

# Mediterranean Review



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## INSIDE THIS ISSUE

In Focus	1
North Africa	2
Northeast Africa	4
Horn of Africa	5

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## CONTACT THE CFC

For further information, contact:

Med Basin Team Leader  
Trista Guertin  
[trista.guertin@cimicweb.org](mailto:trista.guertin@cimicweb.org)

The Mediterranean Team  
[Med.Basin@cimicweb.org](mailto:Med.Basin@cimicweb.org)

This document provides an overview of developments in the Mediterranean Basin and other regions of interest from 02 – 15 April 2013, with hyperlinks to source material highlighted and underlined in the text. For more information on the topics below or other issues pertaining to the region, please contact the members of the Med Basin Team, or visit our website at [www.cimicweb.org](http://www.cimicweb.org).



## IN FOCUS: Egypt's Economic Crisis: Still Waiting on the IMF

By Nikola Kovač

### *Egyptian Economy since the Arab Spring*

After ten days of discussions, an International Monetary Fund delegation (IMF) departed Cairo without concluding a [loan agreement](#) that would have resuscitated Egypt's beleaguered economy, reports *Bloomberg*. The IMF delegation arrived in Egypt on 04 April 2013, to [resume negotiations](#) of the crucial USD 4.8 billion loan, according to *Reuters*. The country's economy has continued a downward spiral since the popular [Arab Spring](#) revolution in 2011, which has failed to provide expected economic opportunities, informs *Voice of America (VOA)*. The economy continues to worsen during the two years since the revolution, pushing the country closer to bankruptcy. According to *VOA*, dire socio-economic issues remain unaddressed as the democratically elected government of President Mohammed Morsi struggles to manage persistent [security and political problems](#). Despite intermittent negotiations with the IMF since 2011, a deal has not materialised, primarily due to Morsi's reluctance to implement MF required [structural reforms](#) which will likely trigger further public protest. Hence, the urgent need for economic assistance has led Cairo to continue its pursuit of IMF funding.

Egypt's loss of USD 20-30 billion in [foreign exchange reserves](#) over the past two years appears to be the most immediate problem for the country. According to an *Associated Press (AP)* wire, only USD 13.4 billion remains of the over [USD 36 billion](#) in reserve prior to the ouster of former President Hosni Mubarak. Persistent unrest and violence over the past two years has deterred both tourists and potential investors, Egypt's main sources of foreign currency income. The fact that Egypt is running out of hard currency makes [immediate international loans](#) essential to salvage its economy. Furthermore, the dwindling of reserves jeopardises the country's ability to import both fuel and

*Continued on page 6*



# North Africa

Eray Basar > [eray.basar@cimicweb.org](mailto:eray.basar@cimicweb.org)

## Algeria

Two days of [violent protests](#) erupted on 10 April in the southern Algerian town of Ourgla, during which at least 40 people including 22 riot police members were seriously injured, reports *Al Arabiya*. Demonstrators were protesting the lack of transparency in the distribution of free housing for the poor. A similar protest broke out in Constantine Province two days prior. “Similar to what happens before every political event, authorities seek to offer ‘social bribes’ to people, to license their political projects” said Mohamed Hadibi, spokesman of the Islamic Renaissance Movement, referring to the upcoming elections in 2014. Chairman of the National Committee for the Unemployed Taher Belabbas said, “the cause behind the protests in the city of Ouargla is the false promises made by the government about housing the poor, employing the unemployed, and solving the problems around development in the Southern region in general”.

Algeria will clear the [criminal records](#) of over a million people who have served their prison terms, reports *ANSamed*. However, the measure does not extend to all such criminals; it will take into consideration the “seriousness” of the crimes committed. Only those sentenced to less than eighteen months and have not committed any other crimes in the subsequent ten years are considered eligible. As a part of government efforts to open up the domestic labour market – even to convicted criminals – this measure is aimed at ameliorating the high youth unemployment; those with a clean record can pursue better employment opportunities.

