



Integrated Country Strategy

EGYPT

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1. Chief of Mission Priorities

Egypt is a vital strategic partner of the United States. Uninhibited access through the Suez Canal, a waterway through which 12% of international commerce flows, is a core U.S. interest. Egypt has proven an invaluable partner in promoting peace and security in Libya, Gaza, and the wider region. Our cooperation with Egypt is critical to countering terrorist threats that endanger the United States and our allies. On the economic front, Egypt's location at the crossroads of the Middle East, East Mediterranean, and Africa as well as its large domestic market and relatively strong economy have made it the largest destination for foreign direct investment (FDI), including U.S. FDI, in Africa. Egypt is also the United States' largest export destination on the continent, stimulating growth and job creation in both countries. U.S. interests will be served by building economic and commercial ties, strengthening our security partnership, and supporting regional stability through development programs.

The Embassy will continue encouraging strong cooperation and coordination between the United States and Egypt in advancing shared regional interests, including preventing outbreaks of violence between Israel and Hamas, containing Iran, and finding durable solutions to conflicts in Syria, Libya, Iraq, and Sudan. Mindful that Egypt faces absolute water scarcity, it is also in the United States' interest to actively support negotiated solutions surrounding the filling, management, and operation of the Grand Ethiopian Renaissance Dam (GERD).

Strengthening Egypt's ability to maintain its maritime and border security, which includes the Red Sea and Suez Canal and Egypt's borders with Libya, Gaza, and Sudan, is in the interest of the United States. A modernizing Egyptian Navy is increasing contributions to international maritime security efforts, including by recently joining the multilateral Combined Maritime Force. The Embassy will continue to promote opportunities for greater interoperability between the Egyptian Navy and the U.S. Fifth and Sixth Fleets.

The lethal ISIS affiliate in the northern Sinai Peninsula poses a serious threat to regional security. We will continue to help the government of Egypt (GoE) counter ISIS Sinai and other local and international terrorist elements through the provision of military and law enforcement equipment, training, and cooperation, as well as exchanging information on terror financing. We will leverage this assistance to encourage military doctrines aligned with our values, including mitigating the risk of civilian harm and increasing respect for human rights.

Extensive IMF macroeconomic and fiscal reforms from 2016 to 2019 helped Egypt sustain economic growth despite the COVID-19 pandemic, making it the only country in the region to avoid contraction. Nevertheless, Egypt continues to grapple with poverty, low female labor participation, and a legacy of heavy state and military involvement in the economy. Egypt is in the process of undertaking business-climate reforms to increase FDI and private sector-led sustainable growth, to create jobs for its young and growing population. The Embassy will continue advocating for such reforms and for U.S. businesses to get Egyptian government contracts, particularly in sectors where unreliable providers could pose risks to U.S. economic

and security interests. Continued help from USAID and other donors will support Egypt's reform agenda and the sustainable development of its education, water and sanitation, and healthcare systems.

As Egypt hosts the UN Framework Convention on Climate Change 27th Conference of Parties (COP27) in 2022, we will encourage Egypt to use this platform to urge all countries to increase their climate ambitions. Egypt's geography and weather provide favorable conditions for transitioning to a green economy based on renewable energy. At the same time, Egypt's Nile Delta is one of the world's most vulnerable locations to climate change. Taken together, these factors underscore the potential and importance of the United States' work in advancing our environmental agenda through engagement with Egypt.

We will continue capitalizing on the U.S.-Egypt strong bilateral relationship to encourage sustained progress on human rights. As Egypt implements its first ever National Human Rights Strategy and launches the Year of Civil Society in 2022, we will work with government officials and community stakeholders to support respect for the rule of law, civil society development, free expression, accountable governance, and gender equality.

Protecting the safety and welfare of U.S. citizens in Egypt, including tourists and an estimated 80,000 permanent U.S. citizen residents, is a top priority. The Embassy will enhance cooperation with Egyptian law enforcement to combat document fraud and other travel-related threats to our national security.

