, and at the state level. Besides purposive sampling, Consilient's researchers also applied the snowball method to select KII respondents. In such cases, researchers inquired during a KII if there was another stakeholder the respondent recommended Consilient to include in the Baseline Survey.

Ethics

During all stages of the market assessment, Consilient ensured that the principles of "do no harm" were respected. All enumerators were properly briefed on adequate research procedures to ensure that communities or individual participants did not face any negative consequences or any threats to their physical security as a result of this study's activities. All data collection tools were translated and administered in Arabic. Informed consent of respondents was mandatory and was incorporated in each of the data collection tools designed for this study. Because not all of the respondents were literate, enumerators obtained verbal consent. The purpose of the study was explained to each respondent, and all respondents were informed of the following:

- the respondent's consent to take part in the data collection is completely voluntary, and refusing to take part will have no negative consequences;
- the respondent has the right to end the interview at any point with no reason given;
- the respondent has the right to refuse to answer any question they feel uncomfortable with;
- all the information given by the respondent will be kept confidential so that their responses and their identity cannot be linked together.

Quantitative data is stored on the mobile data management platform ONA, on private password-protected accounts managed by Consilient. Data is anonymized to ensure adequate levels of protection.

Consilient is mindful of the fact that minors were a key demographic interviewed as part of this study, and recognizes the importance of abiding by strict child-protection standards. At all times, Consilient researchers adhered to the United Kingdom Department for International Development Ethics Principles for Research and Evaluation and its accompanying guidance note. In addition, Consilient's research staff is trained in and guided by the ICC Code of Conduct and ESOMAR Guidelines.

The welfare of each child is the overriding concern in all of Consilient's research activities where children are present. To ensure that children will always be in a safe and protective environment during interviewing, Consilient includes a comprehensive module in training for each study, and provides research teams with practical protocols, guidance, and tips to ensure child safety at all stages of data collection. For example, no child is subjected to an individual interview. Parental permission will be obtained for each interview conducted with a child; a comprehensive explanation about the survey will be given to the relevant authority figure present; business contact information will be shared to conduct follow-ups and allow children and families to make inquiries or rescind their consent; personal contact information will never be shared between enumerators, children and their parents.

For this study, qualitative interviews with children were conducted in the form of focus group discussions with a maximum of three participants. The discussions were gender-segregated, with one researcher and one responsible adult present (teacher, parent, or legal guardian).

Limitations

- As a result of the COVID-19 pandemic, access to respondents was somewhat restricted. Consilient adapted the data collection methodology by limiting face-to-face contact, maintaining proper physical distance, and providing our teams with needed personal protective equipment (PPE). In practice, this meant that focus group discussions were conducted as IDIs with one or two participants instead, and some of the key informant interviews were conducted remotely.
- The market opportunities survey and household survey only allowed for the assessment of needed skills and market opportunities at the community level, as they assess supply and demand within communities. This limits the Baseline Survey's ability to draw conclusions on market opportunities and skills needed at the state and federal level. To mitigate this, Consilient conducted key informant interviews with traders and business owners at the state and national level.
- During research design, the decision was made to make data representative for the two main target groups of PROSPECTS: host community households and forcibly displaced households (including refugees, IDPs and returnees). Because households were selected based on specific geographic clusters for each of these target groups, data may not be analysed at aggregate level. However, comparisons may be made between the two groups and between the two states.

- Where possible, geographic starting points for the random walk were randomly selected. However, in some of the locations, mobile coverage was not sufficient to update starting points regularly. To mitigate this, Consilient's team made sure to also identify HC and FDP areas together with local authorities and community leaders, so the teams could manually map out starting points that were spread out over the target areas (including border areas).
- The high inflation rates in Sudan, and strongly fluctuating exchange rate make it very difficult to assess income and purchasing power in Sudan. To mitigate this, Consilient recorded the exchange rates to USD while collecting data on a daily basis, and made sure to include a number of proxy measures that assessed household vulnerability. These included: possession of assets; gender of the head of the household; stability of income source; sufficiency of household income; and negative coping mechanisms.
- In Assalaya in East Darfur, Consilient's team found the target location largely empty because community members had travelled to work on farms for the season. To ensure that the data in Assalaya adequately represents the population, Consilient's team surveyed the remaining households and arranged with some of the community leaders for some household members working at nearby farms to return for the survey.
- The sampling methodology took into consideration accessing HC households and FDP households only. While the target locations were not necessarily marked as IDP-hosting according to UNHCR and OCHA data, by chance a substantial number of IDP households were included in the FDP sample. The random walk selection strategy, however, is prone to excluding pastoralist households in the host community sample, because pastoralists are usually highly mobile and often do not reside in more populated areas where random walk procedures are employed. As a result, the number of pastoralist households included in the sample was not sufficient to analyse the data for this group specifically. As a result, information on pastoralists in this baseline assessment is very limited.

Findings

The Findings section includes a summary of the most important findings of data analysis of several topics relevant to PROSPECTS programming and ILO programming in Sudan: demographics, access to services (social protection services in particular), decent work, poverty, existing businesses in the target locations, market opportunities, and skills development. All sections present findings in the quantitative household survey and qualitative KIIs and IDIs. The Business, Market Opportunities, and Skills sections also include findings from the Market Opportunities Survey conducted with business owners. Analysis in each section focuses on identifying specific challenges and opportunities relevant to future PROSPECTS and ILO programming.

Demographics

Table 5. Demographics: challenges and opportunities

Challenges
1. The main drivers for vulnerability remain migration status and the specific target locations HH reside in. This means that vulnerability levels in the target locations is high overall, and most likely related to the presence and efficiency of support communities receive, together with income-generating activities that HHs have access to, more so than specific HH characteristics.
2. Food-insecurity appears to be a genuine issue in East Darfur since WFP transferred its in-kind distributions to cash transfers. Given the food shortages, it is likely that it will be difficult to implement other, development activities.
3. Female-headed HHs, IDP HHs and HHs with high dependency ratios in specific PROSPECTS target locations are highly vulnerable to shocks, and will likely be challenging to include in ILO's PROSPECTS programming. They should, however, be prioritized by other PROSPECTS partners providing emergency support.
4. Even though HHs with higher dependency ratios are marginally more vulnerable than HHs with lower dependency rates (less so than female-headed HHs and IDP HHs), this was not the case for larger HHs in general, because those tended to include more adults able to contribute to the HH income.
5. Literacy and school attendance rates among heads of HH as well as individual HH members in the employment section are very low. This may pose some challenges to the provision of training, and business administration required for business development and cooperative activities.

Opportunities
1. Almost half the HHs in East Darfur possesses mobile phones that may be used for cooperatives or associations focusing on expanding transportation networks, connecting members with state and national networks, and providing members with access to mobile banking options.
2. Possession of agricultural tools (including hand tools, ploughs, silos, oil squeezers, shellers and mills) is very low. It is recommended to invest in the distribution of tools and machines because within communities they are used to increase production, as well as to rent out while not in use.

This chapter provides basic demographical data to form a broad image of the different communities that PROSPECTS is targeting. The section is divided in three sections: heads of household, individuals, and poverty. The majority of the questions in the household survey were conducted with main respondents that answered questions about the household and the head of household. Because a number of features of the head of household (that is, gender, level of education, disability, and literacy) are likely to impact the vulnerability levels and poverty levels of the household in general, and of all members belonging to a household, these factors are discussed in the Heads of households section. Then, the household survey included a section with a randomly selected household member aged between 18 and 64 for a series of questions regarding employment and working conditions. General demographic data of these individuals is included in the Individuals section. Lastly, the Poverty section analyses the household survey questions that related to household vulnerability, to establish which factors increase the change of households being vulnerable to shocks.

▶ Table 6. HH composition by state and migration status (n=1,172)

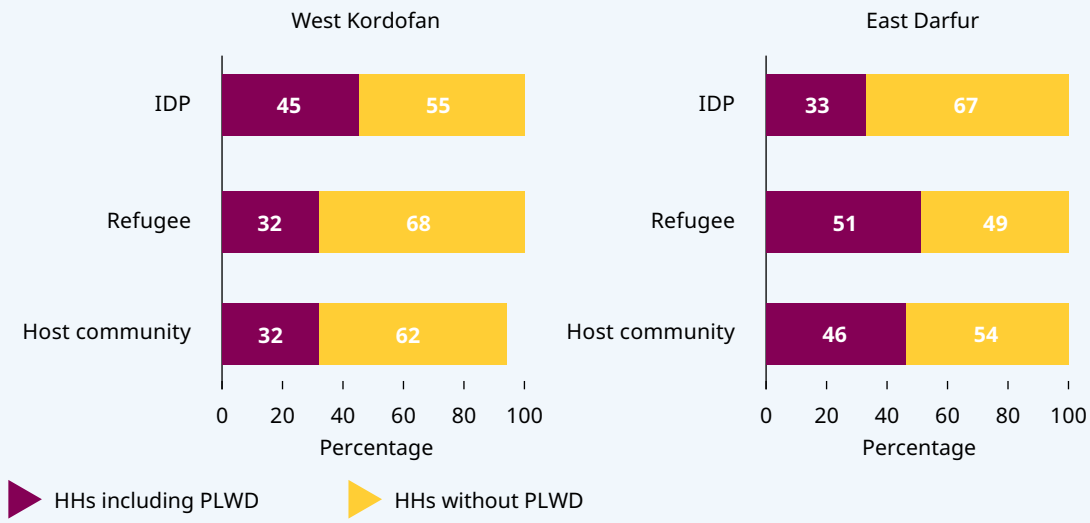
	West Kordofan			East Darfur		
	HC HHs (n=292)	IDP HHs (n=77)	Ref. HHs (n=215)	HC HHs (n=260)	IDP HHs (n=153)	Ref. HHs (n=173)
HH size	9.4 (SD: 4.1)	8.1(Sd: 3.1)	8.5 (SD: 2.7)	8.2 (SD: 3.7)	6.9 (SD: 3.0)	6.8 (SD: 3.0)
Children under 5	1.4	1.6	1.6	1.1	1.0	1.0
Children 5–17	3.6	3.1	3.3	3.4	2.9	2.8
Adults 18–64	2.6	1.6	2.3	2.2	1.9	1.9
Elderly	0.2	0.4	0.2	0.2	0.1	0.1
PLWD	0.4	0.8	0.5	0.6	0.4	0.6
Dependency ratio	93%	108%	109%	114%	122%	118%

Table 6 provides an overview of the make-up of households in the target locations. With the data available, it was not possible to calculate the dependency ratio based on the number of household members under the age of 15, or those aged 65 and above, dependent on household members aged 15–64. Instead, the Baseline Survey assessment based the dependency ratio as household members under 14 and 65 or older who depend on household members aged 14–64. However, Table 6 shows that dependency rates are particularly high for FDP communities, and for those in East Darfur in particular.

The household survey did not inquire about the type of disabilities of each individual household member, though this was asked for the individuals included in the employment section of the household survey, and will be further analysed in the Individuals section below. In the overall sample, 39 per cent (n=457) of the household had at least one household member with a disability. In East Darfur, more households (44 per cent, n=261) reported to have at least one household member living with disabilities than in West Kordofan (34 per cent, n=196). Between the target communities in West Kordofan, HC households in Kharasana/Keilak (40 per cent, n=42) are more likely to include PLWDs than those in Al Meiram (27 per cent, n=50), and IDP households in Al Meiram are more likely to include PLWDs (55 per cent, n=12) than those in Kharasana/Keilak (42 per cent, n=23). In East Darfur, households in Assalaya were much more likely to include PLWDs (51 per cent, n=126) than those in Al Nimir (39 per cent, n=125) overall.[27]

27 HHs including at least one PLWD HH member in Assalaya: HC HHs (52 per cent, n=80), IDP HHs (41 per cent, n=31), refugee HHs (64 per cent, n=23). HHs including at least one PLWD HH member in El Nimer: HC HHs (37 per cent, n=39), IDP HHs (26 per cent, n=20), refugee HHs (48 per cent, n=66).

Figure 6. HHs with at least one PLWD HH member by state and migration status in % (n=1,172)



It is possible that the number of people living with disabilities in East Darfur is high as a result of fighting between community groups and internal displacement as a result of conflict elsewhere in Sudan. This does not, however, fully explain the difference between East Darfur and West Kordofan, because there are many IDPs present in West Kordofan as well. It may be that disabilities have been over-reported in East Darfur. Assessments in the target locations in this state are much more common, and community members tend to emphasize need strongly. In addition, during data cleaning, many responses were filtered out because they indicated common illnesses or curable physical injuries.

Heads of households

The following will look at some of the key characteristics of the head of the household: gender, literacy, and primary school completion. This section maps the share of female-headed households because they are perceived as particularly vulnerable. Literacy and primary school completion are included, because household members living in households with a head of household that did not attend school are far more likely to live in poverty.

Overall, FDP households are almost twice as likely to have a female head of household than their HC counterparts; 42 per cent (n=263) of the FDP households are female-headed, while this is the case for 22 per cent (n=119) of HC households. In East Darfur, little variation was found between Assalaya and Al Nimir. Refugee and IDP households are only slightly more likely to have female heads of households than HC households because of the recurring ethnic conflict in East Darfur that involves HCs. As a result, many households lost male household members, including heads of household. In West Kordofan, the discrepancy between HC households and FDP households is even larger, as a result of interethnic conflict in the state; IDP households in Al Meiram are most likely (73 per cent, n=16) to be headed by female heads of household, followed by Kharasana/Keilak (64 per cent, n=35).

The household survey did not specifically enquire about disabilities of the head of household in the main sections of the survey. However, the employment sections conducted with randomly selected adult individuals did so. Some of those selected individuals were also the head of household (46 per cent, n=535). Of those heads of household included in the employment section, 24 per cent (n=126) indicated they had a disability. This was higher among female heads of household (28 per cent, n=72) than among male heads of household (19 per cent, n=53), and higher in East Darfur than in West Kordofan (in line with the data on household composition above). Disability among heads of household is particularly high among HC heads of household (28 per cent, n=39) and refugee heads of household (39 per cent, n=42) in East Darfur. Of those heads of household living with disabilities, most (49 per cent, n=36) have difficulties seeing, followed by difficulties walking or climbing steps (40 per cent, n=29), and difficulties hearing (21 per cent, n=15).

Figure 7. Head of HH gender by state and migration status in % (n=1,172)

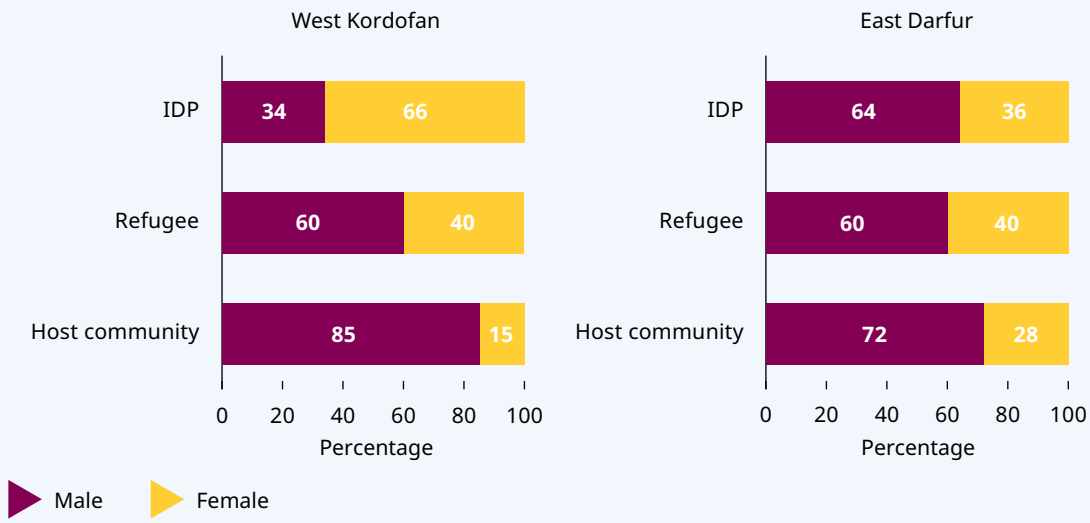
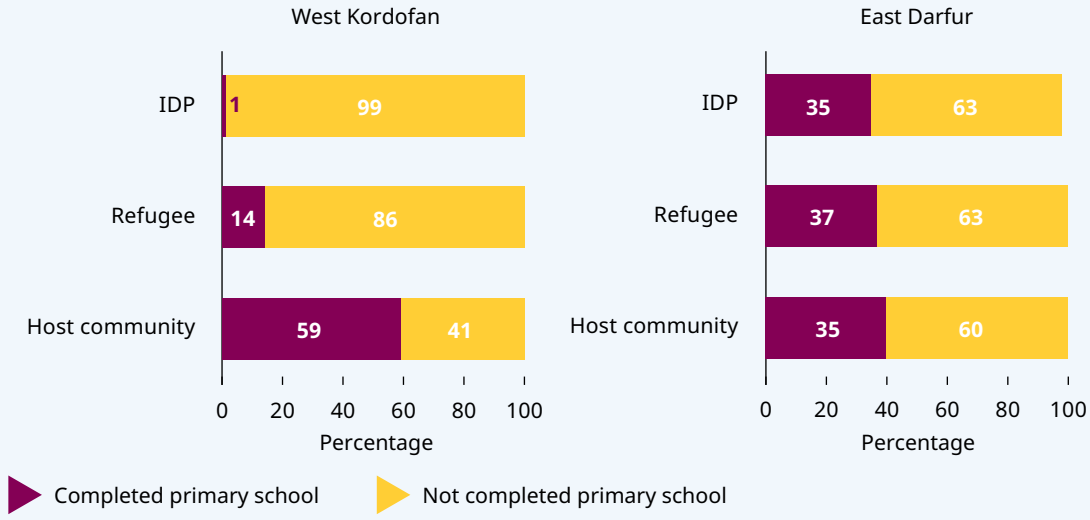


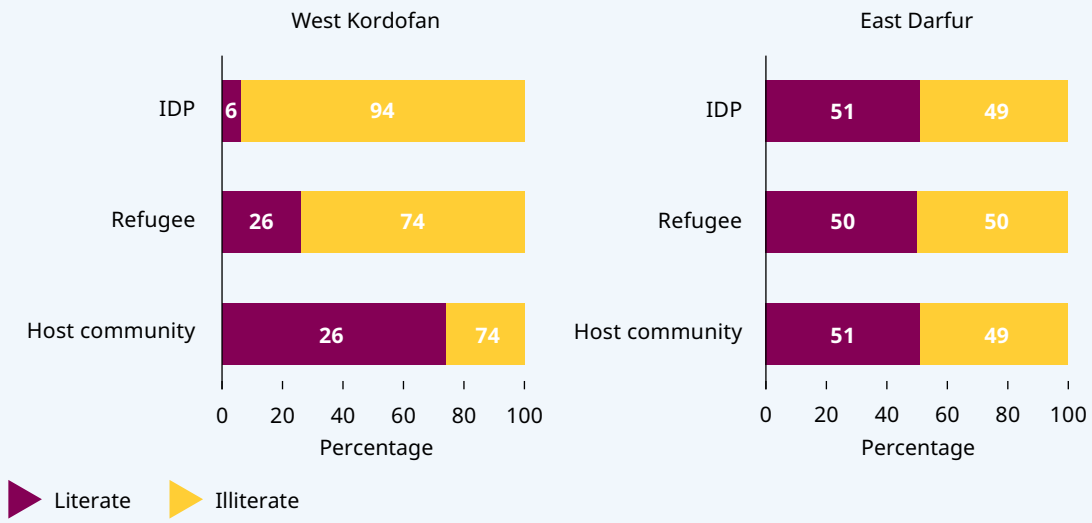
Figure 8. Head of HH primary school completion by state and migration status in % (n=1,172)



Overall, primary school completion in the communities in East Darfur is low, but it is particularly concerning among heads of household in FDP communities in Assalaya. Here, 77 per cent (n=57) of the IDP heads of household, and 86 per cent (n=31) of the refugee heads of household, have not completed primary school. In West Kordofan, Meriam showed the largest discrepancies between HC households and FDP households: HC heads of household have not completed primary school in 30 per cent (n=55) of the cases, compared with 84 per cent (n=104) of FDP heads of household. In each of the target locations, and in each of the target groups, female heads of household are significantly less likely to have completed primary school.

