



Inquiry and Analysis Series - No. 165 February 27, 2004 No.165

Rising Tensions over the Nile River Basin

*By Dr. Nimrod Raphaeli**

Introduction

The Nile River is the longest river in the world. From its major source, Lake Victoria in east central Africa, the White Nile flows generally north through Uganda and into Sudan where it meets the Blue Nile in Khartoum, which rises in the Ethiopian highlands. The Nile traverses almost 6,700 kilometers (4,169 miles) from its farthest sources of the headwaters of the Kagera River in Burundi and Rwanda to its delta in Egypt on the Mediterranean Sea. [\[1\]](#)

The Nile is shared by ten countries – Burundi, Democratic Republic of Congo, Egypt, Eritrea, Ethiopia, Kenya, Rwanda, Sudan, Tanzania and Uganda – with a combined population of about 300 million, about 160 million of whom live within the boundaries of the Nile Basin. The ten countries that share the Nile waters include some of the world's poorest, with annual per capital income of less than \$250. [\[2\]](#)

In recent months, tensions have been rising over the waters of the Nile. In preparation for the African summit meeting of African heads of state to be held in Libya next week, the ministers of water representing the riparian countries have decided to put the subject of the 1929 Nile Water Agreement on the summit's agenda.

***President Hosni Mubarak** chaired a cabinet meeting in Cairo to discuss the issues. The communiqué issued after the meeting did not say what Egypt would do in the face of a persistent demand for reallocating the Nile waters, and whether Mubarak himself would attend the summit meeting. It vaguely referred to Egypt's readiness to provide training, technical assistance, "and help in procuring funding for projects that benefit all the countries of the Basin," in the framework of respecting the shares established by the existing agreement. [\[3\]](#) A couple of days earlier, the Egyptian government daily **Al-Gomhuriya** wrote that the demands by some of the Nile Basin countries for reallocating water shares is a matter of concern to Egypt which requires quick intervention to kill any initiative that would reduce the water supply to Egypt. [\[4\]](#)*

The following is an overview of tensions regarding the Nile River:

The Nile Water Agreement of 1929

The Nile Waters Agreement (NWA) over the allocation of its waters between Egypt and Great Britain (which represented Uganda, Kenya, Tanganyika [now Tanzania] and the Sudan) was concluded on November 7, 1929 in Cairo by an exchange of letters between the Egyptian Prime Minister and the British High Commissioner in Egypt. The agreement

allocated 48 billion cubic meters per year to Egypt as its acquired right and 4 billion cubic meters per year to the Sudan. These allocations were later increased to 55.5 billion cu. meters and 18 billion cu., respectively, under a 1959 bilateral agreement between these two countries that allowed for the construction of the Aswan Dam. Apart from Ethiopia, which had a government in place, the NWA was made before the other Nile Basin countries gained their independence.

The agreement stated that no works would be undertaken on the Nile, its tributaries, and the Lake Basin that would reduce the volume of the water reaching Egypt. It also gave Egypt the right to "inspect and investigate" the whole length of the Nile to the remote sources of its tributaries in the Basin.

This right "to inspect and investigate," which was tantamount to a veto power over any water or power project, has in recent years become moot, as all the former colonies on the Nile Basin have become independent nations and are not likely to readily agree to such encroachment on their sovereignty by Egypt. Indeed, some of them have begun to nibble on the NWA by initiating water projects that threaten to reduce the volume of water available to Egypt. Egypt considers any change in the agreement as a strategic threat and has repeatedly threatened to use all means at its disposal to prevent the violations of the agreement. The other Nile Basin African countries consider the agreement as a relic of a colonial era which no longer reflects their needs and aspirations and hence it should be annulled. Countering this argument, **Sherif Al-Mousa, head of the Middle East Program at the American University in Cairo**, argues that the Nile water agreement should be treated the same way as the boundaries of most Nile Basin countries which were established by colonial powers, and are recognized under international law. [\[5\]](#)

The Pressures for Change

Population pressures, frequent draughts, and increasing soil salinity have intensified the demands by the Nile Basin countries to renegotiate the 1929 agreement. Not deterred by Egyptian reluctance to negotiate the 1929 agreement, or even Egyptian threats, and constrained by financial hardships, some Nile Basin countries are determined to implement projects that would tap into the sources of the Nile.

The 1959 agreement between Egypt and Sudan, which increased the water allocations to themselves while completely ignoring the interests of the other riparian countries such as Tanzania, Kenya and Ethiopia has, in retrospect, weakened the Egyptian argument about inviolability of the NWA.

The Nile Basin Initiative

To reduce the potential for conflict, and with the help of the World Bank, the Nile Basin Initiative was launched in 1999 as a transitional arrangement until a permanent framework is in place. It is guided by a shared vision "to achieve sustainable socio-economic development through the equitable utilization of, and benefit from, the common Nile Basin water resources."

