



# CLOSE-UPS

July 2024



*Close-ups* is a Med-Or monthly update. Gathering together the daily work of our situation room, *Close-ups* covers the main events of the Broader Mediterranean countries, offering to a wide audience, not only experts, a close and analytical look at the main issues that affect all the countries that Med-Or oversees on a daily basis. On our interactive map you can click on the single countries and their specific in-depth analyses.

# Index

ALGERIA	1
MOROCCO	2
TUNISIA	3
LIBYA	4
ISRAEL	5
SAUDI ARABIA	7
TURKIYE	8
SAHEL	9
HORN OF AFRICA	10
INDIA	11



# Algeria

According to a statement by the Algerian Foreign ministry, France has privately informed Algiers of its intention to recognise Moroccan sovereignty over Western Sahara. Algiers described the alleged French decision as “unexpected, inappropriate and counterproductive” and expressed its “profound disapproval”. A few days later, the President of the French Republic, Emmanuel Macron, publicly defined the autonomy plan for Western Sahara – proposed by Rabat in 2007 and, for Algiers, equivalent to de facto recognition of Moroccan authority over the territory – as “the only possible basis now” for any political negotiations. This is an unusually clear position for Paris, which is in favour of the autonomy plan but has never advocated its exclusivity. In response, Algiers announced the immediate withdrawal of its ambassador to Paris, sparking a new diplomatic crisis in relations between El Mouradia and the Elysée and, most likely, freezing the prospects of Abdelmajid Tebboune’s (repeatedly delayed) visit to Paris.

Meanwhile, Algiers announce developments in the energy sector. Algerian parastatal Sonatrach **will sign a preliminary agreement in September to build the South H2 Corridor with Germany’s VNG, Austria’s VERBUND, and Italy’s Snam and SeaCorridor.** The project, which aims to facilitate the import of green hydrogen from Algeria to continental Europe via Italy, is part of the wider Central-Southern Corridor, which envisages the construction of a 3300-kilometre infrastructure link with a maximum capacity of 4 million tonnes of green hydrogen. As the Corridor’s backbone, Southern H2 is set to link Italy and Germany through Austria. On 22 November 2023, German chancellor Olaf Scholz and Italian prime minister Giorgia Meloni had already signed a joint Action plan for energy development, emphasizing the supply of hydrogen and natural gas through Southern H2. The project will cost up to 2,5 billion euros and may cover up to 40% of EU import targets according to the REPowerEU strategy. Algerian hydrogen will power high-demand industrial hinterlands such as Augusta, Taranto, Northern Italy, Styria, and Bavaria.

Türkiye also looks to Algerian hydrogen. **Sonatrach signed a MoU with Turkish steel group Tosyalı to carry out feasibility studies on local hydrogen production.** Tosyalı, who controls roughly 60% of Algerian steel production through its Oran subsidiary, aims to cement its standing as a leading producer of “green steel” (which is made by substituting fossil fuels with hydrogen at the production stage) in mineral-rich North Africa. Another agreement was struck in the same days between Tosyalı and Libya to build a hydrogen-powered steel plant in Libya.

More news for the electricity sector, as **Sonatrach and Algerian national utility Sonelgaz announced the signing of an agreement for an Algeria-Europe undersea cable.** Sources say the “Medlink” project could supply up to 8% of yearly demand for Italy, likely among the “international partners” referred to in the communiqué. Algerian and Italian representatives had already held a closed doors meeting to discuss the project last May. The statement also mirrors Algeria’s confidence in its own production capacity on the backdrop of a spike in domestic consumption, which is set to reach an average of 20.000 MW by the end of 2024.

The run-up to the presidential elections, called for September by the outgoing Abdelmadjid Tebboune, has begun. The 78-year-old Tebboune, the favourite candidate (and backed by the military hierarchies historically rooted in the country’s institutions), has received the support of the country’s main political formations. He is opposed by Abdelaali Hassani of the moderate Islamist Social Movement for Peace party and the centre-left candidate Youssef Aouchiche.



