



Egypt's Economic Crises: The Way Out and Possible Solutions

Water Sustainability in Egypt

Part IV: A Dam Shame: Egypt, Ethiopia and Sudan

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The Egyptian Center for Economic Studies (ECES) has initiated a 4-part study on water sustainability in Egypt and how to combat water poverty up to 2050. Mirette F. Mabrouk, *Senior Fellow, and Director of Egypt Programme, the Middle East Institute* authored this part of the study, and ECES is thankful to the British Government for funding it.

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This 4-part study is consistent of: **I. "Egypt's Water Security Strategies up to 2050 Given Potential GERD Impacts"; II. "Irrigation (Reality, Challenges, Problems, and Solutions)"; III. "The Concept of Water Economic Productivity (WEP) with a Focus on Current and Forecasted Cropping Patterns for 2030 and 2050 in Egypt"; and IV. "A Dam Shame: Egypt, Ethiopia and Sudan."**

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Abstract

As of September 2022, a decade of negotiations between Egypt, Ethiopia and Sudan over the filling and operation of the Grand Ethiopian Renaissance Dam had failed to produce any tangible results. The largest dam on the continent, with a capacity of 74 billion cubic metres, it is capable of generating almost 6,000 megawatts (MW) of electricity, which would satisfy Ethiopia's need for both domestic consumption and export. More importantly to Egypt and Sudan, however, it has the potential to disrupt the flow of water to both downstream countries.

This decade of negotiations has been marred by a lack of trust between the parties. There have been accusations by Ethiopia of 'colonial entitlement' on the part of Egypt and Sudan, who in turn, have accused Ethiopia of intransigence in its negotiating stance and stalling on the negotiations until the dam had become a de facto presence. Matters have been aggravated by a rising nationalist discourse among the public in all three countries.

This paper attempts to chart the path of the negotiations over the filling and operation of the dam and examine its ramifications. It will also examine the major sticking points in the negotiations; the desire of Egypt and Sudan for both a legally binding agreement and a dispute mechanism – both of which Ethiopia refuses – by looking at the history of previous Ethiopian hydropower dams and the geopolitics of regional transboundary issues.

This part will also discuss external factors and pressures on the negotiations, among them the role of Ethiopia's domestic political upheavals, the influence of various global players and how this issue plays into larger geopolitical concerns. Finally, it will attempt to explore the possibilities for future reconciliation, if any.

المخلص

بداية من سبتمبر 2022 فشلت المفاوضات التي استمرت عقد من الزمان بين مصر وإثيوبيا والسودان حول ملء وتشغيل سد النهضة في تحقيق أي نتائج ملموسة. ويعتبر سد النهضة أضخم سد في القارة بسعة قدرها 74 مليار متر مكعب، وهو قادر على توليد 6000 ميجاوات تقريبا من الكهرباء، ما يفي باحتياجات إثيوبيا لأغراض الاستهلاك المحلي والتصديري. والأهم بالنسبة لمصر والسودان هو أن هذا السد بمقدوره إعاقة تدفقات المياه لدولتي المصب.

اتسمت المفاوضات طوال العشر سنوات الماضية بانعدام الثقة بين الأطراف المعنية؛ فبينما اتهمت إثيوبيا مصر والسودان برغبتها في الحفاظ على معاهدات استعمارية، اتهمت مصر والسودان بدورهما إثيوبيا بالتعننت في موقفها التفاوضي والمماطلة في المفاوضات إلى أن أصبح السد أمرا واقعا. وعمل تصاعد الخطاب القومي بين شعوب الدول الثلاث على تفاقم خطورة الأمر.

في هذا الإطار، يستعرض هذا الجزء من الدراسة مسار المفاوضات حول ملء وتشغيل السد وتداعياته، كما يلقي الضوء على النقاط الشائكة التي شهدتها المفاوضات؛ ورغبة مصر والسودان في إبرام اتفاق ملزم قانونا وإنشاء آلية لحل أي نزاع محتمل نظرا للتاريخ السابق للسود الكهرومائية التي أقامتتها إثيوبيا من قبل والاعتبارات الجيوسياسية للجوانب الإقليمية العابرة للحدود، وهما المطلبان اللذان ترفضهما إثيوبيا.

كما يناقش هذا الجزء العوامل والضغوط الخارجية على المفاوضات ومن بينها دور الاضطرابات السياسية داخل إثيوبيا، وتأثير مختلف اللاعبين الدوليين، وكيف أن هذه القضية تثير مخاوف جيوسياسية كبرى. وأخيرا، تسعى الدراسة إلى استكشاف احتمالات التوصل إلى مصالحة في المستقبل، إن وجدت.

During a decade of contentious tripartite negotiations over the Grand Ethiopian Renaissance Dam, the stumbling blocks have been largely political, not technical

An endless cycle of fruitless negotiations

For those tracking the negotiations between Egypt, Ethiopia and Sudan over the past decade or so, it must be rather like trying to find one's way through a maze; continuously trying to track a path to the centre, only to find that one has hit another dead end.

The filling and operation of the Grand Ethiopian Renaissance Dam (GERD) have been a source of tension between Egypt, Ethiopia and Sudan since Ethiopia first announced its intention to build the dam in 2011. The size and capacity of the dam has mutated since it was first announced but in its final iteration, it is the largest dam on the continent, with a capacity of 74 billion cubic metres, capable of generating almost 6,000 megawatts (MW) of electricity, which would satisfy Ethiopia's need for both domestic consumption and export. More importantly to Egypt and Sudan, it has the potential to disrupt the flow of water to both downstream countries.

The negotiations have spun on for a decade, but there are significant milestones that may be marked.

As far back as 2008, Egypt, apparently conscious of the fact that it was only a matter of time before Ethiopia would take steps to start damming the Nile in a major way, decided it was better to be proactive. On December 30th 2008, then Minister of Investment Mahmoud Mohieldin wrote to the World Bank, on behalf of the Eastern Nile Council of Ministers of Water Affairs (ENCOM), representing Egypt, Ethiopia and Sudan, requesting support for a programme all three countries had unanimously agreed to: the "first Joint Multipurpose Investment Programme in the Blue Main Nile System that incorporates hydropower development, irrigation, watershed and floodplain management, as well as the Baro-Akobo and White Nile system studies to identify future investments."¹ The World Bank promptly replied that it would be delighted to help support the project.

Two years later, Ethiopia unilaterally started construction of what was initially named the Millennium Dam before being renamed the Grand Ethiopian Renaissance Dam in April of 2011.

¹ Letter to Robert Zoellick, President of the World Bank, December 30 2008.

Egyptian analysts have often muttered that Ethiopia took advantage of the melee caused by the 2011 Arab Uprisings to start construction. While it is certainly true that Egypt had had its hands full for the next four years or so, it must also be noted that, in a country where only about 23 percent of the population have access to electricity and the vast majority tend to rely on unstable energy resources,² hydropower is a major tenet of Ethiopia's economy and this particular dam has long been a national Ethiopian dream.

In 2012, Egypt and Sudan voiced alarm at the pace of the construction, the scale of the project, and most significantly, the fact that a dam capable of storing essentially the annual flow of the Nile Basin was being constructed without a comprehensive and independently produced transboundary environmental and social impact assessment (ESIA). Almost all international development agencies have a stringent requirement for ESIA's, which are typically produced prior to the start of a project. They are considered vital to mitigate social and environmental impact and transboundary hydropower dams, with the potential to severely impact downstream countries that automatically come under this umbrella. Accordingly, Egypt and Sudan requested an international panel of experts (IPoE), to which Ethiopia finally assented. The panel's findings, which were released May 31st 2013 fell significantly short of a glowing endorsement.

Of the 20 documents the panel had requested of Ethiopia, seven had not been provided and two had only been made fleetingly available.