While the GoE continues to regard the United States as a strategic partner, and the Egyptian public embraces U.S. products and culture, a significant part of the Egyptian population is suspicious of U.S. governmental engagement in the region. Reversing this requires strengthening and expanding cultural connections between the United States and Egypt. The Embassy will proactively engage with the Egyptian public through public diplomacy, including cultural exchanges, people-to-people dialogue, and clear advocacy for U.S. policies in the Egyptian media. In addition to engaging with opinion and policy makers, the Mission will reach out to youth through a network of alumni of exchange and scholarship program alumni. Moreover, public diplomacy and development programs will promote tolerance, diversity, and inclusion, and aim to deter radicalization and the spread of violent extremism, particularly in vulnerable communities.

2. Mission Strategic Framework

Mission Goal 1: Egypt strengthens domestic and regional stability.

- **Mission Objective 1.1:** Egypt partners with the United States to resolve regional conflicts through diplomatic means.
- **Mission Objective 1.2:** Egypt's maritime, border, and internal security are enhanced.

Mission Goal 2: Egypt's economy becomes more secure and more open to private-sector participation.

- **Mission Objective 2.1:** Egypt expands opportunities for U.S. trade and investment by improving its business climate and accessibility to its markets.
- **Mission Objective 2.2:** Egypt reduces the vulnerability of its economy to problematic actors.

Mission Goal 3: Egypt becomes a leader in the developing world in driving climate ambition.

- **Mission Objective 3.1:** Egypt commits to net-zero emissions by 2050.
- **Mission Objective 3.2:** Egypt leverages its role as host of COP27 to secure commitments to emissions cuts among developing countries.

Mission Goal 4: The Government of Egypt takes concrete steps to advance human rights, Egyptian civil society development and strengthening of democratic institutions.

- **Mission Objective 4.1:** Improved governance and civil society capacity leads to more inclusive and effective institutions.
- **Mission Objective 4.2:** The Government of Egypt demonstrates increased respect for human rights, mitigates the risk of civilian harm, and continues its efforts to increase female and youth participation in the government, economy, and society.

Management Objective 1: Provide increasingly robust, progressively effective, and consistently safe and secure management platforms in support of all Mission objectives.

3. Mission Goals and Objectives

Mission Goal 1 | Egypt strengthens domestic and regional stability.

Description | Egypt's peace treaty with Israel continues to position it as a regional leader in supporting efforts to advance Israeli-Palestinian peace. Leveraging these ties and Egypt's credibility with both groups, including in the broader Arab world, are important assets to a lasting peace settlement. Egypt has also proven an invaluable partner in supporting U.S. policy with respect to regional conflicts impacting U.S. national security interests, including in Gaza, Libya, the Red Sea, Syria, Iraq, and Sudan, as well as in avoiding escalation in tensions over water rights and the Grand Ethiopian Renaissance Dam (GERD). Egypt remains a key partner in preventing Syria's premature return to the Arab League (AL). U.S. military operations require ready access to both the canal and Egyptian airspace, and our engagement with the Government of Egypt continues to preserve this essential access. Strengthening Egypt's ability to maintain its maritime and border security supports our interests in countering destabilizing Iranian actions in the Red Sea and combatting the flow of terrorists, weapons, and narcotics. By reducing and eliminating delays in delivering U.S. military equipment, we can help avoid Countering America's Adversaries Through Sanctions Act (CAATSA)-sanctionable transactions, safeguard our interoperability with the Egyptian Navy, and increase active security cooperation, including by encouraging active Egyptian contributions to maritime security efforts identified by the U.S. Fifth and Sixth Fleets. Through training, expanded engagement, improved access, transparency, and interoperability between U.S. and Egyptian security organizations, the Mission will strengthen the strategic partnership and jointly build a stronger, more self-reliant Egypt that can more effectively combat terrorism, while also mitigating the risk of civilian harm in military operations.

Objective 1.1 | Egypt partners with the United States to resolve regional conflicts through diplomatic means.

