Rift Valley Institute
MAKING LOCAL KNOWLEDGE WORK

POLITICAL ECONOMY OF CASH AND MARKETS IN SUDAN

Omer Egemi and Calum McLean October 2025

Political economy of cash and markets in Sudan

The research provides a snapshot of the war in Sudan in the period from February to April 2025. However, the war is dynamic, with political alliances and territorial control changing.

Acknowledgements

The research was carried out and report written by Omer Egemi and Calum McLean, assisted by researchers in Sudan. The authors gratefully acknowledge peer review feedback from Margie Buchanan-Smith, Munzoul Assal, Musa Adam Abdul-Jalil, Mark Bradbury and Harry Cross. Joel Otieno provided project management support. The report was edited by Jason Mosley.

The Rift Valley Institute

The Rift Valley Institute works in Eastern and Central Africa to bring local knowledge to bear on social, political and economic development.

Cover photo

Degalo market, Khartoum.

Design

Sue MacDonald, SMD Design

Contents

Map

Base map data source: OpenStreetMap

Background

The April 2023 conflict between the Sudan Armed Forces (SAF) and the paramilitary Rapid Support Forces (RSF) marks the most horrible chapter in Sudan's modern history. Although the epicentre of the conflict at the beginning was the capital city of Khartoum, the fighting advanced quickly into other regions, especially in western Kordofan and Darfur. These areas have since remained strongholds of RSF. Meanwhile, other rebel groups, especially the SPLM-N (al-Hilu) have seized the opportunity to re-activate armed opposition to the Government of Sudan, particularly in Blue Nile and South Kordofan states.

The conflict has its roots in the competition over the control of the state and its resources. It has been catastrophic, plunging the country into the world's largest displacement and humanitarian crisis.[1] More than 12.9 million people (27 per cent of the population) have been displaced and 30 million people (more than 60 per cent of the population) need lifesaving aid.[2] In Kordofan and Darfur it has left civilians trapped, starving and without the basics they need for their survival. Social services have collapsed. Public and private properties, including banks, have been looted and the country's industrial base severely damaged. Financial networks and information and communications technology (ICT) are down or are severely restricted, with disastrous impacts on food security and livelihoods. Education, health and water infrastructure has been decimated resulting in the rapid spread of cholera, measles and other diseases.[3]

This study analyses the political economy dynamics shaping this crisis landscape, with particular focus on aspects affecting cash and markets. Sudan's economy is largely controlled by warring parties. There is a need to ground the design of assistance within this reality for two aims: 1) maximizing support to marginalized populations and 2) limiting ways in which aid enriches parties to the conflict and further entrenching existing power dynamics. The study covers Khartoum, the political and economic hub of the country, and the two regions of Kordofan and Darfur that comprise the western part of the country. In the time since data was collected, the Khartoum context has shifted as SAF regained control of the city in May 2025. The study draws on a combination of quantitative and qualitative primary data collected through direct fieldwork covering 39 primary, secondary and terminal markets using individual and group interviews, key informant interviews, case studies and mapping. In total, 338 individuals (218

1 Danish Refugee Council, 'Global Displacement Forecast Report 2025', 16 March 2025. Accessed 25 September 2025, https://reliefweb.int/report/sudan/global-displacement-forecast-report-2025.

2 OCHA, 'A call to action for protection and accountability for the people of Sudan, 12 June 2025. Accessed 25 September 2025, https://www.unocha.org/publications/report/sudan/call-action-protection-and-accountability-people-sudan-statement-tom-fletcher-under-secretary-general-humanitarian-affairs-and-emergency-relief-coordinator-12-june-2025.

3 OCHA, 'A call to action'.

males and 120 females) participated. Field research took place from February to April 2025. Limited market access, insecurity, the sensitivity of information, and a high degree of mistrust around information sharing were significant challenges.

Geographic overview

Sudan is a geographically and culturally diverse country occupying a strategic location bordering the Red Sea, the Sahel, North Africa and the Horn of Africa. With 6,819 km of porous borders, the country is an important link in both licit and illicit trade routes across the Sahara and Sahel, and serves as an origin, transit and destination for migrants from across Africa. The country today is more divided than ever, marked by geographical, social and ethnic polarization, and deep developmental inequalities. Despite rapid urbanization, it remains predominantly rural in its social and economic structures with agriculture and pastoralism being the source of income for over 65 per cent of the population.[4] Furthermore, the country relies heavily on extractive resource sectors, with 97 per cent of commodity export earnings originating from gold, oil, farms, pastures and forests between 2014 and 2019. Natural resources also underpin other sectors of the economy, including manufacturing, trade, transport and many small-medium enterprises (SMEs). The reliance on natural resources has led to competition and conflict over scarce resources, particularly between pastoralists and farmers, which has been exacerbated by the succession of South Sudan in 2011, politicization, and increasing levels of climate stress.

At the start of the war, the RSF broke with their former allies in the SAF and sought to take national power. Although they have failed to advance beyond the capital and the centre of the country, the RSF rapidly conquered territory in Darfur, where it has historically been based, and has consolidated a significant independent economic base. This has resulted in a renewal of the ethnic conflict seen in the previous Darfur war, which has been increasingly extended into Kordofan. In particular, 'Baggara Arabs' (cattle herding tribes) such as the Rizegat and Misseriyya have aligned themselves with the RSF, with other non-Arab Darfuri ethnicities such as the Fur, Masalit, and Zaghawa aligning with the SAF. At this current stage of the conflict, the SAF control most of eastern and northern Sudan while the RSF control their heartland areas of Darfur, while the Kordofan's remain contested.

Khartoum State

Khartoum State is the most urbanized part of Sudan and is made up of the three cities of Khartoum, Omdurman and Bahri (Khartoum North). Rural areas to the east, south and north—where an estimated 21 per cent of the state's population who depend on agriculture as their livelihood reside—were most accessible during the study. Khartoum has long been the political and commercial hub of the country, where power and wealth are concentrated. Prior to the

4 FAO, 'Special Report: 2023 FAO Crop and Food Supply Assessment Mission (CFSAM) to the Republic of the Sudan', 19 March 2024. Accessed 25 September 2025, https://doi.org/10.4060/cd0053en.

war, the state hosted two-thirds of Sudan's manufacturing and 44 per cent of bank branches.[5] It was also the largest market for agricultural crops and livestock,[6] the hub of the national road network, and the trading and redistribution hub for the country as a whole. The dominance of Khartoum over power and wealth, at the expense of the peripheries, has been a deep root of instability since independence in 1956.