## Morocco

**Paris' recognition of Moroccan sovereignty over the Western Sahara, denounced by Algiers in recent days, reflects a possible shift in the French policy in the Maghreb.** The snap election called last June by Emmanuel Macron, which herald a major shift in the domestic balance of power in the Hexagon, do not seem to have halted the rapprochement between France and the Alawite kingdom, marked in recent months by the visits of numerous French government officials to Rabat. Among them were Minister of Economy Riester, Minister of Interior Darmanin, Minister of Finance Le Maire and Minister of Foreign Affairs Sejourné: in February, the Minister Sejourné announced that he had "personally" taken charge of relations with Rabat. The desire to mend relations with Morocco – damaged by a problematic colonial legacy and the succession of diplomatic crisis – reflects Paris' attempt to curb the erosion of its influence in Africa, undermined by the growing anti-French sentiment in the Maghreb and the Sahelian strip. Above all, it is a new setback for the *renouvelé partenariat* launched by Macron in favour of Algeria, the Kingdom's historical rival with which France maintains parallel relations. In this context, the French reversal trend is mainly directed at the Western Sahara, which is disputed between Morocco and Algeria and is key to Rabat's energy and trade ambitions. There, France intends to support the development of a Moroccan green hydrogen industry, foster nuclear development for civilian use and the electrical connection between Casablanca and the Saharan capital of Dakhla. The projects aim – according to the development plan sponsored by king Mohamed VI – to turn the region into an engine for the kingdom's energy transition.

With the agreement on defence and security between Morocco and Burkina Faso, Rabat continues to expand its influence in the Sahel neighbourhood. Signed in Rabat by the Deputy Minister of Defence, Abdellatif Loudiyi, and his Burkinabé counterpart, Kassoum Coulibaly, the agreement provides for the strengthening of military cooperation between the Alawite kingdom and Ouagadougou, which has been engaged, with mixed fortunes, in the decades-long fight against the jihadist advance. Together with Mali and Niger, Burkina Faso is part of king Mohamed VI's Atlantic Initiative to create a trade corridor between the Sahel countries and the Atlantic port of Dakhla, in Moroccan-controlled Western Sahara. It is worth noting that Burkina Faso's Foreign Minister, Jean-Marie Traoré, recently reiterated Ouagadougou's support for Morocco's autonomy plan for the region. Morocco's southern openings contribute to the erosion of Algiers' influence over Western Sahara and the Sahel, where the Tebboune presidency has recently suffered diplomatic "setbacks" by its Malian and Nigerian partners.

The upgrade of the kingdom's military capabilities continues apace as Morocco registered a 50% increase in military expenditure compared to 2023. Covering 69% of military imports, Washington stands fast as Morocco's foremost supplier: the kingdom's latest acquisitions include a \$227m deal with Lockheed Martin for the purchase of an unspecified number of ATACMS missiles, which Morocco won together with Estonia, Lithuania, and Poland. In early July, Collins Industries also signed a \$265 million contract to install DB and MS-110 reconnaissance systems on the kingdom's F-16 fighter jets. By 2025, the Moroccan Air Force will have a new batch of F-16 Block 71-72s equipped with Viper electronic systems.

However, Morocco does not neglect cooperation with Israel. The re-establishment of diplomatic relations with Tel Aviv – formalized by the kingdom's accession to the Abraham Accords in 2021 – inaugurated a military partnership that accounts for 11% of Rabat's arms imports, which the kingdom has maintained on the backdrop of the Gaza crisis. At the end of July, **Morocco announced a 1-billion-dollar deal to acquire two Ofek-13 spy satellites from Israel Aerospace Industries (IAI).** The move suggests that Rabat is seeking to replace the French Thales and Airbus satellites used by the kingdom in the past with Israeli counterparts. The competition for the Moroccan military market reflects the deterioration in diplomatic relations between Paris and Tel Aviv: the announcement of the Ofek satellite deal comes just weeks after the exclusion of Israeli companies from the 2024 edition of Eurosatory, France's international defence showcase. A measure that, according to the Quai d'Orsay, distances France from Israeli policy in the Strip.



# Tunisia

After months of uncertainty, **Tunisia called presidential elections on October 6<sup>th</sup>, 2024**. The date is set to be a test of strength for incumbent candidate Kais Saied, who has strived to strengthen presidential authority and stamp out political dissent across the last five years. In 2022, after winning a low-turnout referendum, Saied promoted a constitutional reform to reinforce the executive powers of the head of State, granting it wide discretion to appoint government officials and veto parliamentary legislation. The next elections will also be the first regulated by the latest electoral law, introduced by the president, which weakens political parties by banning unified party lists in favour of individual nominations.