Within the past decade [China has invested](#) USD 1.5 billion in Algeria with fifty Chinese companies based in Algeria, reports *Agence France-Presse (AFP)*. “More than 30,000 Chinese people work in Algeria in sectors including railway and road construction. They are also helping to develop the water sector,” said Liu Yuhe, Chinese Ambassador to Algiers. The total worth of building contracts granted to Chinese companies in Algeria is USD 20 billion and the total trade volume between the two countries in 2012 was USD 200 billion – almost twice the US trade with the entire continent.

## Egypt

Two Muslim Brotherhood members have been charged with [detaining and torturing](#) students during a protest against the president in November 2012, reports *Reuters*. A trial date has not been determined. Although previous allegations of attacks have been levied against members of President Mohammed Morsi’s Muslim Brotherhood, this is one of the first efforts by an Egyptian the court to prosecute them.

The judge overseeing the [retrial](#) of former Egyptian President Hosni Mubarak removed himself from the case on 13 April, reports *BBC*. The judge indicated that he would refer the trial to another court, as he felt “unease” in presiding over the case. Mubarak was first convicted in June 2012 and sentenced to life in prison for conspiring to kill protesters during the 2011 Arab Spring Revolution. However, Mubarak appealed the sentence and in January 2013, a retrial was ordered. It is expected that a new judicial panel will be appointed to oversee the case.

As Egypt’s economic crisis deepens, both [Libya and Qatar](#) offered Cairo large loans to keep the country afloat, reports *Reuters*. Libya pledged to provide Egypt with a USD 2 billion interest-free loan, while Qatar will purchase Egyptian government bonds and make deposits worth USD 3 billion. Meanwhile, officials from the International Monetary Fund (IMF) arrived in the country on 04 April to [resume negotiations](#) for a USD 4.8 billion loan intended to resuscitate the Egyptian economy. The loan terms demand the implementation of several strict and controversial policy conditions, including the reform of subsidies and tax increases. Although the IMF delegation [departed](#) on 15 April without concluding an agreement, Egyptian Prime Minister Hisham Qandil indicated that negotiations would continue in Washington, DC in the future, according to *Bloomberg*. (*Please see this week’s In Focus*).

## Libya

Sufyan bin Qumu, a former Guantanamo Bay prisoner and the [leader of the extremist militia](#) Ansar al Sharia, which was suspected of involvement in the deadly attacks on the US consulate in Benghazi, was shot on 14 April in the eastern city of Darna, reports *Associated Press (AP)*. According to an anonymous security official, Qumu was taken to a nearby hospital and is under intensive care. According to *Reuters*, [gunmen fired](#) upon the convoy of two cars carrying Qumu, where the driver of one of the cars was injured. However, a witness to the incident provided a partially conflicting account of the events. According to the unidentified Derna resident “Qumu was not shot, he was only lightly injured”

Libyan authorities arrested twenty people following an armed [attack on a police vehicle compound](#) in the southern town of Sabha on 11 April, reports *Reuters*. One person reportedly died from his wounds. Army Chief of Staff Yusef al-Mangoush said that gunmen attacked the compound and stole several vehicles, which were later recovered. Investigations into the attack and the identities of

those arrested are on-going. The incident came a week after another [police station attack](#) in Tripoli, where armed men detonated a bomb at the station, tied up seven police officers, and escaped with three rifles and two detainees on 04 April. No one was hurt in the incident.

Migrants attempted to immigrate illegally in recent weeks. On 13 April, the Libyan Coast Guard rescued 89 sub-Saharan African migrants who had been [adrift on a boat](#) for five days, reports *Reuters*. The migrants reportedly disposed of the bodies of five people who died during the attempted Mediterranean crossing. Colonel Ayub Omar Gacem of the Libyan Navy said this was the second illegal migration incident in the area within the past two weeks; the Libyan Coast Guard reportedly saved 34 people in the previous incident. In addition, on 12 April, the Italian Coast Guard rescued almost 500 migrants who were found on five small inflatable boats. The migrants were later brought to the Italian island of Lampedusa, where thousands of immigrants arrive each year.

