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Egypt: Background and U.S. Relations

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SUMMARY

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Egypt: Background and U.S. Relations

Historically, Egypt has been an important country for U.S. national security interests based on its geography, demography, and diplomatic posture. Egypt controls the Suez Canal, which is one of the world's most well-known maritime chokepoints, linking the Mediterranean and Red Seas. Egypt, with its population of more than 100 million people, is by far the most populous Arabic-speaking country. Although it may not play the same type of leading political or military role in the Arab world as it has in the past, Egypt may retain some "soft power" by virtue of its history, media, and culture. Cairo plays host both to the 22-member Arab League and Al Azhar University, which claims to be the oldest continuously operating university in the world and has symbolic importance as a leading source of Islamic scholarship.

Additionally, Egypt's 1979 peace treaty with Israel remains one of the most significant diplomatic achievements for the promotion of Arab-Israeli peace. While people-to-people relations remain cold, the Israeli and Egyptian governments have increased their cooperation against Islamist militants and instability in the Sinai Peninsula and Gaza Strip.

Personnel moves and possible amendments to the Egyptian constitution highlight apparent efforts by President Sisi to consolidate power with the help of political allies, including colleagues from Egypt's security establishment. President Sisi has come under repeated international criticism for an ongoing government crackdown against various forms of political dissent and freedom of expression. The Egyptian government has defended its human rights record, asserting that the country is under pressure from terrorist groups seeking to destabilize Arab nation-states.

The Trump Administration has tried to normalize ties with the Sisi government that were generally perceived as strained under President Obama. In January 2019, U.S. Secretary of State Michael Pompeo delivered a major policy speech at the American University in Cairo, where he stated, "And as we seek an even stronger partnership with Egypt, we encourage President Sisi to unleash the creative energy of Egypt's people, unfetter the economy, and promote a free and open exchange of ideas."

The United States has provided significant military and economic assistance to Egypt since the late 1970s. Successive U.S. Administrations have justified aid to Egypt as an investment in regional stability, built primarily on long-running cooperation with the Egyptian military and on sustaining the 1979 Egyptian-Israeli peace treaty.

All U.S. foreign aid to Egypt (or any recipient) is appropriated and authorized by Congress. Since 1946, the United States has provided Egypt with over $83 billion in bilateral foreign aid (calculated in historical dollars—not adjusted for inflation). Annual appropriations legislation includes several conditions governing the release of these funds. All U.S. military aid to Egypt finances the procurement of weapons systems and services from U.S. defense contractors.

For FY2019, Congress has appropriated $1.4 billion in total bilateral assistance for Egypt, the same amount it provided in FY2018. For FY2020, the President is requesting a total of $1.382 billion in bilateral assistance for Egypt. Nearly all of the U.S. funds for Egypt come from the FMF account (military aid). In November 2018, the U.S. Defense Department notified Congress of a major $1 billion sale of defense equipment to Egypt, consisting of 10 AH-64E Apache Attack Helicopters, among other things.

Beyond the United States, President Sisi has broadened Egypt's international base of support to include several key partners, including the Arab Gulf states, Israel, Russia, and France. In the last five years, as French-Egyptian ties have improved, Egypt has purchased major air and naval defense systems from French defense companies.

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Historical Background

Since 1952, when a cabal of Egyptian Army officers, known as the Free Officers Movement, ousted the British-backed king, Egypt's military has produced four presidents; Gamal Abdel Nasser (1954-1970), Anwar Sadat (1970-1981), Hosni Mubarak (1981-2011), and Abdel Fattah el Sisi (2013-present). In general, these four men have ruled Egypt with strong backing from the country's security establishment. The only significant and abiding opposition has come from the Egyptian Muslim Brotherhood, an organization that has opposed single party military-backed rule and advocated for a state governed by a vaguely articulated combination of civil and Shariah (Islamic) law.

