
**Informed Communities
Mobilized Against Corruption
(ICMAC) Program**

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**Impact of US
Government
Sanctions on the
SAF-RSF Conflict**

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Context Overview

Currently, sanctions appear to be the main policy tool the US Government (USG) has deployed in response to the 15 April 2023 outbreak of conflict between the Sudanese Armed Forces (SAF) and the Rapid Support Forces (RSF). On 4 May 2023, the White House passed an Executive Order expanding the scope of the national emergency declared in the 1997 Executive Order 13067, pertaining to Sudanese government property and financial transactions with Sudan, and the 2006 Executive Order 13400, specifically on Darfur.¹ This authorized the first wave of US Treasury Sanctions announced on 1 June 2023, targeting the property, interests, and transactions of two entities affiliated with the RSF – Al Junaid Multi Activities Co. Ltd. and Tradive General Trading L.L.C. – and two entities affiliated with the SAF – Defense Industries System and Sudan Master Technology.² General licenses for exemption were issued consistent with humanitarian doctrine such that international and nongovernmental organizations may conduct certain activities and transactions relating to the provision of water, food, agricultural, and medical items to the Sudanese people may continue.

Sanctions are not a new development within the history of US-Sudan relations. In 1993, the US added Sudan to the State Sponsors of Terror List (SSTL) and issued several Executive Orders outlining sanctions in response to its support of international terror groups, including its harboring of Al-Qaeda leader Osama bin Laden.³ Some of these measures have since been lifted following Executive Orders 13761⁴ and 13804⁵ in January and July 2017, respectively, recognizing the warming of US-Sudan relations during the Obama and Trump administrations. Following this warming, Sudan was removed from SSTL on 14 December 2020 during the Hamdok government. The October 2021 coup, however, ended Sudan's transitional period and reversed progress on lifting sanctions. On 21 March 2022, the US Treasury deployed the Global Magnitsky Human Rights Act, proximately implemented through the 2017 Executive Order 13818, to sanction the Sudanese Central Reserve Police (CRP) for violence against civilian activists and protestors.⁶

¹ See White House Executive order: <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/05/04/executive-order-on-imposing-sanctions-on-certain-persons-destabilizing-sudan-and-undermining-the-goal-of-a-democratic-transition/>

² See US Treasury sanctions announcement: <https://home.treasury.gov/news/press-releases/jy1514>

³ See here: <https://www.cfr.org/blog/removing-sudan-state-sponsors-terrorism-list>. Executive Order 13067, introduced on November 3, 1997, allowed for further sweeping economic sanctions on the Sudanese government, See here:

<https://www.federalregister.gov/documents/1997/11/05/97-29464/blocking-sudanese-government-property-and-prohibiting-transactions-with-sudan>. Executive Order 13400, introduced on April 26, 2006, allowed for sanctions on individuals and entities connected to the Darfur conflict, See here: <https://www.federalregister.gov/documents/2006/05/01/06-4121/blocking-property-of-persons-in-connection-with-the-conflict-in-sudans-darfur-region>. Executive Order 13412 shortly followed on October 17, 2006, blocking property and transactions with the Sudanese government, See here: <https://www.federalregister.gov/documents/2006/10/17/06-8769/blocking-property-of-and-prohibiting-transactions-with-the-government-of-sudan>.

⁴ See here: <https://www.federalregister.gov/documents/2017/01/18/2017-01197/recognizing-positive-actions-by-the-government-of-sudan-and-providing-for-the-revocation-of-certain>

⁵ See here: <https://www.federalregister.gov/documents/2017/07/14/2017-14992/allowing-additional-time-for-recognizing-positive-actions-by-the-government-of-sudan-and-amending>

⁶ See here: <https://home.treasury.gov/news/press-releases/jy0668>. US diplomats in UN Security Council also pushed for the passage of Resolution 2676 on March 8th, 2023, extending a Darfur arms embargo and series of targeted sanctions first imposed in 2004, See here: <https://press.un.org/en/2023/sc15223.doc.htm>

From October 2021 until April 2023, Sudanese civil society and their international allies continued to advocate for additional US sanctions to pressure the Sudanese military authorities to “roll back the coup” and restore the democratic transitional period, including the final signing of the 5 December 2022, Framework Political Agreement (FPA). The USG now faces similar calls to action to impose additional sanctions for SAF and RSF as part of broader attempts to end the ongoing conflict via peace negotiations, eventually allowing for a civilian political solution.

Sanctions Overview

The information in this section comes from two independent international investigators with several years of experience focusing on Sudan and knowledge of USG policy discussions.

What impacts do the US Government believe the sanctions will have on the warring parties?

The US Government (USG) intended their June sanctions to be a punitive measure against SAF and RSF, holding them roughly equally responsible for the outbreak of conflict in April. The primary desired effect is to be a political message delivered by the United States on behalf of the international community to condemn continued fighting and human rights violations across Sudan.

- The May 4th, 2023, White House executive order⁷ establishing the new sanctions framework cites reasoning along the lines that “It is the policy of the United States to support a transition to democracy and a civilian transitional government in Sudan, to defend such a transitional government from those who would prevent its initial formation through violence...”.
- The balanced nature of the sanctions – two companies each for SAF and RSF – appears intended to convey the message of equal responsibility. Our sources believe that the USG did not have enough information at the time to assign disparate blame, especially concerning who was ultimately responsible for the conflict.⁸
- Both sources likewise claim the USG also did not have timely information regarding other spoilers to Sudan’s political process – most notably the Islamists / Former Regime (ICR movement), who had destabilized the Hamdok government and were in the process of destabilizing the discussions surrounding the Framework Political Agreement (FPA).⁹

Contrary to the March 21, 2022, sanctions against the Central Reserve Police, our sources state that the latest sanctions are intended to be more than just symbolic. Additionally, these sources believe that the USG expects these sanctions will negatively impact both sides’ war-fighting capabilities by reducing their ability to raise revenue and fund their war effort.