Darfur

Darfur is Sudan's largest region comprising of five states (North, South, West, Central and East) and their respective state capitals (El Fashir, Nyala, El Geneina, Zalingi and El Deain). It occupies an important geopolitical location bordering the Sahel and Mediterranean countries. It has porous borders with Libya, Chad, the Central Africa Republic and South Sudan that have made it an important route of cross-border trade, particularly from West Africa. There is a broad cultural diversity, with many ethnicities and languages. Crop farming—including of groundnuts, sesame, tombac (chewing tobacco) and watermelon—and pastoralism are the two fundamental livelihood systems, often driving tensions between sedentary farming communities such as Fur, Masalit, Dago and Tungur and predominately Arab pastoralists, who are divided between camel herding groups (Abala) in the drier northern part of the region and cattle herders (Baggara) towards the humid southern parts. Furthermore, the regions rich gold resources, particularly in Jebel Amir in North Darfur and the Sonjo area in South Darfur, are key revenue streams for the RSF. Conflicts over land, water, grazing rights and gold have long marred the area and there has been a near perpetual state of conflict since 2003.

The ethnic make-up of the area and the consistent conflict has created a complex array of armed actors some of whom control territory, including the Joint Protection Force (JPF)—formed in April 2023 by a collection of 2020 Juba Peace Agreement (JPA) signatories and led by the former regional governor Minni Minnawi controlling parts of North Darfur—and the Sudan Liberation Movement-Abdul Wahid (SLM-AW), who control the Jebel Marra area of Central and North Darfur. Both areas have played a key roll in establishing both humanitarian access and trade links to key places such as El Dabba in Northern Sudan. While SLM-AW remains unalligned, the JPF abandoned their neutrality in November 2023 to fight alongside the SAF.

Kordofan

Kordofan comprises three states—North, West and South—lying between Darfur and the Nile valley. North Kordofan exhibits a typical Sahelian zone with reccurent drought, while conditions improve in South and West Kordofan, where poor and rich savanna alternate along the border

5 Elfatih Ali Siddig, 'The impact of Sudan's armed conflict on the fiscal situation and service delivery', UNICEF Sudan, November 2023. Accessed 25 September 2025, https://www.unicef.org/sudan/media/13276/file/The%20Impact%20of%20Sudan's%20Armed%20Conflict%20on%20the%20Fiscal%20Situation%20and%20Service%20Delivery.pdf.

6 Zhe Guo, Hala Abushama, Khalid Siddig, Oliver K. Kirui, Kibrom Abay and Liangzhi You, 'Monitoring Indicators of Economic Activities in Sudan Amidst Ongoing Conflict Using Satellite Data', *Defence and Peace Economics* 35:8 (2024): 992–1008. DOI: 10.1080/10242694.2023.2290474

with South Sudan. The region is culturally diverse with the Nuba people of the Nuba Mountains forming a majority in South Kordofan, while Arab groups predominate in the two other states. The Nuba are mainly farmers, while the rural population of North and West Kordofran are mostly pastoralists and agro-pastoralists. However, these groups and livelihoods have been integrated in wider systems of exchange facilitated by livestock mobility and the development of market systems.[7] Weekly markets (known as *Umdawarwar*) are widespread and provide avenues for exchange and trade. Kordofan and Darfur are the major livestock-producing and exporting regions, in addition to other export crops such as sesame, groundnuts and hibiscus. North Kordofan is also the world's leading source of gum arabic.

After six years of relative calm following the implementation of the Comprehensive Peace Agreement in 2005 which ended the civil war in southern Sudan (now South Sudan), conflict—led by SPLM-North (al-Hilu)—resumed again in 2011. In the current conflict, the Kordofan region has been attacked by the RSF. El Obeid, the capital of North Kordofan and the historic market link between western and central Sudan, has been under siege, with its hinterland controlled by the RSF. South Kordofan remains divided, with the SPLM-N large areas, especially Kauda and areas to the west of Kadugli and Delling, while SAF control Kadugli and Delling town, and the eastern Nuba Mountains.

El Dabba

El Dabba is located along the Nile in the Northern State. As Khartoum's commercial hubs were disrupted due to fighting, trade routes have been rerouted to connect markets in Kordofan and Darfur to Egypt and other parts of Sudan via El Dabba. These were old and historic routes, primarily dirt tracks such as the *Darb Al Arbaeen* (Forty-days Road). Mellit (60 km north of El Fashir) in North Darfur was an important land transport hub linking Darfur to Libya and El Dabba. The RSF capture of Mellit in April 2024 allowed it control over cross-border trade, particularly from Libya, enabling the smuggling of fuel and weapons vital to the conflict. This chokehold on trade and resources exacerbated the seige of El Fashir, amplifying its vulnerability while obstructing access to critical provisions such as food and medicine across Darfur.

7 Leif Ole Manger, 'Roots of Conflict In North Kordofan, North Darfur and Sobat Basin of Upper Nile State', Report to UNDP Sudan, July 2003. Accessed 25 September 2025, https://sudanarchive.net/?a=d&d=SLPD20030700-01.1.1.

Study findings

Checkpoint economy

As in many war contexts, checkpoints have proliferated along trade routes. Established by different actors—including the Rapid Support Forces (RSF), Sudan Armed Forces (SAF), Joint Protection Forces (JPF), militia groups, tribal groups and various gangs and bandits—they constitute part of the war economy by establishing zones of control and security, and a means to control trade routes, markets, and supply chains. Checkpoints provide a means for controlling markets through monopoly, and a means of revenue generation. Checkpoints, as a cost driver, are also a major contributor to changes in trade routes, the disruption of local trade, increased food prices and insecurity, and the stagnation of local markets—exacerbating the existing vulnerabilites of the population across the country.[8]

In North Darfur, before the RSF took control of Mellit in April 2024, 23 checkpoints were established between El Dabba and Mellit, the main trade route between Darfur and the Nile, and 11 checkpoints on the Kufra–Mellit route between Sudan and Libya; all of which were managed by JPF.[9] Heavy levies were imposed. In April 2024 a high fee, equivalent to SDG 75,000 on average,[10] was imposed on the single cargo truck at each of the 23 checkpoint points along the road between El Dabba and Mellit in North Darfur. According to SPARC (Supporting Pastoralism and Agriculture in Recurrent and Protracted Crises) the transport cost of 30-ton trucks of wheat flour between El Dabba and North Darfur in January 2025 was approximately USD 3,000, including official taxes, checkpoint fees and security escorts.[11] In March 2025, there were 45 checkpoints along the 170 km of the El Geneina–Nyala road linking Chad and South Darfur, and 15 checkpoints existed between Nyala town and Ed El Fursan within South Darfur (90 km). Unofficial taxes and fees are collected at many of them, leaving businesses to face a choice of squeezing profit margins or passing on costs to end consumers. Generally, they result in higher prices of goods and services.

8 These dynamics also extend across the Sudan-South Sudan border. See Nicki Kindersley, '"The Fuel is Us": Water, oil and debt on the sudan-south sudan borderlands', Nairobi: Rift Valley Institute, 2025. Accessed 25 September 2025, https://riftvalley.net/publication/the-fuel-is-us-water-oil-and-debt-on-the-sudan-south-sudan-borderlands/.