An aide to Libyan Prime Minister Ali Zeidan, [Mohamed al Ghattous](#), who was kidnapped on 01 April, was freed on 09 April, reports *BBC*. The Prime Minister's office confirmed his release, stating "[w]e thank everyone for all the efforts exercised by the various sides and who made contacts and tried helping to secure his release and return". However, the office did not disclose any information on the identities of the kidnappers. The Libyan National Congress passed a law criminalising kidnapping, torture and illegal detention in order to fight the widespread culture of impunity in the country.

### Morocco

French President François Hollande hailed the "[decisive steps](#)" Morocco took towards democracy and asked for resolution on the issue of Western Sahara during a speech at the Moroccan Parliament on 04 April, reports *France 24*. He also praised the stability of the country and tolerance guaranteed in the new constitution introduced by King Mohammed IV, which, according to Hollande, "recognised the diverse character of Morocco's identity". Regarding Western Sahara, Hollande said "[t]he economic potential is enormous. But I am also aware of the obstacles and the question of the Western Sahara, which has been waiting to be resolved for more than 30 years" and added "[t]he current stand-off is detrimental to everyone, to the separated families, to the refugees, to the tensions between the Maghreb countries. And the crisis in the Sahel makes it more urgent to put an end to this situation".

Investors are exhibiting growing interest in Morocco's vast [offshore exploration](#) area, which is speculated to hold oil and gas reserves that could place the country among the world's top oil and gas provinces, reports *Proactive Investors*. Companies involved in the region range from large multinationals such as Total and Chevron to smaller firms such as Cairn and Genel. Cairn is scheduled to commence a drilling campaign of ten wells as early as the second half of 2013.



Source: [2b1st Consulting](#)

### Tunisia

On 07 April, police dispersed on a group of [pro-Ennahda demonstrators](#), protesting a meeting of the secular opposition party Nidaa Tounes, reports *AFP*. They chanted vulgar expressions against the Nida Tounes leader, Beji Caid Essebsi, a prominent opponent of the governing Ennahda party. Essebsi's party is often the target of attacks by pro-Ennahda groups, while the Ennahda government argues that Nida Tounes harbours the remnants of Zine El Abidine Ben Ali's regime.

Islamist [hardliners stormed](#) Manzel Bouzelfa secondary school and attacked the principal, Abdelwahed Sentati, before fleeing the premises on 10 April, reports *Middle East Online*. The assailants stormed the compound because the principal did not allow a girl with a full-face veil (*niqab*) to enter the school. The number of attackers was not immediately clear but teachers who witnessed the incident reported dozens of radicals shouting anti-secular slogans. The Ministry of Education retained a law banning the full-face veil in schools after debating the issue extensively last year.

Abu Zaid Tounsi, an Islamist militant encouraged young Tunisians to join the [fight in Syria](#) during a television interview the previous week, was jailed on charges of inciting terrorism, reports *Reuters*. Tounsi's call brought strong criticism from secular opposition parties against the Islamist government of Tunisia for remaining silent and not doing enough to address the issue. According to Tunisian media, shadow networks recruit the youth to fight for the Syrian rebel cause.

**Have a question on North Africa, Northeast Africa or the Horn of Africa?**  
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We look forward to hearing from you!