Meanwhile, uncertainty persists over the number of potential candidates. **The National Salvation Front** – a heterogeneous alliance of the main opposition parties – **has confirmed that it will boycott the vote due to the “lack of conditions for transparent and democratic elections”**. The statement follows the over 20 arrests of political opposers carried out by the Tunisian security forces since 2021, when Saied forcibly dissolved the parliament. Among the arrested are Rachid Ghannouchi, founder of the Islamist Ennahda movement historically opposed by Saied, and Essam Chebbi, leader of the Republican party who has recently withdrawn his own candidacy. The Front is also plagued by internal rifts between liberal and Islamist formations.

**Saied’s candidacy** – which the president only confirmed in the first days of July – **has marked a new crackdown on political dissent**. On the same day of the announcement, a Tunisian court sentenced opposition candidate Lotfi Mraïhi – Leader of the Republican Union Party – to eight months for electoral fraud and to a lifetime ban from running for elections. Head of the Destourian party Abir Moussa also remains in prison following a legal action undertaken against him by the Independent Electoral Authority (ISIE), which Moussa had accused of mismanaging the 2019 presidential elections.

**In foreign affairs, Tunisia pursues regional cooperation with Algeria and Libya**. Following the re-opening of the Ras Jedir border customs, main trade hub between Tunisia and Western Libya, Tunisia and Tripoli revived talks to establish a common free-trade zone: however, tensions persist between the Tripoli-based Government of National Unity (GNU) and the Amazigh militia of nearby Zuwara, which resulted in occasional clashes following an agreement between the GNU and local communities. Tunisian foreign minister Nabil Ammar described the disorders as “outside the purview of Tunisian authorities”. Meanwhile, the national railway companies of Tunisia and Algeria struck a deal to revive transport across the Algiers-Annaba-Tunis line. Algeria, Tunisia, and Libya also set up a joint Council to coordinate commercial and labour market policies. Such initiatives follow the wake of the “Carthage Pathway”, an Algerian-backed push towards regional integration *sans Maroc* that was officially christened during a trilateral meeting in Tunis between Saied, Tebboune and Libyan president of Presidential Council, Mohamed Al-Menfi. The Pathway aims to strengthen trade and regional economy, as well as supplementing the lacklustre performance of the Arab Maghreb Union (AMU) compared to the correspondent communities of the African continent.

**Italy strengthens its ties with Tunisia**. An Italian delegation accompanied by representatives from Eni and Enel met in Tunis with Fatma Thabet Chiboub, the Tunisian minister of Energy, to discuss cooperation in the fields of green hydrogen and energy transition. Meanwhile, Italian group Casillo – among the main agricultural suppliers for Tunisia – obtained a new 30-million-euro contract to supply the country with 125.000 tons of wheat.



# Libya

On **The Trans-Mediterranean Migration Forum (TMMF) was held in Tripoli**. The summit, organized on the initiative of the Government of National Unity (GNU) of Abdul Hamid Dbeibah, was attended by the Italian prime minister, Giorgia Meloni, accompanied by the minister of the Interior, Matteo Piantedosi, as well as representatives and heads of government from Algeria, Tunisia, Niger, Chad, Sudan, Spain, Greece, Malta, and Czech Republic. Envoys from the Arab League, the European Union and the African Union were also present. The main objective of the TMMF was to strengthen coordination between Europe and North Africa to stem migration flows from the Sahel. Libya, which is key to Europe's strategy of externalising its borders, is estimated to contain around 2.5 million foreigners. Of these, according to Interior Minister Imad Trabelsi, "around 70-80% have entered the country illegally". Ahead of the summit, Trabelsi categorically ruled out resettlement of migrants in Libya and called for closer cooperation between army and police forces along the porous southern borders.