For business development and skills training activities, it is essential to note that literacy levels in East Darfur are comparable between target locations. In West Kordofan, however, HC heads of household in Meriam are far less likely to be illiterate compared with heads of household in Kharasana/Keilak (20 per cent, n=37, and 38 per cent, n=39, respectively). The baseline analysis also performed a series of statistical tests (t-tests and pr-tests) to confirm the statistical significance of gender, education, and literacy levels of the heads

Figure 9. Head of HH literacy by state and migration status in % (n=1,172)



of households across the different strata (HC households and FDP households living in East Darfur and West Kordofan) on household vulnerability. This analysis confirms that all three factors (female heads of household, heads of household that did not attend primary school, and heads of household that are illiterate) negatively impact household vulnerability levels. The Poverty section below elaborates on this analysis further.

Individuals

The household survey included a substantial set of questions on employment with a randomly selected household member aged between 18 and 64. This section was included to provide a representative sample of adults aged 18 to 64 in the target communities, to assess the status in the labour market, employment and decent work conditions. For participation in this module, the main respondents of the household survey were asked how many household members aged between 18 and 64 were available for an interview. The household survey randomly selected one of those household members as respondents for the employment module. Similar demographic data for individuals as for heads of household is presented below; the section looks at youth and non-youth, age, education, and disability. In this section, youth was defined as individuals aged between 18 and 24. Figures 10 and 11 show the gender distribution and the distribution of youth and non-youth across the sample.

Women, both those living in HCs and FDP women, in the employment section are significantly less likely to have completed primary school than men in both states. However, women in West Kordofan were more likely to have completed primary school than women in East Darfur (29 per cent, n=72, compared with 13 per cent, n=29), and women living in HCs were more likely to have completed primary education compared with women living in FDP communities (35 per cent, n=74 compared with 10 per cent, n=27). This is mainly due to the fact that primary school completion of HC women is relatively high in Al Meiram (61 per cent, n=43), and differences between school completion for HC men and women in West Kordofan are smaller than in East Darfur; 64 per cent (n=112) of HC men, and 56 per cent (n=64) of HC women in West Kordofan completed primary school, compared with 39 per cent (n=79) of HC men, and 11 per cent (n=10) of HC women in East Darfur. This suggests that educational service provision for boys and girls has been better in West Kordofan than in East Darfur.

Figure 10. Gender of individuals by state and migration status in % (n=1,172)

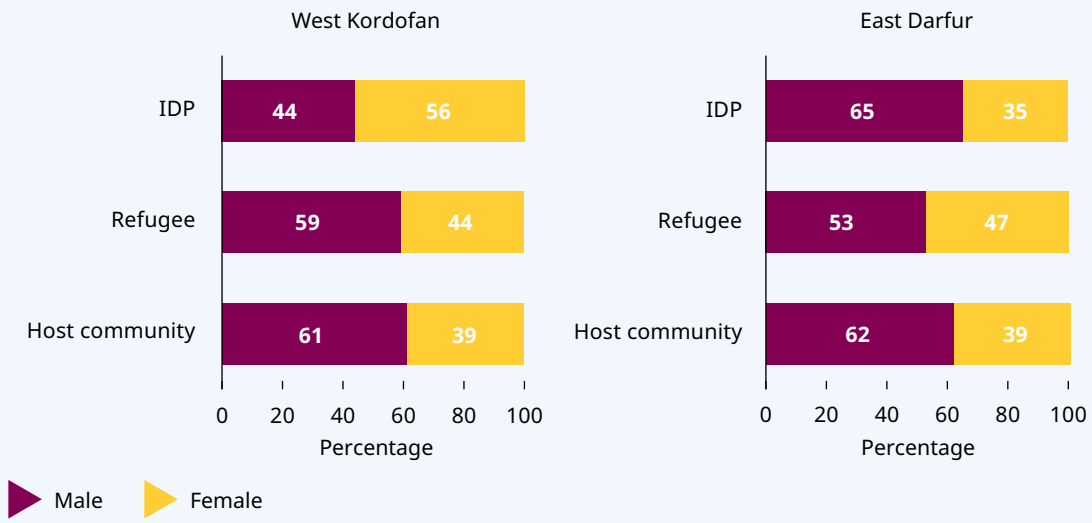


Figure 11. Youth and non-youth by state and migration status in % (n=1,172)

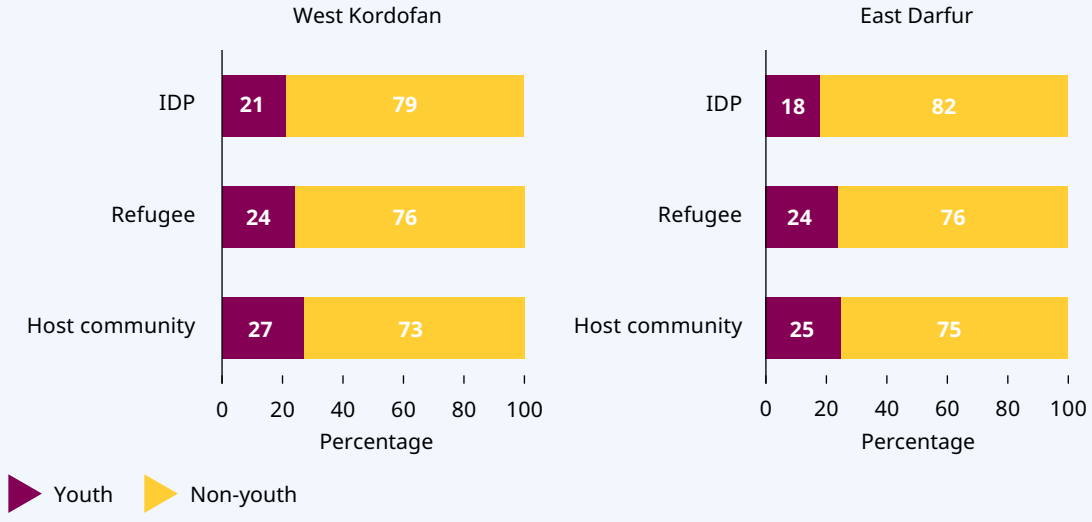
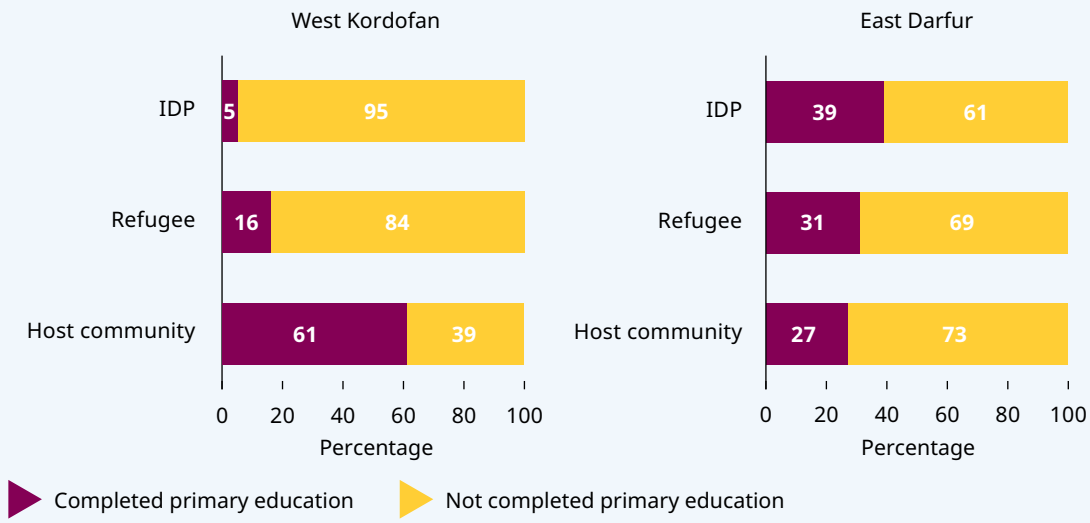


Table 7. PLWDs by state and migration status in % (n=1,172)

	West Kordofan (n=584)		East Darfur (n=588)	
	Disability	No disability	Disability	No disability
Host community	1%	99%	8%	92%
Refugee	2%	98%	6%	94%
IDP	4%	96%	8%	92%

Figure 12. Primary school completion of individuals by state and migration status in % (n=1,172)



At the individual level, the data follows the overall trend in terms of the presence of PLWDs: there appear to be more PLWDs in East Darfur than in West Kordofan. Women were significantly more likely to be living with disabilities than men. However, no significant differences were found for migration status. As with heads of household, most individuals have difficulties seeing even with glasses (6 per cent, n=72), followed by difficulties walking or climbing steps (5 per cent, n=61), and difficulties hearing (3 per cent). Some disabilities appear to already be present in youth (4 per cent, n=15), and so it is highly likely that these individuals have been living with disabilities since childhood. The percentage of PLWDs increases for the ages of 36–45 (7 per cent, n=18), and 46–55 (7 per cent, n=9). Given that the life expectancy in Sudan is only 65 years (World Bank), and given that the most commonly mentioned disabilities relate to sight, mobility, and hearing, it is likely that these additional disabilities occur with aging. In addition, there was no significant difference in the average age that difficulties in hearing, seeing, walking or climbing steps occurred in individuals, making it harder to estimate how many PLWDs live with disabilities as a result of conflict.

Poverty

The poverty section analyses a variety of household characteristics and drivers that may contribute to household vulnerability. The household survey included specific vulnerability indicators for the baseline analysis. These include monthly household income, source of income, possession of assets, ability to save, and negative coping strategies. Initially, the Baseline Survey intended to use income sufficiency to cover the households basic needs as a vulnerability indicators instead of the monthly income, as well as access to social protection services.

However, it was not possible to include income sufficiency in the analysis because responses recorded in East Darfur were deemed inaccurate. In East Darfur, households with higher incomes are not significantly less likely to report that their household income is sufficient to meet basic needs, which was not the case for households in West Kordofan. Further comparison between sufficiency of income, the ability so save, and the income sources households relied on, also indicated that households in East Darfur did not accurately report the sufficiency of their income. While East Darfur has had one of the highest inflation rates, this does not entirely explain the differences. It is more likely that the hope for assistance as a result of the survey influenced the responses, because households in East Darfur are more familiar with assessments, and those linked to humanitarian and development programming in particular.

In addition to the vulnerability indicators, Consilient determined a list of drivers that are likely to impact household vulnerability. These include:

- gender of the head of household;
- primary school completion of the head of household;
- literacy of the head of household;
- household dependency ratio;
- household size;
- presence of PLWD household members;
- migration status;
- the community the household is residing in;
- household income (as a driver for the other vulnerability indicators);
- income source (as a driver for the other vulnerability indicators);
- possession of assets (as a driver for the other vulnerability indicators); and
- ability to save (as a driver for the other vulnerability indicators).

For the analysis of vulnerability, five logistic regressions were conducted for each of the indicators, to establish which drivers were the most important contributors to vulnerability. Here it should be noted that access to social protection services could not be included in the logistic regressions, because too few households had access to any social protection mechanisms. Limited access to social protection services, therefore, is considered an overall vulnerability factor in each of the target communities overall. Access to services is further discussed in the following section. Moreover, the household survey did not specifically inquire about specific protection risks such as statelessness, registration, physical violence, or SGBV that some individuals or households may face. For this reason, they could not be included in the analysis, though they are no less relevant and no less important to keep in mind when working in the target communities.

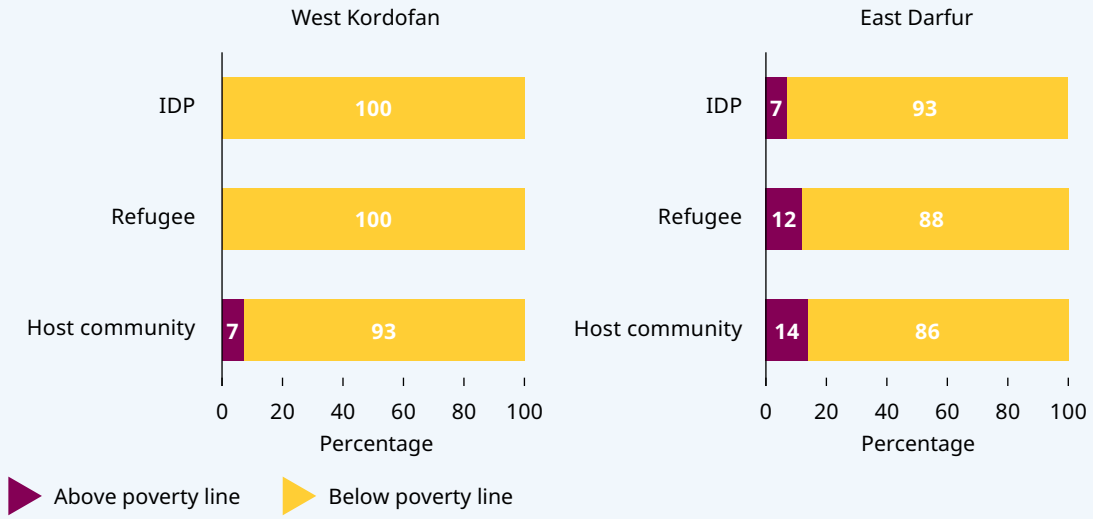
A limitation to the analysis below is that the HC and FDP samples were combined into one sample. As discussed under Research Methodology, sampling of FDP households was conducted in proportion to the size of the community within states. Sampling for HC households followed a similar approach, in which population size was estimated based on Google Earth data. This means that both samples are representative for those specific population groups in the target locations, but a combined sample cannot be considered fully representative of a specific target community. They may, however, still provide some indication of what the main drivers of vulnerability are in the PROSPECTS target communities. In the following, each of the household vulnerability indicators are discussed, including the most important results of the logistic regressions.

Household income below the absolute poverty line

Household income was assessed against the World Bank absolute poverty line of US$1.90 per person per day (or 484.50 pounds per household member per day). Households were asked what their combined household income was in the month prior to data collection. This number was divided by the days of the month, and by the number of household members. Overall, 92 per cent (n=1,084) of the households in the Baseline Survey sample earned an household income that translated to an income per household member per day below the absolute poverty line. On average, households earned 66 pounds/US$0.26 per person per day, with a median of 46 pounds/US$0.18 per person per day. In West Kordofan (61 pounds or US$0.24), the average income per person per day was a little lower than in East Darfur (72 pounds or US$0.28). HC households earned more per person per day (90 pounds or US$0.35) than IDP households (40 pounds or US$0.16), and refugee households (49 pounds or US$0.19), as well as male-headed households (81 pounds or US$0.32) compared with female headed households (49 pounds or US$ 0.19). Figure 13 provides an overview of the share of the households that earn above or below the World Bank absolute poverty line by state and by migration status.

Sources of income

Figure 13. HHs income against to the poverty line by state and migration status in % (n=1,172)



In terms of the household's main source of income, households can be categorized in those that do not have a source of income at all (22 per cent, n=280), those that rely primarily on income-generating activities (43 per cent, n=497), those that receive money as support from government, aid agencies, or family (21 per cent, n=240), and those that received income from loans, savings, or the sale of assets (14 per cent, n=156). Because households that rely on farming or fishing often use at least part of their production towards household consumption, they are significantly less likely to apply negative coping strategies than households relying on other income generating activities.

Moreover, 38 per cent (n=446) of households gained income from one source only, while another 38 per cent (n=446) relied on more than one source of income. However, households relying on multiple sources of income were not found to be significantly less likely to earn below the absolute poverty line than households relying on only one or no source of income. It is possible that diversification of income does not necessarily result in an increase of household income, because of the limited quality of income-generating activities to which households in the target locations have access.

The logistical regression for household income tests what household characteristics contribute to households receiving support with the assumption that households that do not receive support (from government, or humanitarian and development agencies) have higher vulnerability rates than households that do receive support. This assumption is based on the very high rates of households earning less than the absolute poverty line, from which it was deducted that poverty rates within the target communities are very high, and households not receiving support are likely to be in need of support as well (rather than being more likely to meet acceptable livelihood standards). The identified characteristics formed a better model to explain households not receiving support (pseudo R2: 0.22) than for households earning below the poverty line.