# Northeast Africa

Trista Guertin > [trista.guertin@cimicweb.org](mailto:trista.guertin@cimicweb.org)

## Cross-border Issues between South Sudan and Sudan

For the first time since South Sudan gained independence in 2011, Sudanese President Omar al-Bashir made a [historic visit](#) to Juba on 12 April to meet with President Salva Kiir of South Sudan, reports *Voice of America (VOA)*. Bashir and Kiir discussed implementation of security and oil agreements signed in 2012, on which the two countries did not reach consensus until March 2013. President Kiir stated that the meeting was cordial, adding that both consented to free trade and agreed to improve security along their shared border. According to *BBC*, in a speech following the meeting, President Bashir ordered the [opening of the border](#) between the two countries, stating “I have instructed Sudan’s authorities and civil society to open up to their brothers in the Republic of South Sudan”. Both the United Nations (UN) and the [African Union](#) (AU) welcomed the meeting as a sign of improving relations, reports *Sudan Tribune*. UN Secretary-General Ban Ki-moon issued a statement saying he is “encouraged by the constructive discussion” by the two leaders, but pressed both leaders to “maintain this positive momentum”. Although no conclusive agreement was reached on the disputed region of Abyei, Bashir and Kiir agreed to continue negotiations. Most significantly, [oil production](#) in South Sudan resumed on 07 April, reports *The Financial Times*. South Sudan, which needs to export its oil through Sudan, shut down production in January 2012 after a disagreement with Khartoum regarding transit fees, subsequently damaging the economies of both countries. Paul Adong Bith Deng, managing director of state oil group Nile Petroleum, confirmed that oil production had resumed. On 14 April, Sudan Ministry of Oil stated that the [first crude](#) from South Sudan had reached Sudan, reports *Australian Associated Press (AAP)*.

## South Sudan

[Five Indian peacekeepers](#) serving with the UN Mission in the Republic of South Sudan (UNMISS) were killed in an ambush by armed rebels on 09 April while escorting a convoy in Jonglei state, reports *BBC*. Two UNMISS national staff and five civilian contractors were also killed in the attack, while nine others sustained injuries. UN Secretary-General Ban Ki-moon issued a statement asking South Sudanese to “bring the perpetrators of this crime to justice”, further stating that he was “appalled” by the attack. The UN blamed rebels led by David Yau Yau for the attack. South Sudan says Yau Yau is being armed by Sudan. Jonglei has been plagued by insecurity over the past few years, aggravated by an intense cattle-raiding feud between rival ethnic groups, which has left hundreds of people dead and approximately 100,000 displaced.

## Sudan

A military court in Khartoum sentenced [seven army officers](#) to prison for up to five years and dismissed them from military service on 07 April for their role in a purported coup attempt against President Bashir in November 2012, reports *Sudan Tribune*. Colonel al-Sawarmi Khalid Sa’ad, an army spokesperson, confirmed the sentences and indicated that the group of seven stand convicted of planning to undermine the constitutional and security order as well as endangering the army and national unity. The sentences must be endorsed by President Bashir in his role as Supreme Commander of the Sudan Armed Forces. Sa’ad noted that the convicted have fifteen days to appeal their sentences.

After new tribal fighting erupted in the region of Darfur on 08 April, approximately [50,000 Sudanese](#) sought refuge in south-eastern Chad, reports *Reuters*. A spokeswoman for UN High Commissioner for Refugees (UNHCR), Melissa Fleming, stated the fighting had escalated as reinforcements on both sides arrived to support their tribal allies. During a press conference in Geneva, Fleming stated: “People are arriving wounded and telling us their houses are destroyed and their villages completely burned down, with many people killed. The area is very remote. They [are] left with nothing: there is no water, no food. They are sleeping under trees.”

Egyptian President [Mohammed Morsi](#) visited Sudan on 11 April, reports *Agence France-Presse (AFP)*. The meeting, called “historic” by Khartoum, aimed to strengthen ties between the two countries. Egyptian presidential spokesman Ambassador Ehab Fahimi stated during a press conference that the meeting developed the basis for [good relations](#) between the two countries, reports *All Africa*. Fahimi noted that both leaders agreed to “upgrade joint cooperation”, particularly in the areas of economic and political integration, which will include developing joint ventures agriculture and industry.

