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Hydrocracy in the Horn

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Abstract:

The Horn of Africa is located next to one of the most important maritime corridors in the world: the Red Sea. Large volumes of goods, containers, and hydrocarbons transit through it, as well as data through submarine cables, supplying global markets and enabling the connection between three continents.

Almost all the countries in the Horn are coastal along this crucial route, with the exception of the largest among them: Ethiopia. Access to the sea has become a matter of survival for the world's most populous landlocked state, as the lack of it hampers its growth. But its search for an outlet to maritime waters has generated suspicion and concern among all its neighbours.

Conversely, Ethiopia is the country best endowed with water resources in the region, allowing it to influence and negotiate from a position of strength with its neighbours. The exploitation of this hydropower potential through the Grand Ethiopian Renaissance Dam, on the Blue Nile, has added Egypt to the list of actors aggrieved by Addis Ababa.

Finally, the privileged position of the Horn has drawn the attention of the Persian Gulf monarchies, among other countries, involving themselves in regional affairs to such an extent that it is no longer possible to consider the Horn states in isolation to fully understand their dynamics.

Keywords:

Red Sea, Water, Resources, Grand Ethiopian Renaissance Dam, Ports.

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The Horn today; an island tomorrow

The Horn of Africa is situated, for the most part, within the Great Rift Valley. This geographical feature, the cradle of humanity¹ and one of Africa's ecologically richest regions, runs through East Africa from north to south for some 5,000 kilometres and is the visible consequence of a fault that is gradually splitting the continent in two.

But this tectonic movement, much to the disappointment of the Ethiopian Prime Minister, Abiy Ahmed, will not succeed in carving out the Horn's insular shape for another ten million years or so, give or take an eon.

In the meantime, the Rift will remain a geological whim and a distant certainty, and the region's strongmen will have to continue their relentless game of Go² around the Red Sea.

The cornucopia: why it matters

Strictly speaking, the region known as the Horn of Africa comprises the following countries: Ethiopia, Eritrea, Djibouti and Somalia. In Tel Aviv, they would add Somaliland³, and such an addition would most likely have the approval of Addis Ababa and Abu Dhabi; at least *in pectore*.

¹ The discovery of hominid fossils such as Lucy and archaeological sites such as the Olduvai Gorge and the Afar Depression, together with the wealth of information provided about our ancestors, has led to the Great Rift Valley being regarded as one of the cradles of humanity.

² Go is a strategy board game that originated in China over 2,500 years ago. It is a two-player game in which the aim is to control more territory than one's opponent by placing black and white stones on the intersections of the board. The objective is to surround the opponent's stones in order to capture them.

³ Israel formally recognised Somaliland as an independent state on 26 December 2025, becoming the first country to take this step.



Figure 1. Physical map of the Horn of Africa. Source: commons.wikimedia.org/

Looking at the map, one can see a region bordered by two bodies of water: the Indian Ocean and the Red Sea. Geographical features such as the Gulf of Aden and the Strait of Bab el-Mandeb also stand out. The latter is included in the list of chokepoints: areas on the map characterised by their narrowness and by being essential for maritime traffic and logistics, as a considerable percentage of world trade passes through them.

This trade flow is channelled through the Red Sea, a quasi-riverine waterway whose size does not do justice to its importance. Its location is strategic, serving as the connecting point between Europe, Africa and Asia.

The figures speak for themselves: between 12% and 15% of global maritime traffic passes through its waters, along with around 12% of crude oil supplies and 8% of

liquefied natural gas (LNG) (Energy Information Administration, 2026), as well as 30% of global container traffic (World Shipping Council, 2023).

It is a key route for energy transport, originating in the Persian Gulf and bound for Europe, and a vital artery for Eurasian trade, with up to 40% of all goods passing through its waters: particularly for China, the world's factory.

It also hosts twenty-one submarine cables on its seabed (Submarine Cable Map, n.d.), through which around 17% of global Internet traffic flows⁴.

Hence, states that would otherwise go unnoticed in global power struggles are courted by a host of regional and global *hegemonies*, or those aspiring to be so.

Ethiopia: the special case

But these waters do not lap at the shores of all the peninsular members, much to Ethiopia's misfortune and despair.

After a long war, Eritrea finally gained its independence from Ethiopia in 1993, condemning Addis Ababa to strict landlocked status.

This historic event, which the Ethiopian Prime Minister would not hesitate to describe as 'the greatest geopolitical catastrophe of the 20th century', borrowing the now-famous phrase of one of his BRICS colleagues⁵, weighs heavily and hampers the aspirations of the region's demographic giant⁶.

Ethiopia, with a population of 140 million (World Bank Group, n.d.), and rising, is the world's most populous landlocked country. The estimate for 2050 is around 225 million people (World Health Organisation, n.d.), which explains the growing sense of claustrophobia in Addis Ababa.

There are also strategic reasons dictated by the figures: Ethiopia relies on Djibouti for 90-95% of its access to the sea for its exports, under an agreement whereby it pays its neighbour between USD 1.5 and 2 billion a year in port fees. This sum represents

⁴ Damage to four of these cables in 2024 disrupted 25% of Internet traffic between Europe and Asia (Gritten, 2024).

⁵ A statement made in 2005 by Russian President Vladimir Putin in his annual address to the Federal Assembly of Russia.

