

THE EARLY PHOENIX

A first look at today's most notable stories from the Middle East, selected by ACLS experts

10 March 2023

GULF REGION

- 1. Saudis Seek U.S. Security Guarantee and Nuclear Assistance in Return for Normalization with Israel (Al Hurra). According to the Wall Street Journal on Thursday, the Kingdom of Saudi Arabia is seeking security assurances and nuclear assistance from the United States in exchange for normalizing relations with Israel. The discussions between the two countries involve Riyadh requesting that Washington provide security guarantees and assistance in developing its civil nuclear program. In return, the US is seeking to mediate the establishment of diplomatic relations between Saudi Arabia and Israel...Israeli officials claim that the talks did not involve any significant concessions from Saudi Arabia regarding the Palestinian issue. The newspaper also reported that Israeli officials and two delegations from pro-Israel American think tanks visited Riyadh last year, indicating that the Saudis do not view the Palestinian issue as a primary concern.
- 2. Saudi Economy Records Highest Growth Rate Among G20 (Sky News Arabia). In 2022, the Saudi economy achieved a GDP growth rate of 8.7%, which is the highest among G20 countries and exceeded the expectations of international organizations whose estimates reached a maximum of 8.3%. This growth rate is also the highest annual rate in a decade, according to the [Saudi] General Authority for Statistics. Additionally, the gross domestic product at current prices was announced to be more than one trillion dollars in 2022, which is the first time that the Kingdom's GDP has reached this total value.
- 3. Saudi Arabia Ready to Facilitate Dialogue Between Russia, Ukraine (Al Arabiya English). Saudi Arabia is ready to facilitate dialogue between Russia and



Ukraine, the Kingdom's Foreign Minister Prince Faisal bin Farhan said on Thursday. "The Kingdom is ready to mediate to resolve the crisis in Ukraine," Prince Faisal said during a press conference with his Russian counterpart Sergey Lavrov in Moscow. Prior to the conference, the Saudi foreign minister and Lavrov discussed international developments, including the war in Ukraine, bilateral ties, and the stability of oil markets.

4. Abu Dhabi Shakes up Wealth Funds with Top Royals Chairing (Al Arabiya).

Abu Dhabi announced a reshuffle at the top of its two biggest sovereign wealth funds on Thursday, appointing senior members of the royal family as chairmen. Sheikh Tahnoun bin Zayed Al Nahyan, one of the most powerful members of Abu Dhabi's royal family, was named chair of the Abu Dhabi Investment Authority (ADIA), among the world's largest sovereign wealth funds, the government's media office said. Sheikh Tahnoun is the brother of United Arab Emirates President Sheikh Mohammed bin Zayed Al Nahyan, who took office last May after acting as the country's de facto ruler for years. ADIA is estimated by Global SWF to manage \$993 billion in assets, while the Sovereign Wealth Fund Institute puts the figure at \$790 billion. The wealth fund's last chairman was the previous UAE president, Sheikh Khalifa bin Zayed Al Nahyan, who died last year. Sheikh Tahnoun is considered one of President Sheikh Mohamed's most trusted advisers, and has handled sensitive foreign policy files in his role as national security adviser.

5. <u>UAE Unblocks Several Qatari News Sites as Ties Between Two Nations Warm</u>

(Al Monitor). The United Arab Emirates appears to have unblocked a number of Qatari news websites after more than seven years of blocking access. The move comes in the wake of recent high-level meetings between the two countries and [an] improvement in relations. Qatari-owned news websites Al Jazeera, Al Jazeera English, The New Arab, and the state-run Qatar News Agency are among the platforms now open to UAE residents that were originally restricted in early 2016 as tensions rose between the two nations.



