

Agreement on Declaration of Principles between

The Arab Republic of Egypt, the Federal Democratic Republic of Ethiopia and the Republic of the Sudan on the Grand Ethiopian Renaissance Dam Project (GERDP)

Preamble

Mindful of the rising demand of the Arab Republic of Egypt, the Federal Democratic Republic of Ethiopia and the Republic of Sudan on their transboundary water resource, and cognizant of the significance of the River Nile as the source of livelihood and the significant resource to the development of the people of Egypt, Ethiopia and Sudan, the three countries have committed to the following principles on the GERD:

I – Principles of Cooperation

- To cooperate based on common understanding, mutual benefit, good faith, win-win and principles of international law.
- To cooperate in understanding upstream and downstream water needs in its various aspects.

II – Principle of Development, Regional Integration and Sustainability

- The Purpose of GERD is for power generation, to contribute to economic development, promotion of transboundary cooperation and regional integration through generation of sustainable and reliable clean energy supply.

III – Principle Not to Cause Significant Harm

- The Three Countries shall take all appropriate measures to prevent the causing of significant harm in utilizing the Blue/Main Nile.
- Where significant harm nevertheless is caused to one of the countries, the state whose use causes such harm shall, in the absence of agreement to such use, take all appropriate measures in consultations with the affected state to eliminate or mitigate such harm and, where appropriate, to discuss the question of compensation.

IV – Principle of Equitable and Reasonable Utilization

- The Three Countries shall utilize their shared water resources in their respective territories in an equitable and reasonable manner.
- In ensuring their equitable and reasonable utilization, the Three Countries will take into account all the relevant guiding factors listed below, but not limited to the following outlined:
 - a. Geographic, hydrographic, hydrological, climatic, ecological and other factors of a natural character;
 - b. The social and economic needs of the Basin States concerned;
 - c. The population dependent on the water resources in each Basin State;
 - d. The effects of the use or uses of the water resources in one Basin State on other Basin States;
 - e. Existing and potential uses of the water resources;

- f. Conservation, protection, development and economy of use of the water resources and the costs of measures taken to that effect;
- g. The availability of alternatives, of comparable value, to a particular planned or existing use;
- h. The contribution of each Basin State to the waters of the Nile River system;
- i. The extent and proportion of the drainage area in the territory of each Basin State.

V – Principle to cooperate on the First Filling and Operation of the Dam

- To implement the recommendations of the International Panel of Experts (IPOE), respect the final outcomes of the Technical National Committee (TNC) Final Report on the joint studies recommended in the IPOE Final Report throughout the different phases of the project.
- The Three Countries, in the spirit of cooperation, will utilize the final outcomes of the joint studies, to be conducted as per the recommendations of the IPOE Report and agreed upon by the TNC, to:-
 - a. Agree on guidelines and rules on the first filling of GERD which shall cover all different scenarios, in parallel with the construction of GERD.
 - b. Agree on guidelines and rules for the annual operation of GERD, which the owner of the dam may adjust from time to time.
 - c. Inform the downstream countries of any unforeseen or urgent circumstances requiring adjustments in the operation of GERD.
- To sustain cooperation and coordination on the annual operation of GERD with downstream reservoirs, the three countries, through the line ministries responsible for water, shall set up an appropriate coordination mechanism among them.
- The time line for conducting the above mentioned process shall be 15 months from the inception of the two studies recommended by the IPOE.

VI – Principle of Confidence Building

- Priority will be given to downstream countries to purchase power generated from GERD.

VII – Principle of Exchange of Information and Data

Egypt, Ethiopia, and Sudan shall provide data and information needed for the conduct of the TNC joint studies in good faith and in a timely manner.

VIII – Principle of Dam Safety

- The Three Countries appreciate the efforts undertaken thus far by Ethiopia in implementing the IPOE recommendations pertinent to the GERD safety.
- Ethiopia shall in good faith continue the full implementation of the Dam safety recommendations as per the IPOE report.

IX – Principle of Sovereignty and Territorial Integrity

The Three Countries shall cooperate on the basis of sovereign equality, territorial integrity, mutual benefit and good faith in order to attain optimal utilization and adequate protection of the River.

X – Principle of Peaceful Settlement of Disputes

- The Three Countries will settle disputes, arising out of the interpretation or implementation of this agreement, amicably through consultation or negotiation in accordance with the principle of good faith. If the Parties are unable to resolve the dispute through consultation or negotiation, they may jointly request for conciliation, mediation or refer the matter for the consideration of the Heads of State/Heads of Government.

This agreement on Declaration of Principles is signed in Khartoum, Sudan, on the 23 of March, 2015, by the Arab Republic of Egypt, The Federal Democratic Republic of Ethiopia and the Republic of Sudan.

For the Arab Republic of Egypt – President Abdel Fattah El Sisi

For the Republic of the Sudan – President Omer Hassan Elbashir

For the Federal Democratic Republic of Ethiopia – Prime Minister Hailemariam Desalegn

al-Khartoum, Republic of Sudan

25 March 2015