More troublingly, at least nine of those documents made available were "outdated, irrelevant, and/or incomplete, and various conclusions had no evidence that supported them. The report raised concerns about the lack of detailed analysis of numerous vital hydrological, environmental, social, economic, and engineering issues, including locational and structural design ones, and the magnitude and extent of GERD's transboundary downstream impacts that were necessary to examine before construction."³ Rather unsurprisingly, among other measures, the IPoE recommended an ESIA.⁴

² *Estimation of the Transboundary Economic Impacts of the Grand Ethiopian Renaissance Dam: A Computable General Equilibrium Analysis*, Tewodros Negash Kahsay et al., *Water Resources and Economics* 10 (2015), <https://doi.org/10.1016/j.wre.2015.02.003>, 15.

³ *Egypt's sustainable development threatened by Ethiopian dam*, Amal Kandil, Middle East Institute, May 23, 2018

⁴ International Panel of Experts (IPoE) on Grand Ethiopian Renaissance Dam Project (GERDP), Final Report, Addis Ababa, Ethiopia, May 31st, 2013

No ESIA has ever been conducted for the dam.

In 2015, the three countries signed the Declaration of Principles (DoP) in Khartoum, Sudan. This document became the basis for future negotiations and remains a point of contention. To date, the thrust of Egypt's strategy had been a diplomatic whirlwind tour, trying to persuade international institutions, successfully, not to fund construction of the dam until an agreement had been reached between the parties. To date, it has continued to be problematic, with Ethiopia interpreting it differently from Egypt and Sudan, particularly in regard to the need for consensus on beginning to fill the dam.

In September 2019, both Egyptian President Al-Sisi and his Ethiopian counterpart, President Sahle-Work Zewde took up the issue at the 74th meeting of the United Nations General Assembly in New York. President Sahle-Work reiterated Ethiopia's intent to reach an agreement, while Sisi noted that "We spent almost a decade in painstaking negotiations with our brothers in Sudan and Ethiopia to realize an agreement on the operation and filling of the dam in a way that balances the Ethiopian people's right to development and Egyptian water interests and right to life." Put more simply, he noted that "the Nile was an existential issue for Egypt.

That winter, Egypt persuaded the United States and the World Bank to take part in the negotiations as observers. To date, Ethiopia had insisted that negotiations remain purely tripartite. Egyptian and Sudanese negotiators grumbled this was largely to keep external players from realizing how "intransigent" the Ethiopian position was. The choice of both observers made sense, though. The US had major financial and geostrategic interests in all three countries and the World Bank, while having no interest or investment in the GERD, was an ideal international arbiter. Apart from not having any horses in the race, it had the advantage of relevant experience. It had brokered one of the world's most vital and long-lasting transboundary water treaties; the 1960 Indus Waters Treaty between India and Pakistan. Long regarded as one of the world's most successful water sharing treaties, it made the GERD negotiations look only slightly bloated; the Indus Waters Treaty took nine years to negotiate and remains in effect.

Negotiators from all three countries said that the US had applied pressure in an effort to reach a compromise. In the end, though, the talks fell through. Ethiopia refused to show up for the final meetings, citing what it termed US pressure and Sudan refused to sign the final draft, which only Egypt initialed.

In an attempt to avoid the perception of bias, the negotiations were then helmed by the African Union, at the suggestion of Ethiopia. To date, these negotiations have started and stopped like a car badly in need of a mechanic. Despite what both Egypt and Sudan described as one concession after another, an agreement remains out of reach. At the core is the fact that neither Egypt nor Sudan had much leverage over Ethiopia which, before its internal conflicts took a dangerous turn last November, had been a rapidly rising star in Africa, with an expanding economy, increasing international leverage and serious regional ambitions. Indeed, the negotiations were increasingly being viewed by both Egypt and Sudan as merely delaying tactics until the dam was completed. In July 2020, Ethiopia began unilaterally filling the dam, despite the objections of the other two parties. The Ethiopian Minister for Water, Seleshi Bekele, had first claimed that the water pooling in the reservoir was a natural result of the stage of the construction and the heavy rains. While that was likely, the more relevant question would have been whether the sluice gates were then closed or not. More than anything else, it illustrated a reality on the ground; Ethiopia's consent would be the only way to mitigate any damage from the dam. Ethiopian Prime Minister Abiy Ahmed settled the question; he made a statement saying that the "current rainfall and runoff situation in the region had made it conducive to fill the dam." He later described the meetings as "fruitful" on his official Twitter account, and said that a "great understanding" had been reached, thanking his "brothers" Egyptian President Abdel-Fattah el-Sisi and Sudanese Prime Minister Abdalla Hamdok for "the common understanding reached to continue the technical discussions on the filling."

A few days later, South African President Cyril Ramaphosa, the AU Chairman, issued a statement saying that Egypt, Sudan, and Ethiopia had welcomed its expert report on the issues and that all three heads of state had "agreed on the process of finalizing negotiations on the text of a binding agreement on the filling and operation of GERD, which include a comprehensive agreement on future development on the Blue Nile river." It did not last, of course. Ethiopian Foreign Ministry Spokesperson Dina Mufti flat out contradicted the AU, saying "The Ethiopian government does not look for a binding agreement concerning the current talks about GERD, only a guidelines agreement, which can be revised at any time."⁵

⁵ *Egypt running out of diplomatic options on Grand Ethiopian Renaissance Dam crisis*, Osama al-Sharif, Arab News, July 28, 2020.

While there are myriad hiccups, the differences are not technical; between them, all three countries have more than enough technical expertise to sort out any issues. There are two main points of contention. The first, both Egypt and Sudan insist on a legally binding agreement, which Ethiopia refuses, saying that it will only agree to an arrangement that may be continuously discussed between the three parties, at will. The second, Egypt and Sudan have asked for a clear dispute mechanism, particularly in case of drought or water shortage and again, Ethiopia has steadfastly refused. To make matters worse, there has been no agreement on what constitutes ‘drought’ or ‘severe drought,’ which has direct ramifications as to how much water Ethiopia would release in such a case. The situation is further complicated by Ethiopia’s internal politics, and the fact that international actors have solidly refused to become involved, both of which will be discussed later.

Toward the end of 2020, the talks continued to slam into one wall after another. Sudan had long been considered the more easygoing of the triumvirate; it stands to gain much from the dam in the form of cheap electricity and regulated water flow to avoid flooding. Egypt had allegedly been worried that it was “siding with Ethiopia,” according to one Egyptian negotiator. However, Sudan appeared to weigh up its alternatives and Ethiopia’s unilateral filling might have been a tipping point. By the end of the year, even Sudan had finally had enough. In early January 2021, the Sudanese Minister of Irrigation and Water Yasser Abbas said that Sudan could not “continue this vicious cycle of indefinite talks,” and had to be coaxed back after withdrawing. However, Sudan then insisted on a technical role for AU experts in drafting the agreement, a suggestion that had the jaw-dropping effect of getting Egypt and Ethiopia to agree on something. Both countries rejected the idea on the grounds that AU negotiators lack the relevant technical experience on water resources and dam management. However, possibly in deference to Sudan’s newly tendentious position, Ethiopia apparently decided to divide and conquer, offering to conclude a bilateral agreement on a number of issues, chief among them coordinating between the Ethiopian GERD and the Sudanese Roseires Dam. This is especially relevant since the GERD is in the Benishangul-Gumuz region, barely 20 km from the Ethiopian-Sudanese border and 40 km from the capital Khartoum.

The negotiations have become a millstone around Egypt’s neck; apart from the possible ramifications of the dam’s withholding water during a dry spell or drought, the lack of progress is a major diplomatic headache for Egypt and Sudan.

[Please see Timeline at end of chapter]

So how big a problem is the dam, anyway?

