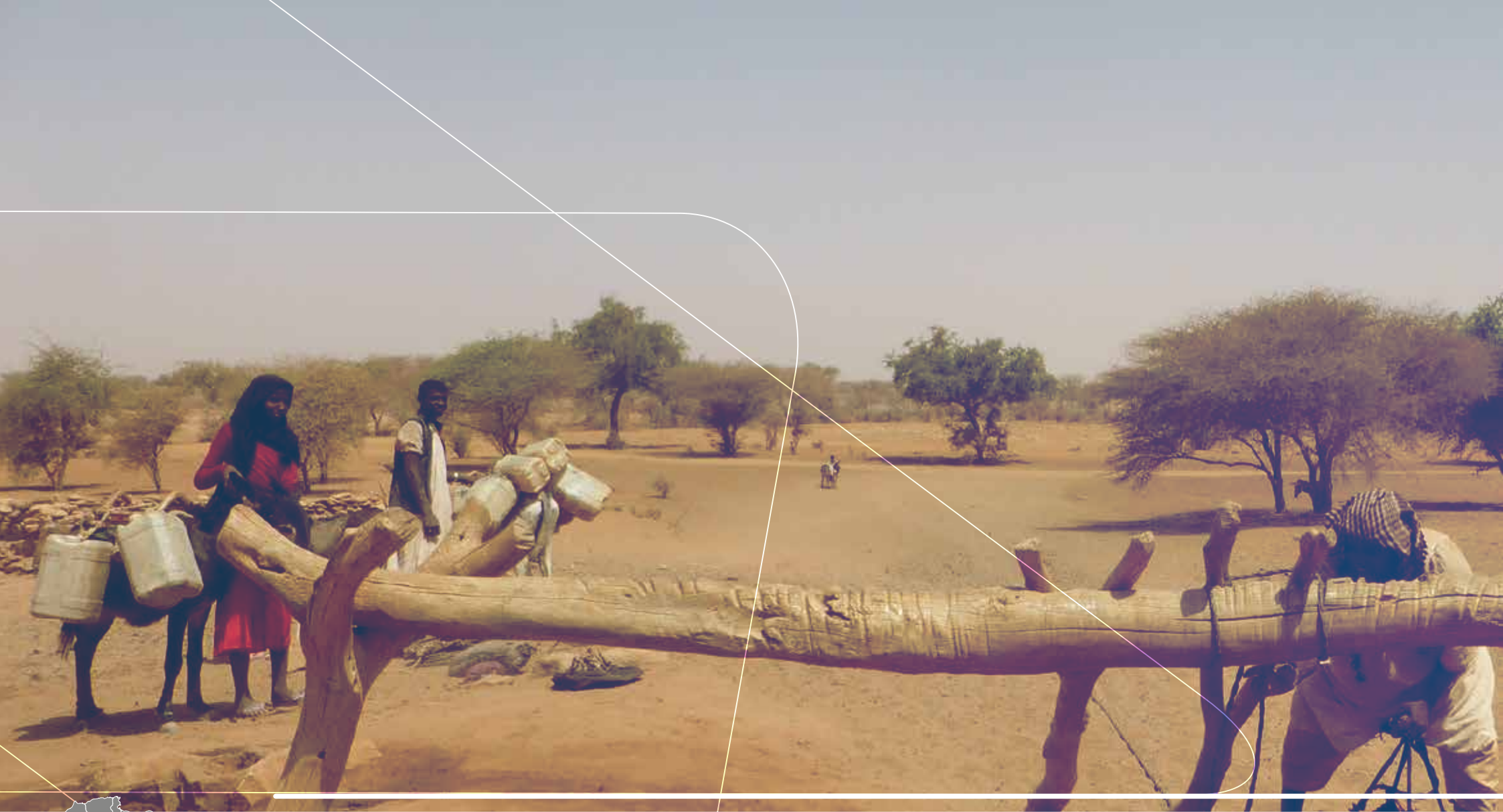


IOA — 2019 — ACBR



AFRICA COUNTRY BENCHMARK REPORT

Sudan Profile



Traditional life persists in the harsh desert environment of Sudan, but in 2019 political change swept in with an uprising of Sudanese against a long-ruling dictator.