9 Sudan Transparency and Policy Tracker (STPT), 'The Military, Economic, and Humanitarian Consequences of the RSF's Control of Mellit, North Darfur', May 2024. Accessed 20 June 2025, https://sudantransparency.org/the-military-economic-and-humanitarian-consequences-of-the-rsfs-control-of-mellit-north-darfur/.

10 STPT, 'The Military, Economic, and Humanitarian Consequences'.

11 SPARC, 'Darfur's Long-Distance Trade: Impact of war and Rapid Support Forces' trade embargo', Issue Brief, April 2025.

Table 1: Snapshot: Levies and taxes imposed on crop trucks to El Nuhud auction market

LEVIES/FEES/TAXES	VALUE (SDG)	BENEFICIARIES
Levies along highways and roads	2.5 million	RSF & *Shafshafas* & tribal leaders
Ransom on abducted/arrested individuals	5 million	RSF
Ransom on vehicles	3 million	RSF
Ransom on commodities	5 million	RSF
Civil armed guards	2 million	Civil armed guards
Tax on business returns	SDG 200/Kantar, groundnuts/ sesame & watermelon seeds 2,000 for Kantar gum arabic	Taxation Bureau
Alms fees (Zakat)	SDG 1,800/Kantar for each crop	*Zakat* Bureau
Fees for Forest National Corporation	SDG 1,810/Kantar of each crop	Forest National Corporation
Fees on crops marketing/ Kantar	SDG 1,810 for each crop	El Nuhoud locality

Source: Field survey, March 2025

While the inconsistent and informal nature make it difficult to quantify the full range of taxes and fees imposed on trade and traders, field data from El Nuhud auction market in West Kordofan (Table 1) provides a snapshot of payments imposed on a cargo truck of cash crops.[12] On top of these costs, transporters must also pay increased fuel and operational costs, deal with changing trade routes and manage pervasive insecurity. All of which contribute to significantly inflated real transportation costs, which fall on the end consumers—who already face significantly reduced purchasing power due to inflation and currency devaluation. Field data shows that since the conflict began, transport between Nyala and El Dabba in northern Sudan has increased in cost by 200 per cent, and Nyala to Omdurman by 300 per cent. Similarly, there has been a 200 per cent increase in the transport cost between the five state capitals of Darfur. While it is clear that a vibrant war economy has emerged, it is difficult to quantify how much of the checkpoint economy is a result of the general state of lawlessness and is ending up in the hands of criminals and opportunists, versus how much is coordinated by parties to the conflict and ending up in war coffers.

Key takeaways

Checkpoints should serve to secure and control territory. In Sudan, they tend to operate both to enforce social exclusion as well as to generate revenue for local armed actors and parties to the

12 The black market exchange rate in March 2025 was fluctuating around USD 1=SDG 2,600 (compared with USD 1= SDG 1,315 in April 2024).

conflict. The proliferation of checkpoints is financing the activities of armed groups across the areas studied. The same system of levies increases the costs of basic goods and market access for the majority of the population. However, it is difficult to determine how much of the profit ends up in the hands of parties to the conflict.

Conflict impact on markets, trade and businesses

The disruption of markets and trade has been among of the most devastating impacts of the conflict and has shifted the pre-war architecture in the three regions. Some markets have declined, others are resilient and new ones have emerged—providing three categories for consideration.

Markets in decline

This is the largest share of markets, and includes markets where businesses have been seriously disrupted, and access significantly curtailed; markets that have been abandoned because of population displacement; and markets that have been completely destroyed. In Khartoum, central markets in areas of significant fighting have been most seriously affected, disturbing both domestic and international trade as well as local employment. Larger businesses and hubs—including factories and warehouses, large and small trading centres and malls, electronic shops, and the gold market—were looted, destroyed or forced to close. Sabreen market in Omdurman, for example, was completely destroyed by SAF shelling in early 2025. Some markets have also failed due to the forced eviction of the population, as seen in the case of El Ailafoun along the eastern bank of the Blue Nile.

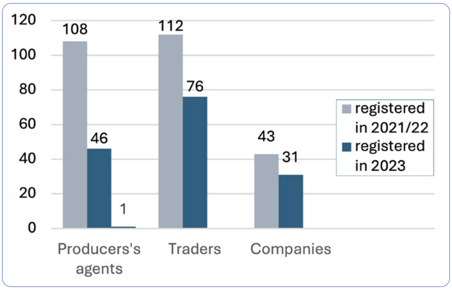
In North Kordofan, El Obeid crop market—the country's largest marketing centre for cash crops such as gum arabic, sesame, groundnuts and hibiscus—has been significantly disrupted, together with the livestock market, which was previously the largest market in the country for camel trading. Records of El Obeid Crops Market show that the number of major actors in the crop market has also declined significantly when comparing figures for pre-conflict situation in 2022 with the post-conflict situation in December 2023 (Figure 1). This is the result of the RSF siege of El Obeid and the associated road closures which isolated the city from its hinterland and the main markets in central Sudan. Weekly rural markets (*Umdawarwar*)—once central to Kordofan's economy and the supply of livestock and tradeable crops to central markets—have been disrupted or shut down following displacement and insecurity. In North Kordofan, some 422 villages—most of them central with weekly markets—have reported large-scale pillaging.[13] The disruption of these markets, as in other regions, has disproportionately affected women by denying them important economic opportunities. Women had previously played key roles in petty trading and catering in these markets.

13 Muhammad Abd Albagi, 'Tendalti: A new commerce centre threatened by war', *Atar: Sudan in Perspective,* Issue 6, June 2024.

Markets, in terms of both physical location and infrastructure, have become a target for attack by both SAF, usually through aerial bombardment, and by RSF, usually through shelling. This had been the case in Nyala, Darfur, the second largest city in the country after Khartoum. It has resulted in severe damage to the market's infrastructure. Many businessmen and wholesale traders have been pushed out of business while the majority of manufacturing firms have also ceased functioning, leaving many people jobless. The main road linking Nyala to El Fashir, the lifeline of the city, was closed immediately after the eruption of the conflict, impacting the city severely. Traded and stored commodities are a target for looting, and the labour market has significantly dwindled. The rate of bankruptcy among wholesale traders and processors are reportedly high, as their assets and properties have been plundered. Large-scale displacement also means a remarkable decline in demand for goods and services in the city. This has strained Nyala market and resulted in high levels of distortion.[14]

In West Darfur, out of 39 markets mapped in El Geneina town, Serba Locality, Baida Locality, Kerenink Locality, Selia Locality and Jabal Moon Locality, 90 per cent of markets have either totally ceased functioning (41 per cent) or are only partially functioning (49 per cent). In North Darfur the situation is worse. Data collected on 29 markets in El Fashir Town and El Fashir Locality shows that 58.6 per cent have ceased functioning with the remaining 41.4 per cent only partially functioning. Markets such as Al Zorg market in the far northern part of the state and Turra market in Jebel Marra area of Central Darfur have been completely destroyed as a result of aerial bombardment and shelling by SAF.