- **Justification |** As a strategic regional player, Egypt wields considerable influence in its near abroad and is well positioned to help advance diplomatic resolutions to conflicts in Libya, Sudan, Israel/Gaza/Palestinian Territories, as well as advancing stability in Iraq and Lebanon. Egypt's position on normalization with the Assad regime in Syria holds considerable influence within the Arab world. Egypt continues to pursue a diplomatic resolution to the GERD crisis. Our bilateral engagement is welcomed by Egypt on these regional matters via Embassy meetings, high level visits, and mechanisms such as the U.S.-Egypt Strategic Dialogue. Furthermore, U.S. engagement at the Arab League helps to coordinate positions on regional issues.

- **Linkages** | This objective is linked to the State-USAID Joint Strategic Plan (JSP) Goal #1 “Renew U.S. leadership and mobilize coalitions to address the global challenges that have the greatest impact on Americans’ security and well-being” and the Middle East and North Africa Joint Regional Strategy Goal #2 “Advance freedom, security, and prosperity for Israelis, Palestinians, and their neighbors.”
- **Risks** | Egypt pursues policies in its near abroad that are antithetical to U.S. policy goals. Other third parties (e.g., China and Russia), in the absence of strong U.S.-Egypt coordination, could similarly seek to shift Egyptian foreign policy in directions that do not advance U.S. interests. Egypt abandons diplomatic efforts on the GERD and pursues instead unilateral measures with Ethiopia. On the GERD, high level engagement bilaterally and multilaterally and public statements from the United States supporting Egypt’s water security can mitigate this risk. Coordinating with Egypt on Arab League positions in the region can also keep our interests mutually aligned.

Objective 1.2 | Egypt’s maritime, border, and internal security are enhanced.

- **Justification** | Strengthening Egypt’s ability to maintain its maritime and border security, particularly through securing Suez Canal access and Egypt’s long coastline and borders with Libya, Sudan, and Gaza, supports our interests in countering destabilizing Iranian actions in the Red Sea and combatting the flow of terrorists, weapons, and narcotics. Promoting greater interoperability between the U.S. and Egyptian navies supports international efforts to safeguard freedom of the seas, navigation, and commerce. ISIS Sinai is a lethal threat wedged between Israel and Egypt that threatens regional security. Other local and international terrorist elements also threaten U.S. personnel, citizens, and interests. The tailored provision of U.S. assistance and security cooperation will help avoid CAATSA-sanctionable transactions, safeguard our overflight and access, increase Egypt’s capacity to stem the flow of illicit goods and terrorists, facilitate upgrades and transfers of technology required for interoperability between our militaries, and strengthen Egypt’s capacity to combat terrorists. Ongoing U.S. support via equipment and training will continue to be beneficial.
- **Linkages** | This objective is linked to the State-USAID JSP Goal #1 “Renew U.S. leadership and mobilize coalitions to address the global challenges that have the greatest impact on Americans’ security and well-being” and the Middle East and North Africa Joint Regional Strategy Goal #1 “Modernize and revitalize U.S. alliances, partnerships, and multilateral cooperation to prevent, deter, and resolve conflicts, counter terrorism, and address regional security challenges.”

- **Risks** | Porous borders enable the flow of foreign terrorist fighters, weapons, hazardous material, and narcotics. Destabilizing activity in the Red Sea could threaten a vital waterway through which 12 percent of global commerce flows. Prolonged violence in Sinai could spill over into the Nile Delta and Cairo, destabilizing a key security partner, threatening an ally, and risking security of the Suez Canal. Failure to address radicalization or to promote moderate voices allows the perpetuation and spread of violent ideologies. Increasing the capacity of Egypt’s military and promoting moderate voices reduces these risks. Close security cooperation via regular high-level meetings (i.e., Strategic Dialogue, Military Cooperation Committee) can mitigate the risk to conflict, extremism, and instability inside Egypt and along its borders.

Mission Goal 2 | Egypt’s economy becomes more secure and more open to private-sector participation.

Description | Stronger growth, open markets, and inclusive socio-economic development lay the foundation for greater prosperity and stability in Egypt. Broad-based private sector growth, including entrepreneurial and startup businesses, will create jobs and real opportunities for women and the burgeoning youth population, as well as improve the livelihoods of the poor and disadvantaged throughout Egypt. Additionally, U.S. national interests are advanced through stronger economic ties and an enhanced business environment that increases commercial opportunities for American firms, and the facilitation of trade, advocacy and standards that align with those of U.S. manufacturers and exporters. Mission efforts to link the American and Egyptian economies through trade advocacy, the stimulation of foreign direct investment, and economic reform assistance will have the additional benefit of reducing Egypt’s dependence on problematic actors, whose business and lending practices threaten the stability and sovereignty of the Egyptian economy.