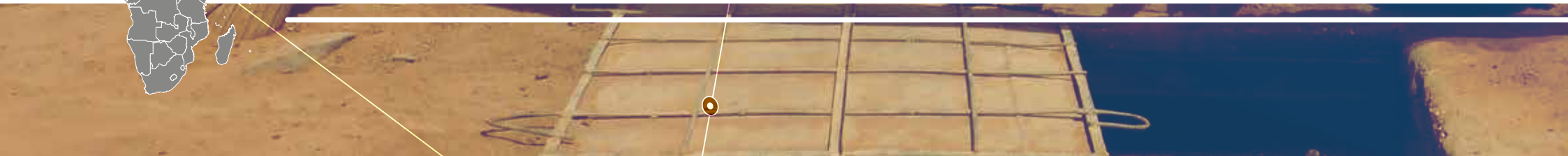




Image courtesy of Hans Birger Nilsen



SUDAN



OVERVIEW ANALYSIS

The people of Sudan rose in rebellion against the 30-year rule of Omar al-Bashir, who had imposed a bloody dictatorship. Bashir's removal by the military in April 2019 rid Africa of one of its most notorious dictators and indicted war criminals. With UN and African Union backing, a civilian government seeks to take over from the military junta. The country has strong agricultural, energy and tourism sectors on which to expand economically. The national population of 43 million is an inviting market for investors, particularly after the corrupt Bashir regime gives way to economic liberalisation. Due to the policies of Bashir before his removal, Sudan dropped one position and entered the bottom five of ACBR 2019, ranking in 50th place.

KEY OPPORTUNITIES

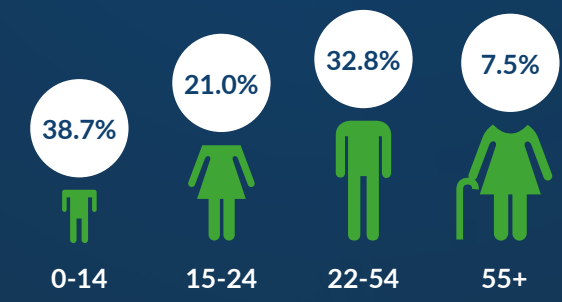
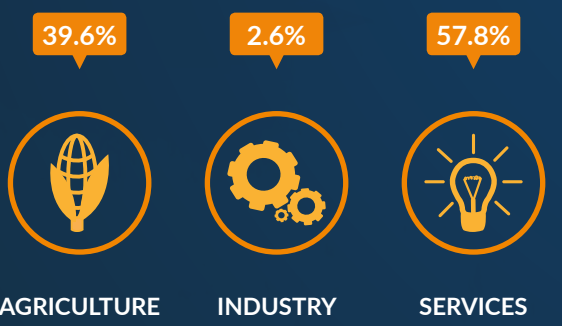
- Recent easing of international sanctions improves economic conditions
- The agricultural sector is capable of greater exports
- There is the prospect of a free economy with the fall of Omar Bashir

KEY CONCERNS

- Political uncertainty following President Bashir's overthrow
- Public debt usually exceeds GDP and government financial responsibility required
- Seeking autonomy, the Darfur is still a volatile region

COUNTRY HIGHLIGHTS

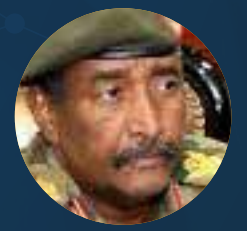
| | | | | |
|-------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------|-----------------------------------------------------------------|
| PREDOMINANT RELIGION Islam | PREDOMINANT LANGUAGE Arabic | POPULATION WITHOUT ELECTRICITY 61.5% (#32) ▼ ⁻⁶ | LITERACY RATE 75.9% (#23) ▼ ⁻² | PRIMARY ELECTRICITY SOURCE Hydroelectric |
| IMPORT/EXPORT Medicines/Oil | EXTERNAL DEBT US\$ 53,350 billion (#3) ▼ ⁻¹ | ACTIVE CONFLICT Yes | LAND SIZE 1,861,484 km ² (#3) | INTERNET PENETRATION 28% (#15) ▼ ⁻² |