Figure 1: Registered market actors for gum arabic and other crops in El Obeid Crop Market (Dec 2022-Dec 2023)



Resilient markets

Although many commercial activities have slowed due to the breakdown in supply chains from Khartoum and other hubs such as El Obeid, many markets remain functionally resilient. These are typically markets where political authority has been stable and are distanced from active front lines. This includes markets at the rural and peri-urban peripheries of Khartoum State, but also markets in South Kordofan, West Kordofan and South and East Darfur. In South Kordofan, this includes the urban markets in the eastern part of the state under SAF control—El Abbasiyya, Rashad, Abu Gubeiha, Kalogi and Talodi—as well as markets that are under the control of SPLM-N (al-Hilu), such as Kauda, El Liri, El Faidh, Haiban, and markets in western

14 SPARC, 'Darfur's Long-Distance Trade'.

Kadugli and El Delling Localities. Supply routes from South Sudan have helped sustain markets under the control of SPLM-N. Despite the upheaval, these markets have endured albeit with high levels of distortion caused by disrupted supply chains, roads closures and the isolation from main markets in Khartoum and central Sudan.

In South Darfur, most rural and urban markets outside of Nyala have remained safe in terms of infrastructure. In November 2023, the RSF took control of El Deain through a mediated agreement for the withdrawal of SAF. While primarily enabled by ethnic dimensions and power, this relatively non-violent transition of authority had implications on markets, trade and population movements in the state. Field data shows that groups from North and South Darfur fled across front lines into East Darfur seeking relative security. The influx of displaced people, the arrival of luxury goods looted from Khartoum and Gezira, and continued flows of goods to and from South Sudan resulted in flourishing local markets and trade. In South Darfur, population movement from Nyala to rural areas and towns away from the frontline enhanced the resilience and revitalization of those markets.

New markets

Two types of new markets have emerged since the start of the conflict, namely: Dagalo markets and markets associated with population movement and dynamics.

Dagalo markets—named after the RSF leader—have emerged across the three regions during the conflict. Established by looters, these are generally supplied by looted goods taken from markets, malls, businesses, warehouses and homes—especially in Khartoum and Gezira—where front lines shifted rapidly in 2024. Looters include RSF and SAF soldiers, as well as freelance looters (known as *shafshafa*). The goods that can be found in these markets range from stolen electronics, appliances and household utensils to higher value and illicit items such as cars, weapons and drugs.

In Khartoum, Dagalo markets are found in many neighbourhoods including Mayo, Salama, Jebel Aulia and Idd Hussein; Sabreen (also called El Burhan market, after the SAF leader) and Halaib in Omdurman; and Haj Yousuf and Izba in Khartoum North. In North Kordofan, they are widespread in different urban and semi-urban areas including El Obeid, Jabrat El Sheikh, Hamrat El Wiz, Um Garfa, Grejekh, Reheid El Nuba, Ban Jaded, Um Arada and Bara. El Mazroub in particular, a key trade hub on new trade routes linking West Sudan to the Nile. In West Kordofan, homeland of the Misseriyya tribe—one of the RSF's main constituencies and suppliers of fighters—Dagalo markets are well-established in El Fula, El Muglad, Babanousa and El Debab. El Neaam market on the border with South Sudan has become a major cross-border trade centre. El Deain in East Darfur is generally described as the largest Dagalo market in the country. This is largely attributed to a majority of RSF fighters being drawn from the Rezigat tribe, for whom El Deain is a base of tribal authority and economic power. Luxury goods and commodities such as new cars, machinery, electronics and furniture are sold. Data also indicates that valuable looted goods from Sudan, especially cars, can be found in Chad, Central

African Republic and South Sudan.[15] Because of the spontaneous nature of these markets, they tend to lack organizational and management structure, and they are open to all interested actors, sellers and buyers. This has made these markets accessible to various actors including those associated with SAF as well as with RSF. The actors are, however, mostly young males in the 18–35 age group. The buyers are ordinary citizens, including women, who are purchasing furniture and utensils and are attracted by the comparatively cheap prices of the goods sold.

New markets associated by population movement and dynamics: Data from Darfur show that population movement from the state capital of Nyala to the rural areas—in contrast to what happened during the conflict in 2003—has resulted in the emergence and persistence of new markets in relatively secure areas. These markets have flourished due to the increased demand for goods and services associated with the increase in population and contributed to the creation of new economic activities in these areas.

Key takeaways

Armed conflict, mass displacement and shifting territorial control have led to the decline of some markets and the emergence or expansion of others. The destruction of pre-war hub markets and displacement has resulted in peripheral market growth around new trade routes and customer bases. The conflict has also created new and active markets for looted goods. The sites of new markets create opportunities for the groups capable of accessing these locations.

Change in trade routes

Khartoum and Omdurman used to host key redistribution markets for Sudan. Front lines, active fighting and military embargoes have restricted access to these markets and the routes that once linked them to western Sudan. This has resulted in new routes emerging. The centuries-old trade route *Darb Al Arbaeen* ('40 Day Road') has been revived as the primary trade link between western Sudan and the Nile. In Kordofan a route linking El Obeid to El Dabba via El Mazroub has become the most important road for supplying El Obeid with goods and fuel from Egypt and Libya, creating new economic opportunities for a range of actors in North Kordofan. Other routes have been established to channel livestock for export to the Gulf and Egypt via El Dabba and to Libya via the western

> 'Before the conflict, Darfur used to export different types of Sudanese goods and services such as fuel, sugar, flour, soap, cattle, sesame and groundnuts to Central African Republic and Chad. Since the eruption of the conflict this has changed. Now, as a trader, I export cash crops to Chad to get foreign currency and from there go to Central Africa to import coffee. Unfortunately, instead of being the exporter, Darfur is currently the recipient of different types of imported goods and services.'
>
> **Cross-border trader in Nyala**

15 nilspeace, 'Tchad: N'Djamena is enriching itself on the loot of Sudan', *Mibane blog*, 30 November 2023. Accessed 25 September 2025, https://minbane.wordpress.com/2023/11/30/https-wp-me-p1xtjg-pui/.

desert, revitalizing *Darb Al Arbaeen*. Another livestock trade route starts from Um Ruwaba in eastern Kordofan to Tandalti via Al-Shigeiq in White Nile State to El-Dabba. Trade routes with South Sudan have also emerged as an integral part of the regional market system. In Darfur, even after RSF captured Mellit, a livestock route opened through Saraf Omra to the north-west of El Fashir linking South and Western Darfur to Egypt and Libya. Routes linking Um Dukhun in South Darfur to markets in Chad and the Central African Republic have also been established. Despite this, Darfur's role as a national trade transit point has diminished as it has lost its direct links with central Sudan.