Even though support systems are supposed to target those in most need (and female-headed households are often considered to be at higher risk), the Baseline Survey found that the gender of the head of household, the household dependency ratio, household size, households earning below the absolute poverty line, and households that do not possess assets are not significant drivers for receiving external support. In fact, the households with heads of household that did not attend or complete primary school were in fact significantly less likely to receive support. Here again, the main drivers for receiving support were the community that households are living in and the migration status of households. Households in Assalaya are least likely to receive support; in fact, households in Al Nimir are 8.3 times more likely than households in Assalaya to receive support. This is 3.7 times for households in Kharasana/Keilak,

and 10 times for households in Al Meiram, compared with households in Assalaya. In addition, refugee households are 5.9 times and IDP households 5 times more likely than HC households to receive support. This may be explained by the fact that Al Nimir is an official refugee camp, and Al Meiram includes a large refugee settlement; aid provided by international actors is somewhat concentrated in such locations.

Other explanations are the geographic prioritization and effectiveness of support provided in the different target communities. While it may be expected that taking the household migration status out of this model, because of the support provided to refugee households, this did not change further help in identifying other drivers. When excluding the migration status of the household, the pseudo R2 dropped to 0.17, and primary school completion of the head of the households was no longer found to be a significant driver for allocation of support. In this model, none of the analysed characteristics were found to be significant drivers, except for the community where households were located.

Possession of assets

Assets can contribute significantly to the income of the household; 41 per cent (n=479) of households possess assets. This figure is significantly higher in East Darfur than in West Kordofan, significantly higher for male-headed households than for female-headed households, and significantly higher for HC households compared with FDP households. Most often, households possess farmland (58 per cent, n=271), livestock (51 per cent, n=242), and donkey carts (49 per cent, n=232). In East Darfur, 47 per cent (n=130) of households also possess mobile phones. Very few households, however, possess agricultural tools. In East Darfur, where agriculture is the main employment sector, only 12 per cent (n=68) of the households surveyed possessed tools such as a grain mill, a plough or hand tools. This was only 1 per cent (n=3) in West Kordofan. Here lies an opportunity for PROSPECTS programming: with fairly simple skills training and distribution of adequate agricultural tools, communities can increase their production, add value to products for sale, and charge for renting out the equipment when they are not in use.

The logistic regression assessed what made households less likely to possess assets. In this case, household migration status was taken out of the model, because FDP populations are likely to have left their homes without bringing assets with them. However, the analysis found that in and surrounding Al Nimir, households were 1.8 times less likely to possess assets than households living in Assalaya. Households in Kharasana/Keilak were 9.4 times less likely and households in Al Meiram were 8.3 times less likely than those in Assalaya to possess assets. Otherwise, the regression found that, besides the community where households were living, the likelihood of not possessing assets was higher if households were also unable to save (10.2 times), if they were earning an household income below the poverty line (1.5 times), if they included fewer than 9 members (2 times), and if the heads of household had not attended primary school or completed primary education (1,6 times). It should be noted here that households that are unable to save are automatically less likely to hire or purchase assets or farmland.

Ability to save

Furthermore, only 14 per cent (n=166) of the households are able to save some of their income, 75 per cent (n=125) of which are HC households in West Kordofan. No other significant differences were found for the ability to save income by gender or by migration status. The logistic regression found that household inability to save was linked primarily to the migration status of the household and the community the households were living in: households in West Kordofan were 10 times more likely to be unable to save than those in East Darfur. This was 4.7 times less likely for IDP households, and 2.6 times less likely for refugee households. Other factors that made households less likely to save are the presence of PLWD household members in the household (1.9 times less likely), households that did not possess assets (7.7 times less likely), and reliance on external income support (2.4 times less likely). Interestingly, the gender and primary education attainment of the head of household, earning an income less than the poverty line, and household size and dependency ratio, were not found to have a significant influence on the household's ability to save.

Reduced Coping Strategies Index

The Baseline Survey uses coping strategies to assess household vulnerability. To analyse how households cope with poverty, the Baseline Survey made use of the standardized Reduced Coping Strategies Index developed by WFP, USAID, CIS, Tango and the Feinstein International Center.[28] In the sample, 54 per cent (n=628) scores "high coping", 16 per cent (n=186) "medium coping", and 30% (n=358) "low coping". Households in East Darfur are much more likely to classify as "high coping" (68 per cent, n=399) than those in West Kordofan (39 per cent, n=229). In Assalaya and Al Nimir, only 13 per cent (n=77) of the households apply "no or low coping".

This suggests that there is a serious food security issue in these communities. As qualitative data suggested earlier, this is probably the result of WFP switching from in-kind food distributions to cash-based transfers. In these communities, HC households are far from food secure, but the level of coping strategies applied is particularly high for IDPs and refugee households living in and surrounding Al Nimir, and for refugees living in Assalaya. No significant differences were found for gender. The same pattern manifests in West Kordofan, more than half the refugee and IDP households relying on WFP support apply "high coping". This may pose a serious challenge for PROSPECTS programming because acute food security needs must be met first before community members can be expected to invest and engage with development programming. Not unexpectedly, households with higher dependency rates are significantly more likely to have medium or severe coping scores than households with lower dependency rates. This was not the case, however, for households with a larger number of household members.

The logistical regression had a pseudo R2 of 0.23. Within this model, household migration status and the location of residence of the households were the most important factors that contributed to households scoring "high coping". Households in Al Nimir are 1.5 times more likely to score "high coping" than those in Assalaya, while the households in Kharasana/Keilak are only half as likely, and households in Al Meiram 4.6 times less likely. Refugee households are 5.8 times more likely than HC households to score "high coping", while this was 3.6 times for IDP households. Other factors that significantly contribute to households scoring "high coping" include not possessing assets (2.1 times), and not relying on diversified sources of income (1.5 times).

▶ Reduced Coping Strategies Index (RCSI)

The RCSI assigns households an overall score that considers the regularity with which households apply coping strategies, and the severity of the type of coping strategies applied (some coping strategies are considered more problematic than others). This index surveys five coping strategies of varying severity:

1. eating less-preferred foods (severity: 1); **2.** borrowing food or money from friends and relatives (severity: 2); **3.** limiting portions at mealtimes (severity: 1); **4.** limiting adult intake (severity: 3); **5.** reducing the number of meals per day (severity: 1).

In the surveys, respondents were asked how many days in the previous week households applied each of the strategies. Responses varied from zero to seven for each of the questions. In preparation of data analysis, the weight of strategies 2 and 4 was adjusted by multiplying the number of days a strategy was applied by the level of severity. Then the number of applications of all five coping strategies were added up to a total score that ranged from zero to 35. Lastly, the index scores were sorted into three categories: "No or low coping" (scores 0–3), "medium coping" (4–9), and "high coping" (10–35).

28 WFP, USAID, CIS, Tango, Feinstein International Center, The Coping Strategies Index. A tool for rapid measurement of household food security and the impact of food aid programs in humanitarian emergencies (2008), p. 17.

Access to services

Table 8. Access to services: challenges and opportunities

Challenges
1. Water sources often do not provide sufficient water throughout the year, and water contamination is reported in each of the PROSPECTS target locations, including related waterborne diseases.
2. Social protection coverage in the target communities is extremely low. HC HHs, covered by the state, are significantly less likely to receive benefits than FDP HHs that receive benefits from international actors.
3. Coverage of National Health Insurance Fund (NHIF) services do not reach IDP HHs adequately. And, even though large segments of the HC population are covered by the NHIF, there are often no services that they can access with this coverage.
4. Health referral systems in East Darfur do not appear to function properly. This may be an indication of a disconnect in the functioning of health centres managed by international actors and the official systems of the Ministry of Health.
Opportunities
1. In the PROSPECTS target locations in West Kordofan, basic government service provision infrastructure in terms of healthcare, Zakat distributions (to those eligible), NHIF (to those eligible) coverage and education are available.
2. In East Darfur, a number of ongoing interventions facilitate different types of services that the PROSPECTS partnership could tap into, and may complement PROSPECTS' activities.

As a result of highly limited government involvement in Assalaya, Al Nimir, Kharasana/Keilak, and Al Meiram, basic service provision is often insufficient and inadequate. This section specifically reviews social protection services, access to healthcare, and access to water. First, however, a brief description of service provision in the target locations is given below, based on qualitative interviews with key stakeholders, in addition to the specific services this section already covers.

- The target communities have established primary schools, but these often lack equipment and teachers, and do not have the capacity to host all children in surrounding areas.
- None of the target locations has vocational training opportunities.
- All communities are in need of road construction and Kharasana/Keilak is also in need of bridge construction.
- Agricultural development or creation of livelihoods opportunities is needed in all locations. Many point out that communities lack tools and equipment.
- None of the communities has access to electricity networks (when fuel is available a limited number of community members may have access to a generator).
- WFP food assistance has been switched from in-kind distribution to cash transfers. The food rations were sufficient, but the cash transfers are insufficient for household food needs.
- In Al Nimir, there are occasional distributions of mosquito nets, hygiene kits, and soap, and so on.
- Assalaya and Kharasana lack baby milk.
- Mercy Corps and Islamic Relief Worldwide are providing protection services in Kharasana.

Social protection

In terms of social protection, the household survey assessed what kind of government-provided benefits households in the target locations were receiving. The benefits assessed included: unemployment support; cash transfers or income support in case of sickness; cash transfers or income support during maternity; cash transfers or income support for work-related injuries; cash transfers or income support in case of disability; cash transfers or income support in case of survivorship; cash transfers or income support for other purposes; child and family benefits; old-age pension; and inclusion of the household in the National Health Insurance Fund (NHIF). The household survey also enquired whether or not households were receiving free or subsidized healthcare, vouchers or food distribution (including school meals), and livelihood support or agricultural input, but after initial assessment it appeared that such services were only provided by international actors. The NHIF allows members to access a range of treatments for free, including curative care, prenatal care, and children's vaccinations. Because there is a limit of five household members older than five years old for NHIF plans, the household survey also inquired if and how the remaining household members were covered.

Coverage of social protection services in PROSPECTS' target locations is very low. In the overall sample, 77 per cent (n=905) of the households indicate they are not receiving any benefits (from any provider), and only 6 per cent (n=65) are receiving government-provided benefits. HC households are significantly less likely to receive benefits than FDP households: 94 per cent (n=1,107) of the FDP households are not receiving any government-provided benefits, while this is 84 per cent (n=465) for HC households. In order of importance, households received unemployment support (1.82 per cent, n=21), old-age pension (0.26 per cent, n=3), support in case of maternity (0.26 per cent, n=3), and support in case of sickness (0.09 per cent, n=1). None of the households was receiving cash transfers for work-related injuries, income support in case of disability, income support in case of survivorship,[29] or child and family benefits.

During analysis, a cross-check was made to verify these figures by combining all cash-transfer responses throughout the survey in one variable. Based on this variable, the Baseline Survey concludes that of the overall sample, 17 per cent (n=202) households are receiving cash transfers on a regular basis of 5,254 pounds (US$20.60 at the time of data collection) per month on average. For these households, such cash transfers constituted about half of their monthly household income.[30] Still, FDP households were significantly more likely to receive cash transfers (24 per cent, n=146) than HC households (10 per cent, n=56). Another variable was created combining all responses throughout the survey that indicated receiving government social service provision. This variable confirmed that 10 per cent (n=57) of the HC households are currently receiving a form of social benefits.

Based on qualitative interviews, the Baseline Survey found that some social services that exist in the target locations include the provision of cash transfers to vulnerable households, elderly community members, orphaned children, and PLWDs by the Zakat chamber (in all locations except for Al Nimir); NHIF coverage for HCs and IDPs (except for Al Nimir, and low coverage reported in Assalaya, Kharasana/Keilak); and in-kind distribution and cash transfers by international organizations.[31] More households had access to social protection services provided by non-state actors (international NGOs and UN agencies), including free or subsidized healthcare (12 per cent, n=137), livelihood support (5 per cent, n=59), and vouchers or in-kind distributions for food support (6 per cent, n=66). HC households were least likely to receive such support, but generally households in East Darfur had much better access to such services than households in West

29 It is likely that HHs that receive income support because of survivorship are underrepresented in the sample. This is because the sampling excludes HHs headed by minor heads of HHs (including orphans); all survey respondents for the general HH survey sections related to HH data were 18 years or older in the baseline sample. As a result, HHs headed by orphans or minors were excluded.

30 Mean: 54 per cent (n=32), median: 50 per cent.

31 WK-KII-59, WK-KII-60, WK-KII-61, WK-IDI-22, WK-IDI-23, WK-IDI-24, WK-IDI-25, WK-KII-52, WK-KII-53, WK-KII-54, WK-KII-55, WK-KII-56, WK-IDI-28, WK-IDI-29, WK-IDI-30, WK-IDI-31, WK-KII-44, WK-KII-45, WK-KII-46, WK-KII-47, WK-KII-48, WK-IDI-17, WK-IDI-18, WK-IDI-19, WK-IDI-20, ED-KII-25, ED-KII-26, ED-KII-27, ED-KII-28, ED-KII-29, ED-KII-30, ED-KII-31, ED-IDI-10, ED-IDI-11, ED-IDI-12, ED-KII-17, ED-KII-18, ED-KII-19, ED-KII-20, ED-KII-21, ED-KII-22, ED-IDI-04, ED-IDI-05, ED-IDI-06, ED-IDI-07, ED-IDI-08.

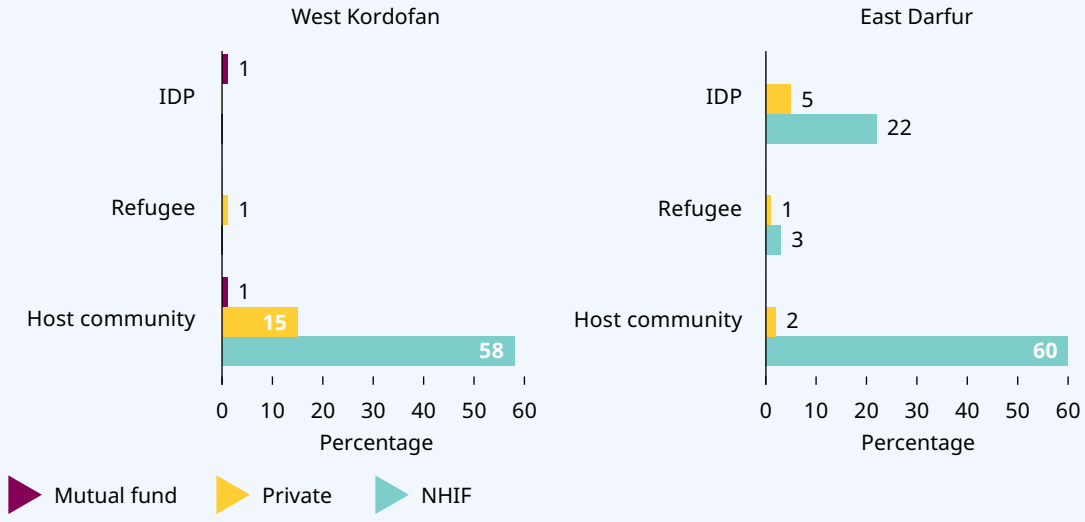
Kordofan: 12 per cent (n=9 and n=26, respectively) of IDP and refugee households are receiving NGO services in West Kordofan, while this is 28 per cent (n=43) for IDP households and 51 per cent (n=89) for refugee households in East Darfur.

In terms of access to healthcare insurance, there are significant differences between different community groups. In the overall sample, 71 per cent (n=391) HC households has insurance. This is 19 per cent (n=44) for IDP households and only 3 per cent (n=11) for refugee households. It is notable that only one of the IDP households in West Kordofan had access to insurance, and that HC members living in the surrounding areas of Al Nimir were significantly less likely to have access to insurance (46 per cent, n=48) than HCs in the other target locations (76 per cent, n=118). Figure 14 provides an overview of the types of health insurance community groups have access to by state. At the community level, HC households and IDP households in Assalaya are included in the NHIF. This is not the case, however, in Al Nimir, where most of the IDP households are privately insured (88 per cent, n=7).

The administration of the NHIF requires each member to hold a membership card. To obtain such a card, individuals need to hold a Sudanese social security number. Limited birth registration and internal displacement have led to many IDPs having been unable to obtain an insurance card. Therefore they cannot access any of the NHIF coverage. This issue was specifically reported in Assalaya and Kharasana/ Keilak in the qualitative interviews. Another issue with the NHIF is that membership provides coverage for treatment in government-run facilities. In the PROSPECTS target locations, these facilities are often so inadequate that one respondent referred to NHIF insurance as "a paper without ink" because it was hardly possible to access any services.

In reality, this means that access to affordable healthcare services for IDP and refugee households is extremely low. Both groups probably do not have insurance, and in the next section on healthcare services it becomes clear that the vast majority of households still pays for treatment in healthcare facilities, even when healthcare services are subsidized or households are insured.

Figure 14. Insurance types by state and by migration status in % (n=1,172)



Healthcare

In each of the target locations, respondents report insufficient health service provision. While there is one or more health centres in each of the locations, their capacity is not sufficient to cover all of the communities that rely on them. Most health centres include maternity care, and the centres in East Darfur also provide nutrition services, vaccinations, and a referral system. Some of the key inadequacies include:[32]

- lack of medical staff, doctors in particular (except for Assalaya, where health service provision is coordinated by ARC);
- lack of medication (except for Assalaya);
- lack of equipment, including bed nets, and generators (Al Meiram);
- preventative care is not covered by the NHIF;
- difficulties in accessing referral systems because health services are not facilitated by the Ministry of Health (East Darfur);
- absence of emergency services, including ambulances; and
- insufficient treatment and medical equipment for the treatment of children living with disabilities (Assalaya).

There are differences, however, in who can access the health centres. Some of the obstacles include: expensive transportation (East Darfur); being unable to afford out-of-pocket payments for medication and tests (all target locations except FDP households in Assalaya); poor quality of health services forcing people to seek treatment at non-subsidized private clinics (West Kordofan).