The longer the negotiations have spun out, the greater the paranoia and propaganda in all three countries, particularly Egypt and Ethiopia. There has been much nationalist chest banging, with both traditional and social media reverberating with anger, pride and mistrust. The situation has been complicated by the fact that the negotiations have largely been played up as an Egyptian-Ethiopian confrontation. Ethiopians point to a 2013 meeting that former Egyptian President Mohamed Morsi held, where various Egyptian political figures discussed hostile actions toward the dam.⁶ The meeting was broadcast live, whether accidentally or deliberately, but the damage was done; Ethiopians held it up as proof of Egypt's violent intentions. The very notion of an agreement was viewed with suspicion by the majority of Ethiopian analysts who were insistent on the fact that an agreement should involve no Ethiopian concessions, particularly not the one that Egypt and Sudan most needed; binding arbitration.⁷

Ethiopian media has also drummed home the idea that Egypt is exercising a colonial mindset, based on two treaties.

The first is the 1902 Anglo-Ethiopian treaty, signed by Ethiopian Emperor Menelik II of Abyssinia and the United Kingdom, for Egypt and Sudan. Ethiopia conceded that it would not build any waterworks or constructions across the Blue Nile that would affect the two downstream countries. This is why Egypt and Sudan are often referred to as having a 'veto' on Nile dams. However, the concession was a quid pro quo. In return for not building any such dams, Ethiopia received the Benishangul region, which devolved from Khartoum to Addis Ababa. This is especially relevant since the Benishangul is the present site of the GERD. In an escalation of tensions, Sudan noted in early May 2021 that if Ethiopia chose to ignore water sharing treaties than it would [effectively jeopardise its sovereignty](#) over the Benishangul area, a position Ethiopia deemed "ridiculous"

⁶ *Egyptian politicians caught in on-air Ethiopia dam gaffe*, Ahmed Maher, BBC News, June 4, 2013.

⁷ *Why Ethiopia should avoid arbitration as a means of dispute settlement in a possible GERD deal*, Tessema Simachew Belay, Addis Standard, June 29, 2020.

The other is based on an 1929 agreement, and its 1959 iteration, that gave Egypt the rights to 55 billion cubic metres (bcm) of water and Sudan 18 bcm, of the roughly 84 bcm of the Nile Basin, while Ethiopia, the source of roughly 85 percent of the Blue Nile was allocated nothing.

The numbers are somewhat misleading. The technical aspects of the potential ramifications of this dam will be tackled elsewhere in this study, so this section will deal with the political environment surrounding the possible ramifications.

The crux of this is that under normal circumstance, the dam might have very little effect on the downstream countries (although, as previously mentioned, no ESIA has been carried out) although the rich silt necessary for agriculture would be lost. In fact, there are advantages, in terms of less water being lost to evaporation, and, in the case of Sudan, cheaper electricity and water regulation preventing the disastrous flooding the country suffers from.

The situation, however, changes drastically in the case of a water shortage, particularly if one were to happen during the filling of the dam. Under average hydrological conditions, if Ethiopia were to fill over the next five years or so, it would reach the fill target of 49 bcm. That in itself poses problems. A [study by the Geological Society of America](#) in 2017 found that, by filling the dam on that kind of timeframe, the “Nile’s fresh water flow to Egypt may be cut by as much as 25 percent, with a loss of a third of the electricity generated by the Aswan High Dam.” However, [another article published in July of 2022 by several eminent and highly respected researchers](#) concluded that “whilst there is a risk of water shortages in Egypt if a severe drought were to occur at the same time as the GERD reservoir is filling, there is a minimal risk of additional water shortages if flows in the NBlue Nile are normal or above average” and that they could be mitigated by collaborative water management.

There is no way to be certain of any of these estimates since models can be notoriously imprecise. What it all comes down to is how much water Ethiopia will agree to release during and after a drought.

In a drought, all bets would be off. The rains were extremely plentiful in 2020, the first year of filling, and the Aswan Dam is full to the brim and would easily cover any shortage, even in a bad year. However, the last major drought lasted from 1980 to 1985. Such droughts are rare but remain in the collective consciousness due to their length and severity. At that time Egypt rationed water use and relied on the Aswan Dam, but the population numbered in the mid-forties, as opposed to over 100 million today. And, of course, it only had to worry about its own infrastructure. When the GERD is completed, there will be two giant dams draining out to generate

hydropower. Eventually, Lake Nasser would drain out to enable Egypt to supply water for agricultural, technical and urban needs. If both need to be refilled during a water shortage, there will be extremely difficult choices to make. This why Egypt and Sudan insist on an agreement. The fact that both countries are well aware that Ethiopia intends to build three more dams upstream has heightened the level of mistrust sharply. The GERD sets a precedent—if there is no agreement then it would become next to impossible to manage water resources over a series of dams.

In a bid at diversification and mitigation, the Egyptian government has been working a major desalination project since 2014. By the end of 2018, 47 desalination units had been built, producing 254,000 cubic metres per day. For comparison, five installations in Israel were producing 1.75 million cubic metres per day that same year. While the goal was 1 million cubic metres by the end of 2020, it would need 90 million cubic metres a day to compensate for the loss of water from the dam—an entirely impossible goal.⁸

The bigger the better?

The eventual capacity of the dam will be 5,150 MW, which was scaled back from the original 6,450 MW. That’s an expected 16 TWh a year in power generation, almost triple the capacity of the Aswan Dam, at 2,100 MW and 10 TWh per year.⁹

That’s a lot of electricity. To put matters into perspective, the expected output will be 16TWh per year. The current output is 4,425MW.

Undoubtedly, Ethiopia needs electricity; over 12.6 million of its households are without electricity and while there is 85 percent penetration in urban areas, that figure plunges to 29 percent in rural areas. This is especially telling since rural users are unlikely to be major electricity consumers. Ethiopia plans on exporting electricity to its neighbours (although it actually already exports electricity to Djibouti, Kenya and Somalia) but even then, there is little to show that it can sell that much electricity (Kenya is already nearly self-sufficient and bristling at an existing electricity deal with Ethiopia).

Ethiopia has an energetic electrification strategy, according to a [2020 USAID report](#), although it notes that major hurdles still exist; “the utility must become a creditworthy purchaser

⁸ *Will a new Ethiopian dam choke water-parched Egypt?* Jacques Neriah, June 30, 2019, Jerusalem Center for Public Affairs.

⁹ *Why Ethiopia and Egypt can’t agree over dam*, Ben Heuble, August 3, 2020, Engineering and Technology.

of electricity from independent power producers (IPPs); tariff rates must be reformed to allow for full-cost recovery; the dated transmission and distribution system, suffering from high losses and frequent outages, must be rehabilitated; efficient planning and operation/maintenance of the grid must be undertaken as it is expanded and new connections are added to keep up with new generation; and electrification of off-grid populations must be addressed.” And once all that is taken into account, Ethiopia will have to find the money to pay for power distribution and transmission lines, which, by some estimates, will cost at least as much as the dam itself. Construction on those has only just started.

Then there’s the issue that hydropower dams come with their own set of significant problems. They can be lifesavers; the Aswan Dam quite literally saved lives during the 1980-1985 drought. However, according to an [International Rivers report](#), mega dams have not been the cure all that they were sold as. “2014 report by a group of researchers at the University of Oxford’s Saïd Business School assessed the economic performance of 245 dams in 65 countries. It concluded that large hydro dams are uneconomic, incurring an average of 96 percent cost overruns and 44 percent time overruns. Budgets are systematically underestimated and fail to reflect actual inflation costs. Debt servicing and environmental and social costs are also grossly underestimated.” Two such dams saddled the Democratic People’s Republic of Ethiopia with crippling debt. And it’s unclear why the Ethiopian government would spend so much money on a dam of this size without pursuing geothermal or solar energy, both of which are simpler to harness and could provide as much power.