Tripoli's concern reflects the latest movements in Benghazi, where relations between the Haftar clan and the Sahel countries are being strengthened. On 9 July, Saddam Haftar met with the head of the Burkinabé junta, Captain Ibrahim Traoré, in Ouagadougou, to assess prospects for security and military cooperation. Uniting Haftar and the newly founded Confederation of Sahel States (which includes Burkina Faso, Niger, and Mali) is the patronage of Russia, whose African Legion, successor to the Wagner Group, offers military support – estimated in the order of 10,000 personnel – in Benghazi as well as in Ouagadougou, Bamako and Niamey. In this context, Russian mediation – which, according to some sources, was the organiser of the meeting between Saddam Haftar and Traoré – may have been aimed at strengthening Benghazi's control over the smuggling of people, weapons, and minerals between the Sahelian hinterland and southern Libya.

Meanwhile, Türkiye is consolidating its expansion in eastern Libya. **Turkish steel giant Tosyalı inked a deal with the Libyan United Steel Company to build a hydrogen-powered steel plant in Benghazi**, with a projected annual capacity of 8,1 tons (2,7 during early production). The plant is set to make Tosyalı one of the foremost producers of briquetted iron, a crucial step for the decarbonization of industry for the regional and European markets. In recent months Türkiye and the Libyan Fund for Reconstruction and Development – chaired by Belgacem Haftar – have signed similar agreements for the reconstruction of the city of Derna, which was devastated by floods in September 2023. Ankara's rapprochement with the Haftar clan, which has long been aligned with the GNU in Tripoli, also reflects the improvement in Turkish relations with Egypt and the Arab Emirates, among the field marshal's main sponsors during the last Tripoli-Benghazi war, in favour of economic cooperation on both sides of the country. Türkiye recently opened a consulate in Benghazi, while Turkish Foreign Minister Hakan Fidan confirmed that relations with Haftar were satisfactory.

**Cairo hosted the second extended meeting between the High Council of State (HCS) and the House of Representatives (HoR)**. Part of a diplomatic push by the Arab League to promote inter-Libyan dialogue, the meeting resulted in a new formal pledge to form a unified government charged with organizing parliamentary and presidential elections. However, both Dbeibah and HCS speaker Mohamed Takala remain vocally opposed to the idea, arguing that Dbeibah remains the only legitimate government in the country. Takala had already refused to take part in previous negotiations this month, to protest **the HoR's unilateral adoption of a massive 18,5-billion-dollar government budget** – which would have been added to a similar budget decided in April.

News in the hydrocarbon sector, as **Mohamed Aoun confirmed that he will "temporarily" step down as Oil Minister in favour of undersecretary Khalifa Abdul Sadiq**. Sadiq had taken up ministerial functions last March, when Aoun's tenure had been suspended due to allegations of corruption and mismanagement. However, Dbeibah had abstained from officially reinstating Aoun when the former minister was cleared of charges by the Administrative Control Authority. In the last few months, Aoun had openly criticized Dbeibah for granting generous oil and gas concessions to Western and Emirati companies.