Only 2 per cent (n=24) of the households that accessed health services in the six months prior to data collection did not make any out-of-pocket payments. Here it should be noted that the NHIF does not include coverage of transportation costs, medication, and most preventative care (with the exception of vaccination of children under the age of five and antenatal care). In fact, 97 per cent (n=296) of the households that have insurance still made out-of-pocket payments towards health services, without a difference in the amount of the payments compared with households without insurance. Neither was insurance with the NHIF, specifically, of relevance to the size of the payment required.

Ultimately, 94 per cent (n=643) of the respondents had made out-of-pocket payments towards medication. In addition, 85 per cent (n=307) of households that accessed health care services in West Kordofan paid for treatment as well. Overall, this was lower in East Darfur, but with significant differences between Assalaya and Al Nimir: in Assalaya, and, despite the availability of free of charge service provision in the health centre, 63 per cent (n=93) of households paid for treatment, while this was 36 per cent (n=62) in Al Nimir). In West Kordofan, the survey found no significant differences in out-of-pocket payments by migration status. Health service provision in this state is inadequate across the board. In East Darfur, however, only 18 per cent (n=18) refugee households paid for treatment, while this was 52 per cent (n=78) for HC households, and 82 per cent (n=59) for IDP households. The median out-of-pocket contribution over the six months prior to data collection (2,300 pounds/US$9.02 at the time of data collection) amounted to roughly one quarter of the median monthly household income.[33]

This indicates both selective targeting of specific groups by assistance projects, as well as inadequate coverage of NHIF coverage and government health service provision of Sudanese populations in East Darfur. It also explains some of the community tensions about the services refugees receive, because refugees are in fact better covered by subsidized health services in East Darfur.

32 WK-KII-59, WK-KII-60, WK-KII-61, WK-IDI-22, WK-IDI-23, WK-IDI-24, WK-IDI-25, WK-KII-52, WK-KII-53, WK-KII-54, WK-KII-55, WK-KII-56, WK-IDI-28, WK-IDI-29, WK-IDI-30, WK-IDI-31, WK-KII-44, WK-KII-45, WK-KII-46, WK-KII-47, WK-KII-48, WK-IDI-17, WK-IDI-18, WK-IDI-19, WK-IDI-20, ED-KII-25, ED-KII-26, ED-KII-27, ED-KII-28, ED-KII-29, ED-KII-30, ED-KII-31, ED-IDI-10, ED-IDI-11, ED-IDI-12, ED-KII-17, ED-KII-18, ED-KII-19, ED-KII-20, ED-KII-21, ED-KII-22, ED-IDI-04, ED-IDI-05, ED-IDI-06, ED-IDI-07, ED-IDI-08.

33 Median out-of-pocket payment: 2,300 pounds; median monthly HH income: 10,000 pounds.

Access to water

As with health services, water sources in each of the PROSPECTS target locations are reported to be insufficient and inadequate. While the majority in each of the target locations has access to water sources that should theoretically be safe,[34] they tend to run dry in the summer season, contain contaminated water, are insufficient in quantity or are shared with livestock (Al Nimir).[35] IDP households in Kharasana/ Keilak are significantly less likely to have access to safe water sources than any of the other groups in West Kordofan and East Darfur; only 16 per cent (n=9) use a safe water source, all others use river water.

Assalaya is the only target location where the largest proportion of respondents (43 per cent, n=115) indicates they do not receive a sufficient quantity of water from the main source they use. In fact, the absolute majority of refugee households in Assalaya (67 per cent, n=24) indicate they do not receive a sufficient quantity of water. In all other target locations, the majority of households received sufficient or somewhat sufficient quantities of water, without significant differences by migration status.[36]

In line with the SPHERE Minimum Standards, only 2 per cent (n=15) of the households in Al Nimir, Kharasana/Keilak and Al Meiram have to travel more than an hour to reach a water point. In Assalaya, this is 11 per cent (n=29) of households, with no significant differences between HC and FDP households. In addition, only for 3 per cent (n=16) of the households in West Kordofan, the waiting time at the water point is longer than an hour. This rate is higher in East Darfur, where 10 per cent (n=31) and 20 per cent (n=53) of the households wait more than an hour in Al Nimir and Assalaya, respectively. In Assalaya and Al Nimir, HC and IDP households are significantly more likely to wait more than an hour to collect water. This may be a result of unequal assistance provided to the refugee communities in these locations.

34 Kharasana / Keilak: 64 per cent per cent per cent (n=148); Al Meiram : 73 per cent per cent per cent (n=257); 85 per cent per cent per cent (n=272); and Assalaya: 67 per cent per cent per cent (n=180).

35 WK-KII-59, WK-KII-60, WK-KII-61, WK-IDI-22, WK-IDI-23, WK-IDI-24, WK-IDI-25, WK-KII-52, WK-KII-53, WK-KII-54, WK-KII-55, WK-KII-56, WK-IDI-28, WK-IDI-29, WK-IDI-30, WK-IDI-31, WK-KII-44, WK-KII-45, WK-KII-46, WK-KII-47, WK-KII-48, WK-IDI-17, WK-IDI-18, WK-IDI-19, WK-IDI-20, ED-KII-25, ED-KII-26, ED-KII-27, ED-KII-28, ED-KII-29, ED-KII-30, ED-KII-31, ED-IDI-10, ED-IDI-11, ED-IDI-12, ED-KII-17, ED-KII-18, ED-KII-19, ED-KII-20, ED-KII-21, ED-KII-22, ED-IDI-04, ED-IDI-05, ED-IDI-06, ED-IDI-07, ED-IDI-08.

36 Kharasana /Keilak: sufficient (51 per cent per cent per cent), somewhat sufficient (28 per cent per cent per cent), insufficient (21 per cent per cent per cent); Al Meiram : sufficient (50 per cent per cent per cent), somewhat sufficient (34 per cent per cent per cent), insufficient (15 per cent per cent per cent); El Nimer: sufficient (67 per cent per cent per cent), somewhat sufficient (21 per cent per cent per cent), insufficient (12 per cent per cent per cent); Assalaya: sufficient (33 per cent per cent per cent), somewhat sufficient (24 per cent per cent per cent), insufficient (43 per cent per cent per cent).

Employment and decent work

Table 9. Decent work: challenges and opportunities

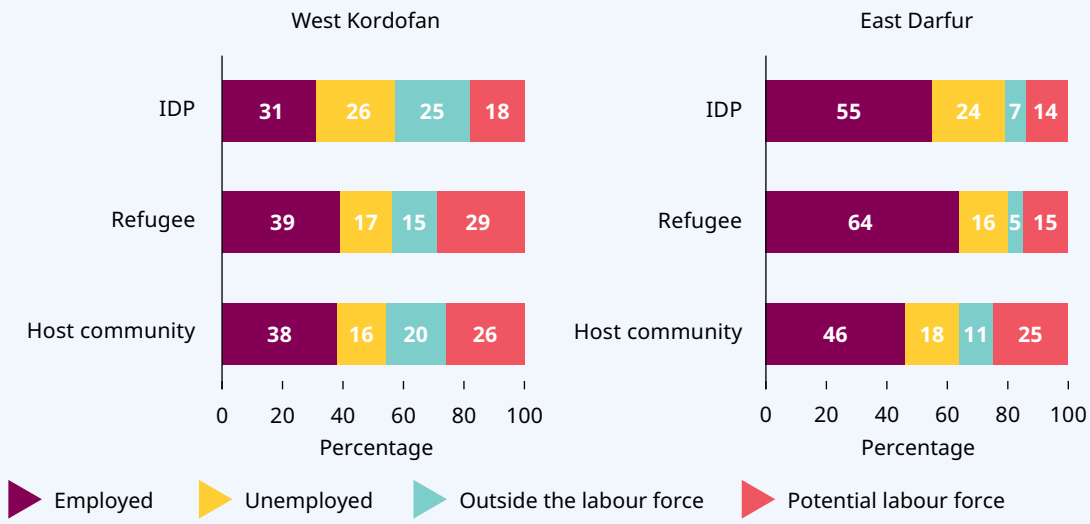
Challenges
1. High unemployment rates and extremely high rates of vulnerable employment provide a challenging context for labour market development and skills training; it appears the local markets are not currently able to absorb skilled employees.
2. High unemployment rates and low labour market participation rates suggest that HHs are likely to rely on limited income sources for their livelihoods. Together with the seemingly low wages, it is probable that many HHs will have such high levels of vulnerability that inclusion in employment and skills development programmes may not be beneficial.
3. The position of women in the labour force in West Kordofan may pose a challenge to the activities aimed at skills training and professional development of women. It is recommended that activities promoting women in the labour force be included.
4. Access to social security and safe working conditions are the most important factors that contribute to lower Decent Work Index scores. Because most employment takes place outside, and the government service infrastructure is severely lacking in the target locations, it largely lies outside PROSPECTS control to improve these scores.
Opportunities
1. Female labour force participation rates in East Darfur are almost as high as those of men. This may indicate that communities in East Darfur are more accepting of women in the workforce.
2. While it is improbable that the formal sector will grow significantly compared with the informal sector as a result of the PROSPECTS partnership, workers could significantly benefit from training and support in how to manage employment agreements or written contracts to advance decent work.

For livelihoods interventions, it is essential to gain sufficient insight into the labour market dynamics in the target communities in order to flesh out what the specific challenges, constraints and opportunities are for specific subgroups (gender, migration status, age, disability, and so forth). Multiple factors play into the stability of individuals' livelihood sources. These factors include: status in the labour market (employed, unemployed, potential labour force and outside the labour force) and specifically unemployment; formality of work, as informal workers enjoy far fewer legal protection and social benefits than those working in the formal sector; engagement in economic activities that are considered to be vulnerable, such as day labour, own-account work (those owning a business without employees), and contributing family workers; and other working conditions such as wage, forced labour, and hazardous working conditions. Each of these factors influences the livelihoods of members of the target communities and they should all be considered in livelihoods programming to improve the livelihoods status in the PROSPECTS target locations effectively.

In this section, analysis relies on the employment module that was part of the household survey. For this module, the main respondents to the household survey were asked how many adults (aged between 18 and 64) were present at the end of the household survey. The household survey randomly selected one of these available adults to complete the employment section. A limitation to this approach that should be kept in mind is that overall employment rates may be relatively low, because data was collected during working hours. Therefore, adults in full-time employment would probably be out of the household. Owing to time and resource constraints, it was not possible to select household members randomly from the total number of working-age adults in the household, or to track those outside the household at the time of the interview, or return to the household at a later moment.

The first section, Status in the labour market, broadly looks at employment status and types of vulnerable employment in the target communities. The second section includes and contextualizes a Decent Work index created by the ILO for internal monitoring and evaluation purposes of ILO's PROSPECTS activities.

Figure 15. Status in the labour market by state and migration status in % (n=1,172)



Status in the labour market

This section will first discuss the status in the labour market of individual respondents to the employment module in the household survey. Overall, labour force participation rates were significantly higher in East Darfur than in West Kordofan; in East Darfur 61 per cent (n=358) participate in the labour force, while this is only 51 per cent (n=295) in West Kordofan. As expected, men are significantly more likely to participate in the labour force than women in West Kordofan. Here it would be recommendable to conduct community awareness activities that include men and women to promote the benefits of inclusion of women in the labour force. These activities, however, should be sensitive to societal norms that prevent women from accessing income-generating opportunities. However, the difference between male and female participation in the labour force is much larger in West Kordofan than in East Darfur.[37] Interestingly, FDPs were significantly more likely to participate in the labour force than HC members in East Darfur.

Moreover, youth aged between 18 and 24 are significantly less likely to participate in the labour force than adults aged between 25 and 64. More than half the youth included in this Baseline Survey (55 per cent, n=75) were not employed, nor employed in education or training, with no significant differences by location, gender, or migration status. This is due to the lack of employment opportunities, the lack of financing opportunities for business start-ups, together with the absence of training opportunities that are accessible to youth living in these locations, as most cannot afford to move to state capitals. Figure 15 provides a full overview of the status in the labour market of individual respondents by state and by migration status.

In both states, the overwhelming majority of employed individuals is employed in the informal sector. In the household survey, individuals were asked only if they had an employment contract or business registration. However, it should be noted that the survey did not specify whether this contract was written or verbal, nor did the survey enquire if the employer was paying into social security for this employee if there was a contract. In East Darfur, 21 per cent (n=55) are formally employed, and in West Kordofan this is only 15 per cent (n=30). This may also explain why so few households in both states have access to social protection services.

37 West Kordofan: male participation (57 per cent per cent per cent, n=192), and female participation (42 per cent per cent per cent, n=103); East Darfur: male participation (63 per cent per cent per cent, n=218), and female participation (58 per cent per cent per cent, n=140).

Vulnerable employment in the target locations is very high, engaging overall 92 per cent (n=428) of those employed. In the target locations, most employment is comprised of day labour (51 per cent, n=238), often in the agricultural sector (which provides only seasonal employment opportunities), at the market (as porters or carriers), and in other sectors that demand low-skilled labour such as construction. Own-account workers (individuals owning a business, 27 per cent, n=120) should generally not be seen as actual business owners in the target locations. They are often not registered and typically engage in activities that vary from collecting and selling firewood to blacksmiths with a basic workshop. The last group, contributing family workers, comprise 9 per cent (n=39) of those employed. They are most likely to be active in the agricultural sector (29 per cent, n=11) or commerce (small shops, 32 per cent, n=12). Little variation was found in vulnerable employment between the PROSPECTS target locations. However, across locations, refugees are most likely to engage in day labour (71 per cent, n=131), followed by IDPs (49 per cent, n=49) and HC members (32 per cent, n=58). Employers of day labourers are often HC members, though not exclusively. FDPs are significantly more likely to engage in vulnerable employment (96 per cent, n=272) than HC members (85 per cent, n=156).

▶ Vulnerable employment (ILO definition)

Workers in vulnerable employment, defined as the sum of own-account workers and contributing family workers, are less likely to have formal work arrangements, and are therefore more likely to lack elements associated with decent employment such as adequate social security and recourse to effective social dialogue mechanisms.

Table 10 provides an overview of the sectors where employed persons are working. Overall, individuals are active in a larger variety of sectors in West Kordofan than in East Darfur. This is probably due to the fact that the target locations in East Darfur have much smaller urban centres than those in West Kordofan, together with a limited sampling bias. Kharasana/Keilak and Al Meiram are fairly large settlements that, while isolated from the state capital, do not have large numbers of small to medium-sized surrounding settlements relying on services provided in Kharasana/Keilak and Al Meiram. Because of the size of these urban locations, and there not being very few smaller settlements in the nearby areas, data collection in West Kordofan was primarily conducted in (and on the borders of) these urban areas.

In East Darfur, the urban centre of Assalaya and Al Nimir camp are fairly small. In addition, many smaller settlements scattered around the rural areas nearby rely on the services provided in these locations. Therefore, sampling included such settlements, to achieve sufficient information about the dynamics in this wider catchment area. The smaller size of the (peri-)urban or camp centres of Assalaya and Al Nimir, and closer proximity to other services provided in Ed Daein, explain why the private sector in these centres is less diversified. Moreover, the higher number of individuals living in rural and peri-urban locations included in the household survey explains further why the reliance on the agricultural sector in East Darfur is found to be much higher than in West Kordofan.

▶ **Table 10. Employment sectors by state in % (n=460)**

	West Kordofan (n=195)	East Darfur (n=265)
Agriculture, plantations and other rural sectors	16%	54%
Basic metal production	1%	1%
Commerce[38]	31%	9%
Construction	2%	8%
Education	3%	2%
Financial and professional services	0%	0%
Food, drink and tobacco	6%	8%
Forestry, wood, pulp and paper	3%	1%
Health services	4%	0%
Media, culture and graphical	2%	0%
Postal and telecommunication services	0%	0%
Public services	11%	3%
Shipping, ports, fisheries, inland waterways	0%	0%
Textiles, clothing, leather, footwear	1%	2%
Transport, including civil aviation, railways and road transport	1%	1%
Other or not specified	19%	11%

Unemployment rates are higher among IDPs (31 per cent, n=52) than among HC members (20 per cent, n=74) and refugees (22 per cent, n=60). IDP and female unemployment and rates in West Kordofan are particularly high: 41 per cent (n=19) and 35 per cent (n=44), respectively. No significant differences were found between unemployment rates and youth unemployment rates, but the rates of unemployment of female youth in West Kordofan were very high: 38 per cent (n=10).

Table 11 provides an overview of the baseline data under indicator 2b of the PROSPECTS Indicator Framework ("number and percentage of project beneficiaries employed, self-employed or business owner, within 9 months after graduation or use of services – these benefit from TVET programmes"). In this table, respondents included as "wage employed" are only those that identify as "employee" and those in paid apprenticeships; those "self-employed" are business owners with or without employees (own-account workers), day labourers, contributing family workers and members of producers' cooperatives. The table also specifies the breakdowns for "day labourers", business owners without employees ("own-account workers") and "business owners" with employees.

The first column in Table 11 indicates the disaggregation category based on the household characteristics that survey respondents may have. The second column indicates the absolute number (n) and percentage (of the total sample) of respondents relevant to the specific sub-category (gender, disability, migration status, level of education, formality of employment, age, and working hours). In the columns that follow, the table displays the percentual distribution in each of the categories (against the full sample) for wage employment, self-employment, day labour, own-account work and businesses (with employees).

38 It is likely that this sector is over-represented because many respondents did not specify what they were selling at markets, and some of the respondents included in the commerce sector might in fact belong to other sectors.