- On June 1st, 2023, Secretary of the Treasury Janet Yellen announced: “We are cutting off key financial flows to both the Rapid Support Forces and the

⁷ See here: <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/05/04/executive-order-on-imposing-sanctions-on-certain-persons-destabilizing-sudan-and-undermining-the-goal-of-a-democratic-transition/>

⁸ Phone conversations held in late-July, early-August 2023. Both individuals are not members of USG but have worked closely with the US sanctions process in the past.

⁹ Sanctioning political spoilers requires more than just knowledge of their existence, but rather evidence on how they may have specifically instigated the outbreak of conflict in April.

Sudanese Armed Forces, depriving them of resources needed to pay soldiers, rearm, resupply, and wage war in Sudan.”¹⁰

- Before April, Sudanese civil society and international investigative sources close to the US sanctions process often mentioned the four targeted companies, especially Defense Industrial Systems (DIS) and al-Junaid, as the most egregious examples of Sudan’s security sector-industrial complex.¹¹ These assumptions were likely carried over post-April, with USG believing the four companies to continually supply both sides’ war efforts.
- The 4 May White House executive order opens the door for additional sanctions. Sources close to the US sanctions process, including several within the USG, have hinted at the possibility of a second sanctions wave.¹² However, no public indication of a specific format or direction has yet been provided.

One source involved in USG policy discussions states four options were considered before 1 June: General sanctions against SAF and the RSF; sanctions against SAF and RSF-owned banks, sanctions against SAF and RSF-owned companies, and targeted sanctions against individual commanders.¹³ Each option continues to be dynamically evaluated with benefits and drawbacks that may change as the conflict progresses and further information becomes verified. In the end, the first option was chosen. The fact that these were the options considered will be discussed further below in the section on implications for civil society.

The information in this section comes from two independent international investigators with several years of experience focusing on Sudan and knowledge of USG policy discussions, and reliable sources with knowledge of senior SAF and RSF beliefs, objectives, and actions.

What effect does the US Government believe the sanctions will have on SAF and RSF decision-making?

The US Government’s intention to punish SAF and RSF and limit their war-fighting capability can only happen if the sanctions can be enforced and are effective. Currently, it appears that the US Government is accepting some limitations of its policy options and, more importantly, its lack of leverage in the SAF-RSF conflict where both sides have demonstrated their continued intent to fight.¹⁴ Additional analysis, including information from the two sources close to the USG sanctions process, also suggests the US Government’s understanding that the conflict is existential for the belligerents, with military defeat imposing an ultimate cost that surpasses sanctions for either side. Finally, the USG has also acknowledged the personalized nature of the conflict, with both SAF and RSF principals maintaining reasons to continue fighting independently from a material cost-benefit analysis.

- The RSF lost a significant number of commanders, including elites within the Awlad Mansour clan of the Mahariya Rizeigat community, from SAF heavy

¹⁰ See here: <https://home.treasury.gov/news/press-releases/jy1514>

¹¹ Phone conversations with international sources, in-person conversations with civil society sources in Khartoum held between January-March 2023.

¹² Includes the two international sources mentioned above, and two confidential members of USG.

¹³ Phone conversation with one of the above sources who worked on US-Sudan sanctions.

¹⁴ US Director of National Intelligence Avril Haines’ 4 May testimony claims the conflict is “likely to be protracted as both sides believe that they can win militarily and have few incentives to come to the negotiating table.”

munition strikes in the first three days of conflict. This has elicited emotional responses from Hemedti who is emboldened, both personally and as a result of communal pressures, to keep fighting. Likewise, SAF's continued attempts to assassinate Hemedti also spurs the RSF's desire for revenge.¹⁵

- Many SAF officers, retired officers, and family members were captured in the RSF's assault on the Khartoum Hay-al-Matar neighborhood on 15 April. These individuals have been used as hostages, much to the emotional distress of SAF senior commanders.¹⁶ The RSF's continued poor behavior, especially in Khartoum, motivates SAF's decision to keep fighting.

While SAF and RSF decision-makers are likely to have limited bandwidth for priorities off the battlefield, individuals in the US policy community remain optimistic about their positive influence on both sides' decision-making.

- The cumulative weight of multiple sanctions waves may contribute to long-run conflict exhaustion. SAF and RSF decision-makers may gradually accept the need to seriously entertain negotiations if their war-fighting capabilities diminish over time, including via supply line challenges. This outcome is contingent upon sanctions' effectiveness in imposing a political and/or material cost to the extent realized by both sides' decision-makers.
- Sanctions may induce a collaborative effect in rallying efforts across the international community to condemn the conflict. SAF and RSF decision-makers are likely aware of UK and soon-to-be EU follow-on sanctions and political support from other Western countries.¹⁷
- The sanctions framework is also a key atrocities prevention measure. SAF and RSF decision-makers may remain engaged on issues such as humanitarian access, protection of civilians, and human rights violations due to the threat of additional, more severe sanctions.

¹⁵ Phone conversations with one senior-level RSF insider with contact established since early 2022, and information from two Sudanese investigative sources with senior-level SAF contacts, in-person meetings in May 2023.

¹⁶ See July 2023 Reuters article [here](#) on RSF hostages. Information on SAF officers/ family captured shared secondhand from one anonymous Sudanese investigator early May, corroborated late May with Sudanese investigative source with senior-level SAF contacts.

¹⁷ UK sanctions here: <https://www.gov.uk/government/news/uk-sanctions-businesses-funding-sudan-war>, reportage of upcoming EU sanctions here: <https://www.reuters.com/world/eu-toughen-its-stance-sudan-war-with-sanctions-framework-sources-2023-07-25/>

RSF Response to Sanctions

The information in this section comes from two independent international investigators with several years of experience focused on Sudan and knowledge of USG policy discussions, and reliable sources with knowledge of senior SAF and RSF beliefs, objectives, and actions.