Term:
12/04/2019 - present
5 years (no term limit)

Political Party:
Independent

Recent Electoral Information:
N/A
N/A
N/A
Voter turnout: N/A



Lieutenant General
Abdel Fattah al-Burhan

CONTRIBUTIONS TO GDP BY SECTOR

POPULATION AGE BREAKDOWN

NATIONAL GOVERNANCE

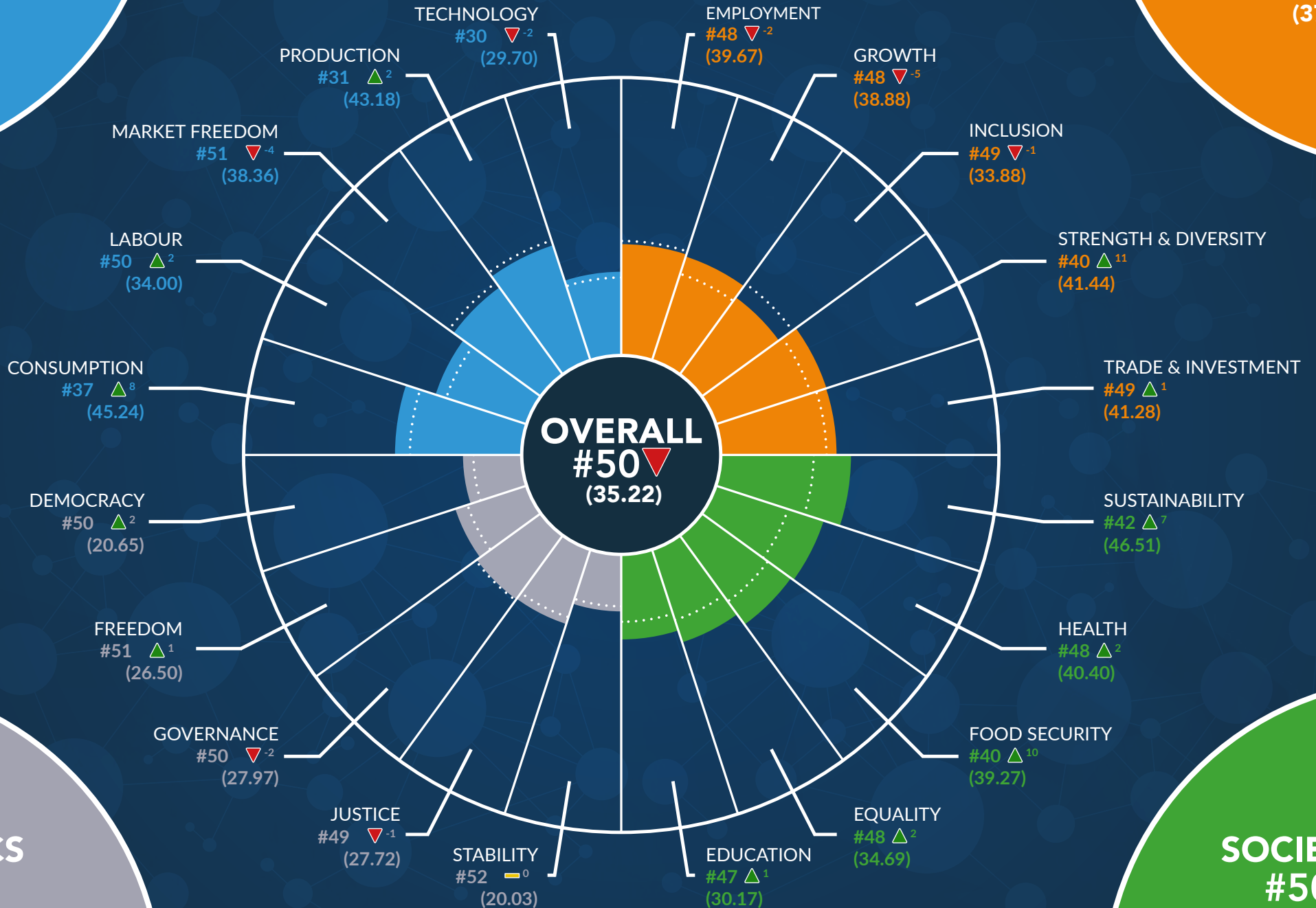
BUSINESS

#48
(38.10)