Objective 2.1 | Egypt expands opportunities for U.S. trade and investment by improving its business climate and accessibility to its markets.

- **Justification** | President Sisi has committed to implement necessary but difficult structural reforms designed to correct economic imbalances and mitigate against external vulnerabilities. The GoE plans to reduce the role of state-owned enterprises in the economy, while opening its markets to private investment. The Embassy will push the GoE to act upon its pledges and provide technical assistance to make Egypt’s economy more dynamic, sustainable, and efficient, and open opportunities for expanded bilateral trade and investment.

- **Linkages** | This objective links to Goal #2 of the State-USAID JSP: “Promote global prosperity and shape an international environment in which the United States can thrive,” Goal #3 of the Middle East and North Africa Joint Regional Strategy: “Strengthen inclusive economic growth to achieve stable and prosperous societies and create new markets for U.S. exports,” as well as the U.S. Strategy on Countering Corruption.
- **Risks** | Failure by the GoE to implement necessary structural economic reforms risks aggravating Egypt’s domestic and external vulnerabilities. The resulting loss of international investor confidence would threaten a major source of Egypt’s hard currency reserves and external funding. Furthermore, a deterioration in economic conditions in Egypt would lead to lower levels of bilateral trade and risk the more than 30,000 U.S. jobs dependent on U.S. exports to Egypt. The Mission will arrange senior-level USG visits and coordinate multilaterally and with international financial institutions to ensure the GoE understands the benefits of economic reforms and the risks of not implementing them.

Objective 2.2 | Egypt reduces the vulnerability of its economy to problematic actors.

- **Justification** | Egypt’s strategic location, massive infrastructure projects, and dependence on foreign debt make it a target for actors who may use their leverage to extract concessions counter to U.S. and Egyptian interests. If Egypt can meet its technological, security, and financing needs without resorting to deals with such actors, its economy and its sovereignty will be more secure. The Mission will work toward this goal by advocating for U.S. solutions, upholding American values, and raising awareness about detrimental consequences of dealing with problematic actors.
- **Linkages** | This objective links to the Interim National Security Strategy Guidance, which sets a lengthy agenda to strengthen the United States’ enduring advantages and allow the United States to prevail in strategic competition with the People’s Republic of China (PRC) or any other nation: “We will support China’s neighbors and commercial partners in defending their rights to make independent political choices free of coercion or undue foreign influence.”
- **Risks** | If Egypt agrees to install non-Western information technology infrastructure, it risks international loss of data privacy, trade secrets, and government policy autonomy. If Egypt assumes considerable debt from sources with a history of economic coercion and predatory behavior, Cairo may acquiesce to demands that run counter to USG national security interests. The Mission will use examples of actual predatory behavior by problematic government actors and state-owned enterprises and the consequences of their actions to elucidate the risks to the GoE.

Mission Goal 3 | Egypt becomes a leader in the developing world in driving climate ambition.

Description | Egypt is, by its government’s own estimation, one of the countries most affected by climate change. Sea-level rise threatens millions of Egyptians living in coastal areas, along with much of the country’s most productive farmland, while changing weather patterns threaten Nile River flows. Women’s limited access to resources and muted voice in shaping decisions make them highly vulnerable to climate change, particularly in the agriculture sector. Egypt moved closer to the international consensus at COP26 in Glasgow, shifting away from maximalist positions it had taken in the past. As host of the COP27, on behalf of the UN African Grouping, Egypt is in a unique position to drive climate consensus across the continent. The Mission will engage Egypt through working groups, business delegations, and logistical and substantive support in the run-up to COP27 and beyond to cement Egypt’s position as a leader in the developing world and increase its attractiveness as a destination for green investment.

Objective 3.1 | Before COP27, Egypt commits to net-zero emissions by 2050.