⁶ Ethiopian Prime Minister Abiy Ahmed has described the loss of access to the Red Sea as a 'historic mistake'.

approximately one-third of Ethiopia's export revenue (Institute of Foreign Affairs, 2025); an unsustainable burden for any growth project.

Access to the sea is, therefore, the backbone of the entire foreign policy of Abiy Ahmed's Government, whether through the diversification of port access or the direct acquisition of coastal territory.

Troubled waters

This Abyssinian love of the sea has the entire neighbourhood on high alert, particularly Eritrea, Somalia and Djibouti.

With regard to the first of these nations, Ethiopia's undisguised appetite for the Eritrean port of Assab, coupled with the historical reasons already mentioned, only serves to reinforce Asmara's fears. In the case of the second, it is the flirtations between Addis Ababa and the rebel Somali territory of Somaliland that are the cause of the rift.

Finally, the third fears the loss of one of the few—if not the only—advantages it possesses in the complex web of ties and dependencies with its large neighbour.

The Nobel Peace Prize

Abiy Ahmed, the current Prime Minister of Ethiopia, took office in 2018. His term began full of promise and hope following the signing of a peace agreement with Eritrea, which remains in force to this day⁷. His efforts and conciliatory stance were rewarded, a year later, with the award of the Nobel Peace Prize. However, since receiving the award, few of his cabinet's measures have been able to justify to his regional neighbours the aura of 'the person who has done the most or the best work for fraternity among nations', as the Swedish inventor's will stated.

Whilst the idyll with Eritrea was maintained during the war in the Ethiopian region of Tigray⁸—albeit out of mere mutual convenience—, the decision to exclude Asmara from

⁷ Following the war between 1998 and 2000 between Ethiopia and Eritrea, both countries signed a peace agreement that was never implemented. With the advent of Abiy Ahmed, the effective implementation of the treaty was agreed in 2018, finally bringing about peace.

⁸ War between the Ethiopian Central Government and the regional authorities of the Tigray region, led by the Tigray People's Liberation Front (TPLF). The conflict lasted from 2020 to 2022, with Eritrea and the Fano militias from Ethiopia's Amhara region supporting Addis Ababa's troops. Asmara's alignment with Ethiopia was due to the historical

the negotiations in Pretoria⁹ in 2022 returned cross-border relations to their natural state of mutual distrust.

This provided the breeding ground for Eritrea to throw itself into the arms of Egypt and Somalia, in an entente opposed to perceived Ethiopian expansionism.

In its renewed animosity towards Ethiopia, Asmara has capitalised on Ethiopia's ethnic hornet's nest, forging closer ties with the Fano militia, the Oromo Liberation Army (OLA) and, above all, the TPLF, proving true the adage that 'the enemy of my enemy is my friend'. Eritrea, which initially sought to weaken the TPLF, had no qualms about drawing closer to its long-standing Tigrayan enemy after feeling betrayed by Addis Ababa. This change of stance also demonstrates the tactical flexibility and opportunism of Isaias Afwerki¹⁰, who exploits regional conflicts and navigates through them with the primary aim of ensuring the survival of his militarised regime, as well as seeking Eritrean influence in the Horn of Africa.

These moves have provoked angry protests from Addis Ababa (Europa Press Internacional, 2025), which has also demanded the immediate withdrawal of the Eritrean contingents still present in Tigray (Europa Press Internacional, 2026a).

Nor has Ethiopia stood idly by; it too has exploited the region's ethnic mosaic for its own ends.

This is the case of the Afar people, who were divided between Eritrea, Ethiopia and Djibouti when, in colonial times, the respective borders were drawn arbitrarily.

Addis Ababa is exploiting long-standing grievances and political marginalisation to put pressure on Asmara in its quest for access to the sea. Ethiopia, which presents itself as the champion of the rights of the oppressed Afar people of Eritrea, supports armed opposition groups from this ethnic group who, based on Ethiopian territory, attack targets on the Eritrean coast, particularly around the port of Assab (Ismail, 2025).

But Ethiopia must exercise caution in stoking Afar nationalism for two main reasons.

rivalry between Eritrea and the TPLF, as this Tigrayan movement led the Ethiopian Government during the 1998-2000 war between Eritrea and Ethiopia.

⁹ The peace negotiations involved only Ethiopia and the TPLF, leaving out Eritrea and the Fano militias of Amhara. This is the main reason for the deterioration in relations between Addis Ababa and Asmara, as well as for the Fano uprising in Amhara. Furthermore, Eritrea has not yet vacated some of the positions it occupied in Tigray during the war.

¹⁰ The President of Eritrea since independence in 1993.

The first is that Djibouti is also home to an Afar community, which, moreover, is at odds with the Somali Issa who have held power since independence. As already explained, the small coastal country is the point of departure for between 90% and 95% of Ethiopian exports, so creating internal instability in Djibouti would be detrimental to Addis Ababa's own interests.

Secondly, part of the Afar community is based in Ethiopia. There too, they are excluded from the levers of power in the central government and, against a backdrop of internal instability and ethnic violence, Ethiopia's support for Afar irredentism could end up backfiring.