SUDAN PERFORMANCE OVERVIEW

ECONOMICS

#46
(37.81)



POLITICS

#51
(24.57)

SOCIETY

#50
(40.40)

▲ Increase from 2017

▼ Decrease from 2017

■ No change

..... 2017 Score

SUDAN BUSINESS ANALYSIS



BUSINESS OVERVIEW

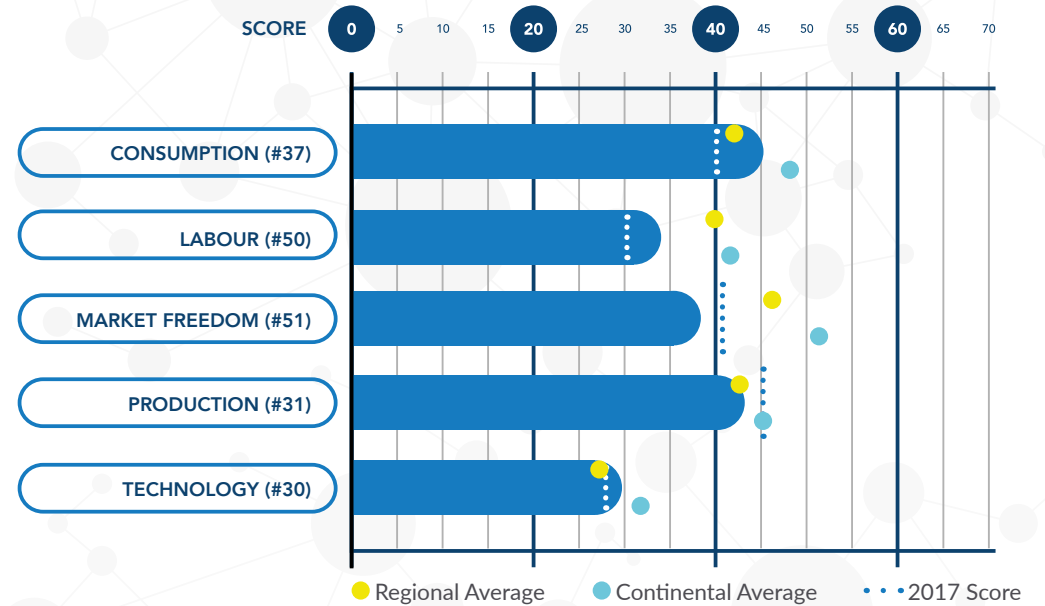
Although most of Sudan's former oil reserves are now in South Sudan, some oil remains, along with a well-developed refining industry. Before the discovery of oil, the agricultural sector was the economy's mainstay.

Even today, Sudan is the world's leading exporter of gum arabic, producing up to 80% of the world's supply annually. About 16% of Sudan's landmass of 1,861,464 km² is arable and is currently being put to use to grow a variety of agricultural products like cassava, cotton, grains (such as millet and sorghum), fruits (such as bananas, mangoes and papaya), livestock, peanuts, sesame seeds and sugarcane. Nearly 19,000 km² of land is currently under irrigation.

Industrial activity is restricted to areas where workers reside, which is the greater Khartoum environs and along the two Nile rivers. Because of the Blue and White Niles, Sudan is able to generate two-thirds of their electricity by hydro-generation and only one-third by burning fossil fuels. This frees more oil for export. The mining sector is defined by small reserves of chromium ore, copper, gold, iron ore, mica and tungsten.