# Israel

July seemed to be ending without significant changes in the already complicated situation of the Jewish state, embroiled in the Gaza war, ongoing exchanges of fire on the border with Lebanon, and complex negotiations for the release of hostages and a ceasefire that still seem difficult to achieve. However, on the 27th, an attack on an unexpected target, a soccer field in the Druze town of Majdal Shams in the Golan Heights, resulted in the deaths of 12 boys between the ages of 10 and 20 and the injury of many others. Responsibility for the assault was immediately attributed to Hezbollah, especially since the missile launched, of Iranian manufacture, is part of the Shiite movement's arsenal and was fired from an area under its control. Hezbollah continues to deny any responsibility, and numerous theories about what happened are reported by both the Lebanese and the Israeli press. Doubts about the perpetrators of the attack, however, seem entirely unfounded, and the possibility that clashes between Israel and Hezbollah will escalate into open war, as has been feared for months, seems increasingly likely. The international community, however, is working to prevent a Lebanese front from opening, which would put the entire region at even greater risk. A retaliatory attack by Israel is seen as inevitable, but the US and France, in particular, are trying to do everything possible to ensure that their ally chooses the most moderate path possible. Moreover, a tough but limited response was chosen by the Jewish state both after Iran's direct missile launch in April and, on July 19, after the Houthi attack on Tel Aviv, which resulted in one death. Israeli retaliation was immediate and, the next day, a bombing hit the port of Hodeida, controlled by Yemeni rebels, where arms from Iran arrive, as well as humanitarian aid to the country. The attack caused six deaths and injured 87 others. This was Tel Aviv's first direct attack in Yemen and appeared to be aimed primarily at demonstrating to Iran the Jewish state's long-range military capabilities. The assault took place a day before Netanyahu's expected trip to the United States, where he spoke before Congress for the fourth time and met with outgoing President Joe Biden, Vice President Kamala Harris, the new Democratic candidate for president, and Donald Trump, the Republican candidate. Before the joint Senate and House of Representatives public, the Israeli prime minister thanked Biden for his unwavering support for his country after the October 7 massacre, reiterated his intention to destroy Hamas and reminded that Iran, a supporter of the Palestinian Islamist movement, is an enemy of both Tel Aviv and Washington, which must fight it together. Regarding Gaza, he stated that it will not be reoccupied but that his country needs to control its security to prevent another October 7 from happening. The Strip, he added, should be administered by Palestinians who do not seek to destroy Israel. Talks with Biden, Harris, and Trump focused on the war in Gaza and negotiations for the release of hostages and a ceasefire. The positions of the American president and his deputy on the matter are well known, but even Trump, whose relations with Netanyahu had become more strained over the past four years, reiterated that the conflict in the Strip must end as soon as possible and that the hostages must be freed as soon as possible. To this end, a meeting was held in Rome on the 28th between mediators from the United States, Israel, Egypt, and Qatar. Negotiations are still stalled on some key issues, including the withdrawal of Israeli troops from Gaza, which Hamas continues to demand but Tel Aviv refuses to grant. Meanwhile, fighting continues, and on July 13, Israeli armed forces bombed the Al-Mawassi refugee camp west of Khan Younis, considered a "humanitarian zone." The target was Muhammad Deif, Hamas's military chief and architect of the October 7 massacres. Deif was hiding among the civilian population, and 90 Palestinians were killed. However, his death has not been officially confirmed. Instead, Rafa'a Salameh, commander of the Hamas Khan Younis Brigade, was killed in the bombing, in whose home Israeli intelligence had located Deif. There were fears that the bombing would lead to a new stalemate in negotiations.



## CLOSE-UPS • JULY 2024

An additional concern for the international community was the unexpected passage in the Knesset, by a large majority, of a resolution against an independent Palestine, which the government and part of the opposition consider an existential threat to Israel and its citizens. Gideon Sa'ar, leader of the right-wing New Hope party that proposed the motion, stated that the resolution indicates to the international community that pressure to impose a Palestinian state is futile. Finally, further complicating the regional picture and elevating the potential risks of an escalation of the conflict, on the night of July 30-31, Hamas leader Ismail Haniyeh was eliminated in Tehran by a missile attack. The event immediately provoked harsh reactions from the Islamist organization and other key players in the Axis of Resistance, as well as from Iran itself.





## Saudi Arabia

The Saudi Ministry of Energy announced the discovery of seven gas and oil fields in the eastern region of the country. The head of the department, Abdulaziz bin Salman, stated that the company Saudi Aramco has discovered two "unconventional" oil fields, a reserve of light Arabian oil (a type of crude oil with low density and high gravity), two conventional oil fields, and two natural gas reserves. In the case of the hydrocarbon fields, production is already underway, as they are connected to other existing and operational fields. The reserves, on the other hand, are classified into three categories based on the probability of extraction: proven, with a probability of extraction over 90%; probable, over 50%; and possible, quantities of hydrocarbons estimated to be recoverable with a probability much lower than 50%. It is not yet possible to classify the newly discovered reserves in this case. According to the minister, the discoveries will help increase the country's production capacity in the next 2-3 years, also due to the growing global demand for oil. This last thesis is also supported by the IEA, although its estimates differ from those of the producers' cartel (OPEC+) regarding the date of peak demand.

Economically, the International Monetary Fund has downgraded its estimates for Saudi GDP growth for 2024. The primary reason for the revision, IMF officials explain, is the reduction in oil production adopted by OPEC+. Thus, projections for Saudi growth have dropped from 2.6% to 1.7%. The effects of this adjustment—and the oil production cut itself—are also reflected in estimates for 2025, with the IMF having revised them down by 1.3%. It is worth noting, however, that the non-oil sector of Riyadh's economy is growing at a steady pace; the Minister of Economy and Planning, Faisal F. Alibrahim, recently indicated that the non-oil sector, with a total value estimated at \$453 billion, contributed to the country's economic growth by 50% in 2023. Private sector investments, arts and entertainment, and exports have seen the most significant growth.