The deterioration of relations between Addis Ababa and Asmara has led Ethiopia to deploy a large number of federal troops to the north during the first weeks of 2026 (Marks, 2026). Indeed, the first skirmishes and drone attacks took place in the Tigray region in late January (Addis Standard, 2026), raising fears that an imminent conflict may erupt once again in the region. The build-up of troops on the border with Tigray has been at the expense of existing deployments to deal with ethnic uprisings, primarily among the Amhara and Oromo. The Fano militia is already capitalising on this movement of federal troops, seizing villages and expanding the territory under its control. But this temporary sacrifice of a pawn could yield long-term benefits for Addis Ababa if it manages to crush, or sufficiently weaken, the persistent threat posed by the TPLF in the north. This hypothetical outcome would also allow the Ethiopian Army to be stationed along the entire border with Eritrea, and not just in the narrow strip of the Afar region, as has been the case until now. Furthermore, by eliminating a powerful enemy in its rear, it could concentrate more resources against its northern neighbour. This scenario appears threatening and intolerable to Asmara, so one might expect that, should an open war break out in Tigray, it would make its resources available to the TPLF or even intervene directly.

But this time, given the current state of interests, alliances and security agreements in the region, there is a possibility that it could end up involving more actors than in the previous war in Tigray—which already claimed the lives of some 600,000 people—and so, in that case, the bloodshed could be even greater.

The first country to be affected would likely be Egypt: a hypothetical federal victory in Tigray, followed by a deployment along the entire shared border, would give Ethiopia the ability to directly threaten the coveted Eritrean ports of Massawa and, in particular, Assab¹¹. The idea of Addis Ababa gaining access to the Red Sea is taboo in Cairo and, for that reason, some form of Egyptian assistance to Asmara would come as no surprise. Nor would an Egyptian attack on the Grand Ethiopian Renaissance Dam (GERD) be out of the question. Meanwhile, Egypt and Eritrea have strengthened their security and strategic cooperation ties by signing an agreement under which Cairo will invest in the port of Assab in exchange for naval access (Addis Standard, 2025).

Another actor that could be drawn into the conflict is Sudan. The Sudanese Armed Forces (SAF) enjoy the firm backing of Egypt in their power struggle with the Rapid Support Forces (RSF)¹². In turn, the Sudanese Armed Forces have a long history of collaboration with the TPLF, having provided logistical support and allowed the use of Sudanese territory as a refuge, where they have also established training bases—the TPLF has also fought alongside the SAF against the RSF. Added to this are the tensions over the GERD, as Khartoum too is at the mercy of Addis Ababa's whims regarding the flow of water in the Blue Nile, plus the clashes over the fertile agricultural lands of the al-Fashaga region, from where Amhara farmers were evicted in 2020 by the Sudanese Army¹³. Ethiopia, for its part, supports the RSF, even hosting a training camp for Sudanese paramilitaries on its territory (Paravicini and Levinson, 2026), which consequently makes it a participant in Sudan's civil war. As is the United Arab Emirates: Abu Dhabi is the main backer of the RSF, as well as of Abiy Ahmed's Government—there is speculation that it is the financier of the Sudanese camp in Ethiopia—, forming a triangle of interests that extends to other parts of the Horn and which, quite possibly, would also drag the wealthy Gulf state into the Ethiopian conflict.

¹¹ Both Abiy and a senior official from the Ministry of Defence have openly expressed their ambition regarding Assab, with the former declaring that it is 'only a matter of time' before Ethiopia regains access to this port and the latter asserting Ethiopia's 'historical right' to Assab. Although it prefers to achieve this through diplomatic channels, Ethiopia has not completely ruled out the use of force to gain access to the sea.

¹² Despite collaborating in the overthrow of Sudanese leader Omar al-Bashir, the head of the Army, Abdelfatah al-Burhan, and the head of the RSF, Mohamed Hamdan Dagalo—alias Hemedti—began a power struggle that led to the current civil war in 2023.

¹³ The fertile territory of al-Fashaga, which borders western Tigray, is claimed by both Ethiopia and Sudan. Sudanese Armed Forces (SAF) troops occupied the territory in late 2020, taking advantage of the fact that Ethiopian federal and Amhara forces were engaged in the conflict in Tigray. Sudan quickly recaptured almost the entire al-Fashaga area with little fighting, displacing thousands of Ethiopian farmers, mostly of Amhara ethnicity.

The United Arab Emirates' involvement, however, would not be direct, but rather in a supporting or proxy capacity, as is already the case in other scenarios. Israel would also, in all likelihood, be involved in a supporting or *proxy* capacity on Addis Ababa's side; just as Saudi Arabia, and to a lesser extent Turkey¹⁴, and Somalia, could do so on the Eritrean side.

Thus, although the high costs involved would be difficult to bear for any of the parties directly involved, the drums of war are beating once again in the Horn of Africa.

Berbera: a safety valve

In the case of Somalia, it was the memorandum of understanding between Ethiopia and Somaliland¹⁵ in January 2024 that soured bilateral relations.

Somalia viewed the agreement as an attack on its sovereignty, demanded the withdrawal of Ethiopian troops from the mission assisting Mogadishu against al-Shabaab, expelled the Ethiopian ambassador and closed the Ethiopian consulates in northern Somalia; it even threatened war to defend its territorial integrity.

In light of this situation, Turkey emerged as a key player, with a say in matters concerning the Horn of Africa: it acted as a mediator in the dispute between Ethiopia and Somalia and helped to restore their bilateral relations, allowing for a relative return to normality.