However, if the dam fails to live up to its promise, it could be a decade before Ethiopians realize it, giving Ethiopian leadership plenty of time to spend its political capital that such a national project provides.

A Matter of Trust

Throughout the discussions, one of the two major sticking points has been that both Egypt and Sudan require a legally binding document.

The most common reference governing watercourses is the [1997 UN Convention on the Law of Non-Navigational Uses of International Watercourses](#). Neither Egypt, Ethiopia nor Sudan are parties to it, but its principles are widely considered to be an accurate representation of binding customary international law. Article 5 is at its core; the principle of “equitable and reasonable”

utilization of resources. Ethiopia has maintained that while it refuses to agree to a binding agreement it will abide by the principle of equitable and reasonable utilization. Unfortunately, Egypt and Sudan have examples to consider; the effect of earlier, significantly smaller, Ethiopian dams on Kenya and Somalia.

Back in 2018, environmentalists warned that 300,000 Kenyans who depend on Lake Turkana—the world’s biggest desert lake—could run short of drinking water and fish if Ethiopia built two more dams on the Omo river upstream. In an attempt to provide some protection, UNESCO designated the lake an endangered UNESCO Heritage Site. The dams were Gibe II and III, Ethiopia, and in a foreshadowing on the GERD negotiations, Ethiopia “rejected the claims, saying its own studies show the dam will regulate the river’s flow and stabilize water levels in the flood-prone region.”¹⁰

The fears were that the dams would reduce water to the lake, which would become too salty for the fish, and eventually for the people and mammals to drink. That’s precisely what is happening and to date apparently nothing is being done to save the lake, and the livelihood of those who depend on it. An effort to develop a Turkana-Omo basin management plan initiated in 2013 between the two nations and facilitated by the United Nations Environment Programme (UNEP) appears to be going nowhere. As of late 2021, the situation was complicated by the fact that back in 2012, Kenya signed an agreement to buy hydropower from Ethiopia, partly from the Gibe III dam. However, the Kenya-Ethiopia agreement has a take-or-pay clause, which compels Kenya to buy 400MW of hydropower from Ethiopia at any given time at \$0.07 per unit. The clause means that regardless of whether it uses the power or not, Kenya still has to pay for it, a problem now since the country actually has surplus domestic generation capacity. Kenya has invested in geothermal plants alongside wind and solar energy, making it energy sufficient. This makes Ethiopian plans to sell more electricity, generated by GERD, to Kenya, somewhat dubious.

Disastrous as the Omo River dams have been for Kenyans, the fallout has also included Ethiopians. According to a [report by The Oakland Institute](#), the dam and the accompanying sugar plantations are threatening to wipe tens of thousands of indigenous peoples.

¹⁰ *Ethiopia’s dams threatened thousands of Kenyans*, Kevin Mwanza, July 3, 2018, Thomson Reuters.

The situation in Somalia is even more dire. The country is especially reliant on the Juba and Shebelle Rivers. [Ethiopia's Genale Dawa II Dam is currently threatening Somalia's food and water security](#); there are fears that the dam might dry up the rivers in a decade. And to add insult to injury, [Ethiopian farmers appear to deliberately hoarding water](#) from Somali farmers.

Problematic though these cases are, the Ethiopian government has, to date, managed to avoid any serious ramifications due to its relations with the Somali government. That might not last long. Former Somali President Mohamed Abdullahi Farmajao's term was up in February of 2021 and his attempt to extend that term by two years, without elections, [provoked furious political opposition that degenerated into armed conflict](#). Blaming the political opponents and 'foreign interests' he was forced to give up his attempt at an extension and agree to speak with the opposition. Relations between Farmajao and Abiy had been close; along with Eritrean President Isaias Afwerki, they have formed a new and emboldened '[Horn of Africa Axis](#).' A new Somali President, Hassan Sheikh Mohamud, took office in May 2022 and during a meeting with President Sisi two months later, affirmed his country's position on the necessity of a reaching a binding agreement on the GERD.

When Abiy was awarded the Nobel Prize for Peace, it was for staunching a war. However, in light of the events of last November, there have been questions as to whether he and Afwerki brought one conflict to a close while opening up another one.

On November 4th, 2021, Ethiopian Federal government forces attacked the Tigray region, one of the country's 10 semi-autonomous regions, after Abiy accused the Tigray government of attacking a federal army base. Relations between Abiy's administration and the Tigray regional government have been uncomfortable since he became prime minister in 2018 and effectively unseated the Tigray People's Liberation Front (TPLF), which had ruled the country, brutally, for over two decades. Every single Tigray minister was removed from the cabinet. Matters really started heating up when elections originally scheduled for summer 2020 were cancelled, due to COVID-19, according to the federal government. Abiy immediately ignited the wrath of almost all of Ethiopia's ethnic minorities but the TPLF took action, holding regional elections in September where, as expected, they won all the contested seats. The federal government promptly declared the elections null and void. The Tigray make up a mere 6 percent of Ethiopia's population

but the region is the base for the Federal Army's Northern Command. The TPLF took over the base, impounding the weapons and a third of the troops (one third escaped and the rest were imprisoned). Ethiopia is currently in what can be described as a civil war. The situation appears to be dire; by June 2021 the [United Nations had officially started warning of a famine](#) in northern Ethiopia, afflicting an estimated 350,000 at least.

An estimated 60,000 or so refugees streamed across the borders to Sudan and, in some cases, Eritrea. Those who fled to Eritrea have allegedly been sent back to face punishment by Eritrean forces. There have been well documented claims that Eritrean forces (who have their own vendetta against the Tigray, following years of war) are apparently fighting with the Ethiopians against the Tigray in the regional capital Mekelle. Abiy had promised a swift, bloodless resolution to the conflict but that has failed to materialize and his refusal to negotiate with the Tigray and the mounting abuses have led to his image being tarnished, his ["reputation as a peacemaker in tatters."](#)

Into this melee stepped Sudan.

Al-Fashqa region has been disputed between Ethiopia and Sudan—it is on the Sudanese side of the border demarcation but has been farmed by Ethiopian Amhara farmers for decades. After the death of Sudanese soldier, allegedly shot by Ethiopians shortly after the fighting started, Sudan stepped up demands for the return of the region. In his present state, Abiy cannot afford to lose the support, or respect of the Amhara.

Sudan holds another card as well; when it closed its borders with Ethiopia at the start of the fighting, it cut off the Tigray region's only access to fuel, food and ammunition outside Ethiopia. Under former Omar Al-Bashir, Sudan had previously had good relations with the TPLF, but once the TPLF were out of power, the romance had died down. However, it still had the power to threaten or cajole the Ethiopian federal government by putting aid to the TPLF in one basket, opposite concessions over the contested al-Fashqa triangle and the GERD in another basket. Of course, it is a delicate maneuver; Abiy could just as easily provide support to Sudanese rebel groups along the Ethiopian Sudanese border. Consider the fragility of Sudan's current political transition, it is a serious risk.

On December 31st, 2021, Sudan launched a military sortie and took control of al-Fashqa. Twelve days later, Sudan announced that five women and a child had been killed by Ethiopian militia. The following day, the Sudanese Ministry of Foreign Affairs announced that an Ethiopian

plane had entered Sudanese airspace. The situation bears all the markings of a potential regional conflict. This probably explains why Sudan has asked Egypt for support, closing up a tight triangle. Egypt has expressed ‘complete support’ for Sudan; last November, both armies launched joint military exercises.