These shifts highlight the resilience of trade despite the crippling effects of the conflict. Market actors continue to adapt, reorientate and navigate challenges with dynamism. Yet this resilience comes at a cost: long-distance livestock trade has diminished, while markets have become increasingly localized or have turned outwards towards Chad, Libya and South Sudan—accelerating Sudan's economic fragmentation. It also highlights a competing dynamic where neither RSF or SAF can fully control or stem commodity flows, but both sides, along with traders, extract revenue from the market system. Despite the increased cost of doing businesses, traders profit from scarcity-driven pricing and collaboration with parties to the conflict. For consumer and humanitarian actors, this resilience provides a measure of reassurance, yet it also sustains profiteering from hardship and risks rewarding predatory business behaviour.

Key takeaways

As some trade routes have closed, others have re-opened—often along historic trade axes—linking the west of Sudan with important markets in Egypt, and the east with those in Chad, Libya and South Sudan. Nevertheless, the war has diminished Sudan's internal economy, weakened east-west connections and accelerated the reorientation of trade away from a national benefit.

New actors and power dynamics

Changes in market actors were documented during the study. In the three regions, freelance looters are selling second-hand and new goods at very low prices. In El Mazroub, North Kordofan, youth from the Kababish, Dar Hamid, Majaneen and Shanabla tribes have become active traders, marking a transformation from agropastoralism to trade among those youth groups. Youth from El Obeid's suburbs are reportedly investing in housing and other assets. In South Kordofan, groups allied with RSF—such as the Hawazma, Misseriyya and Tarjam—have come to dominate markets in El Debibat, El Hajiz and Abu Zabad, despite having little prior history in trade. In East Darfur (El Deain) and West Kordofan (El Muglad and El Fula), Rizegat and Misseriyya youth—two Baggara tribes that publicly declared alignment to the RSF—have violently displaced former trade elites, many of whom originated northern and central Sudan.

Former big businessmen and wholesalers have been pushed out of the local markets and moved their businesses to places such as El Dabba, Port Sudan or other cities along the Nile. Others moved operations to countries such as Chad, Egypt, South Sudan and Uganda as increased production and transport costs has significantly weakened the competitiveness of Sudanese goods and services in neighbouring markets. This has impacted both traders and producers.

In Darfur and the Kordofan, the tribal links of new actors to the RSF provides them with preferential access to markets and shields them from looting or roadside extortion. This has allowed new trade networks to develop based on kinship, which now span geopolitical and geographic divides across Kordofan and Darfur, indicating that kinship is inherently political. According to SPARC, the emergence of a war economy and the rise of new RSF-affiliated traders began through access to illicit wealth. SPARC also noted that 'since December 2024, members of the RSF have been transporting tombac and groundnuts from Darfur to Omdurman, capitalising on the exponential price differential and the fact that they have RSF vehicles and will be exempted from the fees paid by other traders'. [16]

New structures of market control have emerged as the conflict has progressed. During the study, Khartoum markets were monopolized by the RSF while SAF controlled others, particularly El Dabba.[17] In Darfur, RSF controlled four state capitals (the RSF capture of El Fashir took place after the study). Some pockets, such as Jebel Marra and Tawila are under the control of SLA-AW. This control heavily influences the markets, for example in Kordofan, both SAF and RSF networks control livestock and cash crops such as groundnuts, sesame and gum arabic. They buy directly from small farmers or through agents, dealers and middlemen. Following an RSF ban on the export of livestock, agricultural produce and cash crops to SAF-controlled areas, RSF commanders have imposed their own terms and set transport and export prices. In West Kordofan, East Darfur and South Darfur, through their influence on RSF, allied tribal institutions act as independent economic and political structures, free of formal accountability structures and the SAF in Port Sudan. The case of the two tribal groups of Rizegat in East Darfur and Misseriyya in West Kordofan vividly illustrates that. At the same time, in West Kordofan the SAF remains in control of Babanousa, a major railway and garrison station, and El Nuhud, a crop auction market. The situation in South Kordofan is further complicated by the presence of SPLM-N (al-Hilu), who govern markets in Kauda, El Liri, El Faidh, Tagmala, Kurtala, Haiban and parts of Kadugli and El Deling. Market control relies on heavy and often erratic taxation,[18] patronage of affiliate networks of export dealers and middlemen, as well as targeted violence by field commanders who seek to control and monopolize value chains such as gum arabic, livestock and gold.

Conflict has deepened social polarization among Sudanese people, eroding the social fabric. As a result, people have retreated into geographical and tribal identities. Markets expose these divisions through increased hostility, decreased trade relations, heightened competition and greater levels of distrust between groups. Preferential treatment for supporters of the RSF in Kordofan and Darfur reflects the increasing importance of tribal affiliation in access to markets

16 SPARC, 'Darfur's Long-Distance Trade'.

17 This has since changed with SAF now controlling all of Khartoum.

18 SPARC, 'The Impact of War on Trade and Markets in Darfur: Destruction, Resilience and Adaptation', Issue Brief, 14 April 2025. Accessed 20 June 2025, https://www.sparc-knowledge.org/publications-resources/impact-war-trade-and-markets-darfur-destruction-resilience-and-adaptation.

and trade. In SAF-controlled Khartoum and northern Sudan, the concept of 'Strange Faces'[19] has excluded members of ethnic groups associated with the west of Sudan from markets and economic activity. However, the study findings from Darfur show that long-standing inter-ethnic trade relations—founded on previous business ties, inter-ethnic family ties and friendships—have remained residually intact, demonstrating resilience in doing business despite the overt public narratives of the ethnic nature of the conflict.

Key takeaways

As areas have changed political and military control during the conflict, market control has passed to new social and ethnic groups—often through violence and coercion. Nevertheless, there is evidence of resilience among pre-existing business relationships and inter-ethnic commercial networks that continue to operate despite the conflict.

Financial services

Sudan's financial system was already weak prior to the war. Efforts to digitalize financial services in Sudan before the conflict were primarily focused on urban centres, leaving peripheral areas underserved. Telecommunications companies were reluctant to invest in these regions due to economic feasibility concerns, despite agreements with the government to provide nationwide coverage.[20] Thus, even before the conflict, informal financial services like *hawala* were important in Darfur and Kordofan, while innovations such as mobile money were not established. The conflict has brought further severe disruption, with insecurity causing widespread bank closures, staff shortages, technical failures and liquidity constraints. Furthermore, parties to the conflict have deliberately sought to weaponize access to it. This has limited access to funds for individuals and businesses and has prompted a shift to informal financial systems and transfer methods. In some cases, innovative financing models and well-connected businesses with cash-flow have stepped in to maintain economic activity.