For Ankara, Somalia's main pillar of support in the field of security and defence, there was much at stake: Mogadishu is home to its largest overseas military base and its outpost in the Indian Ocean¹⁶. Furthermore, it supplies weapons and trains Somali troops in their fight against the terrorist group al-Shabaab. Thus, Turkey has long presented itself as the guarantor of Somalia's sovereignty and independence.

¹⁴ Turkish involvement would likely be contingent on that of Israel and vice versa, given the growing rivalry between the two states.

¹⁵ According to the memorandum, Somaliland would lease the port of Berbera to Ethiopia for fifty years, as well as granting it 20 km² of coastal land for the establishment of a military base. In return, Addis Ababa undertook to consider recognising Somaliland's independence in the future, alongside other financial provisions.

¹⁶ The TURKSOM base.

But Ethiopia is also an important partner for the Turks in the Horn of Africa¹⁷, which is why Erdogan¹⁸ had to employ his most refined diplomacy.

Consequently, through the Ankara Declaration, Addis Ababa and Mogadishu agreed to respect each other's territorial integrity and to seek trade arrangements to enable Ethiopia to gain access to the sea, albeit always under Somalia's sovereignty¹⁹.

Meanwhile, although the clauses of the memorandum have not yet been implemented, Hargeisa²⁰ insists that the treaty remains in force. Nor has Ethiopia announced that it has lapsed, meaning the Ethiopian Government is keeping a trump card to play should the move in Assab fail to yield the desired result or depending on how other events in the Horn unfold.

Cairo's stance stood in stark contrast to Turkey's restraint: already riled by previous Ethiopian manoeuvres, Egypt was quick to come to Somalia's aid (Europa Press Internacional, 2024). From the outset, it expressed its outright rejection of the memorandum, which it branded as interference in Somalia's internal affairs. Subsequently, both countries signed a strategic defence cooperation agreement, thus beginning to forge a front in the region opposed to Addis Ababa's ambitions (Holleis, 2026) which, as already explained, also includes Eritrea.

It now remains to be seen how the Ethiopian Government will react to Israel's recognition of Somaliland: if it opts for a policy of *fait accompli* and follows Tel Aviv's lead, it will force Mogadishu to take a definitive stance against Ethiopia; conversely, if it opts for appeasement and for honouring the promises made to Somalia and Turkey, it will bolster Ethiopia's image as a responsible actor committed to international law.

However, at a time when the guns are on the verge of speaking out again on its northern border and with ethnic insurgencies gnawing at its heart, non-recognition might stem more from a desire not to open another front in the south and not to upset Erdogan than from a desire to show deference to Somalia.

¹⁷ Turkey supplies Addis Ababa with Bayraktar drones, which played a key role in the previous war in Tigray and against the militias. Furthermore, it is the second-largest source of foreign direct investment (FDI) in Ethiopia, behind only China.

¹⁸ Turkish President Recep Tayyip Erdogan.

¹⁹ The agreement envisaged offering Ethiopia access to the sea via southern Somalia, but practical and security obstacles—the presence of al-Shabaab—have rendered this option unfeasible.

²⁰ Capital of Somaliland.

The port for all

Geographically speaking, Djibouti is to Africa what Singapore is to Asia: the hub of maritime communications through a strategic passage. Its small size is offset by such a privileged location that it has the unique distinction of hosting military bases for up to five different countries: France, Italy, Japan, China and the United States, in addition to the presence of other nations.

In Ethiopia's eyes, Djibouti is, at once, its salvation and its downfall: through the port of Doraleh, it can export its goods by sea, though the cost of the port fees, being too burdensome for the Ethiopian treasury, makes it unsustainable to rely on a single port.

As previously explained, the agreement channels between USB 1.5 and 2 billion annually from the Ethiopian treasury to the coastal republic, heightening Addis Ababa's need to find other ways to diversify its access to the sea.

But what at first glance appears to be an unequal relationship of dependence of the larger country on the smaller one conceals a greater symmetry than anticipated. Firstly, due to the acute water shortage on its territory, Djibouti is forced to import this vital resource from Ethiopia via a pipeline financed by China²¹. To meet its needs, the country requires more than 100,000 m³ daily, but the supply is frequently interrupted due to power cuts (Ahmed, 2021). Secondly, it is also a net importer of energy and is connected to Ethiopia's electricity grid, from which it obtains approximately 70% of its requirements (EU-Africa Chamber of Commerce, 2025).

Then there is the port. Ethiopian fees for the use of Doraleh account for around a third of Djibouti's gross domestic product, so Addis Ababa's search for alternative ports is a source of deep concern for its small neighbour. This explains the Djiboutian Government's offer to Ethiopia of joint administration of the port of Tadjoura (Maruf, 2024).

The high degree of interdependence between the two neighbours places Djibouti in a delicate situation: although it depends on Addis Ababa for its very survival, the threat that

²¹ China is also Djibouti's main bilateral creditor. It is estimated that approximately half of Djibouti's total external debt is held by Chinese entities. Under the Belt and Road Initiative, most of the loans have financed key infrastructure projects for the African country, such as the railway to Addis Ababa, ports, logistics hubs and energy infrastructure.

Ethiopian revisionism poses to its interests forces it to align itself with states wary of Ethiopia, such as Egypt (Hiiran Online, 2025).

