



The Nile Dam Dispute: Issues for Congress

July 27, 2020

Overview

A long-running dispute between Ethiopia, Egypt, and Sudan over the waters of the Nile [flared](#) in 2020, as Ethiopia moves toward completion of Africa's largest hydroelectric power project, the Grand Ethiopian Renaissance Dam (GERD). The domestic stakes are high for both Ethiopian Prime Minister Abiy Ahmed, who seeks to guide Ethiopia through a fragile political transition, and Egypt's President Abdel Fattah al Sisi, who seeks to preserve Egypt's share of the Nile amidst population growth, pollution, and rising sea levels. Efforts to resolve the conflict, including by the United States, have yet to result in a final agreement. Alongside the potential for the dispute to escalate, failure to reach an accord could set a negative precedent for [transboundary water cooperation](#) at a time of growing global concern over climate change, demographic growth, and resource scarcity.

Background

For [Ethiopia](#), where almost [70% the rural population](#) lacks access to electricity, the GERD would significantly expand domestic power capacity and allow the country to sell excess electricity to its neighbors. When construction began on the \$4 billion project in 2011, then-Prime Minister Meles Zenawi pledged that Ethiopia would finance the project itself, funding it through government bonds, donations, taxes, and a portion of civil servants' salaries. He envisioned the 6,000-megawatt GERD as powering Ethiopia's development and helping to lift its population out of poverty. The project has been a source of national pride for Ethiopians, and a [rallying point](#) amidst recent [domestic troubles](#).

For [Egypt](#), which relies on the Nile for domestic hydropower, agriculture, and [most of its water needs](#), the prospect of upstream countries controlling the river's flow has become an existential issue. [Egypt argues](#) that the dam, once filled, will limit the flow to Egypt to below its traditional share. For nearly a century, Egypt has been the main beneficiary of international [agreements](#) apportioning shares of the Nile's waters. The upstream countries were not parties to those agreements, made while most of them were still under colonial rule. The most recent treaty, the 1959 Nile Waters Agreement between Egypt and Sudan, divided the river's entire average annual flow between the two countries. Roughly 85% of the water flowing into Egypt comes from the Nile's main tributary, the Blue Nile, which originates in Ethiopia and merges in Sudan with the White Nile. Ethiopia was not party to the 1959 deal and does not recognize it.

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Figure I. The Nile Basin Region

Source: *New York Times*.

The Nile Basin countries, including Egypt, formed the [Nile Basin Initiative](#) in 1999 to foster international cooperation over Nile development. Egypt and Sudan refused to sign an [agreement over equitable water allocation](#) in 2010, however, fearing their historic water rights would not be preserved. Ethiopia began construction of the GERD a year later. Ethiopia, Egypt, and Sudan have since engaged in multiple rounds of negotiations on the GERD, and in 2015 they signed a “[Declaration of Principles](#),” agreeing to resolve disputes on the dam peacefully.

U.S.-Mediated Talks

In late 2019, Treasury Secretary Steven Mnuchin offered to host the GERD talks, reportedly after a [request from President Sisi](#) to President Trump. The three countries made [progress](#) in subsequent meetings and reached consensus on how Ethiopia should fill and operate the dam when there is sufficient rainfall, but remained at odds over issues related to drought mitigation and dispute resolution. The talks broke down in February, after the United States agreed to “[facilitate the preparation](#)” of a final agreement. Egypt initialed the document, which Secretary Mnuchin suggested addressed “all issues in a balanced and

equitable manner.” Mnuchin stressed that “[final testing and filling should not take place without an agreement.](#)” His statement prompted protests by Ethiopian Americans, and Ethiopia called it [unacceptable and biased.](#)

Current Status

In April, Prime Minister Abiy proposed an interim deal for the first two years of filling, and reiterated Ethiopia’s intention to begin filling during the rainy season in July, with or without a deal. Egypt, arguing that would be a breach of Ethiopia’s international legal obligations, sought U.N. Security Council intervention, insisting on a final deal before filling commenced. The U.S. National Security Council [expressed its position](#) on Twitter: “257 million people in east #Africa are relying on #Ethiopia to show strong leadership, which means striking a fair deal. Technical issues have been resolved – time to get the GERD deal done before filling it with Nile River water!”

Days before a June 22 U.N. Security Council meeting on the issue, African Union (AU) officials proposed to facilitate a new round of talks. Many Security Council members [welcomed the AU intervention](#), which the parties accepted and the International Crisis Group called a “[window of opportunity.](#)”

Tensions subsequently increased when, amidst the talks, satellite imagery showed the reservoir’s volume increasing. Ethiopian officials explained that heavy rains had created “[natural pooling,](#)” which experts say was [expected at this stage of construction.](#) [Egypt’s foreign minister warned](#) that if the stalemate continued, Egypt would again appeal to the Security Council. A July 21 meeting among the countries’ leaders appears to have resulted in a breakthrough, though, with the parties agreeing to extend the AU-led talks. This defused the standoff over the initial stage of filling, which [Abiy announced had been achieved](#) the following day. He suggests the GERD will reach full power generating capacity in 2023.

The GERD dispute has raised several issues for Congress, including whether the Administration inflamed regional tensions by appearing to intervene on Egypt’s behalf. The Congressional Black Caucus has [urged impartiality](#) in the dispute between Africa’s second- and third-most populous countries. [Several Members](#) have expressed the position that it is in the U.S. interest for the parties to reach an [equitable deal](#); some have [cautioned against](#) the United States “playing favorites.” Some have raised concern with [reports](#) that the Administration may be reviewing some U.S. aid to Ethiopia. Ethiopia’s [perception that the United States has overstepped](#) could have implications for the [bilateral relationship.](#)

The GERD dispute may be a harbinger of other rising transboundary tensions over shared natural resources. According to the [National Intelligence Council](#), “Nearly half of the world’s 263 international river basins lack cooperative management agreements.” As lawmakers consider options to encourage cooperation over competition, Congress may consider how [foreign policy tools](#) such as [aid](#), trade, investment, and technical assistance could be employed to foster more efficient water use and cooperative water-sharing worldwide.

Author Information

Lauren Ploch Blanchard
Specialist in African Affairs

Jeremy M. Sharp
Specialist in Middle Eastern Affairs

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