▶ **Table 11. 2b Indicator table in % (n=1,172)**

Disaggregation	Overall sample (n)	Wage employment	Self-employment	Day labour	Own-account work	Business ownership
Total (n)	**1,173**	**5% (n=56)**	**34% (n=394)**	**19% (n=220)**	**10% (n=120)**	**1% (n=6)**
M	58% (n=685)	3%	22%	12%	7%	0%
F	42% (n=487)	1%	12%	7%	4%	0%
Disability	5% (n=59)	0%	2%	1%	1%	0%
Refugees	33% (n=388)	2%	14%	11%	2%	0%
IDPs	20% (n=230)	0%	8%	4%	3%	0%
HCs	47% (n=552)	3%	12%	4%	5%	0%
TVET	2% (n=23)	0%	1%	0%	0%	0%
Digital[39]	–	–	–	–	–	–
Employment services[40]	–	–	–	–	–	–
Formal[41]	7% (n=85)	1%	4%	0%	4%	0%
Informal[42]	33% (n=382)	3%	29%	19%	6%	0%
Age 15-17[43]	–	–	–	–	–	–
Age 18-24	24% (n=281)	1%	7%	4%	2%	0%
Age 25+	76% (n=891)	4%	26%	15%	8%	0%
20 hours or less	6% (n=74)	1%	6%	2%	1%	0%
21-30 hours	7% (n=84)	1%	6%	3%	2%	0%
31-40 hours	4% (n=44)	0%	3%	2%	1%	0%
40+ hours	23% (n=264)	3%	19%	12%	6%	0%

Decent Work Index

It is difficult to measure decent work accurately, especially because in contexts where poverty levels are very high, decent work is hardly available. However, it is worth measuring elements of decent work despite these circumstances, to allow for the measurement of improvements in decent work over time and as a result of the PROSPECTS partnership activities. For this reason, a Decent Work Index was created for the PROSPECTS partnership, specifically based on the Decent Work Indicators guidelines of the ILO.[44] This guideline includes ten elements that represent the substantive elements of the ILO that correspond with the four strategic pillars of the Decent Work Agenda, and it allows for selection and contextualization of indicators included in this document, depending on the local context that decent work is measured in.

39 Not covered in this Baseline Survey.

40 Not covered in this Baseline Survey.

41 The PROSPECTS Sudan Baseline Survey did not enquire whether or not employment contracts were verbal or written, nor did it enquire if employers contributed to social security. In this table, therefore, formality is defined as employees and day labourers having a contract (whether this is a written or verbal contract, and official registration for self-employed persons and/or businesses).

42 Idem.

43 Not covered in this Baseline Survey.

44 ILO, *Decent Work Indicators. Guidelines for Producers and Users of Statistical and Legal Framework Indicators* (2013).

The Decent Work Index created for PROSPECTS is used for the measurement of indicator 2e: "average decent work score of FDP or HC members assisted by PROSPECTS working under decent work conditions, that is explicit contractual relation, no forced labour or discrimination, social security, safe working environment, satisfactory income or wages". It serves as a proxy measure of the quality of jobs supported by PROSPECTS, and they assess whether the PROSPECTS target groups are working under what would be considered as decent working conditions. Of the ILO Decent Work Indicators, the Baseline Survey takes into consideration only those that are relevant to the context of the PROSPECTS target locations, because these are highly rural, with high rates of informality, heavily rely on the agricultural sector, and have almost no industrial activities. The Index takes into consideration the following five key elements:

1. Explicit contractual relation;
2. Fundamental principles of work;
3. Access to social security;
4. Safe working environment;
5. Satisfactory income/wages.

In the Index, the written contractual agreement with their employer, are registered as self-employed persons with the Chamber of Commerce or have a registered business with the Chamber of Commerce. However, this household survey questionnaire did not specify if employment contracts were written or verbal. For that reason, this Baseline Survey considers individuals having an employment contract (written or verbal), individuals registered as self-employed, and individuals with a registered business, as those employed with an explicit contractual relation.

▶ Table 12. Decent Work Index scored by state and employment type, out of 1.0

Decent work indicator	West Kordofan				East Darfur			
	Wage employed	Self-employed	Day labourers	Own-account workers	Wage employed	Self-employed	Day labourers	Own-account workers
Decent Work Index	0.50 (n=28)	0.43 (n=105)	0.39 (n=56)	0.51 (n=38)	0.47 (n=15)	0.39 (n=198)	0.33 (n=126)	0.51 (n=65)
Explicit contractual relation or registration	0.06 (n=28)	0.02 (n=134)	0.00 (n=75)	0.05 (n=46)	0.06 (n=25)	0.03 (n=227)	0.00 (n=145)	0.09 (n=74)
Fundamental principles of work	0.18 (n=31)	0.19 (n=156)	0.19 (n=72)	0.20 (n=44)	0.18 (n=25)	0.18 (n=228)	0.17 (n=143)	0.19 (n=73)
Access to social security	0.07 (n=31)	0.04 (n=160)	0.02 (n=74)	0.05 (n=45)	0.04 (n=25)	0.03 (n=231)	0.02 (n=144)	0.04 (n=74)
Safe working environment	0.11 (n=28)	0.08 (n=142)	0.07 (n=64)	0.07 (n=40)	0.03 (n=24)	0.05 (n=218)	0.04 (n=134)	0.07 (n=71)
Satisfactory income or wages	0.09 (n=31)	0.10 (n=128)	0.10 (n=70)	0.11 (n=45)	0.09 (n=15)	0.10 (n=214)	0.09 (n=138)	0.13 (n=69)

None of the employed persons in the target locations meets the ILO decent work conditions. The most important reason for this is that none of the employed persons has access to all measured social security measures. In addition, most employed persons do not meet the standards for a safe working environment. This is because most of the labour takes place outside, where it is hot, there is often no shade and a lot of dust. Within the PROSPECTS partnership, it will probably be challenging to address these issues, because the capacity of government service delivery is very low, and unsafe working conditions are generally related to the climate in the target locations. However, the PROSPECTS partnership would have the capacity to advance improvements in decent work standards related to explicit contractual relations (and business registrations), and decent wage for refugees and IDPs in particular. Table 13 provides an overview of the percentage of employees that meet the decent work standards for each of the five categories, disaggregated by gender, disability and migration status.

▶ Table 13. Employed persons that meet decent work standards in % (n=467)

Employed person	Decent Work Index	Explicit contractual relation or registration	Fundamental principles of work	Access to social security	Safe working environment	Satisfactory income or wages
M	0%	17%	86%	0%	6%	39%
F	0%	21%	83%	0%	9%	31%
Disability	0%	26%	71%	0%	38%	37%
Refugees	0%	7%	80%	0%	9%	27%
IDPs	0%	14%	78%	0%	16%	18%
HC's	0%	32%	93%	0%	9%	54%
TVET	0%	33%	89%	0%	65%	22%
Digital[45]	–	–	–	–	–	–
Employment services[46]	–	–	–	–	–	–
Formal[47]	0%	100%	92%	0%	18%	36%
Informal[48]	0%	0%	83%	0%	4%	23%
Age 15-17[49]	–	–	–	–	–	–
Age 18-24	0%	16%	88%	0%	16%	20%
Age 25+	0%	19%	84%	0%	5%	27%
20 hours or less	0%	19%	78%	0%	18%	14%
21-30 hours	0%	16%	86%	0%	18%	18%
31-40 hours	0%	30%	84%	0%	28%	25%
40+ hours	0%	16%	87%	0%	6%	30%

Table 14 contains an overview of the average overall Decent Work Index scores for all disaggregations required for indicator 2e of the PROSPECTS Indicator Framework. For each disaggregation, the table provides the average overall scores for individuals in wage employment; individuals in self-employment (business owners with or without employees – own-account workers – day labourers, contributing family workers and members of producers' cooperatives); individuals employed in day labour; and own-account workers as specific sub-categories of self-employment.

45 Not covered in this Baseline Survey.

46 Idem.

47 The PROSPECTS Sudan Baseline Survey did not enquire whether or not employment contracts were verbal or written, nor did it enquire if employers contributed to social security. In this table, therefore, formality is defined as employees and day labourers having a contract (whether this is a written or verbal contract), and official registration for self-employed persons and/or businesses.

48 Idem.

49 Not covered in this Baseline Survey.

▶ Table 14. Average overall Decent Work Index scores for all disaggregations required for indicator 2e of the PROSPECTS Indicator Framework

	West Kordofan				East Darfur			
	Wage employed	Self-employed	Day labourers	Own-account workers	Wage employed	Self-employed	Day labourers	Own-account workers
Total	0.50 (n=28)	0.43 (n=105)	0.39 (n=56)	0.51 (n=38)	0.47 (n=15)	0.39 (n=198)	0.33 (n=126)	0.51 (n=65)
M	0.49 (n=23)	0.45 (n=74)	0.42 (n=43)	0.53 (n=23)	0.49 (n=9)	0.42 (n=121)	0.34 (n=69)	0.52 (n=48)
F	0.55 (n=5)	0.38 (n=31)	0.28 (n=13)	0.47 (n=15)	0.45 (n=6)	0.36 (n=77)	0.31 (n=57)	0.48 (n=17)
Disability	0.80 (n=1)	0.50 (n=3)	0.4 (n=2)	0.70 (n=1)	0.60 (n=1)	0.36 (n=16)	0.27 (n=11)	0.50 (n=4)
Refugees	0.30 (n=5)	0.36 (n=46)	0.34 (n=35)	0.39 (n=11)	0.26 (n=4)	0.33 (n=83)	0.30 (n=73)	0.52 (n=10)
IDPs	-	0.29 (n=8)	0.28 (n=3)	0.6 (n=)	0.35 (n=3)	0.40 (n=65)	0.35 (n=32)	0.43 (n=29)
HC's	0.55 (n=23)	0.52 (n=51)	0.50 (n=18)	0.56 (n=26)	0.63 (n=8)	0.50 (n=50)	0.38 (n=21)	0.60 (n=26)
TVET	0.80 (n=1)	0.48 (n=3)	0.50 (n=1)	0.48 (n=2)	0.45 (n=3)	0.63 (n=34)	0.38 (n=5)	0.17 (n=3)
Digital[50]	-	-	-	-	-	-	-	-
Employment services[51]	-	-	-	-	-	-	-	-
Formal[52]	0.73 (n=8)	0.65 (n=14)	0.7 (n=1)	0.64 (n=12)	0.66 (n=7)	0.63 (n=34)	0.58 (n=2)	0.63 (n=28)
Informal[53]	0.41 (n=20)	0.40 (n=91)	0.38 (n=55)	0.45 (n=26)	0.31 (n=8)	0.34 (n=164)	0.32 (n=124)	0.42 (n=37)
Age 15-17[54]	-	-	-	-	-	-	-	-
Age 18-24	0.32 (n=23)	0.45 (n=23)	0.42 (n=15)	0.48 (n=6)	0.36 (n=4)	0.41 (n=35)	0.35 (n=23)	0.56 (n=10)
Age 25+	0.54 (n=23)	0.43 (n=82)	0.38 (n=41)	0.52 (n=32)	0.51 (n=11)	0.39 (n=163)	0.32 (n=103)	0.50 (n=55)
20 hours or less	0.55 (n=2)	0.34 (n=11)	0.39 (n=7)	0.55 (n=7)	0.53 (n=3)	0.40 (n=26)	0.30 (n=13)	0.5 (n=12)
21-30 hours	0.51 (n=7)	0.44 (n=24)	0.40 (n=13)	0.53 (n=7)	0.48 (n=3)	0.34 (n=25)	0.27 (n=17)	0.49 (n=8)
31-40 hours	-	0.42 (n=8)	0.37 (n=6)	0.55 (n=7)	0.65 (n=3)	0.43 (n=25)	0.33 (n=14)	0.58 (n=10)
40+ hours	0.49 (n=19)	0.45 (n=62)	0.39 (n=30)	0.50 (n=29)	0.35 (n=6)	0.39 (n=122)	0.34 (n=82)	0.50 (n=35)

50 Idem.

51 Idem.

52 The PROSPECTS Sudan Baseline Survey did not enquire whether or not employment contracts were verbal or written, nor did it enquire if employers contributed to social security. In this table, therefore, formality is defined as employees and day labourers having a contract (whether this is a written or verbal contract), and official registration for self-employed persons and/or businesses.

53 Idem.

54 Not covered in this Baseline Survey.

Individuals working in the informal sector are much more likely not to work under decent working conditions: they are more likely to be subjected to forced labour, less likely to have access to social security services, at higher risk of working in unsafe working environment, and less likely to receive sufficient wages. As mentioned above, 84 per cent (n=349) of the employed individuals in the target locations are employed in the informal sector.

The Baseline Survey made use of standard ILO surveying questions and assessment methodology to identify forced labour.[55] In this survey, the measurement of forced labour is at risk of both over- and under-reporting. The threat of under-reporting stems from the fact that respondents may not feel free to report such sensitive issues to data collection teams that are only in their community for a short period of time. Potential over-reporting stems from the nature of ILO's forced labour questions. Respondents were asked if they ever faced any situation in their current job with which they did not agree. However, the response options in these questions do not necessarily relate to the relevant employment agreement but may have been influenced by external factors. For example, in this methodology, someone may indicate that they had to accept a job without consent or because of debt, and that they cannot resign freely. This does not necessarily mean they are in forced labour, because it may not be the employer to whom the debt is owed, and it may not be the employer that is forcing these individuals to work without their consent (but the individuals' family that is in need of an additional income).

As a result, the forced labour rate in the PROSPECTS target communities is relatively high: 16 per cent (n=75) of all those employed, and the majority of those in forced labour work for very low or no wages at all (48 per cent, n=43). However, 69 per cent (n=45) of those in forced labour indicate that they cannot refuse the work, because they need a salary. While still problematic, these results are more likely to stem from very low levels of development of the (labour) market, together with widespread poverty and high rates of vulnerability in the target communities, rather than high incidence of forced labour. Others involved in forced labour had to accept the job because of debt (17 per cent, n=15), or had to accept the job without consent (16 per cent, n=14). In addition, there was no separate response option for work for "low salary" (most salaries in the target communities are very low) and "no salary".

Consilient generated a new variable that aimed to filter out some of the responses that were probably related to household financial needs and the economic context of the target locations. This variable included: (1) those who had to accept a job because of a debt and are not able to freely resign because their debt has not yet been repaid; (2) individuals who had to work overtime without consent and were not able to refuse these activities; (3) those who had to perform different tasks or types of work than agreed to and were unable to refuse any of these activities; (4) those who had to perform dangerous tasks without protective equipment and were not able to refuse any of these activities; (5) those who felt they were unable to resign freely because they are under constant surveillance; and (6) individuals who had to perform work for other employers that were not agreed to, and who were unable to refuse these activities. Ultimately, this approach yielded only one individual in forced labour (a female IDP in Kharasana/Keilak). However, it does not account for the potential under-reporting mentioned above, and does not include those who perform work without a wage.

Workers in East Darfur are more likely to experience discrimination that those in West Kordofan; refugees in Al Nimir (21 per cent, n=17), IDPs (31 per cent, n=11) and refugees (31 per cent, n=8) in Assalaya are most likely to report experiencing discrimination, often based on ethnicity (56 per cent, n=38) or migration status (26 per cent, n=18). This is in line with the general social cohesion in East Darfur as discussed in the background section of this report; interethnic violence is much more present in the target locations in East Darfur than in West Kordofan, and strong animosity between HCs and IDP and refugee communities is reported in both Assalaya and Al Nimir.

55 The questions were shared with Consilient by ILO and included in the survey without modification.

Furthermore, 57 per cent (n=264) of the individuals work under hazardous conditions, such as having to manipulate dangerous tools, working in places with dust or fumes, extreme cold or heat. No tangible differences were found between communities, gender, or migration status. Hazards appear to be more closely related to economic sectors. Agriculture (62 per cent, n=109), construction (71 per cent, n=17), and food drink and tobacco (72 per cent, n=23) are examples of sectors where hazardous working conditions are often reported. However, most hazards can be explained by the local climate. The most common reasons given for hazardous working conditions are dust or fumes (64 per cent, n=169) and extreme heat (66 per cent, n=173). Given the context in East Darfur and West Kordofan, most work takes place outside where there is a lot of dust (because of the climate), and most of the year is it extremely hot. It is unlikely that the PROSPECTS would be able to support the improvement of such conditions.

In terms of income and wages, in East Darfur, 65 per cent (n=130) of employed individuals earn less than US$1.90 per day. The number is higher in West Kordofan, where 72 per cent (n=191) earn less than US$1.90 per day, although this difference was not found to be significant. In both states, FDPs and PLWDs are significantly more likely than HC members and those not living with disabilities to earn less than US$1.90 per day. In both states, women are more likely to earn less than US$1.90 per day than men, but this difference is not significant. Within communities, female youth in Al Nimir (100 per cent, n=7), IDPs in Al Nimir (83 per cent, n=35), IDPs in Assalaya (86 per cent, n=30), refugees in Kharasana/Keilak (90 per cent, n=18), male refugees in Al Meiram (75 per cent, n=30) and male refugees in Al Nimir (88 per cent, n=35) were found to be particularly likely to earn less than US$1.90 per day.

Child labour

As part of Decent Work, the Baseline Survey also covered child labour. Child labour was defined as children aged 5-11 years old in any paid or unpaid activities; and children aged 12-13 years old in any paid or unpaid activities, except for light agricultural work; and children aged 14-17 years old in hazardous occupations or activities (no evidence of hazardous conditions, and weekly working hours not exceeding 14 hours). Overall, 52 per cent of the children included in the Baseline Survey are working, and 33 per cent of the children engage in child labour. Boys are significantly more likely to engage in child labour than girls (30 per cent and 22 per cent, respectively), and children living in FDP communities are significantly more likely to perform child labour than HC children (37 per cent and 28 per cent respectively). IDP children are particularly likely to engage in child labour: 42 percent of the children living in IDP communities perform child labour. The Baseline Survey found that child labour is a particularly concerning issue in East Darfur. In this state 42 per cent of the children in the sample are working under child labour conditions, while this is 24 per cent in West Kordofan. A detailed Child Labour Assessment was produced as a separate report, and is available upon request with the ILO.