However, all sources acknowledged the near-zero likelihood that the main regional backers, namely Egypt for SAF and the UAE for RSF, would enforce these sanctions or change their positions in the conflict.

Does RSF leadership feel personally insulted by US Sanctions?

RSF top-level leadership likely does not feel personally insulted by US sanctions.

- A senior-level RSF source stated he spoke with Al-Goni Dagalo, Hemedti's younger brother based in the UAE who plays a significant role in managing the family business enterprises and their international relations, around mid-June 2023. Al-Goni allegedly replied dismissively: "It is nothing. We feel nothing more than the situation before." This likely refers to prior experiences with Bashir's political isolation and the SSTL, as well as with condemnation received after the October 2021 coup.
- Given the situation, RSF leaders anticipated sanctions would occur, but they would also be the maximum level of attention that the USG is willing to devote to the Sudan conflict. RSF leaders likely feel validated in their prior calculations. Furthermore, the apparent balanced nature of the 1 June sanctions has reassured RSF leaders of US neutrality.
- The senior-level RSF source expressed confidence that they can "find a solution" for any upcoming sanctions. The only point of concern, which Abdelrahim Dagalo had allegedly mentioned to him prior, was that RSF leaders worry about individual sanctions.
- While RSF leadership thinks current sanctions are close to the limit of USG policy options, they remain deferential to the Western international community and the USG in particular. For instance, RSF leadership was afraid that the RSF attack on a US embassy convoy on 16 April would lead to US support for SAF or military retaliation against the RSF.¹⁸

Beneath RSF High Command, our sources state that lower-level commanders, such as state-level commanders, are concerned by the possibility of targeted US sanctions. This is especially true of Darfur area commanders, who may be the most susceptible to future justice-related sanctions.

- Ground sources who have helped the International Criminal Court in a similar capacity to sanctions investigations report threats from RSF in Darfur following Chief Prosecutor Karim Khan's 13 July announcement of ongoing investigations for contemporary crimes.¹⁹
- RSF Darfur area commanders have felt insulted by other international statements, including the US State Department's condemnation of the 14 June killing of the West Darfur Governor.²⁰

¹⁸ DOD statement here: <https://www.defense.gov/News/News-Stories/Article/Article/3371442/us-forces-evacuate-americans-from-khartoum-embassy/>. USG usage of ISR capabilities is reportedly of concern to the RSF.

¹⁹ One source reported that he and other human rights defenders were threatened because the RSF knows "they are the only people on the ground who could provide evidence".

²⁰ See June 15th US State Department statement on West Darfur here: <https://www.state.gov/condemning-atrocities-in-darfur/>. One well-connected Geneva-based source claimed RSF W. Darfur commander Abdul Rahman Juma shouted for nearly an hour about being blamed for the killing.

How does the RSF leadership view the impact of sanctions on revenue generation?

In theory, sanctions could negatively impact RSF revenue generation. However, information gathered in this research raises the possibility that the RSF and the Dagolo were already in the process of changing their business structure before the outbreak of conflict, making them much less susceptible to the sanctions.

- Most RSF companies usually operate in a single sector, thereby limiting the effectiveness of each sanction.²¹ If one company is sanctioned, they can easily pivot to another company.²² Furthermore, RSF assets located in Sudan, in the UAE, or otherwise transferred illicitly, including laundering/smuggling, all undermine the enforceability of the sanctions.
- Al-Junaid is an exception to the single sector trend, instead operating eleven subsidiaries across construction, gold mining, and trading sectors. Sanctions may have an effect, although the company is Sudan-based, with assets largely in the UAE. Al-Junaid's main gold mining business likely now utilizes export routes outside the purview of US sanctions enforcement, including overland to the Central African Republic²³ or the newly established Amdjeres airport in Chad.
- RSF further maintains smuggling channels to Aweil, South Sudan, and along the eastern Sudan border.²⁴ Smuggling is believed to have drastically increased after April.

Further complicating efforts to use sanctions to denude RSF's war-fighting capability is that the RSF may not even need revenue generation to pursue a military solution in the short-to-medium term. First, this is because RSF has robustly integrated cash payments and looting into its recruitment and payment structure.

- Since mid-May, RSF recruits were paid a small sum of cash, promising further compensation via loot carried from Khartoum. Some of the same recruits were observed carrying boxes of cash, gold, electronics, and other valuables from Khartoum to Darfur about a month later.
- Khartoum and Darfur ground sources observe RSF vehicles carrying cash looted from Khartoum banks, houses, and captured SAF areas to Zurrug,

²¹ Tradive is an example of a single sector company – trading – that has served as a front for the RSF in the past. It is documented to have transferred funds and procured 4x4 technicals for the RSF in 2019, See <https://www.globalwitness.org/en/campaigns/conflict-minerals/exposing-rsfs-secret-financial-network/> and <https://www.globalwitness.org/en/blog/how-the-rsf-got-their-4x4-technicals-the-open-source-intelligence-techniques-behind-our-sudan-expos%C3%A9/>

²² For instance, after Tradive was exposed in 2019, the RSF pivoted to other front companies based in neighboring countries and the UAE. As another example, in addition to the UK-sanctioned GSK Advance Company Ltd., one of these companies is suspected to be “Creative Python”, later renamed to “UTC Capital”. Ethiopia and South Sudan were named as the two neighboring countries with RSF assets, with one source specifically mentioning a large telecommunications company in South Sudan. Sourcing from an early-August phone call with one relatively senior member of a Sudanese intelligence service and several civil society/investigative sources.