IRAN

- 6. Exclusive: Netanyahu Warns He Will Not Tolerate A 'Threshold Iran' (Iran *International*). Netanyahu's 25-minute interview was broadcast by Iran International TV into Iran Thursday evening local time with Persian dubbing. Netanyahu was asked if he has a message for Iranians and he said, "We stand with you, I stand with you, most of the world stands with you...don't lose heart, be strong"...Israeli Prime Minister Benjamin Netanyahu told Iran International that Tehran is "dangerously moving forward" in its nuclear program and close to "red lines." In an interview on Wednesday, the Israeli leader said that he returned to the government primarily to make sure that Iran cannot become a nuclear "threshold power"...He also emphasized that the Islamic Republic wants nuclear weapons "to buy immunity" both in its mischiefs against the world and also as protection from the Iranian people who reject its legitimacy. However, the Israeli premier expressed optimism that the West has become more cognizant of the dangers the Iranian regime poses to the world, not just to its own people and Israel. He attributed this "miraculous achievement" to the "courage of the Iranian people" who through their recent protests showed "the true nature" of the regime to the world.
- 7. **U.S. Sanctions China-based Network Accused of Supplying Iran Drone Maker** (Al Sharq Al Awsat). The United States has imposed two new packages of sanctions on Iran, which include a "shadow banking" network that provides access to international financial systems and another network based in China that supports the Iranian drone industry. The move comes after US intelligence agencies accused the Iranian regime of posing a threat to the interests of the United States and its partners in the Middle East, including Saudi Arabia. Additionally, the regime is said to be "very close" to producing enough fissile material for a nuclear weapon. The US Treasury has stated that the sanctions target 39 entities that make up the "shadow banking" network.



- 8. European Countries to Dissolve Iran Trade System That Never Took Off (Al Arabiya English). European countries said Thursday that they have decided to dissolve a system conceived in 2019 to enable trade with Iran and protect companies doing business with it from US sanctions, but only ever processed one transaction. The German and French foreign ministries said the 10 shareholders of INSTEX Belgium, Germany, Finland, Denmark, France, the Netherlands, Norway, Spain, Sweden and the UK concluded that there was no basis to keep it going after Iran persistently refused to work with the institution.
- 9. New Warship Delivered to IRGC Navy (*Tehran Times*). An ocean-going warship, named Shahid Mahdavi, was added to the IRGC Navy fleet in the southern port city of Bandar Abbas on Thursday morning. The multi-purpose Shahid Mahdavi warship, manufactured by local experts and technicians, weighs more than 2,100 tons. It also has a length of 240 meters and a width of 27 meters. Equipped with a 3-dimensional phased array radar, sea-to-sea and sea-to-air missiles, and advanced communication systems for electronic warfare, the warship is capable of carrying different types of helicopters, drones and speedboats, Tasnim reported.

TUNISIA

10. Tunisian President Dissolves Municipal Councils and Calls for New Parliament to Convene (Al Jazeera). Tunisian President Kais Saied issued two decrees on Thursday. The first decree dissolves municipal councils and replaces them with temporary ones until the date of the next municipal elections, along with an amendment to the electoral law for municipalities. This decree was published in the Official Gazette a day after Saied announced his intention to dissolve the elected councils...The second decree invites members of the new parliament to attend its inaugural session on Monday. It is worth noting that the legislative elections held last December took place under a new constitution that establishes a presidential system and limits parliament's powers. These elections saw a voter boycott that is unprecedented since the 2011 revolution.



EGYPT

- 11. The Renaissance Dam: New Satellite Images and an Escalating Debate

 Between Egypt and Ethiopia (Al Jazeera) Tensions have risen between Cairo and Addis Ababa once again over the Grand Ethiopian Renaissance Dam, coinciding with the detection of satellite images showing equipment for a new filling of the dam... The images revealed the ongoing construction and ramping of the Renaissance Dam in preparation for its fourth filling... This response follows the recent statements of Egyptian Foreign Minister Sameh Shoukry, in which he urged Ethiopia to show responsibility and warned that Egypt would defend its interests. Shoukry emphasized the danger of Ethiopia's unilateral actions on the shared river basin, which he sees as a significant issue of advanced priority and with fateful consequences for Egypt's national security.
- 12. Inflation in Egypt Jumped to 31.9% in February, Exceeding Expectations (Al Sharq Business). Core inflation in Egypt jumps to 40.26% in February, marking an all-time high; The real interest rate in Egypt reaches negative 15.65% after the latest inflation figures; Expectations that the Central Bank of Egypt will raise interest rates by 200 basis points. The rise in food prices and the depreciation of the pound against the dollar have led to an acceleration of inflation in Egyptian cities during February. This has resulted in the highest inflation rate in over five years, surpassing analysts' expectations. The continuous rise in prices of goods and services in Egypt, the largest Arab country in terms of population, has contributed to this trend. The Central Agency for Public Mobilization and Statistics announced that consumer prices in Egypt rose by 31.9% on an annual basis in February, compared to 25.8% in January. This has exceeded analysts' expectations and marks the highest level since August 2017, when it also reached 31.9%. On a monthly basis, inflation has reached 6.5%, the highest since March 2007.