The cooperation extends beyond the military and the economic. While Egypt has never been able to take Sudan’s position for granted in the GERD dispute (and would be wise to continue not to do so) the two countries have a Venn diagram of shared interests and those interest are in play in this issue. In light of Ethiopia’s declared intention to commence the second filling of the dam, in July and August of 2021, once again unilaterally, Egyptian Foreign Minister Sameh Shoukry and Irrigation Minister Mohamed Abdel Aty, and their Sudanese counterparts, Maryam al-Siddiq al-Mahdi and Yasser Abbas, met in the Sudanese capital Khartoum, after which they released a joint statement, renewing [calls for international involvement](#) in the negotiations, followed two days later by Egypt’s [letter](#) to the United Nations Security Council denouncing Ethiopia’s unilateral actions.

In its own way, Sudan has emerged as a major card holder in the GERD issue.

The Reluctant Referees

Arguably, one reason that the talks have been spinning their wheels in place for a decade has been that three players have been speaking to each other without an arbiter to help referee the game, so to speak. Both Egyptian and Sudanese negotiators have privately said that this is precisely the major reason that Ethiopia has insisted on keeping the negotiations strictly tripartite. The fact remains though that, with the exception of the US attempt towards the end of 2019, there has been a marked reluctance on the part of international actors so far to venture anywhere near this matter. There are reasons for this. The three countries, in particular Egypt and Ethiopia, represent strategic importance to various international players, many of whom also have significant financial investments in all three. In particular, Egypt is said to have been disheartened at the apparent lack of support from those countries in the Gulf that would normally have been considered staunch allies; Saudi Arabia and the United Arab Emirates. although in June of 2022, Saudi Arabia officially declared its support for Egypt’s position on the issue.

There are solid reasons for this caution. The GERD issue has coincided with a decade of rising Gulf interest in the Horn of Africa. When Ethiopian Prime Minister Abiy was awarded the

Nobel Prize in 2019, it was for his negotiation of a treaty to end the war with neighbouring Eritrea (actual fighting had ceased in 2000 but both countries were effectively in a state of war due to a border dispute). Both Saudi Arabia and the UAE had played a role in helping to broker that peace. It was part of a general Gulf (and specifically Saudi Arabia, the UAE and Qatar) interest in the Horn, an interest that had its root in the rise of food prices in 2008. Faced with expanding populations, rising prices and a lack of resources, the Gulf countries began to look for ways to hedge against food insecurity. Accordingly, there was a rush to buy farmland in Ethiopia and Sudan. Between 2000 and 2017, Gulf countries had invested \$13 billion in the Horn, mostly in Ethiopia and Sudan.¹¹ It is important to note that the line between private and public capital in Gulf countries can be somewhat blurry. As a result, generally all investment ought to be viewed as part of a wider, and far-ranging foreign policy, key to which is the nuanced understanding that stability in both economic and political developments in the Horn is strongly connected to the wider geopolitical interests of the Gulf. For both Saudi Arabia and the UAE, rivalry with Iran plays a huge role; Saudi Arabia had already managed to lever both Eritrea and Sudan into breaking off ties with Iran as far back as 2014. The UAE, which has carved out its power as a vital centre for investment, logistics and transshipment, has ports and bases on the Red Sea the southern edge of the Arabian Peninsula and needed both manoeuvrability and security. It has had a military base in Assab, Eritrea, since 2015, which it has used to launch attacks on Yemen. This took on a more vivid importance in light of what was viewed as a gradual US retreat from the region, particularly after two oil tankers (owned by Japan and Norway, respectively) were crippled by explosions in the Gulf of Oman in 2019 and Iran was widely suspected of having been behind it.¹²

And notwithstanding the recent reconciliation between Bahrain, Egypt, Saudi Arabia and the UAE on the one hand and Qatar on the other, the rivalry between Saudi Arabia and the UAE on the one hand and Qatar and Turkey on the other also came into play. Turkey in particular has managed to make inroads into Somalia, investing heavily, securing contracts for Turkish firms and generally chipping away at the UAE's influence.

¹¹ *Riyal Politik: The political economy of Gulf investments in the Horn of Africa*, Jos Meester, Willem van den Berg, Harry Verhoeven, CRU Report April 2018, The Clingendael Institute.

¹² *Trump says 'Iran did do it' as US seeks support on Gulf oil tanker attacks*, Parisa Hafezi, Makini Brice, June 14 2019, Reuters.

The countries of the Horn have generally struggled with scarce resources and hard currency reserves, further limiting development potential. Gulf investment has been a blessing. Almost the first thing that Abiy did upon taking office in April of 2018 was secure a lifeline in aid and investments from the UAE, to the tune of \$3 billion, \$1 billion of it to immediately prop up the reserves. Sudan had just received \$1.4 billion from the UAE.

Egypt remains the Gulf's largest recipient of investments, however. In 2021, the UAE was the top investor in the country, with \$7 billion in existing investments and an additional \$7 billion in memoranda of understanding at the end of 2020.¹³ The tiny Gulf nation alone accounted for a staggering 11 percent of Egypt's exports. The year before, Secretary General of the UAE International Investors Council (UAEIIC), Jamal Saif Al Jarwan, had noted that "Given the market's absorptive capacity for massive UAE investments, Egypt is now deemed as the world's key investment spot, particularly for Arabs."¹⁴

With all the above in play, it was unlikely that Gulf countries would risk rocking the boat by leaning to one side or another. However, it now appears that while the Gulf states' reluctance to intervene might have been a disappointment, particularly to Egypt, Gulf intervention might also come with a series of issues. More specifically, the [UAE had suggested an option to Sudan](#) separating Ethiopian-Sudanese issues, among them potential GERD repercussions on the Roseires Dam and the border conflict, from the GERD file – essentially cutting out Egypt and potentially weakening the Egypt-Sudan alliance. When added to the fact that Egyptian and Emirati geopolitical views appeared to be diverging slightly, suddenly the intervention appeared to be losing its lustre.

While negotiators have also lamented the lack of EU involvement, the most significant other international player, as far as investment is concerned, is China, which has been jockeying with Japan for influence in Africa for decades.

All three countries are recipients of aid and investment although those in Egypt and Ethiopia dwarf those in Sudan. The country is catching up, though; in September of 2018 at the China-Africa Cooperation summit, Sudan [received](#) the largest amount of aid given to any African country

¹³ *UAE receives 11 percent of Egypt's total exports*; Gamea, Shaimaa Al-Aees, November 16, 2020, Daily News Egypt.

¹⁴ *UAE to double investments in Egypt over 5 years*, December 15, 2019, Investgate.

of the \$60 billion worth of aid distribution pledged at the conference. At the same conference, China also [agreed](#) to write off Sudan’s \$10 billion worth of debts to China prior to 2015, as well as to “[invest](#) in the gas, minerals, and oil pipelines from South Sudan to Port Sudan on the Red Sea coast.” China has continued to invest in Sudan’s maritime infrastructure as part of China’s maritime Silk Road initiative, like China Harbor Engineering’s \$141 million (€120 million) [development project](#) for the Sudanese port of Haidob.

All three countries, particularly Egypt, are vital to China’s Belt and Road Initiative (BRI), a massive infrastructure project, reminiscent of the famed Silk Road, stretching from East Asia to Europe.

Chinese investment in Egypt has increased significantly over the past decade as China seeks to fund and develop important parts of Egypt’s future economic infrastructure, including the Suez Canal Economic Zone and the New Administrative Capital. Between 2013 and 2017, Chinese foreign direct investment (FDI) in Egypt [amounted](#) to 13 percent of Egypt’s total domestic investment.¹⁵ This marked a 12 percentage point increase from the period ranging from 2003-2007, during which Chinese FDI in Egypt was [equivalent](#) to just 1 percent of Egypt’s total domestic investment.¹⁶ By 2018, China’s cumulative FDI in Egypt [stood](#) at \$24.3 billion, \$20 billion of which was earmarked (though not yet fully invested) for Chinese development initiatives in building the New Administrative Capital.¹⁷

In a similar fashion, Chinese infrastructure development investment in Ethiopia over the past decade through multilateral partnerships has given an invaluable boost to Ethiopia’s industrialization. Ethiopia, along with South Africa, is one of China’s [most reliable](#) business and investment partners in Africa. More specifically, however, China, perhaps more than any other international investor, is deeply involved with the GERD. The dam has been billed as an Ethiopian

¹⁵

<https://www.mckinsey.com/~media/mckinsey/featured%20insights/china/china%20and%20the%20world%20inside%20the%20dynamics%20of%20a%20changing%20relationship/mgi-china-and-the-world-full-report-june-2019-vf.ashx>, pg 6

¹⁶

<https://www.mckinsey.com/~media/mckinsey/featured%20insights/china/china%20and%20the%20world%20inside%20the%20dynamics%20of%20a%20changing%20relationship/mgi-china-and-the-world-full-report-june-2019-vf.ashx>, pg 7.