The first shipment of [UN food aid](#) entered Blue Nile state, in what the UN World Food Programme (WFP) is calling a “major breakthrough”, reports *AFP*. Adnan Khan, director for WFP in Sudan, states that this delivery was the first allowed by the government since conflict broke out in the state in September 2011. After being granted access to assess the needs of Geissan and Kurmuk districts last month, WFP will distribute rations to approximately 12,000 people in Geissan and 39,000 in Kurmuk, including sorghum, lentils and salt. According to WFP, a majority of the beneficiaries are internally displaced persons (IDPs).



# Horn of Africa

Foard Copeland > [foard.copeland@cimicweb.org](mailto:foard.copeland@cimicweb.org)

## Djibouti

Authorities in Djibouti [released](#) fourteen members of the opposition party Union National Salvation (USN) on 10 April, reports *Reuters*. The USN members were jailed in March for connections to protests that alleged government fraud in February's parliamentary elections. "This release is encouraging but is not enough and the struggle will continue until all opposition leaders to be released", said USN Secretary-General Abdurahman Mohamed Guelleh.

## Eritrea

On 11 April, UN Special Rapporteur for human rights in Eritrea, Beedwantee Keetharuth, announced the Eritrean government continues to [deny her access](#) to the country. "I have urged the Eritrean authorities to cooperate with my mandate, as required by the UN Human Rights Council", said Keetharuth. Although denied entry to Eritrea, the special rapporteur disclosed plans to undertake a mission to neighbouring countries to assess the status of Eritrean refugees. The trip comes in preparation for a June 2013 report for the UN Human Rights Council. Keetharuth, a lawyer from Mauritius, intends to work with both victims of human rights abuses and civil society organisations in the region.

## Ethiopia

The Committee to Protect Journalists raised concerns that Ethiopia plans to move [Reeyot Alemu](#) into solitary confinement. Jailed since January 2012, the award-winning journalist was convicted of involvement in a "vague terrorism plot" and sentenced to five years in prison. The *Sudan Tribune* notes that Alemu has been [denied](#) medical treatment in prison. Human rights groups accused Addis Ababa of using its anti-terrorism law to stifle media, and in March the Ethiopian government [blocked](#) *Al Jazeera* websites in an effort to limit citizen access to free press.

## Kenya

The International Criminal Court (ICC) will likely facilitate [remote proceedings](#) for the trials of newly elected President Uhuru Kenyatta and Vice President William Ruto, reports *Capital FM*. According to ICC Registrar Silvana Arbia, a video link is available to watch the trial at a cost of EUR 50,000 (approximately USD 65,000) per year; however, the connectivity requires implementation of an "elaborate list of requirements" to include reliable internet, uninterrupted power supply and video teleconference system components.

On 11 April, President Kenyatta announced the representatives to the [Committee on Appointments](#), reports *Standard Digital*. The committee will vet nominations for cabinet secretaries and principal secretaries before forwarding the slate to the National Assembly for approval. Additionally, *Standard Media* also reports that Kenyatta is slated to announce his [legislative agenda](#) on 16 April to the first joint session of the Senate and National Assembly. In local election news, *The Star* announced on 12 April that the country's [judicial branch](#) must review 145 election petitions that allege fraud or voter error in the election of 56 members of parliament, 54 county assembly representatives, 20 county governors, 5 women representatives and 3 speakers of the National Assembly. Most of the petitions concern local elections related to the country's newly devolved system of governance. Supreme Court Chief Justice Willy Mutunga cancelled leave for justice officials until October 2013 to focus on addressing the disputes.

In technology news, Twitter announced that Kenya was among 160 new additions to its [Twitter Trends](#) product in April, reports *All Africa*. Twitter Trends is a mobile platform that allows users to discover news and discussion topics around the globe. Other countries introduced to Trends include: Belgium, Greece, Norway and Portugal. On 15 April, Google's Kenya domain was [hacked](#) by an individual in Bangladesh identifying himself as TiGER M@TE. News of the cyber-attack spread quickly on social media and screenshots went viral, according to *Standard Digital*.