Rivers of power

In the Horn of Africa, water resources are not merely a productive input: they constitute a structural element of state power. Water determines agricultural production, access to hydroelectric power, the survival of pastoral communities and the ability of states to project regional influence. In turn, the transboundary nature of the major river systems transcends internal dynamics and links them to broader regional rivalries.

Ethiopia is home to the region's main water sources thanks to its central highlands, which act as a 'water tower' for North-East Africa. Major rivers that flow into neighbouring countries originate in its mountains. The most significant system is that of the Blue Nile, the main tributary of the Nile, which rises in Lake Tana, in Ethiopia. Its Ethiopian origin makes Addis Ababa the key hydro-political actor in the Horn. Furthermore, the Juba and Shebelle rivers, which also arise in Ethiopian territory, flow into Somalia and form the basis of Somali agriculture²², giving Ethiopia leverage over its neighbour's economy and, consequently, its politics, security and stability.

Djibouti lacks major permanent river systems and, although it obtains some of its water from underground aquifers and desalination, this supply is insufficient (Asakura *et al.*, 2023), leaving it heavily dependent on imports from Ethiopia, as already explained.

Eritrea, for its part, is situated in an arid region where droughts have been frequent, and is characterised by seasonal rivers and highly variable rainfall. As a result, aquifers are the main source of fresh water, although they are under pressure due to overexploitation.

As in any part of the world, water security is closely linked to food security, but in the case of Somalia this dependence is particularly acute: over 60% of the population depends directly or indirectly on agriculture and pastoralism. Recurring droughts have caused

²² The plains of both rivers form Somalia's breadbasket, supporting the production of maize, sesame, fruit, vegetables, sugar cane and rice. For further information, see: Food and Agriculture Organization of the United Nations. (n.d.). *The Juba and Shabelle Rivers and Their Importance to Somalia* [online] FAO. [Accessed: 2026]. Available at: <https://faoswalim.org/article/juba-and-shabelle-rivers-and-their-importance-somalia>

severe humanitarian crises, leading to internal displacement and dependence on international aid.

In Eritrea and Djibouti, vulnerability is even greater due to the limited availability of surface water. Although Eritrea, in particular, has significantly improved its water management model in recent decades²³, both countries suffer from structural water stress, which restricts their capacity for agricultural development and forces them to rely on food imports.

In Ethiopia, however, the situation is paradoxical: it controls several major rivers in the Horn of Africa, possesses greater water resources and exports a portion of these to its neighbours. As mentioned, it is regarded as the region's water tower. However, these resources are unevenly distributed, and demographic pressure and agricultural expansion have generated internal tensions. Ethiopia is one of Africa's fastest-growing economies and the continent's second most populous country, so without proper water management, tensions may be exacerbated.

Yet geography has also been kind to Ethiopia, despite its lack of a coastline: its aforementioned highlands grant it one of the greatest hydroelectric potentials in Africa, as well as a tool for regional influence; consequently, the construction of dams on the rivers that originate there becomes the logical national strategy. A strategy, however, not without risks.

Water is the source of all things

As if to confirm the thesis of Thales of Miletus, many of the animosities in the Horn of Africa have their roots in water. The Grand Ethiopian Renaissance Dam, begun in 2011 and officially inaugurated in September 2025, is one example.

The dam is situated on the Blue Nile, in the Ethiopian region of Benishangul-Gumuz, on the border with Sudan. This river, which rises in Ethiopia and accounts for up to 85% of the Nile's flow, is one of its two tributaries. Sudan and, in particular, Egypt, which are critically dependent on the waters of the Nile for their survival, have expressed concern about what the project means for their security.

²³ In 1991, only 13% of the population had access to drinking water, compared to 85% today (Amahazion, 2025).

Egypt meets up to 97% of its water needs from the waters of this river, particularly in the agricultural sector, which also accounts for a significant part of Egypt's gross domestic product. Furthermore, around 95% of Egypt's population of over 116 million lives within a few kilometres of the Nile. The land of the pharaohs cannot be understood without this river, on whose banks its people have prospered for five thousand years, relying on the silt left behind by the annual floods²⁴.

For Ethiopia, the dam represents an energy revolution, as its future output of 5,000 megawatts will generate annual export revenues of around USD 1 billion, as well as providing electricity to a large proportion of its population who currently lack access to it (Deutsche Welle, 2025). A stable energy source that lowers the price of electricity will also boost the development of other productive sectors and encourage foreign investment. This, combined with its vast pool of young labour, would accelerate national development and cement its position as the strongest economy in East Africa. If necessary, this energy could even fund a potential access to the sea, given the lack of financial liquidity.

But the benefits promised by the dam are not merely material: Addis Ababa presents the GERD as an example of its unstoppable geopolitical rise, which would, incidentally, justify its need for access to the sea. It also uses it as a necessary symbol to reinforce Ethiopian national cohesion and pride, so badly battered by endless internal ethnic uprisings.

Sudan, on the other hand, is in a better position than Egypt. The dam is not a matter of life and death for them, and they could even benefit from electricity exports and river flow management in coordination with Ethiopia, but Al-Burhan's rigid alignment with his Egyptian counterpart and the cross-border conflicts of recent years have dashed any possibility of an understanding with their Ethiopian neighbour²⁵.