¹⁷

<https://www.mckinsey.com/~media/mckinsey/featured%20insights/china/china%20and%20the%20world%20inside%20the%20dynamics%20of%20a%20changing%20relationship/mgi-china-and-the-world-full-report-june-2019-vf.ashx>, pg 56.

project, paid for by Ethiopians themselves. While that is true of the dam itself, Chinese involvement in the buildout of the power grid and transmission lines, without which a hydropower dam would be useless, is intensive.

As early as 2011, *the Economist* reported that China was going to [fund](#) the cost of the turbines and some other unspecified equipment for the dam. On April 26, 2013, Ethiopia [obtained](#) a \$1 billion (USD) loan from China to finance the construction of 400 kilovolt and 500 kilovolt transmission lines linking Addis Ababa, the Ethiopian capital, to the GERD. Two 500 kilovolt double circuit transmission lines were [planned](#) to extend to the Dedessa and then Holeta substations, after which the planned 400 kilovolt transmission lines would extend from Holeta to Sebeta II, Akaki II, and Sululta II. A 400-kilovolt line linking GERD to Beles and Bahir Dar was also [planned](#). The Electric Power Equipment and Technology Company, Ltd. of the State Grid Corporation of China (SGCC) [signed](#) the deal with the CEO of the Ethiopian Electric Power Corporation (EEPCo), Mihret Debebe. The Ministry of Foreign Affairs of Ethiopia [announced](#) that the power transmission line project of the GERD would cost \$1.2 billion, of which 85 percent would be funded by a loan from the Chinese government via the state-owned Equipment and Technology Company, Ltd. *Xinhua* [projected](#) a total cost of \$1.458 billion, rather than \$1.2 billion, and reported that construction would begin within two months of the signing of the deal with the Chinese investor.

In April 2019 after Abiy's visit to Beijing, the SGCC [announced](#) another investment in Ethiopia's power grid amounting to \$1.8 billion, with China Export and Credit Insurance Corporation (Sinosure) committing to facilitating the funding. After Abiy's visit, China also agreed to [cancel](#) Ethiopia's debt; estimates on the value of which range from \$12 billion to \$20 billion.

In that same year, Belachew Kassa, the GERD site coordinator and project deputy head [announced](#) that his team found the GERD's bottom outlets, which Ethiopia's Metals and Engineering Corporation (METEC) originally constructed, were built poorly. That led to the Ethiopian government [contracting](#) METEC's work out to a collection of foreign groups, including China Gezhouba Group Co., Ltd (CGGC), Voith Hydro Shanghai, and China's Sinohydro Corp. The Ethiopian Electric Power (EEP)'s \$40 million contract with CGGC was [slated](#) to be used for

“pre-commissioning activities at the dam,” while the \$113 million contract with Voith Hydro Shanghai was to [aid](#) “the construction of the generation station and spillways” of the dam.

When Egypt finally took the issue to the United Nations Security Council, China generally repeated the same speech as the majority of the other delegates, with two exceptions. Firstly, unlike the vast majority of the other delegates the Chinese one did not suggest that unilateral action should be avoided in cases like these. Secondly, he went on to specifically state that: “The utilization of cross-border water resources involves the distribution of interests between upstream and downstream countries and is therefore highly complicated and sensitive.” And that “This involvement of the Security Council in GERD issue should not constitute a precedent.”

The emphasis was relevant; China has its own transboundary water issues. China [controls](#) the sources of most of the South, Southeast, and East Asia’s major rivers. The Brahmaputra, the Indus, the Mekong, the Salween, the Yangtze, and the Yellow River, among others, all [trace](#) their sources to the Tibetan Plateau, which explains an obvious strategic motivation for China to want to maintain such a tight grip on the Tibetan Autonomous Region (TAR). The Chinese state-owned water development company Huaneng Hydrolancang has built dams upstream from Thailand, Laos, Myanmar, Vietnam, and Cambodia on the Mekong River, and there have been conflicting reports that they have considerably decreased downstream water levels (although it must be noted that there are conflicting reports from US¹⁸ and Chinese¹⁹ sources.

Chinese development of the Xinjiang-Uyghur Autonomous Region (XUAR) also [requires](#) significant water resources, which has led China to begin [diverting](#) water from the river systems like the Ili and Irtysh as part of China’s “Plan 635”. Researchers from Kazakhstan [predict](#) that these projects will decrease the amount of water volume of the Ili in Kazakhstan by up to 40 percent by 2050, which will have severe environmental impacts on water resource availability in both Kazakhstan and Russia. Kazakhstan has [sought](#) Russia’s assistance by requesting multilateral talks with China that would include Russia, but, in precisely the same way that Ethiopia attempted to

¹⁸ *Monitoring the Quantity of Water Flowing through the Mekong Basin through Natural (Unimpeded) Conditions*, Basist, A. and Williams, C. (2020); Sustainable Infrastructure Partnership, Bangkok.

¹⁹ *Water wars: Mekong River another front in U.S.-China rivalry*, Kay Johnson, Panu Wongcha-um, July 24, 2020, Reuters.

limit the GERD negotiations to tripartite ones only, China has insisted on limiting the negotiations to bilateral talks with just Kazakhstan.

Now what?

With the GERD negotiations apparently in a state of stalemate, there is a potential for serious discord and possible regional conflict. However, there is reason to hope that recent changes might provide the relevant players with options to reconsider their positions while taking into consideration their own political needs.

Crucially, the linchpin is, as it always has been, Ethiopia. While Prime Minister Abiy had previously had no real reason to compromise on the construction of the dam (and Ethiopia's negotiating position and tactics were strong indications of this), the situation has now changed slightly. Firstly, the dam is now almost completed. As a leader, he can rightfully claim that he has delivered on his promises. The operation of the dam is a significantly more technical matter and may be handled in such a way that diplomacy does not need to indicate compromise. It could be argued, of course, that the last decade of negotiations were about the operation of the dam and Ethiopia has refused to budge. While this is true, if we argue that the largest stumbling blocks to a successful treaty were political and not technical, then it follows that if there is political will, success becomes much more likely.

The changes for such a success may also have been enhanced by Ethiopia's current internal conflict. As explained earlier, the fighting with the Tigray will not only sap the federal government of resources, but will also raise ethnic conflicts that neither Ethiopia, nor Abiy, can afford and might even open up a door to conflict with the Oromo as well. It is unclear how long Eritrea, which has its own designs on the Tigray region, can be held at bay. A situation where Sudan demands the return of the occupied al-Fashqa region, escalating militarily and leaning on Egypt for military support, is to be avoided at all costs. Finally, the international community is aghast at human rights abuses in Ethiopia during the current conflict. This has directly affected Abiy; where once he was hailed as a promising young regional leader, he ["is increasingly seen as a stubborn and reckless leader who is unable or unwilling to stem the atrocities in Tigray that are shredding his reputation."](#) Faced with a lack of response, the US also indicated its growing frustration with the war in Tigray by [announcing aid cuts and a ban on some Ethiopians travelling to the US](#). However, this criticism has led to an uptick in aggressive ethnonationalist rhetoric from Abiy and his supporters ahead of

the June elections, where he won a landslide victory. Observers hope that this might result in the more breathing space for reconciliation.