Egypt's sole departure from this general formula took place between 2011 and 2013, after popular demonstrations sparked by the "Arab Spring," which had started in neighboring Tunisia, compelled the military to force the resignation of former President Hosni Mubarak in February 2011. During this period, Egypt experienced tremendous political tumult, culminating in the one-year presidency of the Muslim Brotherhood's Muhammad Morsi. When Morsi took office on June 30, 2012, after winning Egypt's first truly competitive presidential election, his ascension to the presidency was supposed to mark the end of a rocky 16-month transition period. Proposed time lines for elections, the constitutional drafting process, and the military's relinquishing of power to a civilian government had been constantly changed, contested, and sometimes even overruled by the courts. Instead of consolidating democratic or civilian rule, Morsi's rule exposed the deep divisions in Egyptian politics, pitting a broad cross-section of Egypt's public and private sectors, the Coptic Church, and the military against the Brotherhood and its Islamist supporters.

The atmosphere of mutual distrust, political gridlock, and public dissatisfaction that permeated Morsi's presidency provided Egypt's military, led by then-Defense Minister Sisi, with an opportunity to reassert political control. On July 3, 2013, following several days of mass demonstrations against Morsi's rule, the military unilaterally dissolved Morsi's government, suspended the constitution that had been passed during his rule, and installed an interim president. The Muslim Brotherhood and its supporters declared the military's actions a coup d'etat and protested in the streets. Weeks later, Egypt's military and national police launched a violent crackdown against the Muslim Brotherhood, resulting in police and army soldiers firing live ammunition against demonstrators encamped in several public squares and the killing of at least 1,150 demonstrators. The Egyptian military justified these actions by decrying the encampments as a threat to national security.

Overview

As Egyptian President Abdel Fattah al Sisi consolidates his power amid a continuing macroeconomic recovery, Egypt is poised to play an increasingly active role in the region, albeit from a more independent position vis-a-vis the United States than in the past. Although Egyptian relations with the Trump Administration are solid, and Egypt has relied on the International Monetary Fund (IMF) program to guide its economic recovery, Egypt seems committed to broadening its international base of support. The United States plays a key role in that international base, but Egypt also has other significant partners, including the Arab Gulf states, Israel, Russia, and France. The Egyptian government blames American criticism of its human rights record for preventing closer U.S.-Egyptian ties.[1] From the U.S. perspective, some Members

[1] "Egypt creates new Human Rights Watchdog - to Protect Itself," *Associated Press*, November 26, 2018.

of Congress, U.S. media outlets, and advocacy groups document how Egyptian authorities have widened the scope of a crackdown against dissent, which initially was aimed at the Muslim Brotherhood but has evolved to encompass a broader range of political speech.[2]

Egypt's parliament is currently considering whether to adopt a package of draft constitutional amendments that would extend presidential term limits and executive branch control over the judiciary. If Egypt's 2019 constitutional amendments are approved, President Sisi will attain unprecedented power in the political system over the military and the judiciary and, if reelected, will have the potential to remain in office until 2034. He has inserted his older brother and oldest son into key security and intelligence positions while stymying all opposition to his rule and criticism of his government.[3]

This consolidation of power and crackdown against dissent has taken place during a period of steady economic growth, which has not benefitted wide swaths of the population. The state has enacted a series of austerity measures to reduce debt in compliance with IMF-mandated reforms. In the year ahead, economists anticipate gross domestic product (GDP) growth of 5.3%, driven by an expansion in tourism and natural gas production.[4] Nevertheless, Egyptians continue to endure double-digit inflation stemming in part from the 2016 flotation of the currency, tax increases, and reductions in food and fuel subsidies. While it is difficult to ascertain how dissatisfied the public is with rising prices, President Sisi has responded to criticisms of his economic policies, stating: "The path of real reform is difficult and cruel and causes a lot of suffering.... But there is no doubt that the suffering resulting from the lack of reform is much worse."[5] The IMF has praised the Egyptian government's record of reform implementation, while also highlighting the need for private sector growth "that will absorb the rapidly growing labor force and ensure that the benefits are perceived more widely."[6]

After several years of observers seeing Egypt as more inwardly focused, several recent developments suggest an increasingly active foreign policy. In January 2019, Egypt hosted an international forum on Mediterranean gas which included European and Arab countries together with Israel. A month later, President Sisi was elected head of the African Union for a year-long term. In February 2019, Egypt hosted the first-ever European Union- Arab summit in Sharm el Sheikh, where officials discussed terrorism, migration, and the need for greater European-Arab cooperation to counter a perceived growing Chinese and Russian interest in the Middle East.