²³ Sourcing here: <https://3ayin.com/gold-and-war/> and with corroboration by one South Darfur based source who visited Um Dafaq after April 2023.

²⁴ From ground source who traveled from Ed Daein to Aweil in mid-July 2023. RSF eastern Sudan smuggling is seen by increased SAF security presence ranging from Port Sudan to Kassala to Gezira state, examples [here](#) and [here](#).

North Darfur, and al-Daein, East Darfur, to pay salaries for RSF Darfur conventional units.²⁵

- Local-level negotiations between RSF and SAF in May-June, confirmed in Nyala but likely in the other Darfur capitals, resulted in proximate ceasefires contingent upon RSF soldiers maintaining their payrolls from the state government.²⁶

Secondly, RSF military supply lines operate with the help of regional actors who are unlikely to comply with US sanctions. The RSF may be procuring equipment and supplies using assets mainly within the UAE or with the promise of future payment and/or concessions secured upon military victory or a favorable political compromise.²⁷ The April 15th conflict, in this light, should be seen as rent-seeking behavior in which the RSF and its regional allies are fighting for the resources and revenue sources of the formal Sudanese state while removing their main business competitors, SAF, from the equation.

- A series of meetings between UAE and Chad from May to July have established Amdjeres Airport in Eastern Chad as an RSF supply route.²⁸
- The RSF can obtain fuel via smugglers in Libya, with at least tacit support from Khalifa Haftar.
- Due to the RSF's good relationship with the CAR government and their Wagner allies, RSF can transport military supplies from outside the region to CAR and then overland to Darfur.²⁹

With the above being said, the effect of sanctions should not be dismissed in the long run. The RSF will likely need additional revenue to fund conflict over time (pay salaries after locally looted stocks are finished, etc.) and in consideration of the governance needs for newly captured territories. This may have opposing effects in either diminishing the RSF's ability to continue fighting or incentivizing units to expand the geographic scope of conflict around Khartoum in search of "soft targets" to loot. Additional sanctions would likely impose a political cost upon RSF leaders, further isolating them while they seek international legitimacy.

²⁵ Other convoys, most notably of looted vehicles from Khartoum, are observed to have left toward Darfur, West Kordofan, and North Kordofan, with intentions for sale, re-use, or smuggling over the border. A wide range of looted goods have been sold in "Dagalo markets" opened across Sudan, See here: <https://www.middleeasteye.net/news/sudan-dagalo-markets-shop-stolen-goods>

²⁶ SAF and police units in Nyala were observed "allowing" RSF soldiers to loot banks in the city to supplement payments from the South Darfur government. May-June phone conversations with two generally reliable ground sources based in and around Nyala, with local SAF, RSF, and state government contacts.

²⁷ Another possibility is the UAE, as the common denominator across most RSF supply lines, is simply providing cash and material support.

²⁸ Two Sudanese investigative sources with contact to senior Chadian security advisors claim at least 7 of an upwards of 47+ flights between UAE to Chad carried weapons shipments for the RSF. The field hospital established at Amdjeres is likewise being used to treat RSF wounded. See open-source tracking of flights here: https://twitter.com/Gerjon_/status/1683126601851060224. The airport could also easily be used to transport RSF gold and Chadian minerals to the UAE.

²⁹ Convoys in April-May carried light weapons and anti-aircraft guns on a near weekly basis, albeit observed to have slowed down late June due to rain season. Sourcing here: https://www.africaintelligence.com/eastern-africa-and-the-horn/2023/04/28/wagner-suspected-of-backing-hemeti-from-car_109949863-art, corroborated by a source in S. Darfur state government who had knowledge of a SAF joint border force operation to seize a weapons smuggling truck.

What steps have RSF leadership taken in response to sanctions?

The RSF appears confident that it can inoculate its businesses from US sanctions pressure. Their attempts include shifting operations to newer, lesser-known companies and keeping the assets of existing companies in countries unlikely to enforce US sanctions, such as the UAE. Our sources also state that RSF leaders welcome sanctions to some degree. This suggests RSF leaders have calculated that sanctions are likely to be equally applied to both belligerents but could impact SAF more, and they rely more on declared revenue than the RSF. Sources close to RSF leaders state that these leaders acknowledged the possibility of additional sanctions but only expressed worry at the proposal of individual sanctions targeting top-level principals. RSF leaders are trying to use its human rights and international political advisors to deter this.³⁰ The RSF continues to deploy a ‘pro-democracy’ image, similar to its strategy surrounding the FPA. Leaders hope that their stated commitment to a democratic transition will be accepted at face value by the international community and help to deter sanctions, especially targeted ones. Specifically, RSF leaders maintain open lines of communication with the international community.³¹

Apart from possible targeted sanctions against RSF Darfur Area commanders, no evidence suggests that sanctions will cause RSF leaders to become retrenched in their desire to fight beyond existing motives, such as current success on the battlefield and the profit incentives of looting and state capture.

³⁰ Abdelrahim Dagalo is believed to have been personally angered by the September 6, 2023, US Treasury sanctions. Several sources close to the RSF, including one who personally attended an RSF advisors’ meeting in Kampala, Uganda, report Abdelrahim to have scolded his advisors and asked them to “fix the sanctions situation”. Abdelrahim’s interview in Nairobi on September 7th, 2023, claimed that the RSF had enough weapons to “continue the conflict for 20 years.” (https://youtu.be/tYeSbqSgepA?si=5S1y-PzA-Pm-dm_1) At least two Darfuri human rights defenders reported receiving threats from RSF commanders they are in contact with, accusing them of having “leaked” information to US government to motivate these sanctions.