A poor business environment saw Sudan record a two position drop in the Business quadrant. The country remains in the bottom 10. From a ranking of 46th in the previous period of review, Sudan is currently ranked in 48th place.

BUSINESS SCORES & RANKINGS



BUSINESS DATA COMMENTARY

| | | | |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|--------------------------------|
| <p>Sudan data availability 51.65%</p> | REGIONAL AVERAGE 70.97% | AFRICAN AVERAGE 77.78% | CONTINENTAL RANK #45 |
| | The lowest of all quadrants, Sudan scores 51.65% for business data availability, thus ranking 45 th continentally. This falls considerably short of both the regional average for Eastern Africa, currently at 70.97%, as well as the continental average of 77.78%. At present, political and economic conditions are not entirely supportive of commercial development in Sudan, with most business being concentrated in the petroleum sector. The resulting lack of reliable business data necessitates efforts at enhanced coverage. | | |

BUSINESS STATISTICS

| | | | |
|---------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------|------------------------------------------------|
| % POPULATION IN URBAN CENTRES 34.6% (#39) | LABOUR FORCE IN MILLIONS 11.15 million (#15) | INDUSTRIAL PRODUCTION GROWTH 2.5% (#33) | PRIME LENDING RATE 11% (#17) |
| % ADULTS WITH A BANK ACCOUNT 15.27% (#41) | ANNUAL AIR PASSENGERS 0.33 million (#24) | MOBILE SUBSCRIPTIONS 70.26 per 100 (#36) | NATIONAL 3G COVERAGE 45.9% (#33) |

SUDAN ECONOMIC ANALYSIS



ECONOMIC OVERVIEW

Although the energy industry is Sudan's major revenue earner, agriculture employs four out of five Sudanese people. Oil revenue is maintained through pipeline and refinery fees to transport and process South Sudanese oil. South Sudan is landlocked and consequently must use Port Sudan to export their oil production. Despite the separation of South Sudan, Sudan still has reserves of oil on their own soil. An economic rehabilitation package compiled by the International Monetary Fund has been followed since 1997, which features macroeconomic and regulatory reforms. Upon the independence of South Sudan, Sudan introduced a new currency, which retained the name of the Sudanese pound. The currency was devalued in 2012 as a part of a rigid programme that ended

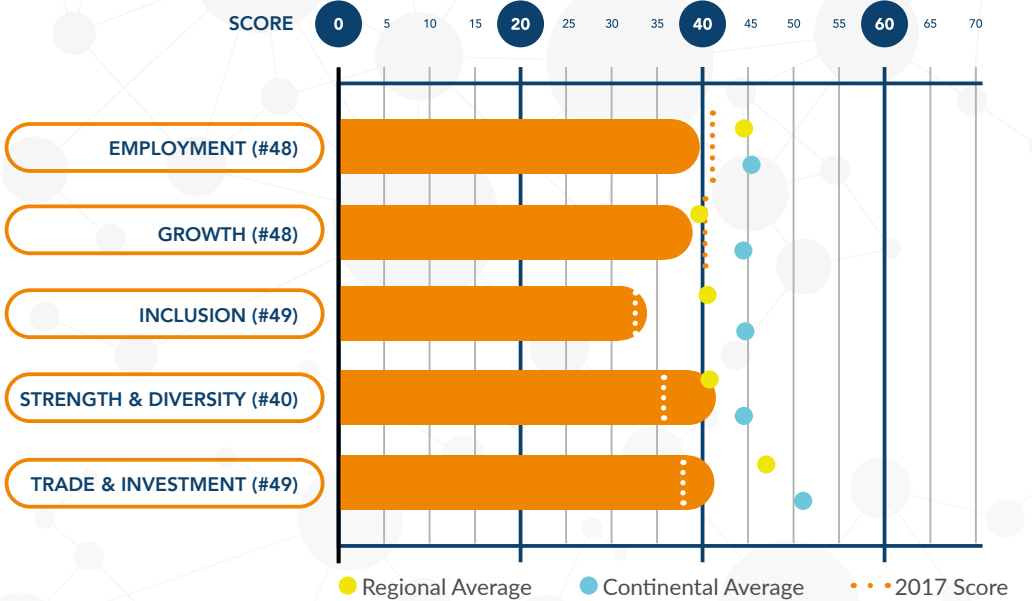
fuel subsidies but has been ineffective against inflation. In 2018, inflation soared to 73% from 69% in 2017.

