Sudan is urging the UAE to invest in the farmland it has acquired in the country, as the north loses the majority of its oil revenues following the independence of South Sudan.

The country, ravaged by years of conflict, is now turning its focus to its agricultural sector, as it desperately tries to generate cash.

Investors from the UAE, including the Abu Dhabi Fund for Development, have been given a total of 600,000 feddans of farmland in Sudan, either for free or at nominal rent costs, on condition they will invest in the land, said Salih Ibrahim Salih Mohammed, a senior researcher at the Sudan Economic Advisor's Office, a division of the country's embassy in Abu Dhabi.

A feddan is an Arabic unit of area equivalent to 4,200 square metres.

"The majority of the oil that was discovered is in the southern region, so now almost 80 per cent of this goes to South Sudan," he said.

"The north is turning to agriculture. There is a renaissance in the agricultural sector to compensate for the oil loss."

The acquisition of land in Sudan is seen as an important part of the UAE's move towards developing food security. Sudan has been described as a potential "breadbasket" for the world.

To date, however, most of the UAE land-holders have made little progress on the development of their areas, Mr Mohammed said.

"We are urging them to go and start. According to our investment law, if we give you the land and you don't start work on the land within one year we give you a notice that you have to come and start," he said.

"We contact them to see whether they are really genuine to invest in land, or just want to put their hand on their land without investment."

Mr Mohammed said land-holders he had approached from the UAE had indicated they were keen to develop the land.

"Most of them were waiting for the political situation in Sudan [to settle down]. The majority of them were waiting to see what the situation was. Now north Sudan is a separate country and South Sudan is a separate country." Saudi Arabia, Qatar and Egypt are among the other Arab nations planning to develop land in Sudan. Crops that could be grown include maize, wheat and alfalfa.

"Sudan faces considerable economic challenges," said Johnnie Carson, the assistant secretary of the Bureau of African Affairs at the US Institute of Peace, in a speech this month published on the US department of state's website.
"With the loss of oil revenues from the south and a crippling debt estimated at US$38 billion [Dh139.57bn], the government of Sudan needs debt relief, access to the international financial institutions and a new infusion of foreign investment. It also needs to revitalise its once promising agriculture sector."

With Sudan having been relatively isolated from the international community, Mr Carson said the US was prepared to help the country if it demonstrated its commitment towards peace.

The US was also in "the process of reviewing Sudan's designation as a State Sponsor of Terrorism", and had approved licences for US companies to take part in agricultural development in Sudan, Mr Carson said.

The UAE Government has highlighted Sudan's potential in its food security efforts.

"The Republic of Sudan is considered one of the countries eligible for achieving Arab food security due to the abundance of vast natural resources which are represented in the fertile land," according to a study on foreign trade issued by the UAE's Ministry of Foreign Trade last year.

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