## Somalia

Al Shabaab [suicide bombers](#) struck Mogadishu in two coordinated attacks on 15 April, reports *Al Jazeera*. Nine attackers broke into the Supreme Court around noon, killing at least 35, including guards, lawyers, a court spokesperson and 10 members of the Somali Special Forces and holding an unknown number of hostages. Six attackers detonated themselves, wounding at least fifty people. The assault was the deadliest strike on the capital since al Shabaab was driven out of Mogadishu two years ago by the African Union Mission in Somalia (AMISOM). The attack ended after reinforcements from the AMISOM peacekeeping force killed the remaining three jihadists. Al Shabaab stated the Supreme Court was targeted because it was an official state institution. Hours later, several [Turkish citizens](#), believed to be either aid workers or security officials, were killed when a car bomb exploded on the busy airport road, reports *BBC*. On 05 April, the British government [warned](#) its citizens that terrorists were in the [final stages](#) of preparing an attack in the country's capital city and encouraged British expatriates to leave the country.

In political developments, Somali Prime Minister Abdi Farah Shirdon travelled to neighbouring Horn of Africa countries seeking [regional support](#), informs *All Africa*. On 10 April, he visited Uganda, where he discussed humanitarian assistance, service delivery and security initiatives with officials in Kampala. He also encouraged expanding the scope of AMISOM due to its success in recent years. On a similar [visit to Ethiopia](#), Shirdon met with Prime Minister Hailemariam Desalegn and attended a meeting of the Inter-governmental Authority on Development (IGAD), a powerful, multi-lateral economic institution in the region. Additionally, [Yemeni](#) President Abdi Rabi Mansur wrote off long-standing Somali debts in an encouraging sign of support from the Middle East region. Finally, the Institute for Security Studies (ISS) published a primer on the tensions over [Jubaland](#) in anticipation of Turkish-backed talks between Jubaland representatives and the Somalia Federal Government.

Continued from page 1

wheat. Estimates suggest [Egypt imports](#) sixty per cent of its food and forty per cent of its fuel. The national currency, the Egyptian pound (EGP), has steadily [weakened against the US dollar](#), from EGP 5.79 per dollar in December of 2010 to EGP 6.87 per dollar currently and rising to EGP 8.25 on the black market, according to *Daily News Egypt*. The devaluation of the pound is presenting a problem for Egypt's highly import dependent economy. According to *The New York Times (NYT)*, [reports](#) of fuel and electricity shortages as well as soaring food prices are increasing. Credit agencies downgraded Egypt's credit ratings, with [Moody's](#) citing the chance of default in the next five years is 40 per cent after it downgraded Egypt for the sixth time since 2011, according to *VOA*.

Overall, economic growth has declined dramatically since the revolution. In 2010, [GDP growth](#) amounted to 5.1 per cent while in 2011, following the revolution, it fell to 1.8 per cent and failed to rise above 3 per cent in 2012. The government has recently issued its [socio-economic plan for 2013/2014](#), forecasting growth of 4.1 per cent. [President Mohamed Morsi](#) is expecting growth in 2014 to reach 5.5 per cent while also announcing the creation of 750,000 new jobs on an annual basis, informs *Reuters*. Egyptian optimism is not shared by banks and world financial institutions. Standard Chartered has lowered its predictions of growth for 2013 from 3 to 2 per cent, while the [World Bank](#) provided more conservative figures of 3.8 per cent for 2013/14 and 4.7 per cent for 2014/15, according to *Egypt Independent*. According to the World Bank, Egyptian economy will depend upon bilateral and multilateral loans with special focus on the IMF's pending approval of the Egyptian credit request. Political instability and riots have been tagged as the main causes of belated economic growth. [Revenues from tourism](#), which accounted for [11 per cent](#) of the Egyptian economy, also declined significantly since the revolution, despite recording more tourists in 2012 than 2011. Once a popular tourist destination, Egypt ranked last in terms of security and safety on the [World Economic Forum's 2013 Travel and Tourism Competitiveness Index](#), reports *Bloomberg*.