Spending priority is the military, although the amount of state funds used to support the army is not known. Sudan is ideally situated to expand their agricultural production, including the expansion of harvesting fisheries along their coast and using trade bloc memberships to boost exports in Africa. Sudan declined by one position in the Economics quadrant from the previous review period. The Sudanese economic performance has dropped to the bottom five of African countries, to 50th place. Economic liberalisation expected with the establishment of a civilian government should positively affect economic performance.

ECONOMIC DATA COMMENTARY

| | | | |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------------------------------|
| <p>Sudan data availability 52.14%</p> | <p>REGIONAL AVERAGE 69.37%</p> | <p>AFRICAN AVERAGE 77.78%</p> | <p>CONTINENTAL RANK #46</p> |
| | <p>Closely paralleling the previous quadrant, Sudan scores a relatively low 52.14% for economic data availability, thus ranking 46th continentally. This too falls significantly short of the respective regional and continental averages of 69.37% and 77.78%. In addition to existing deficits in governance and administration, Sudan is also subject to considerable political instability, thereby impeding total economic transparency. At present, Sudan has an operational data portal sponsored by the African Development Bank.</p> | | |

ECONOMIC SCORES & RANKINGS



ECONOMIC STATISTICS

| | | | |
|-------------------------------------------------------|------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------|
| <p>GDP PER CAPITA</p> <p>US\$ 4,600 (#18)</p> | <p>UNEMPLOYMENT RATE</p> <p>12.8% (#44)</p> | <p>TRADE BLOC MEMBERSHIP</p> <p>AFTZ, COMESA</p> | <p>INFLATION RATE</p> <p>26.9% (#50)</p> |
| <p>GDP AT PPP</p> <p>US\$ 187 billion (#8)</p> | <p>CURRENCY AND GOLD RESERVES</p> <p>US\$ 0.5 billion (#30)</p> | <p>FDI NET INFLOWS</p> <p>US\$ 1,065 million (#14)</p> | <p>BUDGET SURPLUS (+) OR DEFICIT (-)</p> <p>-4.4% (#28)</p> |

SUDAN POLITICAL ANALYSIS



POLITICAL OVERVIEW

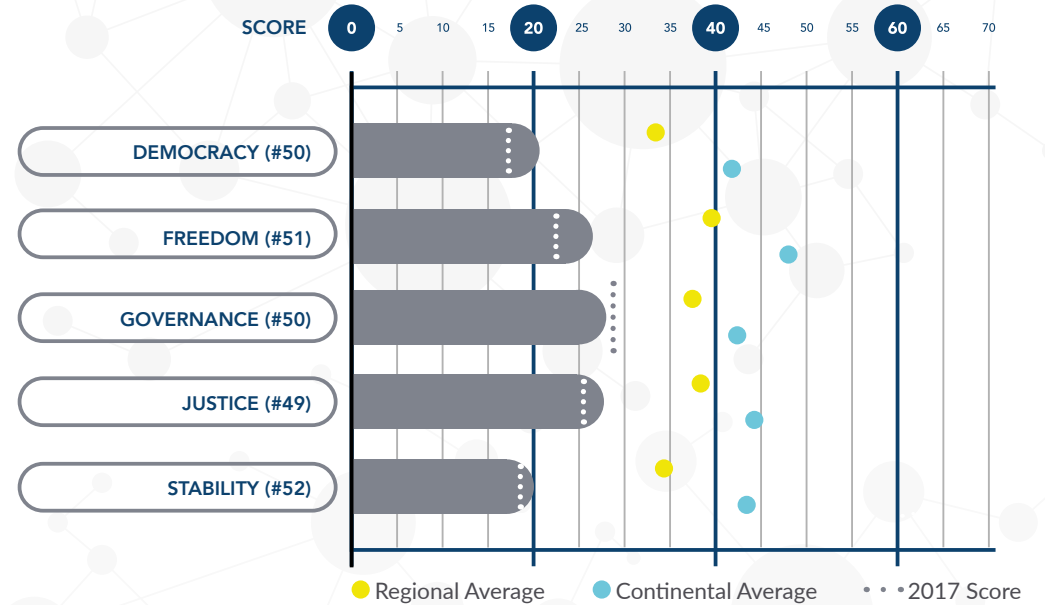
Sudan is ranked among the world's 10-most corrupt countries in Transparency International's World Corruption Perception Index released in January 2019. Before his overthrow by his own military in April 2019, Bashir was an exemplar of a dictator. Seizing power in a 1989 military coup d'état, he secured power in three subsequent elections that were considered to be so corrupt that they were designated as illegitimate by international observers. Bashir oversaw a war in the country's Darfur region that displaced 2.5 million and killed up to 400,000 people. Human rights are unknown under his rule, and in 2009, Bashir became the first sitting head of a government to be indicted by the ICC for the war crimes committed in Darfur, where he allegedly orchestrated