³¹ RSF human rights, political, and media advisors all remain active in response to accusations of human rights violations. RSF statements have openly accepted participation in peace talks, including Jeddah. Examples here: <https://www.un.org/sexualviolenceinconflict/press-release/sudan-un-special-representative-on-sexual-violence-in-conflict-engages-with-parties-to-address-sexual-violence/> and <https://twitter.com/RSFSudan/status/1668228707411021831>. RSF’s cooperative approach to international messaging, especially on the justice agenda, has led them to announce the establishment of field courts and the military police under Khartoum commander Essam Salih Fidail in June. Sourcing here: <https://sudantribune.net/article274687/> Little evidence exists that the field courts have tried any alleged perpetrators, but Khartoum ground sources corroborate RSF military police have been engaged in clashes against other RSF units.

SAF Response to Sanctions

The information in this section comes from two independent international investigators with several years of experience focused on Sudan and knowledge of USG policy discussions, and reliable sources with knowledge of senior SAF and RSF beliefs, objectives, and actions.

Does SAF leadership feel personally insulted by US Sanctions?

Sudanese Armed Forces leadership feels personally insulted by the stated neutrality of the international community. Still, sanctions are likely registered as a distant concern compared to the prospect of defeat on the battlefield. Defeat is an ongoing concern, given that many SAF leaders are trapped or otherwise besieged in precarious positions within the Greater Khartoum area, which may lead to desperation. The prospect of defeat is a bitter pill for its leaders to internalize as they understand SAF to be a proud institution that the public hails as “the national army.”³² SAF further views itself as the only party with a real capacity for governance, compared to the RSF with its narrow political legitimacy and criminal activity in Khartoum and FFC, which SAF’s leaders see as pursuing selfish interests. SAF leaders, therefore, appear frustrated that the USG does not see them as the only viable partner for the international community.

- Some SAF leaders believe the international community has unfairly sided with the RSF.³³ This belief stems from their previous international support for the FPA, which is seen as an alliance between RSF and FFC to politically undermine SAF.³⁴ SAF leadership and diplomats, especially envoy Dafallah al-Hajj Ali, request international interlocutors to refer to them as “the government” and the RSF as “the rebel militia.”³⁵
- SAF’s frustrations have also turned towards civilians, with ground sources in SAF-controlled territories reporting SAF authorities to have become increasingly wary of civilian neutrality around mid-June, insisting that those who do not actively support SAF are now enemies.

Yet, SAF leaders may still view the USG as a malleable actor and treat sanctions as a useful tool to try and manipulate to their benefit and to the detriment of the RSF. Specifically, SAF leaders would accept targeted sanctions of its leaders if it meant the same for the RSF, feeling this would be worse for the RSF than for them.

³² See Harry Verhoeven’s May 2023 [Surviving Revolution and Democratisation: the Sudan armed forces, state fragility and security competition](#). Opinions corroborated by first-hand Sudanese intelligence service source, phone interview in early August.

³³ SAF leaders may be disappointed from their expectations that the USG would help them win the war. In a secondhand communication with a SAF intelligence officer in June and one firsthand conversation with a senior-level SAF intelligence officer in early August, both individuals expressed serious wishes for the USG to deploy ISR / hard-power assets against the RSF.

³⁴ This belief was partially responsible for SAF’s expulsion of UNITAMS SRSG Volker Perthes, with US State Department’s statement in support of Perthes also drawing protest, See <https://www.middleeasteye.net/news/sudan-un-volker-perthes-army-rival>. See State Department statement here: <https://www.state.gov/support-for-srsg-perthes-in-leading-unitams/>

³⁵ SAF expresses agitation when their preferred nomenclature is not adopted. SAF has further denounced RSF envoys, particularly Youssef Izzat, being allowed to formally meet actors within the international community. This includes Youssef Izzat’s attendance of the July 2023 IGAD meeting: <https://igad.int/communique-of-the-1st-meeting-of-the-igad-quartet-group-of-countries-for-the-resolution-of-the-situation-in-the-republic-of-sudan/>. Alongside other political disputes, this is believed to be one reason for SAF’s refusal to participate in IGAD-led talks.

How does the SAF leadership view the impact of sanctions on revenue generation?

Sanctions are believed to negatively impact SAF revenue generation, but SAF's non-military holdings mostly feel the effects. This is because SAF's military production companies have already been severely hit by the conflict.

- Defense Industries System, also known as MASAD, is Sudan's largest defense enterprise, generating an estimated \$2 billion in revenue via hundreds of subsidiaries across various sectors of Sudan's economy.³⁶ DIS is one of Sudan's largest companies by revenue and has been integral to SAF's military build-up over the past years. However, since April, key assets of the military branch of DIS have been destroyed by fighting or captured by the RSF.³⁷ Sudan Master Technology is a major shareholder in three companies involved in SAF's military production and otherwise a shareholder in some DIS subsidiaries. Its assets are most closely linked to the Giad Industrial City, which has fallen under RSF's hands.³⁸
- The civil aspect of DIS includes assets in the mining, agriculture, and livestock sectors, which are more susceptible to sanctions pressure. One major DIS subsidiary is the Export Development Group (EDG General Trading, L.L.E.), which is registered in the UAE and oversees most of SAF's agricultural assets.³⁹ Another is Safat, which is predominantly military but holds 99% of shares in Crop Protection Sudan, the main seed supplier to the Gezira agricultural scheme.⁴⁰ It is unclear if or how the US Treasury's general licenses could exempt some of these activities from sanctions. If exempted, this would almost certainly allow SAF to raise significant revenues. Furthermore, SAF has already begun implementing smuggling workarounds for gold exports.⁴¹

When analyzing SAF's approach to sanctions, their experience dealing with US sanctions during the NCP regime for more than 20 years is significant. One mentioned strategy has been to keep companies' assets mainly inside Sudan or with friendly regional powers unlikely to enforce sanctions.