SUDAN



13. UN Security Council Extends Sudan Sanctions for an Additional Year (Al

Sharq News). On Wednesday, the UN Security Council voted to extend the international sanctions imposed on Sudan for an additional year, despite appeals from Khartoum to lift them. Sudan has repeatedly urged the council to cancel the sanctions and lift the arms embargo that was imposed during the war in the western Darfur region in 2005. Last month, Russian Foreign Minister Sergey Lavrov pledged to support the Sudanese request, but the 15-member Security Council extended the mandate of the Committee of Experts charged with overseeing and implementing sanctions and the arms embargo until March 12, 2024. Thirteen members voted in favor of extending the sanctions, while Russia and China abstained.

YEMEN

14. UN Announces 'Major Breakthrough' to Prevent Oil Spill Disaster in Yemen (Al Arabiya English). The United Nations said Thursday it had bought a ship to remove oil and avoid a potentially catastrophic spill from a tanker decaying for years off the coast of war-ravaged Yemen... The decaying 47-year-old ship has not been serviced since Yemen's devastating civil war broke out in 2015 and was left abandoned off the rebel-held port of Hodeida, a critical gateway for shipments into the country heavily dependent on emergency foreign aid.

<u>IRAQ</u>

15. Iraqi Government Issued 43 Arrest Warrants Against Senior Officials,
Including Former Ministers and Deputies (New Khalij News). In February, Iraqi
authorities issued 43 arrest and recruitment orders against senior and high-ranking
officials, including former ministers and members of Parliament, related to integrity
issues. According to a statement by the Federal Integrity Commission on Wednesday,
the cases involving senior and high-ranking officials were investigated by the
commission's investigation directorates and offices in Baghdad and the provinces, and
have since been referred to the judiciary.



SYRIA

- 16. UN Employs Daughter of Bashar al-Assad's Intelligence Chief in One of its Offices (Al Jazeera). The British newspaper "Financial Times" conducted an investigation into the operations of the United Nations in the areas controlled by the Syrian regime, which revealed that the daughter of Major General Hossam Louka, head of the General Intelligence Department of the Syrian regime and one of the sanctioned Syrian senior officials, has been employed by the United Nations in one of its offices operating in the area. This has caused outrage among Syrians on social media due to her father's presence on the sanctions list. The investigation also highlighted the UN's cooperation with the regime's security services and its indirect provision of funding to the regime. The UN requires its employees to stay in the Four Seasons Hotel in Damascus, which is owned by a businessman close to Assad and covered by Western sanctions. Additionally, the Syrian regime forces international aid agencies to exchange dollars at the rate set by the Syrian Central Bank, which is much lower than its price in the parallel market, thereby supporting the treasury's foreign exchange reserves.
- 17. Iranian Foreign Minister Visits Syrian Coast (Aleppo Today TV). The Assad regime announced the arrival of Iranian Foreign Minister Hussein Amir Abdullahian to the Syrian coast as part of a diplomatic tour between Syria and Turkey. He is scheduled to proceed to the capital, Damascus. According to the pro-regime newspaper Al-Watan, the Iranian minister arrived at Latakia airport on Thursday after flying from the Turkish capital, Ankara, where he had met with his counterpart, Mevlut Cavusoglu...On Tuesday, the Iranian ambassador to Damascus, Mahdi Sobhan, [also] visited Latakia governorate, accompanied by a "convoy of food aid and relief materials," to support "confronting the repercussions of the earthquake," according to SANA.
- 18. Iran Deploys Military Early Warning Radar in Syria (Syria TV). On Wednesday, media platforms close to the Iranian government reported that Iran had deployed a military early warning radar in Syria. The Iranian "tondar" Twitter account shared an image of the "at the beginning of dawn" radar, which was reportedly installed



by Iranian forces inside Syrian territory. However, the exact location was not disclosed. According to Diaa Kaddour, a writer and researcher on Iranian affairs, the purpose of deploying this equipment is to provide early warning of potential Israeli strikes.