- **Justification |** Egypt emits an estimated 300 million tons of CO₂-equivalent per year, slightly less than its share of total world economic output. If the world is to avoid the worst effects of climate change, then all nations, not just the largest emitters, must play a productive role. The Mission can advance this goal through diplomatic engagement, including joint outreach with like-minded missions; visits by senior U.S. officials, particularly in the lead-up to COP27; USAID-funded climate programming; and Mission-wide support for green businesses and green investment programs.
- **Linkages |** This objective supports Goal #5 of the Middle East and North Africa Joint Regional Strategy, “Accelerate equitable and ambitious cross-sectoral actions to address the climate crisis and move toward a net-zero target.” It further links to the Interim National Security Strategic Guidance for Africa, which notes that that United States will help African nations combat the threats posed by climate change. In addition, it contributes to the goals of EO 13985 to support underserved communities, marginalized populations, and vulnerable populations.
- **Risks |** The bulk of Egypt’s greenhouse gas emissions come from motor vehicles and agriculture. Accelerating change in these areas will be expensive and politically challenging. The GoE is unwilling to foreclose its chance to industrialize without the assistance of experts and substantial compensation from developed economies. The Mission will look to secure USG funding to climate-related assistance and green investment programs.

Objective 3.2 | Egypt leverages its role as host of COP27 to secure commitments to emissions cuts among developing countries.

- **Justification** | As a developing country in Africa and as host of the world’s most high-profile international event on climate for 2022, Egypt has convening authority – and the moral obligation – to bring developing nations together to address the climate crisis. Successfully doing so would cement Egypt’s position as a developing world leader and increase its attractiveness as a destination for the green investment needed to make these commitments a reality. The Mission will focus on strengthening government institutions and civil society to make full use of COP27’s once-in-a-lifetime opportunities.
- **Linkages** | This objective supports Goal #5 of the Middle East and North Africa Joint Regional Strategy, “Accelerate equitable and ambitious cross-sectoral actions to address the climate crisis and move toward a net-zero target.” It also aligns with the Interim National Security Strategic Guidance for Africa, which notes that that the United States will help African nations combat the threats posed by climate change.
- **Risks** | Along with other developing nations, Egypt sees the climate crisis as a problem primarily caused by developed nations. Pushing Egypt to lead developing countries to shoulder a larger portion of this unprecedented burden, particularly without an unprecedented commitment of financial and intellectual resources, could give rise to questions about the U.S. commitment to financing climate adaptation, mitigation, and emissions cuts. The Mission will seek to rally financial assistance and investment support but also highlight the importance of non-financial cooperation.

Mission Goal 4 | The Government of Egypt takes concrete steps to advance human rights, Egyptian civil society development, and strengthening of democratic institutions.

Description | Egypt’s long-term prosperity and stability and the future of the U.S.-Egypt partnership are strengthened through improved human rights; the development of institutions and processes of effective governance and rule of law; greater citizen participation in public life and space for dynamic civil society; and an empowered population that is encouraged and enabled to constructively engage with the GoE, including on issues involving civil liberties, human rights, and basic freedoms. Sincere and codified commitment to diversity and inclusion (women and girls, the LGBTQ+ community, religious and ethnic minorities, refugees, the disabled, the country’s youth majority) will enable Egypt to harness the full scope of the talents and energies of its population in furtherance of its international standing and the U.S.-Egypt strategic partnership.

Objective 4.1 | Improved governance and civil society capacity lead to more inclusive and effective institutions.

- **Justification** | Respect for rule of law, greater and more transparent accountability, a more inclusive civil society, and a free, independent media would further strengthen U.S.-Egypt relations. The Mission will work with government partners and stakeholders to encourage respect for the rule of law, participatory governance, and diversity. The Mission will support efforts to build the capacity of civil society organizations (CSOs) including their organizational management skills. The Mission will also clearly convey if and when GoE regulations on new and existing CSOs, including registration mandates and financial reporting requirements, pose operational challenges to Egypt-based CSOs and threaten to undermine National Human Rights Strategy (NHRS) objectives.
- **Linkages** | This objective addresses the State-USAID JSP Goal #3, “Strengthen democratic institutions, uphold universal values, and promote human dignity,” and Goal #4 of the NEA Joint Regional Strategy, “Advance accountable, responsive governance to strengthen democratic principles and fundamental freedoms.”
- **Risks** | Opportunities for political and social expression may continue to be limited by extensive government control. The Mission will continue to encourage the GOE to adopt and operationalize reforms in its NHRS.