Sanctions aside, SAF's current war effort is believed to be fiscally sustainable. In a June 2023 interview with Sudan Tribune, a retired SAF general estimated war expenditures to be around 1.5 million USD per day or nearly 550 million USD per year.⁴² An international source with experience in Sudan sanctions and Sudanese sources close to SAF leadership project a similar figure of around 500 million per year. SAF has a variety of ways to raise this revenue:

- The Al-Khair Petroleum Terminal in Port Sudan is the endpoint of the pipeline that comes from South Sudan. It generates an estimated 35 million USD per

³⁶ See <https://home.treasury.gov/news/press-releases/jy1514> and <https://www.africaintelligence.com/eastern-africa-and-the-horn/2022/07/25/inside-sudan-s-labyrinthine-military-industrial-complex.109801622-ge0>

³⁷ These include the Shajara Ammunition Plant, Yarmouk Industrial Complex, Giad Industrial City, and Al Zarga Engineer Complex (in Halfaya). SAF does maintain control of the Safat Aviation Complex, in Omdurman. See background on DIS military branch assets here: <https://www.dabangasudan.org/en/all-news/article/sudan-s-military-industry-expanding-small-arms-survey>

³⁸ Sourcing on SMT-Giad connection: <https://www.opensanctions.org/entities/NK-3G8gvFnXTtzeEmqbPn7dUe/>

³⁹ Sourcing here: <https://www.edgtrading.com/About-Us/>

⁴⁰ See July 2022 Africa Intelligence article above.

⁴¹ See: <https://sudantransparency.org/wp-content/uploads/2023/07/GoldandWarFINAL.pdf>

⁴² SAF daily expenditure estimation reported in Sudan Tribune article [here](#).

month in revenue, paid by the Government of South Sudan and believed to be fully received by SAF, though it is unclear where the bank is that receives the money.⁴³

- The Sudan Mineral Resources Company (SMRC), in which Hemedti holds a 33% stake, handed over all gold production to SAF-run state security committees in late April. The SMRC has sided with SAF and shut out Hemedti. Sources for this section state that SAF still has gold mining operations going on. However, the amount of gold produced is less than before the conflict broke out, and their options for generating revenue are less straightforward. Sources for this section state that revenue is at least 10 million USD per month.⁴⁴
- SAF's agriculture and livestock business remains largely intact, except for the Kadaro slaughterhouse, which is not operating. The May planting season has been disrupted, further limiting SAF business activities. In time, however, SAF could recover from these setbacks.⁴⁵
- SAF authorities wield a tight grip over the Humanitarian Aid Commission (HAC), now under the jurisdiction of the Supreme Committee for Crisis Management. SAF authorities have been documented to siphon or interfere with humanitarian aid shipments, although revenue estimations are wildly speculative.⁴⁶
- SAF has been spending money, so it is evidently raising some revenue. For instance, the Ministry of Finance authorized the disbursement of 8 billion Sudanese Pounds for recruitment in June.⁴⁷ At the same time, SAF appears to have a liquidity problem because it is not paying some civil servants and SAF soldiers.⁴⁸ This could be due to issues of repatriating revenue earned outside of the country from structural issues within the bank system or other international banking challenges. SAF leaders could also be prioritizing funding for new recruitment over paying others, such as civil servants.

⁴³ See <https://sudanports.gov.sd/web/en/al-khair/>. Revenue estimation by aforementioned international source. RSF controls parts of the Greater Nile pipeline, as well as El Obeid Topping plant and Khartoum al-Gaili refinery, but so far they have not been able to use this generate revenue.

⁴⁴ The gold mining companies Aswar and Sabika, previously identified in past research for ICMAC, are still operating. Gold producers such as Kush Alliance and Al-Solaj have shut down, presumably turning over operations to SAF albeit not at full scale, see <https://sudantransparency.org/wp-content/uploads/2023/07/GoldandWarFINAL.pdf>. At the moment the gold is sold into Egypt, and not UAE.

⁴⁵ For instance, Giad has been moving some of its agricultural assets to Gezira state to operate in the Gezira scheme, and one reliable source states that SAF has a significant quantity of gum Arabic in its stores in Port Sudan that it could sell (via the Green Zone company that is part of the EDG group of companies with the DIS).

⁴⁶ SAF Sovereignty Council decision to form Supreme Committee of Crisis Management: https://twitter.com/patrickheinisc1/status/1665717256544821251?s=46&t=nVtSFtD_hmVjzz1d7WU5HQ Aid diversion sourcing: <https://www.aljazeera.com/news/2023/6/16/as-sudan-war-rages-rival-sides-accused-of-looting-diverting-aid>

⁴⁷ Two documents retrieved by an international analyst source with generally reliable information since 2021. Shared via electronic copy, both dated in June 29th, 2023.

⁴⁸ Ministry employees working for the SAF-authorities reportedly face four-month salary arrears, see here: <https://twitter.com/hajooj/status/1679429709250150401>. In June SAF struggled to pay some enlisted soldiers in combat units. Although most SAF combat units are motivated to fight against the RSF for existential reasons, the salary issue has hurt morale.

Is SAF turning to the Islamists for support in response to sanctions?

Sudanese Armed Forces' relationship with Sudanese Islamists has waxed and waned over the long history of both institutions. Since the October 2021 coup, Burhan and other SAF leaders have grown closer to the Islamists, though the two sides remain wary of each other, with Burhan removing some Islamists from key positions in 2022.⁴⁹ Since April, however, Burhan and SAF leaders have become more reliant on the Islamists as they share the same existential threat of military defeat by the RSF, and the Islamists can recruit thousands of new fighters. Complicating the situation are the tensions within the Islamic movement itself, between Ali Karti, who is closer to Burhan, and those who were in Kober prison before April, especially Ahmed Haroun, Ali Osman Taha, and Nafie Ali Nafie, who have grown resentful of Karti's rise in prominence. The arrest warrants against Ahmed Haroun and four other Islamist leaders, following their appearance in Kassala state, depicts this tension.⁵⁰ Despite these dynamics, SAF is increasingly reliant upon Islamists for military support since June 2023.