As complicated as the picture appears, there are opportunities to cut one's losses.

The possibility of intervention by international parties, however, continues to be an elusive one.

On, July 9th 2021, Sudan, supported by Egypt, once again took the case to the United Nations Security Council. While both countries had been pushing for international involvement in the negotiations for years, Sudan had lately specified international involvement by what was termed The Quartet; The AU, the EU, the US and the UN, a proposal which Ethiopia had steadfastly refused. which have been under the aegis of the African Union for the past two years.

A draft resolution prepared by Tunisia and seen by AP had called on Ethiopia "to refrain from making any statements, or taking any action that may jeopardize the negotiation process."

The draft, however, went on to note that the deal must ensure "Ethiopia's ability to generate hydropower ... while preventing the inflicting of significant harm on the water security of downstream states."

The result of the UNSC meeting was of little or no surprise to anyone who has been following the issue. [The UNSC Meetings Coverage readout](#) is a study in passive fence-sitting. One country after another stated that the three countries should cooperate and come to a mutually agreeable solution, despite the fact that the matter had ended up at the UNSC precisely because no mutually agreeable solution appears to possible. While undoubtedly disheartening for Egypt and Sudan, it can hardly have come as a surprise. The fact that all three countries are important in some way to all the permanent members of the UNSC, and a great many more nations who are not members has been a major complication. No one wants to get involved in an increasingly problematic situation. That the case reached the UNSC at all, is due to the skill of the Egyptian and Sudanese negotiators. This was despite fervent opposition from Ethiopia, which has insisted that this was an internal matter and that the UNSC is not the appropriate forum for water disputes. That position has also been voiced by at least one member of the UNSC, China, which, of course, has its own transboundary water issues. Apart from the relevance of the issue for the three countries directly

involved, a resolution at the UNSC would set a precedent and there are many countries who would not want water issues being brought up at the council.

By the end of the meeting, the council members had backed the AU mediation efforts and recommended that negotiations restart as swiftly as possible. In what appeared to be a slight reversal of a stance which had been, to date, rather more energetic, [the US position](#) was that the AU was the appropriate venue to address the dispute, that the US was ready to provide political and technical support and that, “a balanced and equitable solution to the filling and operation of the [Nile dam] can be reached with political commitment from all parties.” This tendency to state the obvious looks likely to be repeated; the AU has seen yet another presidency come and go, with Senegal’s President, Macky Sall, assuming the Chairmanship in February of 2022, and negotiations are still moribund.

As has been mentioned before, the dispute over the filling and operation of the dam is not a technical issue. It never has been. All three countries are well versed in hydro-engineering and are perfectly capable of sorting out any technical glitches. The problem is that the issue is a political one, subject as much, if not more, to domestic political pressures than technical or climate related ones. The dam has grown into a subject of intense nationalistic status in all three countries, with accompanying paranoia and nativist aggression. In Ethiopia, the dam, domestically financed and operated, is a matter of fierce national pride and the only subject that manages to rise above inter-ethnic conflict. That fact that the negotiations are heavily affected by domestic politics must take into account the June 2021 elections in Ethiopia. PM Abiy Ahmed won a landslide electoral victory, [taking 49 of 53 constituencies](#). However, over 100 constituencies, including, of course, in war-racked Tigray, were unable to vote, which means that potentially, Ethiopia might be looking at more unrest. That leaves Egypt and Sudan continuing to deal with a negotiating partner whom they say has been resistant to any mutual progress and who may be under increased domestic pressure. However, it’s also possible that the victory at the polls might give him the political leverage to allow for more constructive negotiating stance that might ultimately be more beneficial to Ethiopia.

Both Egypt and Sudan have realised that it is back to the diplomatic starting boards. Egypt, particularly, realizing that its ability to leverage international aid depends solely on its diplomatic and geostrategic importance, is working hard to bolster its regional credentials. Accordingly, it

agreed to the reconciliation with Qatar, is working with France, Germany and Jordan on resuscitating the moribund Israeli/ Palestinian talks, was instrumental in bringing about a ceasefire in the recent conflict between Israel and Hamas in Gaza (gaining credit with both the Europeans and the new administration of US President Joseph R. Biden) and holding talks with the Government of National Accord in Libya.

There are, however, options for a constructive path forward. There has been movement on the diplomatic front, although it remains unclear how useful it will turn out. In May, US National Security Advisor Jake Sullivan visited Egypt for talks with President Sisi and cabinet members. Human rights, arms sales and the GERD were all thought to have figured prominently in the discussions. After a period of merely polite interaction it appears as if the US administration is now keen on reengaging with Egypt and GERD is near the top of Egypt's wish list. Not to be outdone, Ethiopia has engaged in its own diplomatic dance. On May 6th, Ethiopia's former Minister of Water resources, Seleshi Bekele, the man famous for coming up with the hashtag "It's my Dam!" presented his [papers as new Ambassador to the US](#). It was widely viewed as an effort to attempt to mobilise US support in its favour, to counter Egypt's efforts and, just as importantly, attempt to soften the US objections to the war in Tigray. In all cases, it gives the US leverage, should it be willing, or ready, of using it. On June 11th, [Bekele claimed that Ethiopia was keen to resume negotiations on the GERD](#). Observers noted that these claims were made shortly before Ethiopia started on the third filling of the GERD (an event awaited with gritted teeth by both Egypt and Sudan) and that they were made to the new US Special Envoy for the Horn of Africa, Mike Hammer.

January of 2022 saw the re-entry of what may be the most significant external player; the UAE. In January, both [President Sisi and Prime Minister Ahmed met with the late Crown Prince Sheikh Mohamed bin Zayed Al-Nahyan](#). As mentioned earlier, the UAE has overwhelming business and security interests in both countries, creating bonds that go beyond mere diplomacy to practical necessity. Sisi is understood to have offered assurances that the security of the Gulf is integral to the region; always important for Gulf countries to hear but particularly in light of US withdrawal from the region. While UAE financial support for, and investment in, Egypt is vast, it's partly linked to Egypt's security. The international ramifications of an Egypt in crisis would have incalculable effects on the security and prosperity of the region and beyond, and Egypt in permanent drought would be epitome of a country in crisis. Nor is Ethiopia, struggling with

internal crises and international approbation, in a state to ignore the wishes of its friends. As a mediator, the UAE offers something that perhaps many others can't; it has skin in the game.

Yet another possibility for a way forward comes, oddly enough, from one of the most destructive developments of 2022, the Russian invasion of Ukraine.

The war has wreaked international havoc, driving up inflation globally and threatening food security in the Middle East and Africa. However, it has also brought home to the EU that its reliance on Russian energy is as dangerous as it is untenable, pushing it to consider alternative sources of energy. Egypt has already seen the potential in this situation, but so has Ethiopia, with Ahmed recently commenting that GERD might be able to provide power to Europe. That's only a pipe dream to date, however, Ethiopia lacks the infrastructure or power grid. Egypt had initially offered Ethiopia a means to export power beyond its admittedly cash strapped neighbours, to Europe, and Ethiopia had refused, somewhat confirming fears that its interests in the dam went beyond mere hydropower production. Egypt's significantly more sophisticated power grid could offer Ethiopia an opportunity to significantly increase its return on its investment. If Ethiopia's leadership wants to sell the idea of a legally binding treaty to its people, then access to increased wealth and development might seem a good place to start.

The situation is far from rosy, but it does offer some practical reason to hope, which is a far cry from the past decade.

Timeline

November 2010: The Ethiopian government decides that a design for the Ethiopian dam otherwise known as Project X is to be built in the Benishangul-Gumuz region.