mass killings, rapes and the pillaging of the civilian population.

In late 2018, unprecedented public demonstrations occurred in various urban centres in Sudan to protest government's economic policies. However, by January 2019, protestors were demanding that Bashir step down. Security forces have resisted the protests, but in the end effected Bashir's removal.

Due to an easing of international sanctions against the country, Sudan rose one position in the ACBR 2019 Politics quadrant. From 52nd place in the last survey, the country is now 51st. Sudan remains in the bottom five, but is certain to rise in the post-Bashir era.

POLITICAL SCORES & RANKINGS



POLITICAL DATA COMMENTARY

| | | | |
|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|--------------------------------|
| <p>Sudan data availability 71.63%</p> | REGIONAL AVERAGE 74.88% | AFRICAN AVERAGE 82.86% | CONTINENTAL RANK #42 |
| | <p>Not surprisingly, Sudan, which has long been embroiled in heated conflict and attracted widespread international attention, scores highest for political data availability, registering at 71.63% with a continental rank of 42nd. Despite this, however, it still falls short of the respective regional and continental averages of 74.88% and 82.86%. At present, violent political repression is commonplace under Omar al-Bashir's regime, with civil society and the media facing severe restrictions.</p> | | |

POLITICAL STATISTICS

| | | | |
|-----------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------|
| NUMBER OF POLITICAL PARTIES 13 (#19) | MILITARY EXP AS % OF GDP 3.5% (#42) | REFUGEE INFLOW 885,306 (#30) | NUMBER OF RIGHTS 49 (#29) |
| DATE OF INDEPENDENCE 01/01/1956 | NET OFFICIAL DEVELOPMENT ASSISTANCE US\$ 810 million (#21) | WOMEN IN PARLIAMENT 30.5% (#14) | CAPITAL PUNISHMENT Permitted |