[2] "How Egypt Crowdsources Censorship," *New York Times*, December 8, 2018.

[3] See, "Egypt's New Political Order in the Making," *Mada Masr*, December 4, 2018 and "Sisi's Brother heads the Anti-Terrorist Financing and Money Laundering Unit," *Al Masri al Yawm* (in Arabic), October 10, 2016.

[4] "Egypt's Economy to grow 5.3 pct in Fiscal 2018-19," *Reuters*, October 17, 2018.

[5] "Egypt's Powerful President Is Facing Unusual Dissent over Rapidly Rising Prices," *Washington Post*, July 19, 2018.

[6] International Monetary Fund, Staff Report and Statement by the Executive Director for the Arab Republic of Egypt, July 2018.

Domestic Developments

Figure 1. President Abdel Fattah al Sisi

Source: Egyptian State Information Service.

Personnel moves and other developments in Egypt highlight apparent efforts by President Sisi to consolidate power with the help of political allies, including colleagues from Egypt's security establishment. In June 2018, Sisi reshuffled his cabinet, making key changes to the defense and interior ministries, among other appointments. Sisi appointed Mohamed Ahmed Zaki, former head of the Republican Guard, as defense minister and Mahmoud Tawfik, former head of the National Security Service, as interior minister. According to one account, Sisi may have been rewarding Zaki for his role in arresting former Egyptian President Mohamed Morsi in 2013.[7]

In July 2018, parliament passed Law 161 of 2018, providing judicial immunity to senior military commanders for military acts committed during the two-and-a-half-year period beginning with the military coup of July 2013.[8] The new law grants immunity to senior commanders while potentially keeping high-ranking officers on reserve duty for life, making them ineligible to run for president. In order for a senior commander to be prosecuted under this new law, a case would have to be first authorized by the Supreme Council of the Armed Forces (SCAF), which President Sisi appoints. According to one analysis, the law deters senior officers from challenging President Sisi (for example, some challenges occurred during the run-up to the 2018 presidential election), thereby acting "as a guarantor of President Sisi's authoritarian rule, setting the stage for him to remain president for life."[9]

Per the 2014 Egyptian constitution (article 140), President Sisi, who was reelected in April 2018, may only serve two four-year terms in office (current term ends in 2022). However, his supporters have proposed a set of amendments to the constitution which, if approved by parliament and public referendum, have the potential to make President Sisi eligible for an additional two six-year terms when his current term ends in 2022. Other proposed changes to the constitution include

- granting the president the authority to appoint all chief justices of Egyptian judicial bodies, and the public prosecutor;
- requiring that at least one-quarter of the seats in the parliament be allocated to women and reducing the number of the seats in the House of Representatives from 596 to 450; and
- establishing an upper house of parliament (Senate) consisting of 250 members, two-thirds of whom would be elected and one-third of whom would be appointed by the president.[10]

[7] "Egypt's New Defence Minister 'arrested Morsi during coup'," *Middle East Eye*, June 18, 2018.

[8] "Egypt: Bill to Provide Judicial Immunity to Military Commanders," *Global Legal Monitor*: *Egypt*, The Law Library, Library of Congress, July 23, 2018.

[9] "An Authoritarian Pact: Law on the Treatment of Senior Military Commanders," *Cairo Institute for Human Rights Studies*," November 6, 2018.