From a regional perspective, macroeconomic forecasts are therefore not encouraging, with major international financial institutions predicting anemic growth for 2024 due to geopolitical factors such as the war in Gaza and ongoing Houthi attacks in the Red Sea, as well as economic-financial issues like reduced oil production and high debt and deficits in many countries of the area.



# Türkiye

On July 23rd, the Turkish Central Bank decided to keep the benchmark interest rates unchanged at 50%. According to Turkish authorities, inflation, which stood at 71.6% in June, is expected to experience a temporary increase in July before beginning to decrease in the second half of the year. However, it will be a "bumpy road," according to economic operators, who expect an inflation rate higher than the government's estimates. Regarding a possible rate reduction, the start of a cautious path of cuts is anticipated for the end of 2024 or the beginning of 2025, when inflation should begin to decrease significantly.

On the trade policy front, BYD, the largest Chinese company in the electric vehicle sector, has signed an agreement worth around \$1 billion with the Turkish government to produce cars in the country. The plant, expected to create more than 5,000 jobs starting in 2026, will produce about 150,000 vehicles annually. The agreement was formalized during an event attended by Turkish President Recep Tayyip Erdogan and BYD CEO Wang Chuanfu. The announcement follows Western countries' decision to introduce import tariffs on Chinese electric cars, whose manufacturers enjoy significant state subsidies from the government, allowing them to sell at more competitive prices, effectively pushing European and American competitors out of the market. The European tariffs, effective from last Friday, July 5, will range from 17.4% to 37.6%, varying depending on the entity to which they apply, and will be added to the existing 10% tariffs. Türkiye, as is known, has been part of the EU Customs Union since 1995, and vehicles produced in the country and exported to the EU are therefore not subject to additional tariffs. The United States, on the other hand, has introduced 100% tariffs on Chinese electric vehicles, effectively excluding them from the US market.

Consequently, European tariffs can be easily circumvented by producing Chinese electric vehicles in Türkiye. In June, Türkiye also imposed 40% tariffs on electric cars imported from China to support domestic production; however, this measure has been nullified by the above agreement.

## Sahel

Tensions grow between ECOWAS and members of the so-called Sahel Alliance. The early July summit in Niamey, held 24 hours after the assembly of the West African bloc in Abuja, saw Niger, Mali, and Burkina Faso announce the formation of the Confederation of Sahel States. This new entity remains somewhat vague, with the document signed by the three heads of state, the so-called Niamey Charter, stating the three juntas' intention not to rejoin ECOWAS, rejecting any prospect of dialogue with its member countries. ECOWAS has appeared weaker in this instance and continues to seek dialogue with the juntas, with Senegal's newly elected president, Bassirou Diomaye Faye, tasked officially to reinstate the cooperation with the three breakaway countries. Also on the agenda at the Abuja summit were the creation of the organization's new anti-terrorism force and the adoption of the alternative currency to the CFA Franc, the Eco, both of which seem completely secondary compared to the organization's current primary interest of mending relations with the juntas.

Particularly significant were the developments regarding Niger. The break with ECOWAS, in fact, goes hand in hand with the process of revising alliances initiated by the junta led by General Tchiani, who this month added two new elements to this dynamic. The first is the break with Germany, marked by the announcement by Berlin's defense ministry of the withdrawal of its contingent stationed in Niamey by August 31. According to the German government, talks with the Nigerien generals stalled over the issue of immunities for Bundeswehr personnel, which needed to be renegotiated following the cancellation of the defense agreement by the transitional government after the July 2023 coup. Tchiani's junta allegedly sought to impose an agreement that provided immunities only for the highest-ranking members of the contingent, clashing with Berlin's refusal. After the withdrawal announcement, the German government, through Foreign Minister Baerbock, stated that it is working on preparing a new deployment in West Africa, which will most likely take place in Ivory Coast, where American personnel recently relocated after withdrawing from Niger. Almost simultaneously with the German withdrawal announcement, a high-level Turkish delegation, led by Foreign Minister Fidan, landed in Niamey. The ministers of defense, energy, the head of MIT, Kalin, and the president of the Defense Industry, Gorgun were also present. Absolute secrecy surrounds the subject of the talks between the leaderships of Ankara and Niamey. However, everything points to a possible "uranium for safety" exchange, with Turkiye ready to step up its support for Niger's counterinsurgency operations.