The SAF have shut down mobile and terrestrial internet in RSF controlled western areas, limiting communications and financial systems, as well as hampering humanitarian cash transfers. These areas now rely on private solutions such as Starlink and mobile banking apps such as Bankak (from the Bank of Khartoum). The Central Bank also led a transition to new currency

19 The concept was popularized by SAF and its allies to restrict access to SAF-controlled areas in northern and eastern Sudan by elements allegedly associated with the RSF. The main premise was that individuals, primarily from western Sudan and other non-Arab ethnic groups, whose facial features appeared unfamiliar or 'strange' to the local populations in these regions, would be subjected to additional scrutiny and filtered out for further investigations and restrictions of movement.

20 Tamer Abd Elkreem and Susanne Jaspars, 'Digital food assistance in Sudan: Life-saver, risk, political tool in situations of war', February 2025. Accessed 25 September 2025, https://digitalisingfood.org/wp-content/uploads/2025/02/SOAS-UoK-Sudan-Working-Paper-final-11-February-2025.pdf.

notes in SAF-controlled areas, ostensibly to squeeze and delegitimize economic activity in RSF areas, adding significant complexity amid inflation and a weakened Sudanese pound.[21]

The complexity of finance, driven by the weaponization of currency, liquidity and access to financial services, has resulted in dual pricing at the intersection of formal and informal systems. As many households in RSF controlled areas still rely on their bank accounts, administered largely in SAF areas they have to incur what could be considered as matching costs. At the time of the study, digital payments—mainly via Bankak—typically cost 6–8 per cent more than cash transactions, and conversion (cash-out) fees of 7–10 per cent (reduced from approximately 15 per cent in 2024). Informal agents also charge 5–10 per cent for transfers between banking platforms such as Fawry (Faisal Islamic Bank) and Bankak.

While formal financial services were weak before the conflict, as these formal systems falter, innovative financing models and well-connected businesses are stepping in to bolster existing informal services to maintain economic activity. However, both formal and informal systems are vulnerable to control by the warring groups and in some cases allow for direct economic interest—fuelling the war economy, empowering elite networks and worsening inequality and instability.

The formal sector

The formal financial services are overseen by SAF affiliates and therefore primarily benefit one side in the conflict with the periphery states in the country being chronically underserved—a situation that elites in Khartoum continue to exploit. In Darfur and Kordofan, banks were looted and destroyed at the start of the conflict before shuttering as the country's formal financial sector consolidated in eastern SAF-controlled territory. Customers have lost access to accounts, repayment systems and credit—eroding further already low levels of trust. The Central Bank printed money to cover military salaries which fuelled inflation and currency devaluation. The IMF projects a 20.3 per cent economic contraction.[22]

The new banknote rollout, ostensibly intended to restore stability and control inflation, is an attempt by the SAF to demonetize currency stocks in rebel-controlled areas. It resulted in confusion, uneven distribution and a deepened mistrust. The RSF subsequently banned new notes in its territories, further disrupting trade and encouraging asset conversion. Currency speculation has surged due to discrepancies between old and new notes and between cash and digital values. Counterfeit currency and the destruction of infrastructure have further worsened the situation.

21 Internal overview on new CBoS Regulations (early 2025).

22 IMF, 'Regional Developments and Economic Outlook: Charting a Path through the Haze', May 2025. Accessed 25 September 2025, https://www.imf.org/-/media/files/publications/reo/mcd-cca/2025/may/english/ch1.pdf.

Pre-war efforts to digitalize financial services largely failed to reach rural areas, meaning that in the current situation access to financial services largely fall along the conflict lines, with Khartoum and SAF controlled areas having greater access to formal financial infrastructure and connectivity. In fact, in Khartoum the Humanitarian Aid Commission do not allow physical cash-in-hand distributions, allowing only digital transfers. In RSF-controlled areas, households rely on informal financial services providers and private connectivity infrastructure. In some cases, the RSF function as informal banks and service providers, resulting in a fragmented and unreliable financial landscape that is vulnerable to exploitation.

Khartoum and SAF-controlled areas are generally better off in terms of formal financial infrastructure and connectivity. This reflects both historical trends and structural limitations of the centralization of power and formality in and around Khartoum, while the rural areas—particularly the west of the country—are seen as peripheral, informal and backward. Both sides have leveraged these structural characteristics of the digital and financial systems of Sudan while connectivity has been the main tool of weaponization as they seek to undermine the other.

Table 2 provides a summary of where different payment modalities operate. It illustrates a mix of old and new notes being used in all areas except RSF-controlled Darfur and Kordofan, and the SPLM-N (al-Hilu) areas of South Kordofan. In some border areas additional currency circulates, such as South Kordofan where the South Sudanese pound is also in circulation. XAF notes are also used in West Darfur, especially around El Geneina, due to cross border trade with Chad.

The informal sector

Sudan has long relied on informal financial systems, particularly in conflict-affected and remote regions where formal institutions are weak or absent. Rooted in community structures and trust-based networks, they have proven resilient during the ongoing crisis, adapting quickly to new currency notes and the collapse of formal banking. Informal providers—including moneylenders, savings groups, traders and *hawaladars*—have filled gaps by offering credit, facilitating remittances and sustaining liquidity. In Darfur, traders act as intermediaries between formal systems and banks and local communities, preserving economic ties and trade across tribal, geographic and conflict divides, providing essential financial support for trading, farming and household needs amid persistent instability.

In Sudan, the *hawala* transfer system[23] has also enabled the movement of cash and goods through trusted intermediaries, linking migrant workers and diaspora abroad with relatives at home and facilitating trade between importers and exporters. Payments are made by sending goods to be sold by an agent or by transferring foreign currency to local intermediaries who then deliver cash to recipients. This trust-based, informal system has proven vital during the conflict. There is widespread use, with 94.2 per cent of respondents reporting their prevalence.

23 See also CGAPs work on *hawala* in Afghanistan, 'Trust in Transition: Afghanistan's Hawala System in Crisis and Recovery', November 2024. Accessed 25 September 2025, https://www.cgap.org/research/publication/trust-in-transition-afghanistans-hawala-system-in-crisis-and-recovery.