TURKIYE

19. Turkish Lira Falls to Record Low (Al Hurra). On Thursday, the value of the Turkish lira hit a new record low of 18.962 against the dollar, as investors attempt to assess the economic impact of the massive earthquakes that hit the country last month. In addition to the economic impact of the earthquakes, the upcoming presidential and parliamentary elections scheduled for May 14 are adding to the uncertainty for investors in Turkiye. They are eager to know whether Ankara will continue policies pursued under President Recep Tayyip Erdogan or change course as promised by the opposition. The Turkish Treasury announced on Thursday that it had borrowed \$2.25 billion in an international bond issue due in 2029. This brings the total amount borrowed from international markets by the Treasury to \$5 billion so far this year. Meanwhile the Central Bank's reserves decreased by 9.3 billion dollars in the last month.

ISRAEL AND PALESTINIAN TERRITORIES

- 20. Terror Attack in Tel Aviv Wounds Three (Jerusalem Post). At least three Israeli civilians were injured by gunshots in a shooting terror attack near a cafe on Dizengoff Street in Tel Aviv on Thursday evening...According to the Tel Aviv district police commander, one terrorist was killed, while the search for other possible terrorists is still on...The terrorist's identity was reported as Mo'taz Khawaja, a 23-year-old resident of the Palestinian village of Ni'lin near Ramallah in the West Bank. He was a Hamas operative who was in Israeli prison twice for holding illegal weapons, according to Palestinian media reports.
- 21. Herzog Tells Coalition to Abandon 'Oppressive' Overhaul Package, Seek

 Consensus (Times of Israel). President Isaac Herzog on Thursday night denounced



the government's judicial overhaul legislation as "oppressive" and harmful to democracy, and called for it to be abandoned immediately and replaced by a framework for consensual reform. In a special address to the nation delivered in stark and grave tones, the president said the national crisis over the coalition's effort to weaken the judiciary was "a disaster" and "a nightmare." He insisted it was the responsibility of "the leaders of the state" in the government to put aside the breakneck legislative charge lest the country descends into a societal and constitutional abyss...During his speech, the president announced that in his discussions with representatives on both sides of the political divide he has managed to create a formula for agreement on the majority of the major disputes at the heart of the crisis...But Herzog added that the opposition as well as the coalition needed to put the country above politics in order to prevent Israel from "falling off the edge of a cliff."

22. Israelis Protest Nationwide in Second 'Day of Disruption' against Judicial Reform (Jerusalem Post). Throngs of people demonstrated against judicial reform throughout all of Israel on Thursday. Protestors blocked traffic into the departures area at Ben-Gurion Airport as part of the nationwide judicial reform protests taking place throughout the country. The aim was to hamper Prime Minister Benjamin Netanyahu's planned flight to Italy...National Security Minister Itamar Ben-Gvir arrived at Ben-Gurion Airport several hours ahead of the prime minister, saying he was there to prevent anarchy. Several hours later, he, alongside Israel Police, announced the dismissal of Tel Aviv district chief Amichai Eshed...Altogether, at least 24 protesters were arrested throughout the so-called "Day of Disruption."

LEBANON

23. <u>Lebanese Banks Will Go on Strike on March 14th</u> (*LBCI TV*). The Association of Banks in Lebanon has announced a return to strike action starting on the morning of Tuesday, March 14, 2023. The association is calling for swift legal measures to be taken to address the issue of contradictory standards in some rulings, which drain the remaining funds of all depositors, rather than just some of them at the expense of others. The association is also urging the government to address the crisis in a rational,



fair, and final manner, emphasizing that the Lebanese state bears the primary responsibility in this field.