The Nile Basin Initiative notwithstanding, member countries are forging ahead with their own projects and challenges. Droughts are difficult to forecast, even in the beginning of the crop season. Building dams to store water is not unlike a bank savings account, to be used at a time of need. While Egypt has secured its agriculture with the building of the Aswan Dam, it has been reluctant, if not belligerent, when other countries on the Nile Basin sought similar solutions.

Ethiopia Asserts Rights to the Blue Nile

The **Ethiopian Minister of Water Resources** announced his country's intentions to develop close to 200,000 hectares (ha.) of land through irrigation projects and construction of two dams in the Blue Nile Sub-basin. He further stated that these projects would be the first phase of forty-six projects which Ethiopia proposed to execute along with ten joint projects which Egypt and Sudan proposed. The Egyptian Ambassador to Ethiopia confirmed.

Egypt's commitment is to the utilization of the Nile waters for the benefit of all riparian countries. However, the Egyptian commitment was conditional. All projects must benefit both upstream and downstream countries, provided these projects do not lead to a reduction of the waters reaching Egypt.

The Ethiopian Minister of Water Resources retorted that the agreement to participate in the Nile Basin Initiative reserves Ethiopia's right to implement any project in the Blue Nile Sub-basin unilaterally, at any given time. He charged that the 1959 agreement between Egypt and Sudan impedes sustainable development in the basin and called for its nullification. [\[6\]](#)

From the Egyptian perspective, any change in the volume of its water could have devastating effects on Egypt. The vast majority of Egyptians live in a valley which is about 4 percent of the Egyptian territory, and 95 percent of Egypt's water resources are derived from the Nile.

Tanzania Challenges Egypt

In early February 2004, Tanzania launched a project to draw water from Lake Victoria to supply the Shinyanga region. The project calls for the construction of about a 100 mile long inland pipeline at an initial cost of \$27.6 million, to be constructed by a Chinese engineering company. To mitigate the anticipated Egyptian reaction, Tanzania announced that the pipeline was designed to provide drinking water to its thirsty population rather than irrigate agricultural land. Tanzania's population of 35 million has suffered from frequent droughts, desertification, and soil erosion. In fact, Tanzania was the first riparian country which, upon its independence in 1961, declared the 1929 agreement invalid. [\[7\]](#)

Nevertheless, Egypt expressed its irritation with the Tanzanian project, arguing that under the 1929 agreement it has the right to veto any project - agricultural, industrial, or power - that could threaten its vital interests in guaranteeing its annual share of the river waters. While Egypt is handling the issue diplomatically, Egyptian officials stressed that "the

diplomatic dialogue does not mean that Cairo does not consider any number of other options, if necessary." [8] In diplomatic parlance, "other options" do not exclude the use of force. Tanzania has not budged. The **Deputy Permanent Secretary in the Tanzanian Ministry of Water and Livestock Development, Dr. C. Nyamurunda**, said that Tanzania's sentiments about the legality of the water agreement are well known. He emphasized that "other countries also believe that the treaties [NWA] were illegal but they are to cooperate in negotiations, although they are not restricted from using the waters of the Nile." [9]

Another Challenge from Kenya

Similarly, in response to a threat from Kenya that it was considering withdrawing from the 1929 agreement, the **Egyptian Minister of Irrigation and Water Resources Mahmoud Abu Zeid** said: "Egypt considers the withdrawal of Kenya from this agreement as tantamount to *official declaration of war* [emphasis added] and a threat to its vital interests and national security." A Kenyan weekly quoted the Egyptian minister declaring in Addis Ababa that Kenya could be subject to sanctions by Egypt and the other eight members of the Nile River Basin Agreement. He said Kenya's position violates international law and customs "and we will not agree to it." [10]

The **Kenyan deputy foreign minister M. Watangola** repeated his country's demand for a revision of this historic agreement because Kenya was not consulted prior to its being signed. He said eight Kenyan rivers flow into Lake Victoria, which is the main source of the Nile waters. [11]

Water for Oil

A senior Kenyan parliamentarian suggested that the Nile water should be sold to Egypt and Sudan for oil. He said that the time has come to replace the Nile agreement with a new agreement to allow the members to benefit from the Nile's waters. He added: "We have presented our natural resources to Egypt and Sudan free without them doing anything in return. We need to sell to them as they sell to us." The Egyptian treated the idea as "stupid" because the two countries have vested rights, rather than customers who would buy the water. [12]

Egypt Accuses Hidden Fingers

In addition to Tanzania and Kenya, Ethiopia and Uganda are also demanding the abrogation of the 1929 agreement and a bigger share of the Nile waters. Egypt accuses "hidden fingers known to the Egyptian side [which] are openly inciting the traditional allies of Egypt in the Nile Basin to annul the agreement, arguing that it is incompatible with the population and political developments that have transpired in the last 75 years." [13] The anonymous senior Egyptian official who has made the allegation about the "hidden fingers" stressed that any change in the agreement was inconceivable and warned that "any infringement of the agreement would suggest that the African countries do not respect regional obligations." [14]

Egypt's Alternatives

To deal with the threat to its vital oil supply Egypt has four alternatives. Some are not mutually exclusive:

- Reduce waste through improved irrigation system.
- Price water at market rates.
- Maintain the status quo as long as feasible.
- Resort to the use of force.

