



Embassy of Egypt

WASHINGTON, DC

The Grand Ethiopian Renaissance Dam (GERD)

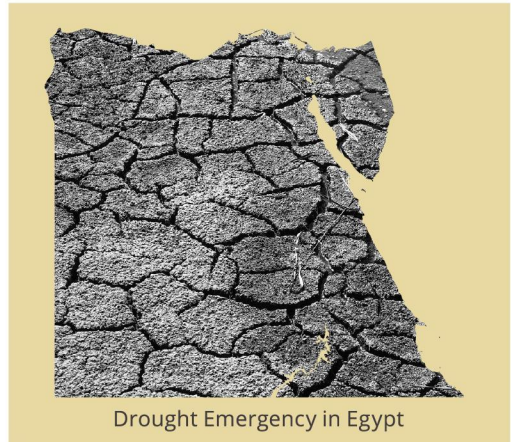
Executive Summary

The Nile River has been a longstanding source of concern for Egypt, Sudan and Ethiopia. Since 2011, however, water security came sharply into focus when Ethiopia unilaterally, and in violation of international law, announced construction of the \$4.8 billion Grand Ethiopian Renaissance Dam (GERD) on the Blue Nile without prior consultation of Egypt and Sudan. To prevent detrimental effects on co-riparians Egypt and Sudan, the three parties began negotiating to come to a fair solution. After nearly a decade of failed negotiations, no solution is in sight and water insecurity in Egypt looms. Ethiopia started unilaterally filling the dam in summer 2020 in violation of the 2015 Agreement on Declaration of Principles, and the second filling stage is to take place July 2021. As the unilateral filling and operation of the dam will have significant economic, environmental and social repercussions, an equitable tripartite agreement must be reached to prevent the loss of Egyptian livelihoods and irreversible environmental damage.

Egyptian Livelihoods at Stake

Egypt's 100 million population **relies on the Nile for more than 95% of its renewable water resources.**

According to an independent study on the GERD by Deltares, a decrease of only 1 bcm of water could eliminate more than one million jobs and \$1.8 billion in economic production annually in all economic sectors. Urbanization would skyrocket due to rural depopulation, which would lead to an increase in unemployment, crime rates and transnational migration, causing serious ramifications in the Middle East and Europe.



Egypt's Water Vulnerability

Egypt is one of the world's most arid countries. While Ethiopia enjoys multiple renewable water resources, and an abundant 8100 cubic meters per capita (cm/pc) of fresh water annually (eight times as much as the U.N. water poverty threshold), Egypt is a desert oasis that is almost entirely dependent on the Nile for renewable water. Egypt is left with only 560 cm/pc annually, which is expected to reach 500 cm/pc by 2025. Although Egypt is highly efficient in using its water, thanks to its policy of rescuing water for re-irrigation several times, this does not sufficiently address its abject water poverty, or bridge the gap between its expanding water needs and scarce water resources.

An Existential Threat

A Loss Of 1 Billion Bcm Would Cost Egypt:



290,000

Egyptian incomes eliminated



\$150 million

increase in food imports



130,000

hectares of lost cultivated land



\$430 million

of lost agricultural production



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Concern Over Unilateral, Illegal and Deleterious Ethiopian Action

An Unreliable Negotiating Partner: Over ten years of faltering negotiations, Ethiopia refused to allow any impartial parties to attend the talks, even as silent observers. In November 2019, Ethiopia reluctantly accepted an invitation from the United States to take part in U.S.-brokered negotiations. Ethiopia insisted, however, that the role of the U.S. and the World Bank should be confined to that of an observer. When the United States brought the positions of the parties to the verge of agreement in February 2020, Ethiopia decided at the eleventh hour to abandon the process. Since then, Ethiopia has claimed the United States has favored Egypt in the negotiations. It has also thwarted every attempt to agree on the rules for the dam's filling and operation, in accordance with the 2015 Agreement on Declaration of Principles on the GERD.

Patterns of Illegal Unilateral Action: Ethiopia commenced the construction of the GERD unilaterally in 2011 without informing or consulting with Egypt or Sudan in advance— a breach of its obligations under international laws. This is not the first time Ethiopia has broken this law. The World Bank in 2020 faulted Ethiopia and Kenya for the extinction threat of **Lake Turkana in Kenya** in after Ethiopia unilaterally exploited the **Omo Basin**. Human Rights Watch, National Geographic and International Rivers, among others, have also reported on the significant economic and security hazards inflicted due to these unilateralist developments. Ethiopia also proceeded with developments **Juba-Shabelle basin**, without prior consultation with **Somalia**, negatively impacting water access and security in Somalia.