Despite several rounds of negotiations since 2015, no agreement has been reached. Cairo demands a binding treaty to regulate water flow during periods of drought, as well as the right to be consulted, alongside Khartoum, before the construction of any further

²⁴ The ancient Egyptians called their country *km.t*—Kemet—, meaning 'black land', in reference to the fertile soil along the banks of the Nile created by silt, the sediment from its waters. Conversely, they called the arid desert terrain *Deshret*—red land.

²⁵ In fact, Omar al-Bashir, the former Sudanese leader deposed by Al-Burhan and Hemedti, supported the Ethiopian GERD project. See Tekle, T. A. (2014). Sudan's Bashir affirms support for Ethiopia dam project [online]. *Sudan Tribune*. [Accessed: 2026]. Available at: <https://sudantribune.com/article/49656>

infrastructure, but Ethiopia has rejected both demands. Addis Ababa, meanwhile, has promoted the Cooperative Framework Agreement (CFA), also known as the Entebbe Agreement, which came into force in 2024²⁶. This treaty seeks to replace the colonial-era agreements²⁷ that granted Egypt and Sudan majority control and veto power over projects on the Nile. The entry into force of the CFA allows for the creation of the Nile River Basin Commission (NRBC), a permanent institution for river management that will replace the 1999 Nile Basin Initiative (NBI), promoting cooperation among its members. However, Egypt and Sudan have rejected the agreement (Egypt Independent, 2024), arguing that it violates international law and threatens their water security, and insisting on maintaining their historical rights.

In early 2026, US President Donald Trump offered to mediate between the parties to reach an agreement on the dam (Europa Press Internacional, 2026b). This offer was received with enthusiasm by the Egyptian leader, Abdelfatah al-Sisi, although the previous offer, made during his first term, fell far short of the expected impartiality: the clauses clearly favoured Cairo, with whom Washington maintains close relations, and the US leader went so far as to back Egyptian threats to use force against the Ethiopian engineering project (Gavin, 2026).

With the parties entrenched in their positions, the formation of increasingly antagonistic blocs and the gradual deterioration of security in the Horn of Africa, it does not appear possible to reach an agreement on the use of the dam in the short term.

To try to break this *deadlock*, Egypt could play the port card: a pact that would benefit both sides, whereby Addis Ababa would see its thirst for access to the sea quenched in exchange for a binding treaty on the GERD. However, Ethiopia's access to the sea is a red line that Cairo is not prepared to cross.

Historically, Egypt has viewed the Red Sea as its own domain; since the construction of the Suez Canal, as its vital artery²⁸. Egyptian strategists, therefore, cannot imagine a

²⁶ The Entebbe Agreement has been ratified by Ethiopia, Uganda, Tanzania, Rwanda, Burundi and South Sudan (Nile Basin Initiative, 2024).

²⁷ Treaties signed in 1929 and 1959, which were signed without the participation of most of the countries in the Nile Basin, including Ethiopia.

²⁸ Revenue from the canal is a key source of foreign exchange for Egypt—it is considered the third most important source, after remittances from foreign workers and the tourism sector—accounting for 1.5% of GDP and generating 5% of total government revenue in the 2021/2022 financial year. Revenue from canal traffic reached USD 9.4 billion in the 2022/2023 financial year, an all-time high (Organisation for Economic Co-operation and Development, 2024).

scenario in which Ethiopia holds the key to the southern entrance of that artery: in such a case, Addis Ababa could exert dual pressure—via the dam—, which would leave Cairo at its mercy.

This is what drives Egypt to seek the formation of a bloc opposed to Ethiopia, into which it is also attempting to include Saudi Arabia.

The Horn of Arabia

The Arabian Peninsula, with its Persian side, and the Horn of Africa, separated only by the Bab el-Mandeb Strait and the Red Sea corridor²⁹, constitute in many respects a single geopolitical system. United for centuries by religious, ethnic and linguistic ties—at times forming part of the same supranational entity³⁰—, they maintain intense trade and migration flows to this day.

The geostrategic importance of the waters separating them, economic and security calculations at the national level, and bilateral rivalries, among other factors, explain the interest aroused by the Horn of Africa on the other side of the Red Sea.

It should also be noted that this relationship is currently unbalanced: whilst the common denominator among the Horn's states is the instability and fragility of their governing institutions, the Arab monarchies are characterised by being iron-fisted autocracies whose immense wealth affords them the ability to buy social stability.

But they are so rich that they have nothing but money—money derived from hydrocarbons—and, in their quest to diversify their economies, they are making major investments in the Horn of Africa, where they also obtain many of the resources they lack.

When size doesn't matter

When discussing the major players on the geopolitical stage, geographical size is one of the first aspects that springs to mind; the United Arab Emirates would therefore be

²⁹ The Red Sea has a maximum width of 335 km.

³⁰ The Ottoman Empire dominated or exerted its influence over much of the Arabian Peninsula and the Horn of Africa for centuries.

excluded from such a classification. Yet, its involvement in Arab and African affairs belies this prejudice.

A former active member of the anti-Houthi coalition, a staunch supporter of the Southern Yemeni Transitional Council, a key pillar of the RSF in Sudan, an ally of Marshal Haftar in Libya, a military backer of Addis Ababa in the Tigray war and an unrepentant investor in ports on the Red Sea and the Gulf of Aden, amongst other things, Abu Dhabi's tentacles extend deep and firmly throughout the region.