Table 2. Summary of currency and FSPs in different zones of control

ZONE	CURRENCY	FORMAL (BANKS)	MOBILE BANKING APPS	INFORMAL (HAWALA AND/ OR MERCHANTS)	OTHER
Darfur: RSF-Controlled	Old	No banks	Mobile money: Only in Nyala (Zein Network) otherwise banking apps via Starlink.	Yes	Starlink operators and related affiliates
Darfur: SLM-A controlled areas: Jebel Marra	Old	No banks	No	Yes	Starlink operators and related affiliates
Darfur: SAF-controlled area (i.e., El Fashir)	Old and new (Air dropping of new notes in Feb 2025)	No banks	Yes; all applications through Starlink	Yes	Starlink operators and related affiliates
Darfur cross-border trade centres (Chad and CAR)	Old + CAR and XAF currency	No	No	Yes	Starlink operators and related affiliates
RSF controlled (West and South Kordofan)	Old	No banks	Yes; Bankak but restricted geographically (Starlink)	Yes; usually limited amounts	Starlink operators and related affiliates
SAF controlled areas (South Kordofan)	Old and limited circulation of the new	Savings and social Development Bank, El Nilein Bank and Sudan Agricultural Bank; Bankak	Yes; Bankak and Okash but need Starlink	Yes; and through intermediaries	Starlink operators and related affiliates
SAF controlled areas North Kordofan (El Obeid)	Old and new	Banks: Faisal, Omdurman NB, Khartoum B; Sudan Agricultural bank	Yes; All nets (Zein, Sudan, MTN); Starlink required for all	Yes	Money dealers; investors
Al-Hilu-Controlled (SPLM-N) areas: South Kordofan	Old	No banks; Bankak through Starlink under SPLM control	Yes; restricted geographically	Yes	Starlink operators and related groups
Kordofan cross-border trade centres (S Sudan)	Old + South Sudanese currency	No banks	Yes; restricted geographically (Bankak; Starlink	Yes and through intermediaries	Starlink operators and related money dealers and investors
SAF-Controlled (Khartoum, Port Sudan)	New in Port Sudan; Old and new in Khartoum	Faisal; Khartoum; Omdurman National.	Yes	Yes	Money dealers; transfer agencies and investors

Source: Data collected in September 2025

These *hawalas* are dominated by commercial traders but rely on a community trust foundation. While armed groups are present and can influence operators, they are not necessarily in control of transactions.

Table 3 summarizes informal financial systems available across areas of control. Mobile money,[24] distinct from mobile banking apps like Bankak, is not available outside of SAF zones because of deliberate shutdowns in communication networks as a military tactic. Bank apps remain functional and are increasingly popular, but they require both internet connectivity and a bank account. Internet connections are dependent on Starlink except in some SAF-controlled areas with alternatives. Opening a bank account has become easier due to relaxed Know Your Customer requirements, however, many of the most vulnerable remain excluded due a lack of identification, digital literacy or smartphone access—or simply being unaccustomed digital money transfers.[25] These most vulnerable households need to rely on 'trusted individuals' in their networks to facilitate money transfers via their own bank accounts, most often for a fee. As mentioned previously, access to Starlink terminals is controlled by armed groups and provide them a direct source of revenue. It is notable that community and kinship networks are important resources for a high proportion of people: these are generally distinct from other informal services, relying more on personal connections or kinship and less on commercial interest.

Table 3: Informal financial services providers

SERVICES PROVIDER	% USE OF DIFFERENT FSPS
Local traders and money changers	48.4
Community and kinship networks	34.4
Informal military agencies	9.4
Other agencies	7.8

Source: Field research 2025.

Key takeaways

The war has further weakened financial systems. SAF attempts to remonetize the national currency and its imposition of targeted shutdowns on mobile and internet connections have crippled fiat and electronic payments. They have also allowed direct and indirect opportunities for conflict parties to profit from workaround solutions.

24 Mobile money refers here to digital transfers made from a mobile phone account to another. This is distinct from mobile banking in which transfers are made from one bank account to another via an app.

25 Note that Know Your Customer regulations were eased in early 2026, accompanying new CBoS regulations.

Just as markets are a source of revenue for the parties to the conflict, financial transfers are similarly affected by predatory behaviour, affecting both formal and informal sectors. The roll-out of new currency and banking restrictions by the SAF sought to demonetize currency stocks in RSF controlled areas, while RSF's ban on new currency notes and looting of banking institutions reflect their own bid to control resources. Similarly, SAF weaponization of telecommunications and internet has severely restricted digital alternatives to cash—exacerbating humanitarian need, but also providing direct opportunity for profiteering through control over alternatives such as Starlink.

While formal sector and banking apps may appear the 'least worst' option for humanitarian actors, the reliance on Starlink in non-SAF-held areas raises concerns over who controls access. Informal services such as *hawala* and merchants are also vulnerable to extortion and protection rackets by armed groups. The reality is that merchants, traders, agents and *hawaladars* all rely on the protection of the controlling authority—one way or another—in order to operate. By extension, humanitarian providers of cash assistance will inevitably be entangled in the war economy merely by transferring cash, whether through formal or informal systems.

Livelihoods and intra-market dynamics

Sources of staple food crops and incomes

The conflict has devastated livelihoods in the three regions and has reoriented sources of income. Khartoum—once a hub of employment and economic activity, particularly in the informal sector—has been significantly disrupted. Employment has dropped, income generating opportunities have been lost and food insecurity has deepened. Markets in the suburbs and rural peripheries of Khartoum State have become main sources of food, and petty trade the main source of income. In Nyala, displacement and conflict has closed many major employers, leaving high levels of unemployment. Rural livelihoods in Kordofan and Darfur which rely heavily on agriculture—both farming and pastoralism—have been disrupted with vast tracts of land turned into battlefields. In West Darfur, cultivated areas of sorghum and millet (the two staple crops) in 2023 and 2024, 6 per cent and 20 per cent of the previous five-year average. In North Kordofan, the production of staple crops in 2024–2025 was 36,757 tons[26]—enough for just 9 per cent of the state's grain consumption, compared to total production of 531,000 tons in 2022–2023 (133.6 per cent of the requirements), indicating dire food security. These conditions are compounded by the looting of household and trader food stocks, inflated food prices and a decrease in cash crop prices. In Darfur and Kordofan where security conditions allow for cultivation, food crops have largely replaced cash crops in an effort to cope with increasing prices and declining terms of trade. Field data from North Kordofan showed the price of a ton of groundnuts in El Obeid was six to seven times higher than the price in the production areas.

26 FAO, *Special report 2023 FAO crop and food supply assessment mission (CFSAM) to the Republic of the Sudan, 19 March 2024*, CFSAMs Special Reports, 01/2024. Rome. Accessed 25 September 2025, https://doi.org/10.4060/cd0053en.

Despite this, conflict-affected communities in the three regions have not remained passive victims of conflict and are rather active agents trying to maintain their livelihoods. Coping mechanisms including cultivating food crops whenever conditions allow, reducing meals, resorting to cheaper low-quality food, borrowing money or food from neighbours or friends, obtaining advance wages, buying food on credit at higher prices, selling off household assets, bartering, receiving remittances and depending on community kitchens and Emergency Response Rooms, who provide food and other critical services.