The private sector in target locations

Table 15. Businesses: challenges and opportunities

Challenges
1. Businesses in the PROSPECTS target locations operate on a highly localized scale, at the end of the value chain, without engaging in value-adding business activities.
2. The requirements for business registration, having access to a place of work in particular, form an obstacle for own-account workers and others that do not necessarily require a renting a market stand, office or workshop to conduct business.
3. Given the above, it is improbable that businesses have access to larger market networks that they could tap into for business development. They would solely rely on PROSPECTS programming for this.
4. Purchasing power in the PROSPECTS target locations appears to be extremely low, based on the number of respondents that indicated they did not buy products or services, and those that indicated products and services are too expensive when asked about satisfaction. This emphasizes the need for PROSPECTS to connect (new) businesses to larger state and national business networks to improve the supply of goods and services.
5. Awareness of cooperatives in the target locations is very limited. It will take additional time and effort to communicate the purpose and benefits of cooperatives before programming.
Opportunities
1. The higher average HH income of business owners compared to the incomes in the HH survey suggests that market demand in both states is sufficient to absorb additional business activity, but this difference in income is still fairly marginal. It would probably be much higher if businesses were also able to access larger market networks.
2. HH of business owners score much better on some of the poverty indicators, and they have probably reached a level of stability that would allow for development programming for some of the (other) HH members.
3. While awareness of cooperatives is low, multiple cooperatives relevant to PROSPECTS programming exist near each of the target locations. This offers opportunities for collaboration and building on existing frameworks for programming.

In this section, the Baseline Survey provides an overview of the businesses included in the MOS survey and qualitative interviews (as opposed to the previous sections, where analysis was based on the household survey and qualitative interviews). Businesses selected in the MOS were those that had an established place of business (a farm, a market stall or a workshop), whether they employed staff or not. Official registration was not a selection requirement for participation in the survey, owing to the size of the informal economy in the target locations. They were not selected at random, but chosen deliberately for their relevance to the ILO's programming. This section also reviews the formality of the private sector, and looks into the cooperative frameworks that are established in the target locations.

Businesses that were targeted in the MOS included employers, as well as business owners without employees, in each of the four target locations of the PROSPECTS partnership. Table 16 provides an overview of some of the key demographic data of business owners. Businesses included in the MOS either provide services (39 per cent, n=25) or sell goods (61 per cent, n=39). Most businesses (72 per cent, n=46) did not have any employees. Of those that do employ staff (28 per cent, n=18), only 38 per cent (n=7) employ permanent staff, while 61 per cent (n=11) employ permanent and seasonal staff. None of the businesses was employing only seasonal staff. Businesses with employees in West Kordofan employed more staff (6.5 per cent, n=10) on average than businesses in East Darfur (3.3, n=11).

▶ **Table 16. Demographics of business owners by state in % (n=64)**

Business owners	West Kordofan (n=33)	East Darfur (n=31)
HCs	100%	87%
IDPs	0%	13%
Refugees[56]	0%	0%
Male	94%	74%
Female	6%	26%
Average age	34.1	36.7
Disability	3%	16%
Vocational training	15%	3%
Training (formal and informal)	33%	58%
No skills training	52%	39%
Use of skills	78%	100%

Businesses in East Darfur operate at a more localized level than businesses in West Kordofan. In East Darfur 93 per cent (n=30) procure business inputs, and 94 per cent (n=29) sell products or services within their own locality. Almost half the businesses in West Kordofan procured their business input from within Sudan (48 per cent, n=16), but it should be kept in mind that both target locations are close to state borders, and business owners are likely to procure business input from other states. As in East Darfur, the majority of the businesses in West Kordofan (82 per cent, n=27) sold their products or services to customers from within their own locality. In addition, most businesses operate at the end of the value chain: they most often produce for sales directly to the customer (65 per cent, n=40) or for household consumption (29 per cent, n=18), and far less often for sales to other retailers or traders and brokers (12 per cent, n=9 for both). To this end, no significant differences were found between states.

More than half the businesses are profitable (69 per cent, n=44), with an average profit of 4,748 pounds (approximately US$18.61 at the time of data collection) in the month prior to data collection. However, businesses in West Kordofan are more likely to make profit than those in East Darfur (79 per cent, n=26, and 58 per cent, n=18, respectively). No differences were found by business type (selling goods or selling services).

Owning a business appeared to benefit some of the household poverty indicators positively. Households of business owners are more likely to be able to save some of their money each month (59 per cent, n=37, compared with 14 per cent, n=166 in the household survey). However, it should be noted that more than half the business owners (56 per cent, n=36) used their profits exclusively to pay for household expenses or to pay off debt. Only 31 per cent (n=20) reinvested (some of their) profit into business development. In terms of possession of assets, only households of business owners in West Kordofan were more likely to possess assets (67 per cent, n=22) than households in the household survey.

Formality

Businesses in West Kordofan are more likely to be registered with the Chamber of Commerce (75 per cent, n=34) than businesses in East Darfur (39 per cent n=12). In Al Meiram and Kharasana/Keilak, local offices of the Chamber of Commerce are present and functional, while this is not the case in East Darfur. Another explanation may be that there is a functional police force in both locations in West Kordofan, but not in the target locations in East Darfur. Most businesses (73 per cent, n=47) keep track of their income and

56 Until recently it was not possible for refugees to register businesses, which may explain why no refugee-owned businesses appeared in the Baseline Survey sample. More information of the recent developments towards registration of South Sudanese-owned businesses is included in the Formality section below.

expenses and 38 per cent (n=24) keep a full balance sheet that includes assets. No differences were found between states for businesses paying into the NHIF[57] or for businesses having a bank account[58]. Reasons for not registering businesses with the Chamber of Commerce strongly vary, but they can be summarized as follows:

- business owners are still in the process of registering or think they do not need to register their businesses (48 per cent, n=10);
- business owners face obstacles accessing registration: not knowing how to register a business, or not being able to afford the costs (33 per cent, n=7);
- business owners do not think registration is important (19 per cent, n=4).

Qualitative interviews indicate that the process for registration is fairly simple. Business owners should visit the local office of the Chamber of Commerce in the state capital or in a larger city (offices are present in Al Meiram and Kharasana/Keilak but not in the other target locations) and bring a national ID card and 700 pounds as a registration fee. It is likely that businesses should also state their purpose. Once the application is complete, an officer of the Chamber of Commerce will visit the business for inspection. The requirement that all businesses should have a physical place of business is a particular obstacle for those who do not rent an official market stand, those who are working from home, or other account workers who do not necessarily need a stand, office, or workshop to conduct their business. After the visit of inspection, the businesses are registered. However, because of the COVID-19 pandemic, all inspection visits have been postponed and registration processes delayed.

Even though officially registered refugees from South Sudan (the country of origin of almost all the refugees in the target locations) have the right to work in Sudan without a work permit, they are not allowed to register a business without a partner who is a Sudanese passport holder. This explains why the study did not find any registered refugee business owners. In some cases, the Ministry of Cabinet may directly provide refugees with business permits. This happens occasionally in special decrees, in cooperation with development partners who are planning a specific intervention in one of Sudan's priority business sectors, such as the agricultural sector. Such business permits still require the payment of registration fees, dependent on the specific agreement made between the development partner and the Ministry of Cabinet.[59] This could be an opportunity for the ILO to advance a similar exception for PROSPECTS beneficiaries and include more refugee own-account workers and businesses in the formal sector. However, for refugees and IDPs without papers, it is not possible to register a business.

Among the benefits of registration revealed by the qualitative interviews are: no risk of legal problems; access to discounts on fuel; easier access to bank loans (provided there are banks available). In West Kordofan, where many businesses owners operate at the local level, and far removed from state administration, people think there is no use for a business licence in their area. However, traders from West Kordofan are usually registered because they work across state borders and occasionally get inspected. Support with business registration could be provided fairly easily by the ILO. This would be particularly useful when businesses start accessing market networks at the state or federal level.

Cooperatives

Very few of the household survey respondents were members of a cooperative (2 per cent, n=22). Similarly, only 5 per cent (n=3) of business owners in the MOS were members of a cooperative, and only 3 per cent (n=2) were aware of any other cooperatives in their community. This may indicate that the number of cooperatives is fairly limited in the target locations. However, the Baseline Survey found a number of

57 West Kordofan: 57 per cent per cent per cent (n=4) of registered businesses pay into the NHIF; East Darfur: 45 per cent per cent per cent (n=6) of registered businesses pay into the NHIF.

58 West Kordofan: 33 per cent per cent per cent (n=11) of businesses have a bank account; East Darfur: 13 per cent per cent per cent (n=4) of businesses have a bank account.

59 This data was validated by Consilient with the TGoS department responsible for business registrations.

specific cooperatives in the PROSPECTS target locations that may be of interest to activity design and planning. Table 17 provides an overview and a description of these cooperatives. For registration, one KI noted that cooperatives must include at least 51 members to be registered (in Kharasana/Keilak).

Table 17. Existing cooperatives in PROSPECTS target locations[60]

West Kordofan
Al Meiram
Altsamouh was founded three months prior to data collection and includes 28 female members. The objective of the cooperative is to facilitate skills training and market access for women. The cooperative is looking for support from an international organization, is attempting to organize a small handcrafts fair, and some of the members produce juice and jams. The cooperative uses joining fees. It is officially registered, and members establish their own prices.
Kharasana/Keilak
Community Management Committee (Kharasana) was founded in 2018 with the support of UNDP and includes 18 members. It provides agricultural input (fuel, seeds, access to land and agricultural services such as ploughing) to vulnerable farmers. It is not completely clear what the organizational structure looks like, but presumably the cooperative markets and sells the products, and farmers are paid a profit share after production costs are covered.
Drota Cooperative (Keilak) was founded in 2008 with the support of the Agricultural Bank and includes 51 members. It provides its members with land to cultivate and all agricultural input at the start of the season. The cooperative is in charge of the marketing and sales of produce, and at the end of the season, the costs of agricultural inputs are subtracted from each member's profit share. The cooperative is registered and establishes prices based on input, and production costs plus a profit margin.
Keilak Albphiera Cooperative Association was founded in 2008 supported by the Agricultural Bank and includes 56 members. It has land and agricultural machines (tractors) available against a user fee, set lower than the market value.
East Darfur
Assalaya
Al Baraka Association includes 28 female members and is a registered cooperative. It works in agriculture and trade, and was founded to allow members access to formal financing services. The cooperatives buys in improved seeds and distributes these among members. Prices are established based on production costs, below market prices, with a small profit margin.
(name unknown) was registered in 2012 and fully established in 2017 with the support of the Agricultural Bank, and includes 50 members, all male. It focuses on harvesting and storing peanuts in its own storage facilities; it also has livestock to support the harvest. Members pay a user fee, and the cooperative tries to include those in need. It establishes prices compatible to the market.
Al Nimir
Women's Cooperative was established in 2018 and includes 25 female members. They engage in baking, sewing and making juices. The cooperative provides all needed materials for free (and is probably still supported by an international agency), and ensures that the members learn all the crafts it offers. It is not registered and establishes prices just below market prices.
Traders Association was founded with the support of the Ministry of Agriculture and includes 54 male and female members. The cooperative imports goods, distributes them to shops, and checks in with the shops to ensure that the low pricing of imported goods is maintained. It does not have storage facilities, which would be costly. Because the cooperative sells all products, running expenses are subtracted from the profit and the remaining money is shared out among the cooperative members based on their level of contribution. The cooperative is registered, has a bank account, and establishes prices based on the costs of input, transportation, production and a small profit margin.

There is quite a lot of variation in the organizational structure of cooperatives. They all have a board with a president, and often a financial manager and media manager. Internally, the Baseline Survey found the following different types of organizational structures.[61]

60 ED-KII-30, ED-KII-31, ED-KII-21, ED-KII-22, WK-KII-56, WK-KII-59, WK-KII-60, WK-KII-48.

61 Idem.

- **Sale and profit distribution by cooperative:** members work to produce products for sale. This may mean that the cooperatives provide all input needed for production, or that cooperative members provide the input themselves. The cooperative markets and sells these products. The revenue is used to pay for the running expenses of the cooperative, and the remaining profit is divided among the cooperative members (either by stock share, or by level of contribution). Here, the main risk lies with the cooperative members: if the harvest fails, it is improbable that they receive any profit share.
- **Provision of loans paid back after harvest:** cooperatives provide loans to members (potentially including use of land, services, agricultural inputs) that are paid back by the member after the harvest season. In this structure, individual members sell their own products. Here, it should be noted that such a system may not be sustainable because it does not necessarily account for failed harvests that may result in farmers not being able to pay back loans, leading to cooperatives running out of funds.
- **User and/or joining fees:** members pay user or joining fees that the cooperatives use to cover running costs and provide services. In this structure, members sell their own products. This management structure is not linked to profit of sales, which may hamper growth of a cooperative. When fees are set at a certain price, members may not be able to afford them, and cooperatives do not actively benefit from growing profits that would otherwise allow them to expand services, for example.

All of the cooperatives struggle with obtaining sufficient capital. Some of those that are active in the agricultural sector were founded with the support of the Ministry of Agriculture and the Agricultural Bank, or are receiving funding from them. However, they indicate that the procedures involved in obtaining capital from formal financial institutions are often lengthy, while capital is usually needed in specific seasons (before planting).[62] In most cooperatives, prices are established based on the costs of input, transportation and production, plus a profit margin. In addition, many cooperatives say they attempt to offer products that are below market prices, both for competitive advantage and to support the communities they are established in. Some other cooperatives merely assess market prices to establish the prices of the products they produce.[63]

Interest for joining a cooperative is high: 73 per cent (n=819) of the household survey respondents would be interested in joining a cooperative. Key respondents, including cooperative members, private sector actors, traders and business owners explain that the main benefits of cooperatives are: that they provide their members with access to finance opportunities through formal financial institutions; they can provide individuals without assets or land with access to land and improved production techniques; they allow for skills development; they provide employment opportunities; and they can provide their community with reasonably priced products. Individual farmers often do not have access to financial institutions that require business registration and collateral in order to obtain loans. Cooperatives, however, are much larger in size, and have the combined financial capital of their members (which is sufficient to meet bank loan requirements) to obtain loans from formal financial institutions – provided that the cooperatives are registered.[64]

62 Idem.

63 Idem.

64 ED-KII-32, ED-KII-33, ED-IDI-09, ED-KII-23, ED-IDI-04, WK-KII-51, WK-KII-57, WK-KII-62, WK-KII-63, WK-IDI-22, WK-KII-59, WK-KII-60.

Market opportunities

Table 18. Market opportunities: challenges and opportunities

Challenges
1. Business, entrepreneurship and cooperative development may be constrained by very low local purchasing power, for services in particular.
2. Inflation puts severe pressure on the final health of existing businesses and makes it even more difficult to acquire capital through saving, for example.
3. A lack of sufficient transportation and financing services seriously limits the opportunities for market development.
Opportunities
1. At community level, there are notable shortages of agricultural produce, which would allow for agricultural development, increasing production capacity, and skills training.
2. Programming aimed at setting up initiatives that work in transport would simultaneously tackle limited access to transportation networks and to larger market networks for business owners.
3. Possession of mobile phones is rapidly increasing. The introduction of mobile payment services by the Bank of Khartoum may offer additional opportunities for state- level and federal-level market-oriented programming. In addition, this means that mobile phone repair is becoming an increasingly important skill in the target communities.

This section aims to identify opportunities for business (sector) development, and entrepreneurship opportunities in the target locations. Consilient used ILO's TREE Methodology to conduct the analysis. In this analysis, purchasing patterns, unmet demand, and product or service satisfaction on the consumer side (household survey) are analysed and compared, along with profitability of existing businesses and profitable business sectors as perceived by business owners (MOS), to identify opportunities in the market for entrepreneurship and new businesses, and the development of existing businesses and production processes.

In this method, unmet market demand is defined as those products or services that household members indicate they would like to buy, but that are usually not available in their community. For such products and services, it is possible that there is room on the market for new businesses and entrepreneurship. This information is further supported by products and services that business owners think provide good opportunities, profitability of existing businesses selling these products or providing these services, and any relevant information derived from qualitative data.

It may also be that products or services are available, but consumers (household survey respondents) are not satisfied with the quality or service provided. Depending on the reasons household survey respondents report dissatisfaction, this may indicate opportunities for business development. For example, when consumers indicate they are dissatisfied with the quantity and/or quality of certain fruit and vegetables, this may indicate there are opportunities for the improvement and development of the production process of these products.

Products and services that are not recommended for business development or entrepreneurship opportunities are those for which the market appears to be saturated. In this methodology, that means that consumers may purchase the product or service but most report to be satisfied, (almost) none report they were unable to buy the product or service, and business owners do not select this product or service as having good opportunities, or specifically indicate it does not have good opportunities.

Therefore, the TREE methodology allows for the assessment of strongly localized markets and is able to make recommendations on areas and sectors for entrepreneurship and business development. This section also reviews professional services available in the private sector in the PROSPECTS target locations.

Table 19 provides an overview of the identified market opportunities for entrepreneurship and business development by state.

Table 19. Market development and entrepreneurship opportunities by state

West Kordofan	
Entrepreneurship opportunities	**Development of existing businesses**
Sale and production of animal fats and cooking oils	Sale of meat (goat, sheep, cow)
Sale and production of milk	Sale and production of bread
Sale and production of prepared and processed food	Import of rice, sugar, salt, grains, wheat, juice, furniture
Production of wheat or flour	Production of millet
Production of maize	Production of roots (cassava, yams, potatoes)
Production of clothing (sewing and dressmaking)	Production of pulses (groundnuts, beans, peas, lentils)
Production of footwear	Production of okra
Production of furniture	Production of local fruit
Transportation services (tuktuk, minibus)	Production of local vegetables
Blacksmith	
Masonry	
Restaurant	
Tailor	
Grinding mill	
Oil maker	
Mobile charging shop	
East Darfur	
Entrepreneurship opportunities	**Development of existing businesses**
Sale and production of animal fats and cooking oils	Sale of meat (goat, sheep, cow)
Alternative heat sources for cooking	Import of fish
Sale and production of milk and yoghurt	Trade in livestock (goat, sheep, cow)
Sale and production of sesame, peanuts and sorghum	More efficient agricultural production (moving towards mechanized and donkey with plough)
Transportation methods (tuktuk, minibus)	
Appliance repair	
Restaurants	
Blacksmith	
Mason	
Electrician	
Mechanic	
Grinding mill	
Oil-maker	
Mobile charging shop	

The qualitative interviews broadly confirmed the selected areas for (new) business development. In Kharasana/Keilak, respondents think the best opportunities lie in agriculture (corn), trading, gum arabic and fish (though this was not confirmed in the household survey or MOS survey). In East Darfur, oil making, milling, livestock trading and agriculture were among the most reported business sectors with opportunities. In addition, one respondent mentioned that there are a lot of opportunities in construction in Ed Daein, for people able to travel there.[65]

Qualitative interviewing respondents were also asked to share success stories of business owners they knew of whom they considered to be very successful. This data makes it clear that having access to limited capital is vital for entrepreneurship, togther with strong financial management skills. Most of these success stories, have one or more of following aspects in common:

- described individuals were able to either obtain capital (by saving, as a gift from household members, or as support through a development assistance programme);
- described individuals active in the agricultural sector had access to arable land;
- described individuals saved and reinvested business revenue, most importantly, into assets relevant to business generating activities (livestock, mills, etc.);
- described individuals very closely managed limited available funds (that is, carefully considered income, expenses, and investments).