Reduce Waste Through Improved Irrigation System

According to a study by the World Bank, 96.44 per cent of the economically active population in Egypt is engaged in agriculture. It is the highest percentage in the Middle East, with Morocco in second place with 92.61 percent of active population in agriculture. By contrast, the corresponding ratios for Tunisia and Lebanon are 60.87 and 10.35 percent, respectively. As a result, much of the water is used in agriculture, which contributes proportionately a small percentage to GDP. In Egypt, 88% of the water is consumed in agriculture which, as a sector, contributes only 14 percent to GDP, while 8 percent of water used in industry contributes 34 per cent of GDP. The report suggests that "from a narrow macroeconomic perspective, rationale of justifying the allocation of water to agriculture over industrial and other sectors is weak." [\[15\]](#)

Price Water at Market Rates

While the region remains one of the most water-scarce regions in the world, the cost of water for irrigation is set at below cost recovery levels. Egyptian agriculture is entirely dependent on irrigated land. The government provides irrigation water free, except of cost recovery of on-farm investment projects. Annual irrigation subsidies are estimated at \$5 billion. In Egypt, irrigation subsidies are often rationalized as a means of offsetting low farm prices controlled to keep down urban food prices. [\[16\]](#) Water pricing and subsidies are such that they lead to waste in agriculture and provide little incentive for conservation techniques.

Maintain the Status Quo

Egypt's third option is to seek a status quo while tolerating some changes on the margin. To do so, Egypt must continue to maintain a pro-American and pro-Western orientation to discourage them and organizations controlled by them, such as the World Bank, from financing costly water projects such as dams or power projects in any of the riparian countries, which they themselves cannot finance through internally-generated resources.

Resort to the Use of Force

The last and least likely alternative is to resort to the use of force to uphold Egypt's right to exercise the veto power on activities that it deems dangerous to its national interests. Egypt's saber rattling cannot be taken too seriously, certainly not by the African countries themselves. Indeed, as one Egypt daily pointed out, "the harsh language adopted by Abou Zeid ... might not be working..." [17] Not only does Egypt lack the military capacity to strike at countries two thousand miles outside its borders, but it will be hard pressed to justify a military action to enforce the provision of a 75-year old agreement concluded to satisfy colonialist considerations and priorities but dissatisfy the needs of the countries upstream. A Kenyan father of two, who owns eight ponds for fish farming, was quoted as saying: "If the Egyptians try to invade Kenya for the sake of its water we are ready to die for our rights. Kenya must forget the Nile agreement and return to the commercial consumption of the Lake Victoria Lake." [18]

* *Nimrod Raphaeli is a Senior Analyst at MEMRI.*

[1] The Nile Basin Initiative Secretariat, Entebbe, Uganda.

[2] The World Bank, the Nile Basin Initiative: Overview (no date).

[3] *Al-Ahram* (Egypt), February 23, 2004.

[4] *Al-Gomhouriya* (Egypt), February 21, 2004.

[5] *Al-Sharq Al-Awsat* (London), February 5, 2004.

[6] *Addis Tribune* (Ethiopia), January 6, 2004.

[7] *Al-Sharq Al-Awsat* (London), February 5, 2004.

[8] *Al-Sharq Al-Awsat* (London), February 12, 2004.

[9] Allafrica.com (Mauritius), February 11, 2004.

[10] *Al-Sharq Al-Awsat* (London), December 17, 2003.

[11] *Al-Sharq Al-Awsat* (London), December 17, 2003.

[12] *Al-Sharq Al-Awsat* (London), December 17, 2003.

[13] *Al-Sharq Al-Awsat* (London), February 8, 2004.

[14] *Ibid.*

[15] "Water, Food Security and Agricultural Policy in the Middle East and North Africa Region," Issue Paper prepared for the Third World Water Forum, Kyoto, Japan, February 2003.

[16] "Water, Food Security and Agricultural Policy in the Middle East and North Africa Region," issue paper prepared for the Third World Water Forum, Kyoto, Japan, February 2003 (draft).

[17] *Cairo Times* (Egypt), February 24, 2004

[18] *Al-Sharq Al-Awsat* (London), February 5, 2004.