Conflict impact on livestock production and trade

The livestock sector—worth one-third of Sudan's total agricultural economy[27]—constitutes an important source of employment both directly in animal herding or subsidiary activities such as trade, transport, butcheries, restaurants, tanneries, processing factories and traditional crafts. Some 57 per cent of livestock in Sudan are found in Kordofan and Darfur,[28] where animal husbandry is critical to the local economies and tradition. North Darfur hosts an estimated 12 per cent of the national camel population while South Darfur is the leading cattle producing area. The livestock markets in Darfur and Kordofan are connected by a chain of primary markets in production areas to secondary markets in towns and cities. International exports now run either through the terminal market in Omdurman (Figure 2) and Port Sudan for export to the Gulf or via the *Darb Al Arbaeen* desert trade route to Egypt and Libya.

Figure 2. El Mouweilih livestock market in Omdurman, February 2025.

The conflict has blocked annual migration movement patterns, denying pastoralists access to grazing and watering points and forcing herders into localized animal herding. Here it seems paradoxical that although the many pastoralists are of the same Arab ethnicities who are generally aligned to RSF, they are also seriously negatively affected by the conflict. Such a paradox could be explained by considering the broader dynamics of the conflict, the upheavals it created and the competing spheres of control between SAF and RSF within broader territories. This has resulted in overgrazing and continuous cycles of conflict with sedentary farmers. In an area already impacted by climate change, overgrazing is likely to have significant negative long term environmental impacts. Large-scale looting of animals by RSF, militias and criminal

27 Hanan Alfadul, Khalid Siddig, Mosab Ahmed, Hala Abushama and Oliver Kirui, 'Sustainable livestock development in Sudan: Challenges, opportunities, and policy priorities', Sudan SSP Working Paper 19. Washington, DC: International Food Policy Research Institute, 2024. Accessed 25 September 2025, https://hdl.handle.net/10568/151697.

28 Hanan Alfadul *et al.*, 'Sustainable livestock development'.

gangs has decapitalized smallholder producers and exacerbated poverty levels. Others' herds have been lost during bouts of displacement. In both Kordofan and Darfur these changed dynamics have affected livestock value chains. Primary, secondary and terminal markets have been destabilized, although new ones have also emerged. Due to the insecurity and closure of transport routes and the embargo on long-distance livestock trade from RSF-areas to central Sudan and onward to Egypt, the trade has become localized. Some traders have adapted by relocating their business in perceived safe havens such as Blue Nile, Port Sudan and other locations in eastern Sudan. In Darfur larger traders have shifted business toward neighbouring markets in Chad and the Central African Republic, deepening the economic fragmentation and draining key national revenue streams.

Gender and markets in conflict

Conflict has compounded risks faced by women and girls, with sharp increases in conflict-related sexual violence, exploitation, and abuse.[29] Women, who comprise 69 per cent of those displaced, face mounting pressures of rising food prices and disrupted income sources, and persistent insecurity.[30] The study indicates that traditional patterns remain: Men tend to dominate wholesale, cash crops and livestock trade, while women are concentrated in retail, petty trading and catering. Yet enormous restrictions are also placed on women's access to markets and they face consistent harassment by armed groups. In Khartoum, El Geneina, Nyala and El Fashir, their presence at markets has declined sharply. In contrast, women are present at newer or safer markets, including Dagalo markets where some now trade in furniture and electric appliances. One woman in El Mazroub market has reportedly become the main distributor of fuel smuggled from Libya. In Khartoum, displaced women from western Sudan are stigmatized as *shafshafa* (sellers of looted goods), a label that reinforces their exclusion.

Figure 3. Displaced women making and selling local crafts in Reheid El Birdi market, South Darfur.

29 United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), 'Sudan Humanitarian Crisis Has Catastrophic Impact for Women and Girls, with Two-Fold Increase of Gender-Based Violence', 27 September 2024. Accessed 20 June 2025, https://www.unwomen.org/en/news-stories/press-release/2024/09/sudan-humanitarian-crisis-has-catastrophic-impact-for-women-and-girls-with-two-fold-increase-of-gender-based-violence.

30 International Food Policy Research Institute and United Nations Development Programme, 'The Socioeconomic Impact of Armed Conflict on Sudanese Urban Households, Evidence from a National Household Survey', November 2024. Accessed 20 June 2025, https://www.undp.org/sudan/publications/socioeconomic-impact-armed-conflict-sudanese-urban-households.

The decline in markets in Omdurman, Nyala, El Fashir, El Geneina, El Mouelih and El Obeid has denied women important economic opportunities. In Darfur, where women are traditionally major contributors to household incomes, displaced women continue to be actively engaged in petty trade, charcoal making, collection and selling of firewood and handicrafts. Often, rather than cash sales, bartering and the purchase of items on credit sustain these petty traders. Women suffer from a vicious cycle of displacement, disrupted livelihoods, food insecurity, violence and poverty—all of which contribute to further marginalization. In addition, amid the disruption caused by the conflict, access to education for women—particularly those displaced—is limited.

Key takeaways

Communities have adapted livelihoods through petty trade and new markets. However, the overall trajectory remains negative. The conflict reinforces patterns of marginalization and poverty for most of the population, while armed actors exploit resources and opportunities for profit—deepening a conflict-driven economy.

Conclusion

The economy is a central battleground in Sudan's conflict. Traders are likely to have either pragmatic connections or affiliations with one or another of the warring parties. This makes it inevitable that humanitarian assistance becomes entangled with the war economy and will inadvertently contribute to it to a greater or lesser extent. Humanitarian actors have a responsibility to understand these dynamics, to minimize to the best extent possible how their actions contribute to armed actors' revenue streams, as well as minimizing the protection or security risks faced by recipients of cash assistance: In other words, to find 'least-worst' options. There will often be trade-offs to consider when finding the 'least-worst' options that might affect the efficiency or effectiveness of the assistance and these need to be weighed against the humanitarian imperative of providing adequate assistance for people in need. Where these two contradict each other (e.g., a 'least-worst' option putting people at greater security risk), humanitarian actors need to prioritize the needs of affected people in line with humanitarian principles.

In areas where control has shifted and particularly where atrocities have occurred or are occurring—such as in West Darfur, West Kordofan and now North Darfur—the risks are higher. Pre-conflict traders may have been killed, displaced or forced out—and new market actors may be direct beneficiaries of violence. Humanitarians must recognize this dynamic and weigh the risks of inadvertently supporting perpetrators when engaging with local markets. This may mean enhancing assistance in locations of displacement and beyond immediate sites of heavy conflict and atrocities.

Regular monitoring should consistently assess contributions to the war economy, enabling humanitarians to make informed decisions on choosing the 'least-worst' options and adapt if risks arise. Methods could include social network analysis, mapping of gatekeepers and their influence and the continuous collection of primary data from merchants, suppliers and informal money agents. Sudanese staff and Sudanese partner organizations should play a central role, as they hold the deepest knowledge of the local political economy, acknowledging that there are no easy solutions even by the best informed.

Rift Valley Institute
MAKING LOCAL KNOWLEDGE WORK

riftvalley.net