For the development of existing businesses, the owners were asked what were the main constraints to increasing their profit. All barriers relate to a combination of the economic crisis in Sudan and the effects of inflation: increasing production and input prices; shrinking customer purchasing power; and increasing customer, personal and professional debts. Responses to the question about the main barriers to starting a new business followed the same pattern. Business owners consider that the most important barriers are: access to start-up capital (65 per cent, n=36); competing with competitor prices (40 per cent, n=22); and access to capital to maintain the business (24 per cent, n=13).

Respondents of the qualitative interviews were asked the same question. In all the locations, respondents confirm that access to capital is one of the main barriers to business development. In addition, transportation or poor infrastructure is an even bigger issue. Lack of water for irrigation, electricity and fuel are all mentioned as barriers, too, and some respondents indicate that it is difficult to find opportunities if, like most FDPs, you do not have access to land or assets. In Al Meiram, Assalaya and Kharasana/Keilak, respondents mention the lack of training opportunities together with the absence of improved agricultural techniques. Lastly, respondents from Al Nimir note that security is a barrier for women in particular because women sometimes get attacked in the areas outside the camp (where the land is cultivated).[66]

Another challenge to market development programming is that the purchasing power in the PROSPECTS target communities is probably very low. Even though only 8 per cent (n=91) of the households did not purchase any products, 46 per cent (n=271) of the households in East Darfur and 90 per cent (n=528) in West Kordofan did not purchase any services in the week before data collection. This indicates that households prioritize buying basic households necessities at the market, but do not have enough funds to pay for much extra. This is also reflected in satisfaction rates. Across the sample, 67 per cent (n=742) of the households were dissatisfied with the services available in their community; 95 per cent (n=702) said this was because the services available were too expensive. For products, 74 per cent (n=863) of the households were dissatisfied with those available; in 97 per cent (n=834) of the cases this was because the products were too expensive.

65 ED-KII-30, ED-KII-31, ED-KII-32, ED-KII-33, ED-KII-34, ED-IDI-09, ED-IDI-10, ED-IDI-11, ED-IDI-12, ED-KII-21, ED-KII-22, ED-KII-23, ED-KII-24, ED-IDI-04, ED-IDI-05, ED-IDI-06, ED-IDI-07, WK-KII-56, WK-KII-57, WK-KII-58, WK-IDI-28, WK-KII-59, WK-KII-60, WK-KII-59, WK-KII-62, WK-KII-63, WK-KII-64.

66 ED-KII-26. ED-IDI-10, ED-IDI-11, ED-IDI-12, ED-KII-21, ED-KII-22, ED-IDI-04, ED-KII-23, WK-KII-51, WK-KII-56, WK-KII-57, WK-KII-62, WK-KII-63, WK-KII-64, WK-IDI-22, WK-KII-60, WK-KII-43, WK-KII-49, WK-KII-50, WK-IDI-17, WK-KII-48, WK-IDI-19.

Professional services

For most business owners, traders and brokers form the link between the local markets where business owners operate, and market networks at state and federal levels. However, traders themselves also actively sell at local markets (44 per cent, n=23). Other types of traders in the target communities are those who facilitate the transportation of products (produced in the target locations) to markets in other communities (31 per cent, n=16), and traders that transport raw materials and other input to the target locations (10 per cent, n=5). Dissatisfaction with traders is high in both communities. In East Darfur, the reasons vary but include: lack of supply of goods (50 per cent, n=7); poor quality of goods (43 per cent, n=6); and goods that do not match needs (36 per cent, n=5). In West Kordofan, the main reason is that there are not enough traders and goods (76 per cent, n=16), followed by the poor quality of goods (48 per cent, n=10). From this, it may be deduced that there is an urgent need to set up alternative transportation networks to facilitate the import (and export) of goods to the target locations.

Business owners were also asked about formal and informal financial services in their community. Very few business owners knew of any formal financial services in their community: 81 per cent (n=46) did not know of any services. One (semi-alternative) option available is making trade contracts with wholesalers or corporations (16 per cent, n=9). Such contracts mean that business owners receive business input as a loan and are allowed to pay after the products are sold or after the harvest season, often against steep interest rates and on rigid payment terms. Such contracts are often exploitative, and not being able to pay back the loan on time may result in imprisonment. One respondent in Assalaya in East Darfur, and one in Kharasana in West Kordofan noted that mobile money services (available through the Bank of Khartoum) are also accessible within their community. However, such services are dependent on individuals also holding a bank account, besides a mobile phone.

Another 59 per cent (n=33) of business owners say there are no informal financial services in their community. However, others (32%, n=18) maintain that you can take loans from traders and brokers. Such contracts are similar to those with wholesalers and corporations but with steeper interest rates. Other business owners would take a loan from relatives or community members (19 per cent, n=12). Three business owners also indicated there are village savings and loans associations in Assalaya, Al Meiram and Kharasana/Keilak (one business owner in each community). The advantages of these informal financing options include: less documentation is needed (36 per cent, n=10); the process is much quicker (32 per cent, n=9); and business owners do not have the collateral needed for a loan with a formal financial service (25 per cent, n=7). Disadvantages include legal consequences if loans are not repaid (35 per cent, n=22), and the fact that loans are hard to pay back because the interest rates are high (38 per cent, n=24).

Qualitative interviews confirm that there are no professional service providers in any of the target locations, apart from aid and development organizations.

Skills and training

Table 20. Skills development: challenges and opportunities

Challenges
1. Business owners in West Kordofan in particular appear to be reluctant to take on apprentices,
2. The availability of tools for training is extremely low in the target communities; they would all need to be brought from outside the community.
3. For many people living in the target locations of PROSPECTS, agriculture and livestock herding is a profession as well as part of the social and lifestyle fabric. It may therefore be challenging to engage beneficiaries in other sectors.
Opportunities
1. Qualitative interviewing respondents were very eager to improve skills to increase income-generating activities

This section identifies areas where there are opportunities for skills development in the PROSPECTS target locations. To this end, skills available in the labour force are compared with those demanded by employers. Identified skills include all those that are demanded by employers but not present in the labour force. In addition, the analysis includes skills needed for identified areas in market and entrepreneurship development. This section also reviews opportunities for skills development and apprenticeships in the target communities.

Skills development opportunities

Table 21 provides an overview of the identified opportunities for skills development by state. First, this section looks at which skills are most prevalent in employees. Next, based on the identification of market opportunities in the previous section, together with the skills that employers are looking for, the section gives an overview of the skills identified for further training.

Among employees, there are certain skills that are more prevalent than others. In West Kordofan, these include: agriculture with a donkey and plough, and arts and crafts (11 per cent, n=21 each); mechanized agriculture (9 per cent, n=17); brickmaking (7 per cent, n=13); manual agriculture (6 per cent, n=12); house or shop cleaning, and business entrepreneurship or management (6 per cent, n=5 each). In East Darfur, these skills include: agriculture with a plough and donkey (56 per cent, n=148); manual agriculture (36 per cent, n=96); bread making (20 per cent, n=54); house or shop cleaning (19 per cent, n=51); animal healthcare (17 per cent, n=45); masonry and food processing (15 per cent, n=40 each); sewing (14 per cent, n=36); and brickmaking (13 per cent, n=16). These skills, however, do not necessarily overlap with those identified for skills training activities in Table 21, and while those highlighted above are the most prevalent in employees, this does not necessarily mean that there is a capacity in the labour market to absorb new workers with these skills. Those that overlap with the most prevalent skills in employees are highlighted in grey in Table 21.

Table 21. Identified skills for development

West Kordofan	
Technical skills	**Business skills**
Welding	(General) business skills, including trading and interpersonal skills
Business finance and accounting	Literacy (30%)
Electrician	Language skills (30%)
Maintenance and repair of electronic devices (including but not limited to mobile phones)	Access to capital (21%)
Mechanics	
Food production or processing: milk, yoghurt, oils	
Milling	
Production of sesame	
Driving (*tuktuk, amjad*[67])	
Food preparation or hospitality	
Mason	
East Darfur	
Technical skills	**Business skills**
Business entrepreneurship or management	(General) business skills
Business finance and accounting	Literacy
Electronic device maintenance (including but not limited to mobile phones)	Access to capital
Generator repair	Interpersonal skills
Mechanics	Numeracy
Food processing: oil, processing, milling, milk and butter extraction	
Welding	
Mechanized production of: fruit, vegetables, pulses, roots, okra, millet, wheat, maize	
Production and reparation of clothing and footwear	
Production of furniture	
Masonry	

Qualitative interview respondents from West Kordofan confirm that literacy, general business skills (including trading and interpersonal skills) are among the most important ones to have in their communities. They also add animal healthcare and improved agricultural production techniques. Animal healthcare did not come up much in the assessment, probably because relatively few nomadic-pastoralist respondents were included. However, such skills may be much needed because livestock herding and trade are among the most important income sources in West Kordofan. In Kharasana/Keilak, one respondent particularly stressed that there was a need for traditional craftmanship, including plumbing, welding, carpentry and mechanics.[68] In East Darfur, qualitative interviewing respondents confirm that literacy and

67 Small van.

68 WK-KII-59, WK-KII-60, WK-KII-61, WK-KII-62, WK-KII-63, WK-KII-64, WK-IDI-22, WK-KII-48, WK-IDI-17.

numeracy skills are important, as well as general business and trading skills. As in West Kordofan, at least two respondents in East Darfur said that animal healthcare is an important skill in their community because of the large number of households that own livestock.[69]

Training opportunities

Very few respondents indicated they had received formal skills or TVET training. Therefore, they were also asked if they had received skills training from any other source, ranging from farmer field schools to friends and family members. This approach yielded more responses. More respondents in East Darfur's labour force (95 per cent, n=339) considered themselves skilled in one or more areas of expertise than in West Kordofan. In West Kordofan, female labour force participants were also less likely to possess skills: (55 per cent, n=57 of women are skilled, compared with 67 per cent, n=129), while no such differences were found in East Darfur. In East Darfur, the Baseline Survey did not find any differences in migration status, while in West Kordofan, only 32 per cent (n=13) of the IDP labour force is skilled, compared with 70 with (n=100) of the HC labour force and 66 per cent (n=73) of the refugee labour force.

To establish to what kind of training opportunities community members in the PROSPECTS target locations have access, business owners were first asked how most of the people in their community had obtained their skills. The most important source of skills training comes from family and friends (70 per cent, n=43), while 15 per cent (n=9) said that most people travel out of the community to attend VT, farmer field schools, or benefit from privately provided skills training. Only 8 per cent (n=5) said that training was provided on-the-job. Business owners themselves were most often trained by family or friends (53 per cent, n=17). Some others attended VT or university outside their community (9 per cent, n=10 for both options), and some sought skills through a training programme provided by an international organization (13 per cent, n=4).

Training provided by family or friends most often takes the form of on-the-job training. Children and youth join family members at places of work and learn specific skills by gaining responsibility for increasingly difficult tasks. In such instances, family members (and sometimes friends or other community members) function as master craft persons. Others join family members or friends in day labour and are taught which tasks they are expected to perform. Usually, especially in East Darfur where there is less social cohesion between different community groups, people learn skills from family or friends within their own community group. In the household survey, individuals selected for the employment module were most likely to have received skills training from friends or family (84 per cent, n=608). Only 10 per cent (n=70) were able to travel out of their community to attend university, VT, or other forms of skills training not available in their community.

Individuals in the employment section of the household survey were also asked who provided their skills training if they indicated that they possessed any skills. Figure 16 provides a full overview of the responses by state and migration status. Here, it is clear that in a representative sample of adults, training by family or friends is often the only way to obtain skills.

69 ED-KII-30, ED-KII-31, ED-KII-32, ED-KII-33, ED-IDI-09, ED-KII-21, ED-KII-22, ED-KII-23, ED-IDI-04.

▶ **Table 22. Training providers of skills by state and migration status in % (n=725)**

Training providers of skills	West Kordofan		East Darfur	
	HC members (n=133)	FDPs (n=97)	HC members (n=234)	FDPs (n=261)
University	14%	0%	2%	1%
TVET	1%	1%	1%	2%
Mobile training unit	4%	5%	0%	0%
Government extension services	3%	0%	1%	1%
Farmer field school	1%	0%	0%	0%
Private education centre	6%	7%	1%	2%
Local NGO	0%	0%	1%	1%
International NGO	0%	1%	0%	0%
Family, relatives or friends	66%	84%	93%	85%
Business association	0%	0%	0%	1%
On-the-job training	4%	2%	1%	7%

Apprenticeships are rare; just 4 per cent (n=27) of respondents to the employment module in the household survey had received on-the-job training. Of the business owners in the MOS, 15 per cent (n=5) are currently working with apprentices. The main reasons business owners gave for not working with apprentices are that they do not have time to train them (73 per cent, n=35), and that having apprentices is not profitable for the business (23 per cent, n=11). For PROSPECTS programming, business owners were also asked if they would consider taking on apprentices in the future. Just over one-third (34 per cent, n=18) are not willing to do so. Business owners in West Kordofan appear most doubtful about taking on apprentices: only 11 per cent (n=3) replied positively, while 54 per cent (n=15) responded with "maybe".[70] This was also reflected in the number of hours per week that business owners were willing to invest in training apprentices: an average of 3.3 hrs in West Kordofan and 14.2 in East Darfur. However, business owners might be persuaded to participate in apprenticeship activities when ILO project teams or LEDC members explain ILOs plans and describe the benefits of training apprentices.

It should be noted that it is fairly common for business owners to take on the assistance of young, unskilled workers from households or families they are familiar with. Naturally this helps these workers to gain skills. In the market opportunities survey, the questions probing about business-owner attitudes focused very much on the training of apprentices and the time investment involved. It may be, however, that business owners do not consider that training young and unskilled workers is similar to an apprenticeship. This may have led to the apparent low interest in apprenticeships. Few businesses showed interest in skilled workers. This is because often businesses cannot afford to expand. Skilled workers are more likely to start up a place of business of their own, or work on short-term (or day-labour) contracts.

70 Responses for East Darfur are: "yes" (40 per cent per cent per cent, n=10), "maybe" (28 per cent per cent per cent, n=7), and "no" (32 per cent per cent per cent, n=8).

Beneficiary selection

This section makes recommendations to support ILO's beneficiary selection process. Based on the findings of the PROSPECTS Sudan Baseline Survey, it discusses a number of factors that could influence the extent to which potential beneficiaries would gain advantages from ILO programming. It recommends a number of selection criteria that the ILO may consider and makes recommendations for the selection process.

It is probable that the beneficiaries who do not meet the requirements below have the greatest need for improved livelihoods. Such needs are usually combined with a range of other urgent needs. Inclusion of such beneficiaries in the planned ILO livelihoods activities would provide households with the opportunity to cover other urgent household expenses such as food, health expenses and education, but would risk them not benefiting structurally from these activities. This may appear to go directly against the principle of "leaving no one behind". However, the PROSPECTS partnership structure, in particular, offers the ILO and other PROSPECTS partners the unique opportunity of ensuring that beneficiaries can increasingly benefit from livelihoods activities.

There is an opportunity for the PROSPECTS partners to create an inter-agency referral mechanism that can identify the needs of specific households and select them for specific partnership activities. This way, the households with the greatest needs could be included in a multitude of services offered by PROSPECTS partners that address all urgent needs that would otherwise make such households unlikely to benefit from livelihoods programming provided by the ILO. Such a mechanism would improve the potential impact that ILO livelihoods interventions could have on the target communities, as it would directly address the challenging high household vulnerability levels that are currently limiting the livelihoods programming opportunities.

Selection criteria

The main challenge to selecting beneficiaries for ILO PROSPECTS programming is that vulnerability in the target communities is very high. For beneficiaries to truly benefit from livelihoods programming, ideally, basic and urgent needs should be met first. Al Nimir camp will probably be the location where such challenges are the most severe. In the following, some recommendations are made based on the two factors (household vulnerability and community groups of interest) that the ILO should take into consideration when selecting beneficiaries, based on the findings from this Baseline Survey.

It is not recommended that the ILO create a list of selection criteria that potential beneficiaries would ultimately have to meet. Vulnerability levels in the target communities are so high that the ILO would risk not finding any eligible beneficiaries if too many criteria needed to be met. The solution should be three-fold: (1) ILO programme design should be adapted to the vulnerability levels of the target locations; (2) highly tailored lists of selection criteria should be generated for each specific activity; and (3) selection criteria for each activity should include one or two "essential" criteria that all beneficiaries should meet, and several "non-essential" criteria, of which beneficiaries should meet a minimum number (that is, two out of five).

A (non-exhaustive) list of recommended criteria that the ILO may want to include in the beneficiary selection for specific activities is given below:

- absence of skills in employed individuals (particularly relevant to West Kordofan);
- recent unemployment (no longer than six months prior to the inception of activities);
- non-possession of productive assets at the household level;
- Inability to save at the household level;
- receipt of assistance from international agencies; and/or social benefits on an ongoing basis;
- smart-phone possession (if beneficial for very specific programming only, and provided that the ILO does not distribute smartphones as part of the activities);
- participation in livelihoods activities no longer than 18 months prior to the inception of activities (this would allow for the ILO to build on progress made so far).

While this Baseline Survey does not recommend targeting the most vulnerable households for ILO programming, there are specific community groups that have more limited access to market systems and services than other groups. Where possible, members of these community groups should be given priority over other community members who may also meet beneficiary selection criteria. These groups include:

- members of female-headed households;
- women, in West Kordofan in particular;
- refugees in West Kordofan;
- IDPs in all target locations;
- host community members in the surrounding areas of Al Nimir, and to a lesser extent host community members in rural areas surrounding Assalaya;
- youth; and
- PLWDs, and to a lesser extent members of households that include one or more PLWDs.

