

# NORTH AFRICA REGIONAL REPORT

High-level overview and brief analysis of regional political, economic and security activity, distributed every fortnight.

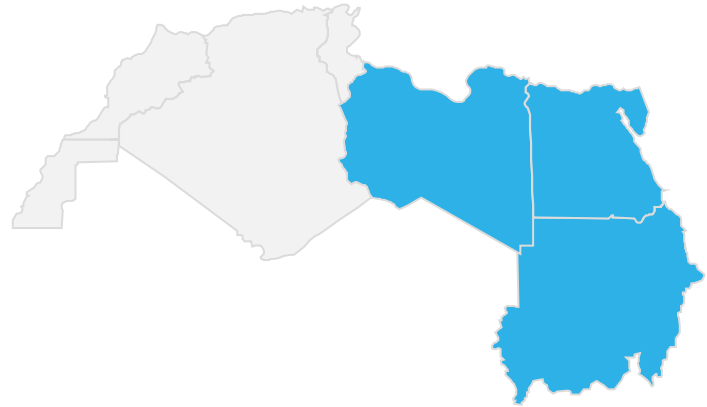
## EGYPT

**On March 18, 2023, Egyptian Foreign Minister Sameh Shukri said the Egyptian and Turkish presidents had the political will to normalize ties between the two countries after years of strained relations.** These tensions arose due to conflicting interests related to energy rivalry in the eastern Mediterranean, the Libyan conflict, and the Muslim Brotherhood. There is no common ground in the Mediterranean, but both states clearly have a multilateral vision of the issue. This is the first time since the breakdown of Turkish-Egyptian relations in 2013, following the coup d'état of President Al-Sisi, that Egypt has launched an attempt to appease Turkiye. As a result, Turkiye has limited the political activity of the Muslim Brotherhood on its territory and has restricted media activities aligned with the Muslim Brotherhood. However, the Turkish military's presence in Libya remains a major obstacle to improving Turkish-Egyptian relations. Moreover, the presidential elections in Turkiye, which favor Kemal Kilicdaroglu, Erdogan's number one opponent, could play on diplomatic ties between the two countries. If the Social Democratic CHP party wins, bilateral relations between Turkey and Egypt should ease.

## LIBYA

**US-based oil and gas majors Halliburton and Honeywell International are reportedly in advanced discussions with Libya's National Oil Corporation (NOC) to build oil infrastructure.** Halliburton is expected to sign a USD 1B deal to redevelop the Al-Dahra oil field, while Honeywell will sign two contracts worth at least USD 400M to construct an oil refinery in the south. These follow a 25-year, USD 8B deal signed by Italian energy company ENI and the NOC in January, to develop two gas fields. Overall, this reflects growing confidence in Libya's security environment, amidst increasing international efforts to unify the government and stabilize oil exports.

## The Region at a Glance



## SUDAN

**General Abdel Fattah al-Burhan, commander of the Sudanese Armed Forces (SAF) and the head of the Transitional Sovereignty Council, reportedly withdrew from the final session of the security and military reform workshop.** Representatives from the police forces and the General Intelligence Service also left the talks. Sudan's various political and military factions agreed on 19 March to draft a new constitution and form a new transitional government on 11 April; this workshop is part of the process for drafting the new constitution. Al-Burhan's withdrawal was reportedly due to disagreements regarding the formal reintegration of the SAF's rival, the paramilitary Rapid Support Forces (RSF), back into the SAF. This move prevented the workshop from delivering its final recommendations, which, given the short timeline for preparations for the formation of the new government, threatens the entire process. Khalid Omer Yousif, the spokesman for the signatories of the 19 March agreement, stated that discussions will continue. However, without any official announcement from the SAF regarding the Al-Burhan's exit from the talks, it is unclear when he and representatives from other security services would return.

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## WESTERN AND NORTH AFRICAN LEADERS URGE SUPPORT FOR TUNISIA

European and North African leaders have campaigned for financial support to help prevent a further collapse of the Tunisian economy. Several heads of state and other high-level officials have urged the International Monetary Fund (IMF) to approve its USD 1.9B loan to Tunisia, while pressing the Tunisian government to adopt the economic reforms prescribed by the IMF. At the same time, the US, which is the IMF's largest stakeholder, is signaling its dissatisfaction with Tunisian President Kais Saied's increasingly fascist, authoritarian regime.

- Italian Foreign Minister Antonio Tajani invoked the threat of the emergence of the Muslim Brotherhood in Tunisia if it became a failed state. This latest claim may have been intended to encourage Gulf Arab nations such as Saudi Arabia and the UAE, which have recently been reluctant to invest heavily in Tunisia, to resume economic engagement. This is similar to his previous warnings that the Wagner group was behind the increase in the numbers of migrants, to spur Western countries to action. Tajani also announced an additional EUR 110M (USD 118M) of investment while appealing to the IMF.
- During the EU Council summit on 24 March, French President Emmanuel Macron urged other EU countries to provide more funding and also urged the IMF to approve its loan. French Ambassador to Tunisia Andre Parant announced that France was preparing to disburse an additional EUR 250M (USD 270M) in financial aid to Tunisia, and that talks were ongoing with other donors to provide more aid.
- The EU's head of foreign policy Josep Borrell warned of the repercussions of Tunisia's financial collapse. The EU also sent several delegates to discuss EU-Tunisia ties, socioeconomic reforms, and potential financial assistance. The Economic Affairs Commissioner Paolo Gentiloni pledged the EU's support for Tunisia's efforts to secure the IMF loan, stating that "Tunisia will not be left alone."

On the other hand, the US State Department's 2024 budget plan for economic assistance to Tunisia reflects greatly reduced spending. Human rights groups and US lawmakers have also called on US President Joe Biden to ensure that aid given to Tunisia went directly to those in need and not to those who have "exacerbated repression and authoritarianism." The IMF typically avoids political considerations, but did express concern about Tunisian President Saied's recent remarks regarding sub-Saharan Africans. The added pressure from the US may factor into its decision to approve the loan.

Because of the international appeals to approve the loan, the IMF will likely provide an initial tranche, but will place conditions on the remainder of the loan, that Tunisia must adopt its economic reforms. Other international donors will also likely wait for Tunisia demonstrate its willingness to make concessions and adopt those reforms, before committing to large aid packages, loans and investments.

Even if Tunisia receives an initial tranche, it is still not apparent that President Saied would be willing to follow through; this situation would then likely lead to backlash from within his own government and possibly military, as the economic situation deteriorates further.

### PUBLIC HEALTH UPDATES

- Over 1300 infected in Dengue outbreak in Sudan

### UPCOMING REGIONAL EVENTS

Country	Event	Date(s)	Remarks
Regionwide	Ramadan	Until 20 or 21 APR	