#### The IMF Talks

Egypt initially began negotiations with the IMF in June 2011; the interim government, led by a military council, agreed to a [USD 3 billion](#) package to boost the Egyptian economy after the revolution, according to *The Guardian*. However, the plan [was dropped](#) due to public pressure and the overwhelming unpopularity of IMF measures in Egypt, according to *BBC*. Egyptian refusal of the loan influenced the IMF to ensure that future loan plans first gain popular support in Egypt. By 2012, among worsening economic conditions, the talks resumed with the IMF offering [USD 3.2 billion loan](#) to Egypt, according to *Middle East Online*. [Political leaders of the Muslim Brotherhood](#) voiced opposition to the plan, placing the interim government, still led by the military council, under public pressure once again and causing the negotiations to stall again, according to *Financial Times*. Egypt once again turned to the IMF following the [June 2012 elections](#) which brought victory to Mohammed Morsi and the Muslim Brotherhood, according to *BBC*. Morsi requested in [USD 4.8 billion](#) in August 2012, with an interest rate of 1.1 per cent. Although the IMF has voiced satisfaction with initial economic plans of Morsi's government, the realisation of the loan stalled once again in November 2012 as further [political instability](#) obstructed an agreement, according to *The Guardian*. Following the issuance of a presidential decree in which Morsi significantly expanded his powers, thousands of Egyptians took to the streets in protest. The IMF [voiced concern](#) over the political instability, warning it could further postpone the agreement, informs *Ahram Online*. As instability increased, the Egypt government itself [asked for the delay of the loan](#), according to *The Wall Street Journal*. The economic policies of Morsi, who capitulated to public outcry by [renouncing planned tax increases](#) in December 2012, induced further IMF reservations about the plan.

As negotiations with the IMF resumed in 2013, the Egyptian economy continued its decline, pushing the country closer to [the edge of bankruptcy](#), according to *Christian Science Monitor*. The biggest obstacles to realising the loan are the IMF's requests for [tax increases and subsidy cuts](#) which are highly unpopular measures for the Egyptian public. Especially contentious, according to the Council on Foreign Relations, is the issue of [state subsidies](#), mainly for prices of fuel and food, which account for approximately ten per cent of Egypt's GDP, and are viewed by the IMF as unsustainable. Due to the grave economic situation in Egypt, the IMF proposed an emergency loan of USD 750 million which Egypt [declined in late March](#), according to an *AP* wire. The Egyptian government restated its interest in the original long-term 4.8 billion credit, further iterating the need for an emergency loan. *Daily News Egypt* reported that [protestors](#) greeted the IMF delegation upon arrival in front of the high court in Cairo on 04 April. Protesters see the IMF's conditions as detrimental for the most vulnerable segments of society. Reduction of state subsidies requested by the IMF [would further increase](#) the price of food and fuel already regarded as too high for poor Egyptians, informs *National Public Radio (NPR)*.

As the delegation departed Cairo, Egyptian Prime Minister Hashim Qandil said that talks with the IMF would continue in Washington, DC; however, [no dates](#) were given. Some speculate that the recent [bilateral loans](#) from Libya and Qatar have led Egypt to ease off its pursuit of IMF funding, according to *Al Abrabiya*. [Qatar has offered](#) to purchase USD 3 billion in Egyptian bonds, comprising the second aid package from Qatar to Egypt since the Arab Spring, according to *Al Jazeera*. [Libya has pledged](#) USD 2 billion in order to help the Egyptian economy and enhance its currency reserves, informs *Egypt Independent*. While the loans from Qatar and Libya will not save the Egyptian economy outright nor reduce the need for the IMF, they might provide some [leverage](#) in negotiations with the IMF and slow the decline of the Egyptian pound, thereby weakening the black markets, according to *Reuters*. These loans will not sufficiently enable the Egyptian economy to revive itself, but the IMF's approval will open doors for further [foreign investments](#) and raise confidence in Egyptian economic reforms.

