



# THE EGYPT–ETHIOPIA NILE CONFLICT

## Sources, Forces, Scenarios, Implications, and Options for Kenya and the Horn

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### EXECUTIVE SUMMARY

#### Introduction

The current Egypt–Ethiopia conflict over the River Nile is a result of politicization and securitization of the Grand Ethiopian Renaissance Dam (GERD) on the Blue Nile, and Egypt's opposition to the project over its water security. The deadlock in its resolution has been created by Ethiopia's schedule to begin filling the dam by July 2020, potentially without a flexible and technically guided agreement (or timetable) between Ethiopia, Egypt, and Sudan.

Egypt's opposition to the dam's construction is not new given the history of Cairo's hydro-hegemony over the Nile demonstrated in the colonial-era treaties of 1902, 1929, and 1959. This study examines the historical and current issues surrounding Egypt–Ethiopia conflict over the construction of the GERD.

The study established a number of reasons that makes Egypt–Ethiopia conflict complex. However, what makes this conflict intractable is the *existentialist* prism from which the two countries approach the dam. Politically, Egypt and Ethiopia approach to the dispute (from an *existentialist* point of view) leaves little room for concession-making.

Economically, Egypt depends on the Nile for 90 per cent of its water supply, and over 30 per cent of the country's working population is employed in Nile-

dependent agriculture. Ethiopia aims to raise its total electricity access to 50 per cent from current under 20 per cent, to achieve its 'Growth and Transformation Plan' through GERD.

This study established that the rapid filling of the Dam's 74 billion-cubic-meters-large facility would significantly affect Egypt's water security. The effect would be aggravated if filling is done in under four to seven years during dry years.

Three scenarios are advanced and analyzed in this study. These are: *Resolution through Diplomacy* scenario; *Low Intensity Conflict* scenario and *Full-scale War* scenario.

**Resolution by Diplomacy Scenario** which involves direct talks, negotiations or mediation by a third party is the most likely scenario in the resolution of the conflict, although the quest for a 'neutral' mediator, or trilateral negotiations involving Sudan, Egypt, and Ethiopia has remained elusive. This is further challenged by a lack of flexibility on both sides of the dispute. In particular the *existentialist* arguments advanced by both sides, make resolution difficult.

For successful diplomacy, the study suggests the following key issues to be accepted by both conflicting parties:

- A flexible and technically guided timetable for testing and filling of the GERD would have to be in place;
- Technical and political guarantees that any stage of filling GERD will not cause "significant" harm to Egypt's water security will need to be agreed to;
- An opening for future, (or a parallel Nile Basin negotiation under) Nile Basin Authority (NBI), for a new comprehensive and inclusive riparian treaty in the region should be considered;
- The negotiations bringing on board other riparian states such as Kenya, Tanzania, Uganda, South Sudan, Burundi, Rwanda, and DR Congo would need to be incorporated in the Egypt–Ethiopia talks, or start immediately after diplomatic agreements of the ongoing conflict between Egypt and Ethiopia.

Kenya will be excluded if extra-regional actors (outside Africa) lead such process. However, it provides a diplomatic opportunity for Kenya to enjoin the dispute as an observer, or to pose as a potential diplomatic entity capable of facilitating negotiation, or mediation.

**Low Intensity Conflict Scenario** is considered as a likely outcome should diplomacy fail. This scenario is most likely if Ethiopia starts filling the dam without a negotiated resolution with Egypt. Such actions will inevitably threaten the peace, security, and stability of the Horn of Africa region, and the entire Nile Basin, pitting 13 countries with a combined population of over 300 million. Both Ethiopia and Egypt will aggravate each other's political and security challenges.

In this scenario, the possibility of proxy warfare is present. Egypt may support and sponsor the resurgence of existing ethno-nationalist armed struggles in Oromo, Amhara and Somali regions of Ethiopia, with the aim of putting pressure on the Ethiopian government. The conflict escalation in the Somali region of Ethiopia, is likely to strain Ethiopia-Somalia relations, and Ethiopia's counter terrorism efforts in Somalia.

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Further, Cairo might incite the Tigray region's political opposition against Abiy Ahmed's government for perceived “displacement and inconsideration”, against Tigrayan sensibilities. Egypt might also exploit the territorial disputes between Ethiopia and Eritrea

Finally, Egypt may seek to isolate Ethiopia in the Horn of Africa region by playing the Arab League card, which will effectively pit the Arab North, and other Arab League members such as Somalia and Djibouti, against Ethiopia. If such machinations fail, deployment of Special Forces by

Egypt to undertake deep clandestine operations to attack the dam directly may be considered.

**Full-Scale War Scenario** is highly unlikely, but not improbable. In an event of a full-scale war, the likelihood for another protracted war involving several countries in the Horn, North Africa and the Middle East is very high. A destabilizing war in the North and Horn of Africa over the GERD could generate refugees and extremist fighters and will severely complicate the already complex security situation in the Horn of Africa region.

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Ethiopia's most likely target would be to find ways to strike the Suez Canal or disrupt the trading routes in the Red Sea to punish Egypt. A full-scale war would result in the exclusion of riparian interests of the loser in the win-lose military equation.

Besides destabilization of Kenya's national security architecture, there is real possibility that terrorist groups



will find space and vacuum to flourish and reorganize and cause harm to Kenya's interests. Kenya may be excluded from the Nile issues.

**In the short term**, the study recommends diplomatic pressure by international community be exerted on both Ethiopia and Egypt. Pressure on Ethiopia to vacate harmful timetable for filling GERD, and on Egypt to moderate its position on timelines for filling GERD should be a priority. A 'panel of third parties' with adequate leverage should guide the trilateral negotiations, preferably the US, with Russia, France, Britain, and China, alongside multilateral financial institutions such as the World Bank and IMF. Kenya should apply as an observer to these talks.

**In the medium term**, Ethiopia and Egypt should (be helped to) engage in confidence building measures, to explore joint management of the Nile, and joint monitoring and evaluation of GERD as well as avoiding low-intensity conflicts or open warfare on over the Nile.

**In the long term**, the Nile Basin Initiative should be revitalized to provide a comprehensive and inclusive multilateral approach involving other Nile Basin countries, in a new cooperative framework. **Kenya should play** a more active role in the settlement of the dispute to avoid exclusion, increase her own diplomatic leverage, and, more fundamentally, achieve her national security goals. While engaging, Kenya is advised to exercise *active strategic neutrality* in form and substance to secure its diplomatic success in the Nile conundrum.

**The African Union (AU)**, is advised to take a more active role in resolving the dispute. A more active AU will avert escalation in the event of collective failure by foreign powers to mediate the conflict.

**Kenya** should *Assume an active role* in the resolution of the conflict to avoid the spillover effect of a potential armed conflict; *Pursue bilateral relations* with Egypt, Ethiopia, and Sudan simultaneously while remaining strategically neutral; *Reduce Kenya's exposure* to low-intensity conflicts and proxy wars; *Participate* in Egypt's efforts to *find alternative water sources*; *Cushion* itself by increasing exploitation of existing clean energy; *Vigorously lobby* the AU to *appoint a special envoy* to engage in shuttle diplomacy between Addis Ababa and Cairo; *Offer to host* both Egypt and Ethiopia during the peace process; and *Increase surveillance* on its Ethiopia–Kenya border.

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