Objective 4.2 | The Government of Egypt demonstrates increased respect for human rights, mitigates the risk of civilian harm, and continues its efforts to increase female and youth participation in the government, economy, and society.

- **Justification** | Significant human rights challenges in Egypt have been documented in USG and international NGO reports. Long-term stability in Egypt will be enhanced with increased respect for human rights. In this challenging environment, USG direct, private diplomatic engagement has proven effective in advancing USG human rights priorities. Regular high-level engagement provides the most effective forum to encourage reforms.
- **Linkages** | This objective addresses the State-USAID JSP Goal #3 “Strengthen democratic institutions, uphold universal values, and promote human dignity” and Middle East and North Africa Joint Regional Strategy Goal #4 “Advance accountable, responsive governance to strengthen democratic principles and fundamental freedoms,” as well as the first National White House Strategy on Gender Equity and Equality from 2021.
- **Risks** | Limits on U.S. military assistance due to human rights will impact our security and economic relationship as Egypt turns to other countries to address the needs of the Egyptian armed forces. Egypt could halt human rights reforms if it believes too much public pressure makes it appear less than independent. To manage this risk, the Mission will focus on supporting Egypt’s implementation of its first ever National Human Rights Strategy.

4. Management Objective

Management Objective 1 | Provide increasingly robust, progressively effective, and consistently safe and secure management platforms in support of all Mission objectives.

- **Justification** | The Mission’s ability to strengthen the U.S.-Egypt strategic partnership, assist American citizens, and promote vital commercial relationships, depends on reliable management platforms efficiently supporting the entire interagency. Service providers support a large volume of customers representing dozens of agencies in a densely populated and congested urban environment. Service providers and their customer base are physically separated by necessity; infrastructure is outdated and in constant need of repair. Given our current operating environment, all planning processes and process improvement strategies necessarily include crisis response and crisis management contingencies. Mission meets these challenges with an emphasis on modernization wherever possible and mitigation / remedial action wherever necessary. Information technology systems are scheduled for upgrade and innovation encouraged in all arenas. Physical improvement projects continue. The continuing professional development of staff and the promotion of inclusive work-place best practices will lead to an increasingly effective management platform. Post continues to strengthen management controls, promoting accountability and continuous process improvement methodology to simultaneously increase effectiveness and ensure regulatory compliance. Long-range plans include, in conjunction with OBO and NEA, a continued scenario development for the future of the existing facility and the need for a partial or full presence in either the New Administrative Capital or to the east of New Cairo. In addition, should the Embassy’s Overseas Schools-supported school, Cairo American College, relocate to New Cairo to remain close to its student body which is increasingly drawn from that area, the Mission will have to evaluate the value of maintaining the majority of family housing in Maadi. To support Mission goals and objectives, Mission will leverage existing skills sets, identify areas for improvement, and strategically allocate its available resources effectively and efficiently.
- **Linkages** | This objective links to the State/USAID JSP, especially Goal #4, “Revitalize the diplomatic and development workforce and institutions”; the Cross-cutting Management Objectives in the Joint Regional Strategy (JRS) Middle East and North Africa; the Overseas Building Operations (OBO) Functional Bureau Strategy (FBS); the Diversity, Equity, Inclusion, and Accessibility Strategic Plan; and Executive Orders 13985 and 14035.

- **Risks |** Aging facilities and infrastructure could limit Mission effectiveness. Ambiguity related to the availability of funding for capital improvements to integrated infrastructure can make strategic planning complex. Pandemic-era operational requirements likely will continue to complicate professional development initiatives. The Mission will adjust schedules and priorities to meet fiscal and post-pandemic realities. Contingency planning is continuous and includes regular communication with appropriate stakeholders.