December 2010: Project X is renamed the Millennium Dam project and is launched.

March 31st, 2011: Construction of the dam kicks off.

April 15th, 2011: Ethiopia's Council of Ministers renames the Millennium Dam the Grand Ethiopian Renaissance Dam.

April 2012: In response to concerns by Egypt and Sudan, Ethiopia finally agrees to an International Panel of Experts (IPoE) comprising experts from Sudan, Egypt, Ethiopia, and four international experts.

May 31st, 2013: The final report from the IPoE is produced and sent to the governments of Egypt, Ethiopia and Sudan. The report points out flaws in the dam's design and casts doubt over its structural safety and stability.

March 2015: The Declaration of Principles (DoP) is signed by Egypt, Ethiopia, and Sudan in Khartoum, Sudan. Principles include seeking mediators should negotiations fail due to outstanding disputes, wrapping the negotiation process in 15 months, and using the studies recommended by the IPoE as the basis for the operation and filling of the dam.

May 2018: National Independent Scientific Research Group (NISRG) is formed with 15 experts from the three countries. The group recommends close coordination between GERD and the Aswan High Dam; an agreed mechanism to adapt to the Blue Nile's hydrological conditions; an agreed minimum level of water to be released to ensure the Aswan High Dam remains at a sustainable level.

July 2018: GERD project manager, Semegnew Bekele is found dead in his car. The official verdict is suicide.

April 2019: Overthrow of Sudan's President Omar-Al Bashir.

September 2019: Egyptian President Abdel Fattah Al Sisi calls for international intervention during the UN General Assembly's 74th session.

November 2019: The United States becomes a mediator in talks between Sudan, Egypt, and Ethiopia.

January 2020: Delegations from Ethiopia, Sudan, and Egypt meet three times in Washington.

February 2020: Ethiopia pulls out of the final meeting, refusing to commit. Sudan does not sign on, either. Only Egypt initials the deal.

March 2020: Sudan objects to a resolution proposed by Egypt in the Arab League supporting both Egypt and Sudan on the grounds that the document was without Khartoum's consultation. The resolution passes.

April 1st, 2020: The Ethiopian Prime Minister announces that Ethiopia will start filling the dam in July 2020 and that the dam is 75 percent done.

April 10th, 2020: Ethiopia offers a partial agreement to Sudan and Egypt that would only cover the first stage of filling of the dam. Both countries reject it.

May 11th, 2020: Egypt submits a letter to the United Nations Security Council protesting Ethiopia's actions and demanding that it halts construction until an agreement is signed.

May 18th, 2020: Ethiopia sends a letter to the UNSC responding to Egypt stating that it had no legal obligations to seek an agreement with Egypt on the GERD.

May 21st, 2020: Ethiopia and Egypt accept Sudan's invitation to continue the negotiations.

June 9th, 2020: The new round of negotiations, mediated by the African Union, with the United States, the EU and the World Bank as observers, starts virtually. South Africa, as the Chair of the African Union, leads the negotiations.²⁰ They sputter to a halt after a week, setting the pattern for the rest of the year.

July 2020: Ethiopia proceeds unilaterally with the first stage of filling.

October 23rd, 2020: US President Donald Trump, while on a call with Sudanese Prime Minister Abdalla Hamdok and Israeli Prime Minister Benjamin Netanyahu ask Hamdok about the GERD negotiations, calls Ethiopia "terrible" for not signing the DC agreement and then causes

²⁰Amira Howeidy, "Egypt-Ethiopia Nile Water Dispute: A Timeline - Egypt - Al-Ahram Weekly," Ahram Online, May 20, 2020, <http://english.ahram.org.eg/NewsContent/50/0/369666/AlAhram-Weekly/0/EgyptEthiopia-Nile-water-dispute-A-timeline.aspx>.

international consternation by saying that “Egypt could blow up that dam.” Ethiopia calls in the US Ambassador to Addis Ababa to explain.

January 10th, 2021: Sudan pulls out of AU-sponsored talks in frustration before being coaxed back. It later asks for African Union expert suggestions, which, in a rare show of unity, both Egypt and Ethiopia reject, saying the AU experts lack the technical expertise.

June 9th, 2021: Egypt and Sudan meet and issue a joint statement, renewing calls of international involvement in the negotiations.

July 6th, 2021: Ethiopia informs Egypt and Sudan that it has unilaterally started the second filling of the dam.

July 8th, 2021: Sudan and Egypt take the case to the United Nations Security Council, with a draft resolution from Tunisia that calls for a deal that “must ensure “Ethiopia’s ability to generate hydropower ... while preventing the inflicting of significant harm on the water security of downstream states.” The session concludes with backing for the AU mediation and a call for a resumption of negotiations.

September 2021:

- The Democratic Republic of Congo (DRC), the chair of the AU, attempts to revive the GERD talks.
- The UNSC issues a presidential statement based on the draft resolution presented by Tunisia in July calling the three countries to finalize settlement that is a “mutually acceptable and binding agreement on the filling and operation” of the GERD “within a reasonable time frame” under the umbrella of the African Union.
- Egypt and Sudan welcome the UNSC’s resolution. Ethiopia insists that any recommendations made by the UNSC will “be ignored since it is outside their mandate.”
- El-Sisi says that Egypt is still “committed to working to reach—in the nearest time possible—a fair, balanced, and legally binding agreement” on the GERD in his speech in

front of the 76th United Nations General Assembly meeting “UNGA”.

- The UN Secretary-General António Guterres affirms the importance of resuming dialogue on the GERD with a spirit of reaching a compromise in his meeting with Ethiopian foreign minister.
- Sudan tells US Horn of Africa Special Envoy Jeffrey Feltman that Sudan will no longer engage in discussions that do not include a legally binding statement on the filling and operation of the dam.

October 2021: El-Sisi affirms Egypt’s continuous support for the DRC and its efforts to fulfill its vital responsibilities in overseeing African issues.

November 19th, 2021: Egypt and Tanzania agree to intensify coordination on the GERD.

January 2022: Egypt calls on Ethiopia to swiftly resume negotiations over GERD in an attempt to mobilize diplomatic momentum and revive the stalled talks.

May 2022: Ethiopia appoints former Minister of Water and Irrigation and Chief GERD negotiator Seleshi Bekele as Ambassador to the United States

July 2022:

- Satellite images show that Ethiopia has started the third filling of the mega Nile dam unilaterally.
- US President Joe Biden reiterated US support for Egypt’s water security and to forging a diplomatic resolution that would achieve the interests of all parties and contribute to a more peaceful and prosperous region.
- U.S. Special Envoy to the Horn of Africa Ambassador Mike Hammer met with senior Egyptian government officials on July 25 to advance a diplomatic resolution on the Grand Ethiopian Renaissance Dam (GERD) that supports the water needs, economy, and livelihood of all Egyptians, Ethiopians, and Sudanese.

June 2022: Ethiopia's Ambassador to the United States Seleshi Bekele calls for a return to the negotiating table, stressing to US Special Envoy Mike Hammer, during a June 10th meeting, his country's interest in reviving tripartite talks. The same day, Ethiopia announces that it is planning to start on the third filling of the GERD. Egypt and Sudan cite the unilateral decision as part of their skepticism towards Ethiopia's desire to resume negotiations.

August 12th 2022:

- The fragile truce between Ethiopian Prime Minister Abiy Ahmed's government and Tigrayan rebels in appears to be breaking down, with reports of fighting in Tigray and Amhara.
- Ahmed announces Ethiopia's third filling of the dam in a ceremony at the site. The day before, he'd greenlit the dam's second turbine, of a total of 13. The dam's general manager had said, on the 11th, that the GERD was "83% complete" as was "95% of the civil engineering." In a pattern typical of the last decade, Egypt and Sudan objected to Ethiopia's "unilateral actions" and call for a legally binding agreement.