- All Sudanese investigative sources consulted believe the Popular Defense Forces (PDF) are the crux of Islamist support for SAF.⁵¹ Some of the aforementioned 8 billion SDG appropriated for SAF recruitment in June is confirmed to have been used for PDF recruitment, which included 3,000 PDF recruits from River Nile, Northern, Red Sea, Kassala, Gedaref, Gezira, and Sennar states, with training camps established at least in Shendi, Dongola and Wad Madani.⁵²
- Islamists hold key positions in the new 'governance' structure set up by Burhan. SAF's Supreme Committee for Crisis Management held its first official meeting in Red Sea State on 30 July, which includes a notable Islamist presence.⁵³ Burhan's Special Envoy, Dafallah al-Hajj Ali, is a key individual in SAF foreign relations, is a noted Islamist, and is close to Karti.⁵⁴

⁴⁹ SAF collaborating with Islamists on October 25th, 2021:

https://www.africa-confidential.com/article/id/13935/Burhan_lets_the_Islamists_back_in and <https://3ayin.com/en/ncpreturn/>. SAF reshuffles its ranks <https://english.aawsat.com/home/article/3985941/sudans-burhan-again-warns-islamists-against-exploiting-army> and <https://www.reuters.com/world/africa/sudan-leader-burhan-reshuffles-army-leadership-2022-08-25/>

⁵⁰ Arrest warrants reported here: <https://www.reuters.com/world/africa/sudanese-authorities-seek-re-arrest-bashir-era-officials-2023-08-01/> but later dropped, see here: <https://alyoumaltali.net/?p=32855>

⁵¹ PDF members, identified by their olive green monochrome uniforms, have been documented fighting side by side with SAF conventional units since April 15th. The infamous Al-Bara Bin Malik brigade consisting of at least 1000 members is predominantly based around the besieged SAF's Shajara Armored Corps in southwest Khartoum. Examples in online videos:

<https://twitter.com/sudanwarmonitor/status/1676177221650718720> and <https://twitter.com/sudanwarmonitor/status/1677013849076031492>

⁵² One source spoke specifically of PDF recruitment in Northern State, the other in River Nile State, and the last source provided a summary of ICR leaders led by Ahmed Haroun making a recruitment drive from Port Sudan to Kassala to Gedaref. Gezira and Sennar states are expected to produce PDF recruits given the belief that ICR are present in Sinja and Wad Madani hosting some PDF training camps. 2023 Suna Article [here](#) documents from Northern State SAF Reserve Commander (PDF) claiming to have opened 43 training camps.

⁵³ The four individuals chairing this committee are Minister of Finance and JEM leader Jibril Ibrahim, GIS Director Ahmed Ibrahim Mufadel, newly appointed Central Bank Governor Borai al-Siddiq, and Director General of Police Khalid Hassan Mohiuddin. All four individuals, especially Jibril and Mufadel, are noted to have Islamist affiliations. See <https://rakobanews.com/sudan-news/political/95177/> Backgrounds of the four individuals heading the committee were gathered via three civil society telephone interviews in early June 2023. One source had Jibril personally, one source had known Mufaddal personally. The final source received secondhand information on el-Sidiq and Mohiuddin.

⁵⁴ He served as the Undersecretary of the Ministry of Foreign Affairs, but was also the head of the NCP Diplomatic Affairs Unit and is a close associate of Karti. Al-Hajj Ali has been particularly hardline in his position against peace talks, believed to be an Islamist but not necessarily SAF position. Background on Al-Hajj Ali was sourced from an anonymous Sudanese civil society communication titled "MoFA Undersecretary" in late-April and from an international diplomat who had previously interacted with Al-Hajj Ali. Al-Hajj Ali [publicly condemned](#) Egypt's call for mediation and a comprehensive political process in early-May in Cairo.

- All sources believe Islamists to be present in high numbers in SAF's officer corps, including at the senior levels. Sovereign Council General Shams al-Deen Kabbashi and Ibrahim Jaber are Islamist supporters inside SAF and have a working relationship with Karti.
- Islamist economic support for SAF is less clear. Previously, SAF had relied on Mohammed Osman Mohamed Mahmoud, a known Islamist and close Karti affiliate, as the previous broker for SAF and GIS gold exports to the UAE in February and March 2023.⁵⁵ He is currently based in Cairo, and due to the UAE's support for the RSF, it does not appear he can access his business activities in the UAE. SAF and Burhan have tried to utilize Ibrahim Jabir, who was part of DIS business activities in the past, to help them sell gold abroad. It is not clear yet how successful Jabir has been, though some reliable sources state that he has successfully sent planeloads of gold outside of Sudan from Port Sudan, presumably to Egypt.⁵⁶

Islamists remain stalwart in refusing a political solution to the April 15th conflict, linking such an outcome to their previous existential fears of the FPA and a restoration of the democratic transition.⁵⁷ They are vocal in their opposition to ceasefires and/or peace talks, disregarding more moderate elements of SAF.⁵⁸ SAF's increasing reliance on Islamists, whether driven by or independent from sanctions pressures, may retrench their desire to fight or leave their leaders in a vulnerable position, unable to independently dictate orders.

Key Points for Civil

The information in this section comes from two independent international investigators with several years of experience focused on Sudan and knowledge of USG policy discussions, reliable sources with knowledge of senior SAF and RSF beliefs, objectives, and actions, and key informants in Sudan's civil society.