SUDAN SOCIETAL ANALYSIS



SOCIETAL OVERVIEW

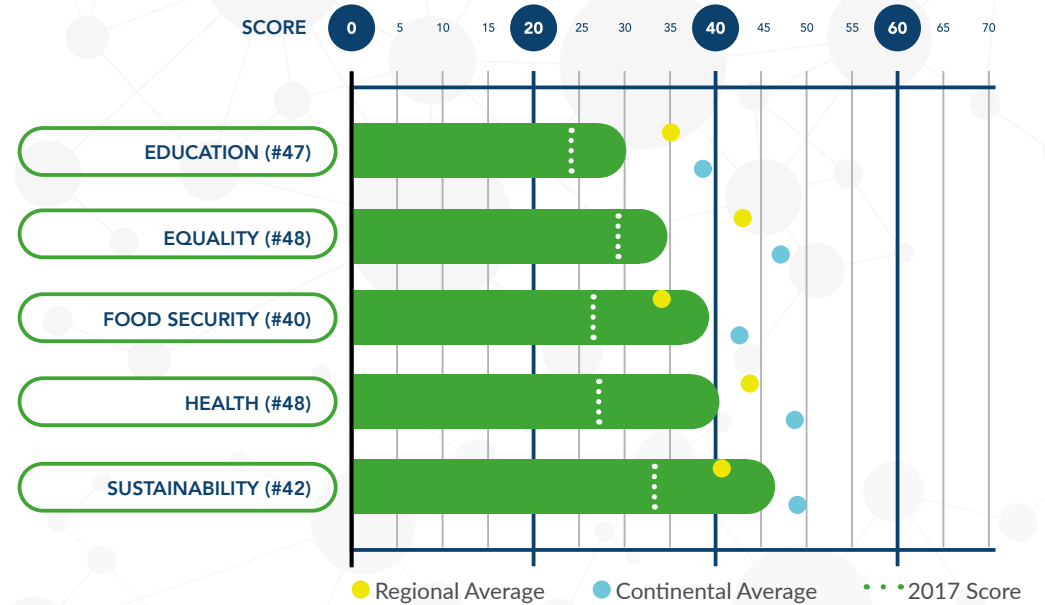
Due to civil war and periodic famine from 1983 to 2015, two million Sudanese died, many allegedly killed on the orders of Bashir. During this period, 200,000 Sudanese were also forced into slavery, their fate remaining unknown today. The Sudanese people who have fled the country to escape conflict, starvation and the Bashir regime number 3.2 million. Human Rights Watch has reported "Sudan's government has committed mass killings, forced millions from their homes, and used rape as a weapon of war. It has bombed children and schools and starved civilians as a counter-insurgency strategy."

The Sudanese people primarily reside along the two Nile rivers, which converge at Khartoum. A small percentage are nomadic

herders in the sparsely populated desert areas. About half (47%) of the Sudanese people live in poverty. Exactly one-third (33%) of all children are underweight, and hunger is expected to rise due to persistent drought. There is a high risk of bacterial diseases, like diarrhoea and typhoid. While 44% of urban and only 13% of rural residents have toilets and running water in their homes, one-third of urban occupants and half of rural dwellers do not have access to clean water.

Sudan achieves its highest rise in the Society quadrant. From 49th in the last survey, the country now occupies 46th place. However, Sudan stays in the bottom 10 of African societies.

SOCIETAL SCORES & RANKINGS



SOCIETAL DATA COMMENTARY

| | | | |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------------------------------|
| <p>Sudan data availability 57.14%</p> | <p>REGIONAL AVERAGE 63.78%</p> | <p>AFRICAN AVERAGE 75.28%</p> | <p>CONTINENTAL RANK #44</p> |
| | <p>In terms of societal data availability, Sudan currently registers a score of 57.14% and has a corresponding continental rank of 44th. As with the previous quadrants, this too falls below the respective regional and continental averages of 63.78% and 75.28%, thereby reinforcing low overall performance. In addition to the social destabilization caused by war, Sudan currently exhibits high levels of poverty and related development challenges. With societal data currently lacking, future development will require improvement.</p> | | |

SOCIETAL STATISTICS

| | | | |
|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------------------------------------------------------------------------|------------------------------------------------------------|
| <p>POPULATION SIZE AND GROWTH RATE</p> <p>37,345,935 at 1.64% p.a (#10) (#14)</p> | <p>LIFE EXPECTANCY</p> <p>64.4 (#17)</p> | <p>HIV PREVALENCE</p> <p>0.2% (#44)</p> | <p>SEXUALITY TOLERANCE</p> <p>Death Penalty</p> |
| <p>ACCESS TO DRINKING WATER</p> <p>55.5% (#46)</p> | <p>HEALTH EXPENDITURE (% OF GDP)</p> <p>6.31% (#20)</p> | <p>PRIMARY EDUCATION EXPENDITURE (% OF GDP)</p> <p>N/A (#N/A)</p> | <p>SOCIAL MEDIA PENETRATION</p> <p>8% (#33)</p> |

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