In the context of the dichotomy between dictatorships and democratic regimes, July was also the month of the presidential elections in Mauritania, which saw the re-election of the incumbent president Mohamed Ould Ghazouani. This is an excellent news for the Euro-Atlantic axis, which has forged important relations with the current Mauritanian president during his first term. Mauritania is now NATO's main ally for regional security and the last stronghold of the European Union in the central-western Sahel. The presidential competition largely confirmed the results of the 2023 parliamentary elections, with the crisis of the Islamist movement Tewassoul and the confirmation of anti-slavery activist Biram Dah Abeid as leader of the opposition. This electoral round was not without controversy, with Dah Abeid's party announcing appeals and peaceful demonstrations before validation by the Supreme Court. After the electoral confirmation, Ghazouani can now focus on his agenda commitments, primarily capitalizing on the country's energy resources in tandem with the new Senegalese administration and more extensive implementation of the anti-slavery law. However, the shadow of former President Ould Taya, still in prison after his corruption conviction, continues to loom over the new Mauritanian administration, as he is expected to make his influence in Mauritanian politics following the rejection of his presidential candidacy.

## Horn of Africa

July was marked by a further widening of fault lines in the region. Amid the ongoing war in Sudan, the month began with the worsening of the diplomatic crisis between Chad and Sudan, with the Sovereign Council led by Al-Burhan deciding to recall its ambassador stationed in N'Djamena. This incident marks a new peak in the diplomatic escalation between the two states, with SAF leaders accusing Chad of supporting General Hemedti's RSF through Emirati financial aid. Back in December, the N'Djamena government had expelled four Sudanese diplomats, while Khartoum responded with a similar measure against three Chadian diplomats. These accusations were also raised before the UN Security Council last March when Sudan's permanent representative, Al-Harith Idris, accused Chad of being the main supply line for the RSF. The accusation against the UAE appears useful to justify the disappointing progress of its own initiatives in Darfur and the western regions of the country, where the RSF has gained the upper hand, but it nevertheless raises the level of instability well beyond the safety threshold.

The diplomatic crisis continues against the backdrop of the largest humanitarian crisis on the planet. For this reason, the United Nations hosted a conference on the protection of civilians in Geneva at the end of the month, an initiative prompted by the UN special envoy for Sudan, Ramtane Lamanra. Officially, the summit was solely focused on discussing the ongoing humanitarian crisis in the country, with the possibility of negotiating localized ceasefires exclusively aimed at allowing humanitarian aid to flow into the country. However, while praising the initiative, the UN Security Council did not hide its hope that these "proximity talks" could still promote a de-escalation in the country. These hopes clash with the stance of both belligerents, who currently show no intention of considering a diplomatic solution to the conflict. Amid boycotts, criticisms, and ultimatums, the UN mediation initiative seems destined to fail, much like the Jeddah platform supported by the US and Saudi Arabia and those attempted by IGAD and the African Union.

Alongside the UN initiative, the month was marked by the tentative resumption of dialogue between Al-Burhan and the United Arab Emirates. Thanks to the mediation of Ethiopian Prime Minister Abiy Ahmed, the SAF leader had a phone conversation with UAE President Bin Zayed, almost a year after their last talk. Al-Burhan renewed accusations against the UAE of supporting Hemedti's RSF, while Bin Zayed, as reported, reiterated his support for ceasefire initiatives and rejected the accusations made by the Chairman of the Sovereign Council. This meeting does not change the situation on the ground, but it does mark a reopening of dialogue between Port Sudan and Abu Dhabi, a factor that has become increasingly relevant for the diplomatic resolution of the conflict. At the end of the month, updated data on the ongoing humanitarian crisis in the country were released. The war in Sudan has generated the world's largest displacement crisis, with over 11 million people forced to leave their homes, and currently, 755,000 people are at risk of famine in the coming months.