Failure to Conduct Impact Studies: Ethiopia has not provided any socio-economic and environmental impact studies of the dam on downstream countries – a requirement under international law. Ethiopia has also blocked every attempt to conduct such studies, whether through an impartial party, or jointly with its co-riparians.

Refusal to Take Up Binding Agreement: Even though the African Union called for a binding agreement on the GERD filling and operation, Ethiopia announced that it is not seeking a binding agreement, but rather guidelines that can be modified any time at Ethiopia's discretion.

Ethiopia Repeatedly Aborts Compromise Agreement

The compromise-deal aborted by Ethiopia assured them that the GERD would generate hydropower efficiently and sustainably in all hydrological conditions, while providing downstream countries with the bare minimum protection from ravaging droughts. Even in the worst prolonged droughts, Ethiopia was guaranteed that it would produce no less than 75-80% of the GERD's actual hydropower production capacity. The compromise-deal did not in any way impose water allocations on Ethiopia, nor has it in any way been a water-allocation agreement. It also clearly recognized Ethiopia's right to undertake future projects on the Blue Nile in accordance with international law, and allowed the parties to revisit the agreement in ten years. Ethiopia also rejected an MIT recommendation for coordination between the GERD and the Aswan High Dam to ensure equitable risk allocation. Sudan also warned repeatedly that millions of lives will be at "great risk" if Ethiopia unilaterally fills and operates the GERD without reaching an agreement with its downstream co-riparians. Even though Egypt conceded to the Ethiopian position, Ethiopia, lacking the political will to conclude an agreement, aborted the talks.

Seeking an Equitable Solution Through Cooperation, Not Unilateralism

Egypt firmly believes that finalizing a legally binding agreement on the filling and operation of the GERD is the only way to solve the issue. Following U.S. leadership in negotiations, Egypt urges the United States and to double down on the issue and help facilitate a fair resolution. Outside technical experts, including MIT's Abdul Latif Jameel World Water and Food Security Lab (J-WAFS), expressed the need for coordination of the GERD with Egypt's Aswan High Dam and concerns over the downstream agricultural impact of the GERD on Egypt and Sudan.

Congressional Briefing and Discussion on the GERD Negotiations | February 1, 2020

Event Readout

Egypt's Water Insecurity: State of Play

- Egypt is a desert oasis compared to Ethiopia, and is one of the most arid countries on earth.
 - Rainfall comparison: 1.5 billion cubic meters (bcm) in Egypt vs. 936 bcm in Ethiopia.
 - Fresh water per capita: 560 cubic meters in Egypt vs. 7500 cubic meters in Ethiopia.

Impact of the Unilateral Filling and Operations of the GERD

- There is a direct line between water shortages, food scarcity and social unrest in Egypt.
- An independent study conducted by Deltares revealed that a loss of 1 billion cubic meters is possible if the GERD is filled unilaterally. Following a loss of 1 billion cubic meters, Egypt would see:
 - 290,000 incomes eliminated;
 - 130,000 hectares of lost cultivated land;
 - \$430 million of lost agricultural production; and
 - \$150 million increase in food imports.
- The filling and operation of the GERD will also affect Egypt's own High Aswan Dam (HAD) operations:
 - The HAD will become less efficient if Ethiopia fills the GERD unilaterally, resulting in a loss of hydropower and therefore generating capacity.
 - If the GERD is left unmanaged, drought conditions will be exacerbated, and the HAD will be unable to produce electricity for vulnerable populations.
 - In severe droughts, the HAD would be unable to release sufficient water for downstream needs.
- Ethiopia's actions have already damaged hydrological facilities in Sudan.
- The GERD's reservoir would hold 150% of the Blue Nile's annual flow. The GERD and the HAD reservoirs together would be 280% of the Nile's flow.
- A weaker flow of the Nile would encourage greater salination of the Nile, on which the vast majority of Egypt's population lives. Salination would pollute drinking water and make irrigation impossible.

The Impasse in Negotiations

- Egypt's proposals have focused on burden-sharing and benefit-sharing. Egypt prioritizes sufficient electrical generation for Ethiopia, and in return seeks drought insurance.
- Ethiopia has sought solutions that would leave Ethiopia with complete control over the current and future use of the river—further contributing to its hydro-hegemony.
- Egypt and Sudan continue to develop alternative solutions and have offered three types of proposals (below). However, Ethiopia has rejected all of them.
 1. Coordination: the HAD and GERD work together to manage the flow of the Nile.
 2. Circuit Breaker: legally binding controls of the GERD are implemented only in situations of drought.
 3. Multi-Layer: Droughts are divided into categories of severity, and only in the most extreme cases of drought are mitigation measures mandated.
- Ethiopia has not come to the negotiating table with the political backing to negotiate an agreement.

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