Its growing influence in Africa is exemplified by investments estimated at USD 110 billion in recent years (Fana Media Corporation, 2026)—surpassing the European Union, the United States and China. In the countries of the Horn of Africa, specifically, it is not the main investor in material or energy resources: its projects in this region are worth around USD 4.3 billion³¹ and cover infrastructure, renewable energy, mining, financial services, agriculture and security.

But where it is the leading investor is in ports, because they are a resource that is just as valuable—if not more so—than the others, and it is clear that the UAE has taken Raleigh's maxim to heart³². Control of these strategic points, on a route that is crucial in its own right, grants control over global trade routes, regional power projection and economic security. This port acquisition strategy is carried out mainly through port management companies such as DP World and, to a lesser extent, AD Ports Group.

The asset portfolio³³ of these companies includes ports on the Red Sea and in the Gulf of Aden such as: Assab, in Eritrea; Berbera, in Somaliland, and Bosaso in Puntland³⁴. Their value lies in serving as logistics, storage and distribution hubs for goods between Africa and their destinations in the Persian Gulf; acting as control points for maritime traffic; and, in certain circumstances or if necessary, having a dual military use. The fact is that the Gulf states consider the Horn of Africa essential for the security of the Red

³¹ Ethiopia, with USD 2.3 billion, is the main destination for its investments. It is followed by Somalia, with nearly USD 613 million; Somaliland, with USD 539 million, and Eritrea, with USD 189.5 million (Africa Center for Strategic Studies, 2025).

³² Walter Raleigh stated: 'He who controls the sea controls trade; he who controls trade controls the wealth of the world; and consequently the world itself'.

³³ In 2006, Djibouti signed a 30-year contract with DP World to build and manage the port of Doraleh, the largest and most sophisticated in the country. However, the Djiboutian government terminated the agreement in 2018, claiming that it violated its sovereignty.

³⁴ A semi-autonomous region in north-eastern Somalia that does not recognise the legitimacy of the central government in Mogadishu, although it does not advocate independence, unlike Somaliland.

Sea, as it provides them with strategic depth against hostile actors, as well as protecting vital maritime routes. The United Arab Emirates has also become an indispensable security partner in the east of the continent, providing money, weapons, logistics and training, although this very involvement has, in turn, contributed to the destabilisation and intensification of various conflicts in the region.

The other key aspect of the UAE's investment strategy in the Horn is agriculture. For Abu Dhabi, food security is a strategic priority, as it imports up to 85% of the food it consumes, given its scarcity of water and arable land. The amount of funding for agricultural projects in the region³⁵ is estimated at USD 1.7 billion, representing almost 40% of the total amount invested in the Horn of Africa. However, to fully understand this approach, one must look beyond the raw figures: by injecting money into food-producing lands, it gains much more than the land itself and its produce; it indirectly secures the water it no longer consumes on its own soil.

The Giant Stirrer

Geographical presence and economic might are aligned in Riyadh with a growing determination to assert its capabilities.

The abundance in the Saudi treasury is reflected in the figures, with investment in the Horn of Africa amounting to around USD 13.5 billion. But its strategy in the region lacks the diversification seen in the UAE, as nearly USD 13 billion is concentrated in Djibouti alone, and of that, some USD 12.7 billion is tied up in a single megaproject³⁶.

In the field of security, Saudi Arabia has significantly scaled back its involvement in the Horn of Africa, although it shares Egypt's desire for stability in the Red Sea (Aftandilian, 2026). Both Riyadh and Cairo support the internationally recognised governments in the region³⁷, as they recognise that instability on land has an immediate impact on maritime security.

³⁵ The United Arab Emirates is investing \$11.9 billion in agricultural projects in East Africa, although the vast majority of this sum, some \$10.2 billion, is earmarked for Sudan, a country which, strictly speaking, does not belong to the Horn of Africa.

³⁶ The refinery at the Damerjog International Park in Djibouti, a project by the Saudi company Aiyal Petroleum and Energy.

³⁷ In Yemen, opposing the Houthis; in Sudan, supporting the Sudanese Army against the RSF; and in Somalia, opposing the recognition of Somaliland's independence.

Al-Sisi, moreover, does not want new players in the already crowded game being played in the Red Sea, and is therefore seeking to prevent Ethiopian access to it. To achieve this, he is weaving a network of alliances with states in the Horn of Africa that share this opposition, but any security agreement worth its salt requires funding, and this is where the Saudis' financial muscle comes into play.

However, Riyadh's role goes beyond that of Cairo's banker, as both countries find themselves on the same side in several of the conflicts plaguing the region. Moreover, it is invariably the UAE that, in these conflicts, appears to be siding with the opposing faction.

The differing security strategies and conflicting national interests of these two monarchies have led to a rift that is also being played out in the Red Sea, the consequences of which have ultimately reverberated across the Horn of Africa. This dispute over supremacy has manifested itself in a race for the instruments that enable influence to be exerted: resources, control of trade routes and, by extension, the region's ports. In parallel with this race and linked to it, the convergence of interests has been shaping two blocs of alliances whose contours are becoming increasingly defined: the Triple A and the Counter-A.