Diplomacy is also struggling to take off in the tension between Somalia and Ethiopia. Türkiye has attempted mediation in the crisis over access to the Red Sea waters, personally led by Turkish Foreign Minister, Hakan Fidan. Despite the first round of meetings (which were kept completely confidential) not yielding tangible results, the opening of a dialogue channel between Mogadishu and Addis Ababa raised hopes for resolving the dispute ahead of new meetings between representatives of the two countries scheduled to take place in Ankara next September. However, the political leaders of the two countries do not seem willing on resolving the crisis. Ethiopian Prime Minister Abiy Ahmed has invited his Somali counterpart to resolve the dispute through direct talks with Addis Ababa rather than turning to third-party mediators and reiterated that the agreement with Somaliland does not question Somali national unity. These statements were rejected by Somali President Hassan Sheikh Mohamoud, who, speaking at the opening of parliamentary sessions in Mogadishu, stated that "Ethiopia is not ready to resolve the tensions between the two countries through dialogue." Hassan Sheikh declared that, given the current state of affairs, the Turkish mediation initiative cannot have a future, criticizing Addis Ababa for the failure of previous mediation attempts due to the Abiy's intransigence.

# India

In July, Indian Prime Minister Narendra Modi made his first bilateral visit abroad after the start of his third term. This time, unlike in the past, not in a neighboring country, but in Vladimir Putin's Russia. This is the Indian leader's first trip since the start of the conflict with Ukraine in 2022, with respect to which Delhi's position of "neutrality" is known. On this issue, during the meeting, Modi reaffirmed that India "supports dialogue, territorial integrity and sovereignty", thus responding to the concerns expressed by the United States and Ukraine over the visit. Russia is still, despite Delhi's gradual attempt to diversify its arms purchases, the leading supplier of defence equipment to India. Another important pillar of relations between the two countries is that of energy, from civil nuclear to oil (India is, along with China, the largest buyer of Russian oil after the start of the Ukrainian war). The summit takes place two months after Putin's trip to China. This suggests India's concern about the strengthening of Russian-Chinese relations and Putin's growing dependence on Beijing. India's relationship with China is historically problematic: the long land border between the two countries remains undemarcated and India is under pressure from Chinese influence in its regional neighborhood (Sri Lanka, Maldives, Bangladesh). Another possible topic that may have prompted Modi to organize the bilateral visit to Russia is the imminence of the American elections. A Trump victory in the presidential election would likely lead to limiting American support for Ukraine. In that context, Modi could aspire to a mediating role in the conflict.

The Minister of Trade and Industry of India, Piyush Goyal, participated, as a guest of the Italian Presidency, in the G7 Ministers' Meeting in Villa San Giovanni (Reggio Calabria), where he met with the European Commissioner for Trade, Valdis Dombrovskis. Discussions with Dombrovskis focused on promoting trade and economic cooperation between India and the European Union and the negotiation of the Free Trade Agreement (that have been going on for the last few years). Goyal also met the Italian Foreign Minister Tajani, with whom he discussed how to further enhance bilateral cooperation in investment, start-ups and energy. India's "proactive" approach to engaging with global economies to promote trade and economic cooperation was evident in the meetings.

On July 22, India's Minister of Finance, Nirmala Sitharaman, inaugurated the 2024-25 Budget Session, which will keep Parliament busy in the coming weeks, with the presentation of the 2023-24 Economic Survey and the 2024-25 Budget. The data released till now show a positive outlook: the Indian economy is solid and stable, resilient against geopolitical challenges. However, the report reads, "for the recovery to be sustained, strong engagement on the domestic front is needed, as the international environment has become extraordinarily challenging on key global issues such as trade, investment and climate". The banking and financial sectors performed exceptionally well in 2024, with inflation falling to its lowest levels since the pandemic (5.4%). Growth close to 7% is also expected for next year and the strategic priorities are to make the national economy more resilient to exogenous shocks and mitigate the risks of global recession; allocate more resources for capital expenditure; focus on integrated and coordinated planning and improve liquidity management. The spending priorities are the key areas of development, namely drinking water, housing, sanitation, green energy, health, education, agriculture. The budget, as announced by Prime Minister Modi, focuses on four categories: the poor, women, young people and farmers. An "inclusive" approach to development by the Indian government, which is working towards a developed India ("Viksit Bharat") by 2047, the Centenary of Independence.