The dynamics surrounding the USG's sanction process and how Sudanese civil society can influence them to meet its objectives are complicated. For civil society to have influence, it needs to understand how the USG makes its decisions, what information these decisions are based on, and what their intended outcome is. Then, civil society needs to understand the actual outcome and determine how it might influence the sanctions process to achieve a different outcome if one is desired. Complicating the process is the high expectations among some in civil society regarding the USG's willingness and ability to intervene in Sudan in a way that meets civil society objectives. After recent crises such as the 3 June 2019 sit-in dispersal, the October 2021 coup, or the outbreak of the SAF-RSF conflict, some members of civil society have expressed high expectations that the international community, and especially the USG could quickly intervene to right the wrongs. Sources with knowledge of the USG sanctions process state that some have expressed frustration at the lack of information or not understanding their actual leverage, both of which drive their inability to fully respond to the complexities of the Sudanese political context. By considering the following, civil society can start to craft a strategy to influence further USG policy actions, especially around sanctions:

- Sanctions are unlikely to be effective as a standalone measure. This brief's findings show that RSF and SAF's main regional backers, the UAE and Egypt,

⁵⁵ Documented in previous ICMAC research.

⁵⁶ On Jaber's appearance in Port Sudan <https://www.sudanakhbar.com/1405383>, confirmed by all three sources on July 23. One of the sources is located in Port Sudan and emphasizes observing overnight flights from the airport.

⁵⁷ Examples of 2022-2023 Islamist statements against the FPA: Ghandour statement reported [here](#), Karti statement reported [here](#), 2023 NCP iftar shown [here](#).

⁵⁸ See April 18th incident where certain Islamist-aligned SAF social media pages rejected Burhan's public acceptance of a 24 hour ceasefire: <https://twitter.com/nimaelbagir/status/1648256718726365185?s=20>

have continued material support for their respective war efforts. Civil society advocacy should encourage the USG to pair its sanctions regime with political pressure on these countries to fully enforce sanctions, reverse their support, and commit to a civilian political solution. Civil society may also engage the USG in an open dialogue about what other policy tools are available at this time. Although the UAE remains unlikely to comply with US sanctions, targeting RSF assets and operations in neighboring strategies such as South Sudan and Ethiopia may undermine a segment of its inoculation and circumvention strategy.

- Sanctions lack robust enforceability in their current form. This brief finds that RSF and SAF have inoculated their companies significantly, driven by past experience and prior anticipation of sanctions. Civil society advocacy should encourage other states, starting with the UK and the EU, as well as regional actors, to follow on with their own sanctions regimes. Civil society information gathering may also reveal key tactics both sides use to evade existing sanctions.
- Sanctions do not proceed under an ideal timeline. While the June 1st sanctions were announced a month and a half after the start of the conflict, the anticipated second wave of US sanctions has yet to be deployed. A strategy for civil society actions should include investigating why such sanctions have not been employed. If the delay is due to a lack of knowledge on human rights violations or key perpetrators, civil society actors could undertake further research to help the USG fill in gaps.
- Sanctions are presently balanced between the two warring parties to reflect the USG's stated neutrality toward the conflict. Civil society advocacy seeking to shift this balance should present evidence of how one side is responsible for a greater share of the escalation of fighting or atrocities committed. Advocacy to sanction additional actors, such as the Islamists, should present evidence of their particular responsibility in initiating or escalating the conflict.

In addition to gaining a fuller understanding of USG interests and dynamics in the sanctions process, civil society actors should craft a strategy to understand that of the two belligerents so they can be pressured to mitigate atrocities and seek peace.

- This brief finds the RSF particularly sensitive to individual sanctions against top-level leadership. The RSF has adopted a compliance strategy to avert this possibility, publicly committing to the "pro-democracy" line and deploying cursory measures such as a field court. Corresponding to this is the RSF's leadership's concerns about their public image, which they see as necessary to securing a post-conflict political and military role in Sudan. If civil society actors can focus USG action in ways that threaten this public image, then RSF leaders may be forced to reckon with atrocities committed by their soldiers.
- This brief finds SAF to generally object to USG neutrality, but this is not an irreconcilable tension. Justice-related sanctions may be disparately deployed, contingent upon the actual crimes documented, while allowing the US to maintain political neutrality. This is a key atrocities prevention measure and a tool to build rapport with SAF leaders.

- This brief finds that hardliners within SAF, namely Islamists, are endogenously retrenching SAF leaders' desire to fight. These individuals may be separately sanctioned for their destabilizing role upon a potential peace process between SAF and RSF moderates. Investigations by civil society actors, especially of Islamist military (PDF recruitment) and economic support for the war effort, could help convince USG of the necessity of target sanctions on those responsible.

Sudanese civil society actors and journalists can be vital in informing the USG sanctions process. Some broad recommendations based on this research brief are as follows:

- As a first step, civil society actors could develop a strategy to generate priority interest in Sudan. One possible way is to situate the crisis in Sudan in a broader regional geopolitical context and Western interests.
- Carry out the in-depth investigation of USG interests and needs concerning policy options on Sudan, including sanctions. The investigation will likely uncover areas of research that civil society actors could undertake to help fill in missing information gaps. Known gaps already include birthdates and international asset mapping for SAF and RSF principles, making them susceptible to individual sanctions.
- Further research on RSF-owned companies in Ethiopia and South Sudan, believed to be a large part of the RSF's sanctions inoculation and evasion strategy, could reveal possible ways for USG to pressure the RSF.
- Further research is needed to answer whether SAF's war effort is truly sustainable as per its current revenue generation, with specific attention to SAF's liquidity challenge of paying salaries.
- Tracing Islamist financing into SAF and Islamists' war effort post-April, as well as general information on Islamist leaders and assets and their role in sustaining the conflict. This information could allow for targeted sanctions of individuals helping prolong the war and avoid meaningful discussions on a negotiated solution to end the conflict.



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