Figure 2. Blocs of interest in the Horn of Africa. Source: criticalthreats.org

The Triple A takes its name from Addis-Abu-Aviv³⁸: the capitals which, on the Horn of Africa chessboard and in its immediate vicinity, have shown their support for the secessionist actors³⁹. Although their positions had already been converging over time on certain issues, particularly between the UAE and Israel (Cafiero, 2025), it could be argued that Somaliland has been their definitive meeting point. Israel's recognition of Somaliland's independence must be understood within the context of its broader strategic manoeuvring with Iran, the Houthis and Turkey⁴⁰. In any case, the consequence has been its definitive integration into the Horn of Africa scene.

³⁸ Addis Ababa, Abu Dhabi and Tel Aviv: the capitals of Ethiopia, the United Arab Emirates and Israel, respectively.

³⁹ Somaliland, in Somalia; the Southern Transitional Council, in Yemen; and the RSF, in Sudan—although Israel's stance in Sudan is ambivalent, as it maintains dialogue with both sides.

⁴⁰ Somaliland is located near the territory controlled by the Houthis, some 250-300 km from Yemen as the crow flies. An Israeli base there would also allow it to monitor movements in the Gulf of Aden and the Turkish base in Mogadishu.

Furthermore, other regional states with similar interests in certain respects, albeit with more flexible positions, could be considered part of this entente⁴¹.

The Counter-A bloc has formed in reaction to the aforementioned group. Its main driving forces are Egypt, Saudi Arabia and Eritrea, with a host of other members whose alignment is not so dogmatic and varies depending on the circumstances⁴².

Ultimately, any understanding—or lack thereof—between the members of the blocs revolves around resources and positioning in strategic locations which, in the Horn of Africa, alongside the Red Sea, is tantamount to saying the ports.

Finally, the war waged by the United States and Israel against Iran has highlighted the world's dependence on chokepoints: the mere announcement by Iran that it would close the Strait of Hormuz immediately sent fuel prices soaring. Furthermore, if the Houthis were to intervene in support of their Persian ally, they could attack the US base in Djibouti, the Emirati base in Berbera—where there are already signs of an Israeli military presence (Fioriti, 2026)—or exploit their cooperation with Al-Shabaab in the Gulf of Aden (Martín, 2024), now that Western naval forces are distracted. Any of these options, or all of them together, would extend the conflict to the Horn of Africa and would have an impact, in one way or another, on existing and imminent conflicts⁴³. The spread to the Horn would amount to instability in the Red Sea, which, combined with that in the Strait of Hormuz, would have international economic consequences that are difficult to foresee.

Conclusions

In the capricious geography of the Horn of Africa, together with the vicissitudes of history, one can find the origin of much of the friction plaguing the region.

Ethiopia's geographical isolation has led to a desperate search for access to the sea, which arouses concern or, quite simply, hostility among its neighbours.

⁴¹ States such as Kenya, South Sudan, Uganda and Chad, and regional entities such as Puntland in Somalia, share certain interests with the Triple A, although an explanation of these goes beyond the scope of this chapter.

⁴² Turkey and Somalia—and also Qatar—due to the dispute in Somaliland, and the TPLF in Tigray, along with the other Ethiopian militias temporarily aligned for convenience. Djibouti's position is more delicate, as we have already seen.

⁴³ The existing conflict in Sudan and the imminent one in Tigray. The impact could be to slow down or accelerate these conflicts in the short term. If Saudi Arabia and the United Arab Emirates choose to temporarily set aside their differences and focus on containing Iranian retaliation, material support for their proxies could diminish, slowing down these clashes. Conversely, chaos in the region could encourage certain actors to take advantage of the fact that global public attention is focused elsewhere. Al-Shabaab could also gain ground in Somalia.

With Eritrea, a former province, historical grievances have resurfaced following a deceptive and temporary truce. In the midst of this, Ethiopia's ethnic fabric is conveniently exploited by Asmara to throw a spanner in the works of Addis Ababa's worrying growth.

Djibouti, the small port state that provides Ethiopia with its main route to the outside world, also fears losing the only resource with which it can negotiate with any real leverage against its large neighbour. Mogadishu, for its part, has already experienced first-hand an Ethiopian thirst for ports that called its very sovereignty into question.

But Ethiopia's geographical assets are not all negative, as its central highlands make it the dominant hydrological player in the region, granting it significant leverage for negotiation and influence.

Meanwhile, and linked to the above, the construction of the Grand Ethiopian Renaissance Dam has placed it firmly in Egypt's sights, as Egypt is also opposed to Ethiopia's access to the sea. However, Addis Ababa is not prepared to give up an infrastructure project that is deemed crucial to its rapid rise to economic leadership in East Africa.

Furthermore, the situation in the Horn cannot be fully understood by analysing only the countries that, *strictly speaking*, make up the region.

Whilst it is true that its own internal dynamics already present a complex picture in themselves, the region's strategic location has led to the involvement of external powers in the affairs of the Horn. Subsequently, shared interests or common rivals have led to the formation of two mixed blocs, comprising both African and Asian countries, whose ultimate aim is to consolidate their influence in the Red Sea.

Thus, the war against Iran or the outbreak of hostilities in Tigray could draw in other countries from these blocs, with consequent repercussions in the Red Sea, and affect the stability of a region of vital importance to global energy security.

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