Other groups that can serve as beneficiaries, in addition to being exemplary frameworks on which to base ILO programming, include the following.

- Existing cooperatives, which can provide the organizational frameworks needed to address some of the key challenges to business development, including access to finance, and transportation;
- Traders: while their practices are often harmful to communities and local-level business networks, they also have a much larger network, from which the structures established through ILO programming could greatly benefit; and
- The mobile money departments (MBok) of the Bank of Khartoum, at state level, could help to facilitate financing opportunities and financial business management options for cooperatives, small businesses or other entities that may result out of ILO programming.

Identification approach

Intervention and activity planning in Sudan often happens in collaboration with local authorities, community leaders and (where these are present) community committees. It is strongly recommended that the ILO integrate the planned Local Economic Development Committees (LEDCs) into the present systems of community committees, rather than duplicate community systems. Such community mechanisms have established community ownership from which the ILO can benefit, including making certain that activities are supported by the local authorities (to ensure all permissions can be obtained without hold-up), and community leaders who, in turn, can guarantee that the community is supportive of activities, as well. The Baseline Survey identified a number of additional entry points into the community that may help facilitate ILO programming. These include cooperatives, community committees and community volunteers.

With the consent of the stakeholders, the contact information of many of them has been shared with the ILO in a separate document. In addition, the ILO has been provided with the contact information of all household survey respondents that consented to being contacted by the ILO directly.

With the above criteria in mind, the ILO could select some of the beneficiaries from the household survey directly. However, it is likely that the ILO will need to select additional beneficiaries if the lists generated from household survey data are insufficient. In this case, community leaders, community committees (where relevant, LEDCs) and cooperatives could help with identifying beneficiaries based on specific lists of selection criteria. To mitigate the risk of biased selection of relatives of committee members, it is also recommended to ensure that the beneficiaries selected by the community really do meet the selection criteria through a rapid assessment (of no more than 10–15 questions).

Conclusions

Challenges

To conclude, there are some overarching challenges that the PROSPECTS partnership is facing and will face in the target communities. Many of these challenges relate directly to the specific locations selected by the PROSPECTS partnership. The locations in East Darfur and West Kordofan are centred around the presence of refugee populations (and IDP populations) that are not permanent in nature, hampering development programming. Where they are not centred around refugee or IDP populations (Keilak, and Assalaya), marginalization of the communities is very high in general, hampering development programming further.

Government involvement and government service provision in the target communities is very low. This means that improving the existing mechanisms of government service provision and overall government support to increase the quality of service in communities will not be of much help, as communities cannot access services, regardless of their quality. It also means that significant lobbying to set up alternative structures outside government support, and active logistical assistance (provision of fuel and vehicles, and so on) would be required to boost government involvement. Still, it would remain to be seen if such extra-governmental mechanisms and logistical support would yield any sustainable improvements in service provision in the target locations.

In addition to this, besides some temporary interventions by other international actors, the WFP is the main provider of continuous support. Not only does the WFP primarily target refugee households, they have also significantly reduced support as a result of global funding cuts. Most recently, WFP switched from sufficient in-kind food distribution to cash transfers that no longer cover the households' basic food needs. This only puts the vulnerability levels under additional pressure. Here it should also be noted that refugees were not, in fact, found to be the population most in need. They are often prioritized by international humanitarian interventions, while IDPs and HCs are expected to be covered by government support schemes. As a result, relatively little difference was found in vulnerability between HCs and refugees, compared to very high marginalization of IDPs in the target communities.

Another challenge is limited social cohesion. While such tensions exist in West Kordofan, there is ongoing tension in East Darfur between HCs (often pastoralist tribes), and FDP populations (often IDPs, but sometimes also refugees). In West Kordofan, attacks by pastoralist tribes on IDP communities (already displaced as a result of nomadic-pastoralist tribal conflicts) are not as frequent as in South Kordofan but are on the rise. In Al Meiram, an incident destroyed most of an IDP settlement in May 2020. In East Darfur, nomadic-pastoralist attacks motivated by tribal animosity on IDPs and refugees are far more frequent, about every other week. The attacks are normally not at the same scale as the one in West Kordofan but target individuals or households. A factor that may be contributing to such tension in East Darfur is the wide-spread marginalization of all communities living in the area, together with the prioritization of FDP populations over HC and nomadic populations by humanitarian interventions, while not including activities that advance social cohesion and conflict resolution in the area.

Lastly, the primary challenges hampering (labour) market development include the absence of sufficient transportation networks, inflation rates (and to an extent the parallel US$-SDG exchange rates), and access to finances (and the size of business units operating in the market). Limited transportation networks and the very poor quality of infrastructure not only fuel the exclusion of target communities of government services provision, but also isolate communities and businesses within these communities from regional and national (labour) markets. As a result of this exclusion, community members and businesses largely rely on networks of traders and brokers that bring products and input from outside the community, and for the transportation of products to other markets for sale. Such trading and brokering services significantly drive off the price levels at the local market and reduce the profits of products sold for businesses. This is, however, the only way that communities can access wider market networks.

International investment in Sudan in general, and aid provided by humanitarian and development actors, have been relatively limited in all of Sudan because of the parallel exchange rate applied to input: at the time of data collection, purchased goods cost around five times the cost price because they are on the market at the parallel rate. Within Sudan, private sector interest in the target locations is very low because of the absence of adequate infrastructure and the low purchasing power of communities. In turn, small businesses are unable to compete with large firms operating regionally and nationally, simply because of scale: cooperatives are still rare, and businesses often include only few employees or have limited means of adding value to the products and services they provide.

Another result of the scale of the existing businesses is that they often do not meet the requirements for registration and bank loans that would allow them to grow and operate on a larger scale. This is because they cannot always afford to keep the place of business that is required for registration, let alone provide the collateral required for bank loans. Also, because purchasing power in the target communities is very low, together with the rise in prices of business input as a result of inflation, it is very difficult for business owners to save up and meet such requirements just with informal business activities.

The following sections include an overview of key challenges identified in each of the different findings sections (demographics, access to services, employment and decent work, the local private sector in the target locations, market opportunities, and skills).

Demographics

- The main drivers for vulnerability remain migration status and the specific target locations where household reside. This means that, overall, vulnerability levels in the target locations is high and most likely related to the presence and efficiency of the support that the communities receive, together with income-generating activities that households have access to, more so than specific household characteristics.
- Food insecurity appears to be a genuine issue in East Darfur since WFP transferred its in-kind distributions to cash transfers. Given the food shortages, it will probably be difficult to implement other, development activities.

- Female-headed households, IDP households and households with high dependency ratios in specific PROSPECTS target locations are highly vulnerable to shocks, and might be challenging to include in ILO's PROSPECTS programming. They should, however, be prioritized by other PROSPECTS partners providing emergency support.
- Even though households with higher dependency ratios are marginally more vulnerable than households with lower dependency rates (but less so than female-headed households and IDP households), this was not the case for larger households in general, because those tended to include more adults able to contribute to the household income.
- Literacy and school attendance rates among heads of household, as well as individual household members in the employment sector, are very low. This may pose challenges to the provision of training and business administration required for business development and cooperative activities.

Access to services

- Water sources often do not provide sufficient water throughout the year, and water contamination is reported in each of the PROSPECTS target locations, including related waterborne diseases.
- Social protection coverage in the target communities is extremely low. HC households, covered by the state, are significantly less likely to receive benefits than FDP households that receive benefits from international actors.
- Coverage of NHIF services do not reach IDP households adequately. And even though large segments of the HC population are covered by the NHIF, there are often no services that they can access with this coverage.
- Health referral systems in East Darfur do not appear to function properly. This may be an indication of a disconnect in the functioning of health centres managed by international actors and the official systems of the Ministry of Health.

Employment and decent work

- High unemployment rates and extremely high rates of vulnerable employment provide a challenging context for labour market development and skills training; it appears that currently the local markets are unable to absorb skilled employees.
- High unemployment rates and low labour market participation rates suggest that households rely on limited income sources for their livelihoods. Together with the seemingly low wages, it is probable that many households have such high levels of vulnerability that inclusion in employment and skills development programmes may not be beneficial.
- The position of women in the labour force in West Kordofan may pose a challenge to activities aimed at skills training and the professional development of women. It is recommended that activities promoting women in the labour force be included.
- Access to social security and safe working conditions are the most important factors contributing towards lowering Decent Work Index scores. Because most employment takes place outside, and the government service infrastructure is severely lacking in the target locations, it largely lies outside PROSPECTS control to improve these scores.

Local private sector

- Businesses in the PROSPECTS target locations operate on a highly localized scale, at the end of the value chain, without engaging in value-adding business activities.
- The requirements for business registration, having access to a place of work in particular, forms an obstacle for own-account workers and others that do not necessarily need to rent a market stall, office or workshop to conduct their business.

- Given the above, it is unlikely that businesses have access to larger market networks that they could tap into for business development. They would rely solely on PROSPECTS programming for this.
- Purchasing power in the PROSPECTS target locations appears to be extremely low, based on the number of respondents who indicated they did not buy products or services, and those who said that products and services are too expensive when asked about satisfaction. This emphasizes the need for PROSPECTS to connect (new) businesses to larger, state and national business networks to improve the supply of goods and services.
- Awareness of cooperatives in the target locations is limited. It will probably take more time and effort to communicate the purpose and benefits of cooperatives before programming.

Market opportunities

- Business, entrepreneurship and cooperative development will probably be constrained by very low local purchasing power, for services in particular.
- Inflation puts severe pressure on the final health of existing businesses and makes it even more difficult to acquire capital through saving, for example.
- The lack of sufficient transportation and financing services seriously limits the opportunities for market development.
- As discussed in the previous section, purchasing power is very low. This constrains how far businesses can develop within communities (and without accessing larger market networks).

Skills

- Business owners in West Kordofan in particular appear to be reluctant to take on apprentices.
- The availability of tools for training is extremely low in the target communities; they would all need to be brought from outside the community.
- For many people living in the target locations of PROSPECTS, agriculture and livestock herding is a profession as well as part of the social and lifestyle fabric. It may, therefore, be challenging to engage beneficiaries in other sectors.

Opportunities

The Baseline Survey also highlights a number of opportunities for the PROSPECTS partnership in the target communities. First of all, there are several existing structures and mechanisms within the target communities from which the partnership can benefit. In each of the communities, there exists one or more committees involved in the provision of essential services, coordination of humanitarian and development assistance, and conflict resolution. Rather than setting up and training such communities from scratch, the partnership (and the planned ILO LEDCs) can integrate responsibilities and activities required for PROSPECTS into these existing structures. This would also open up opportunities for providing additional capacity building to such committees, making them more efficient. In fact, it is not recommended to set up additional committees with overlapping responsibilities and duplication of activities, and this is also explicitly asked by the communities.

In addition, in each of the communities, the Baseline Survey found a number of activities that are implemented by international actors outside the PROSPECTS partnership. The partnership can profit from such interventions by closely coordinating efforts and building on their achievements, rather than starting from scratch. Lastly, cooperative structures were the most developed in Kharasana/Keilak but

were also present in Al Nimir and Assalaya. The cooperative found in Al Meiram, however, did not have an organizational structure (yet) that was adequate for PROSPECTS programming. The presence of such cooperative structures in the target communities may be of benefit for the ILO activities planned to create larger business units, despite limited awareness of cooperative structures among the wider community.

Official registration of businesses and cooperatives with the Chamber of Commerce appears to be limited, as a result of the small scale of business operations and the capacity constraints within the Chamber of Commerce to conduct the required business inspections. Otherwise, registration fees are very low, at 700 pounds, and could easily be covered by the ILO. In addition, the ILO could facilitate transportation for business inspections in the target communities, to allow the registration of a larger number of businesses. Moreover, even though refugees are officially not permitted to register businesses in Sudan, Consilient found that the Ministry of Cabinet occasionally provides exceptions to this rule, in relation to specific development projects that contribute to priority economic sectors in Sudan (such as agriculture). The ILO could explore the possibility of such an exception being made for PROSPECTS, as well as for refugee-owned businesses and refugee-led cooperatives.

Furthermore, the number of individuals that own mobile phones is also increasing in the target communities. With access to a mobile phone, it becomes easier for businesses and cooperatives to operate at a regional, state and national scale. In addition, the Bank of Khartoum has introduced a mobile money application (Mbok) that would also allow individuals and businesses to access banking services without the physical presence of financial service providers in the area. While this was not covered in this Baseline, the ILO could explore the opportunities with the Bank of Khartoum for setting up bank accounts for beneficiaries, business owners and cooperatives in the target locations.

Lastly, female participation in the labour market is relatively high compared with male participation, despite social and religious norms in Sudan that tend to exclude women; conflict and forced displacement makes it necessary for increasing numbers of female heads of household to engage in income-generating activities because they could no longer be supported by other community members. The ILO can benefit from this relatively high acceptance of women in the labour market (compared with other locations in Sudan), and further boost this acceptance with community awareness activities.

The following sections include an overview of key opportunities identified in each of the different Findings sections (demographics, access to services, employment and decent work, the local private sector in the target locations, market opportunities, and skills).

Demographics

- Almost half the households in East Darfur possess mobile phones that may be used for cooperatives or associations that focus on expanding transportation networks, connecting members with state and national networks, and providing members with access to mobile banking options.
- Possession of agricultural tools is very low. It is recommended to invest in the distribution of tools and machines because within communities they are used to increase production, as well as to rent out while not in use.

Access to services

- Basic government service provision infrastructure in terms of healthcare, Zakat distributions (to those eligible), NHIF (to those eligible) coverage and education, are all available in the PROSPECTS target locations in West Kordofan.
- In East Darfur, the PROSPECTS partnership could tap into several ongoing interventions that facilitate different types of services and may complement PROSPECTS' activities.

Employment and decent work

- Female labour force participation rates in East Darfur are almost similar to those for men. This may indicate that communities in East Darfur are more accepting of women in the work force.
- While it is unlikely that the formal sector will grow significantly compared with the informal sector as a result of the PROSPECTS partnership, workers could benefit from training and support in how to manage employment agreements or written contracts to advance decent work.

Local private sector

- The higher average household income of business owners, compared with the incomes in the household survey, suggests that market demand in both states is sufficient to absorb additional business activity, but this difference in income is still fairly marginal. It would probably be much higher if businesses were also able to access larger market networks.
- Households of business owners score much better on some of the poverty indicators and may have reached a level of stability that would allow for development programming for some of the (other) household members.
- While awareness of cooperatives is low, multiple cooperatives relevant to PROSPECTS programming exist near each of the target locations. This offers opportunities for collaboration and building on existing frameworks for programming.

Market opportunities

- At community level, there are notable shortages of agricultural produce which would allow for agricultural development, increasing production capacity and skills training.
- Programming aimed at setting up initiatives that work in transport would simultaneously tackle limited access to transportation networks and limited access to larger market networks for business owners.
- Possession of mobile phones is rapidly increasing; the introduction of mobile payment services by the Bank of Khartoum may offer additional opportunities for state-level and federal-level market-oriented programming. This also means that mobile phone repair is becoming an increasingly important skill in the target communities.

Skills

- Qualitative interviewing respondents were very eager to improve their skills to increase their income-generating activities.

Recommendations

- Provided that location selection will not change, the ILO should adapt its programming as well as its targets to the high household vulnerability levels in the target communities.
- To address the issue of infrastructure that prevents the target communities from connecting to larger market, education, and service networks, the ILO should make the development of alternative transportation networks an integral part of its programming. For example, this may be achieved by supporting the establishment of cooperatives focused on facilitating the transportation of goods and people.
- Existing cooperatives should be actively included in ILO programming, as beneficiaries, key stakeholders, or both. It is likely that cooperative members will require access to vehicles for transportation to this end. The Agricultural Bank sometimes provides loans to cooperatives. In case such loans are insufficient, it would be recommended for the ILO to provide trucks instead.
- The ILO should seek collaboration with the Bank of Khartoum to explore financing and financial management opportunities using mobile money in the target locations (where no physical financial services are available).
- It is recommended for the ILO to include an in-kind distribution component of essential production equipment to its programming to ensure that communities have access to the tools needed to engage in more efficient production processes.
- To ensure sustainability of increased production and inter-state export capacity of communities, the construction of communal storage facilities may be required.
- For the selection of beneficiaries, the ILO should closely engage with formal and informal community structures: local administration, community leaders and community committees should be closely involved in activity design and planning, and beneficiary selection.
- Beneficiary selection should be validated with a very brief rapid assessment of 10 to 15 questions conducted with selected beneficiaries to ensure they meet the selection criteria, and may benefit from support aimed at structural improvements.
- Beneficiaries that do not appear to meet the selection criteria should be referred to other PROSPECTS partners for more suitable interventions.

A seller in Al Meiram Market, March 2020. © Caroline Knook

- PROSPECTS partners should closely coordinate efforts with other international partners active in Al Nimir and Assalaya to ensure complementarity, avoid duplication of efforts, and mutually benefit from specific expertise of particular organizations.
- For the facilitation of economic development in East Darfur, it is recommended that PROSPECTS activities also include social cohesion and peace-building activities to ensure that livelihoods support activities do not fuel further conflict, and that economic development is inclusive in the target locations.
- The ILO should seek collaboration with the Ministry of Cabinet to explore the opportunities of providing business registrations for refugee businesses and cooperatives owned or led by refugees.
- Alongside activities aimed at increasing skills and employment opportunities, it is recommended to conduct community-awareness sessions that promote female participation in the labour force. Such activities should include men and women equally and advocate for female participation in a way that is sensitive to community norms with regards to the position of women. For example, men will probably oppose the idea of women becoming financially independent and share equally in household decision-making, while they might be receptive to increasing household income and decreasing household vulnerability overall.
- It is recommended that any activities that include the provision of equipment for production be closely aligned with the income-generating activities supported by the ILO. In general, very little production equipment is present in the communities (apart from donkeys and ploughs for agricultural production). While data appears to point towards the need for grinding mills and oil pressers, activities that focus on added value and accessing larger market networks will also need trucks, storage facilities, equipment needed for packaging, and so on.

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