[10] See, "Egypt: New Constitutional Amendments Proposed," *Global Legal Monitor*, The Law Library, Library of

Democracy, Human Rights, and Religious Freedom

President Sisi has come under repeated international criticism for an ongoing government crackdown against various forms of political dissent and freedom of expression.[11] Certain practices of Sisi's government, the parliament, and the security apparatus have been contentious. According to the U.S. State Department's report on human rights conditions in Egypt in 2017:

> The most significant human rights issues included arbitrary or unlawful killings by the government or its agents; major terrorist attacks; disappearances; torture; harsh or potentially life-threatening prison conditions; arbitrary arrest and detention; including the use of military courts to try civilians; political prisoners and detainees; unlawful interference in privacy; limits on freedom of expression, including criminal "defamation of religion" laws; restrictions on the press, internet, and academic freedom; and restrictions on freedoms of assembly and association, including government control over registration and financing of NGOs [nongovernmental organizations]. LGBTI persons faced arrests, imprisonment, and degrading treatment. The government did not effectively respond to violence against women, and there were reports of child labor.[12]

Select international human rights, democracy, and development monitoring organizations provide the following rankings for Egypt globally:

Issue	Index	Ranking
Press Freedom	Reporters Without Borders, World Press Freedom Index 2018	161/180 Countries
Corruption	Transparency International, Corruption Perceptions Index 2018	105/180 Countries
Democracy	Freedom House, Freedom in the World 2019	"Not Free"
Human Development	United Nations Human Development Programme, Human Development Index 2018	115/189 Countries

Other human rights issues of potential interest to Congress may include the 2013 convictions of American, European, and Egyptian civil society representatives; the controversial 2017 NGO law; the detention of American citizens in Egypt; and the treatment of Coptic Christians, discussed in the following sections.

"Case 173"

In 2013, an Egyptian court convicted and sentenced 43 individuals from the United States, Egypt, and Europe, including the Egypt country directors of the National Democratic Institute (NDI) and the International Republican Institute (IRI), for spending money from organizations that were operating in Egypt without a license and for receiving foreign funds (known as Case 173 or the "foreign funding case").

Congress, February 13, 2019.

[11] In February 2019, former *New York Times* Cairo bureau chief David Kirkpatrick was detained on arrival at Cairo airport and then escorted on a flight back to London without explanation from the Egyptian government.

[12] U.S. State Department, Bureau of Democracy, Human Rights and Labor, Country Reports on Human Rights Practices for 2017, Egypt.

Some lawmakers had protested that those individuals were wrongfully convicted and had requested that the Egyptian government and judiciary resolve the matter.[13] In 2018, a retrial began and, on December 20, 2018, the individuals were acquitted of all charges. In January 2019, U.S. Secretary of State Michael R. Pompeo traveled to Cairo, where he remarked: "I was happy to see our citizens, wrongly convicted of improperly operating NGOs here, finally be acquitted. And we strongly support President Sisi's initiative to amend Egyptian law so that this does not happen again. More work certainly needs to be done to maximize the potential of the Egyptian nation and its people. I'm glad that America will be a partner in those efforts."[14] However, Case 173 remains active, as the judiciary has imposed asset freezes and travel bans on several Egyptian civil society activists.

NGO Law

In May 2017, President Sisi signed Law 70 of 2017 on Associations and Other Foundations Working in the Field of Civil Work. The parliament had passed this bill six months earlier, and both the passage and signing drew widespread international condemnation. The new law (which replaced a 2002 NGO law) requires NGOs to receive prior approval from internal security before accepting foreign funding. It also restricts the scope of permitted NGO activities and increases penalties for violations, including possible imprisonment for up to five years. However, the government did not issue implementing regulations for the new NGO law.

At Egypt's November 2018 World Youth Forum in Sharm el Sheikh, President Sisi announced plans to amend Law 70. According to Sisi, "I want to reassure those who are listening to me inside Egypt and outside of Egypt, that in Egypt, we are keen that the law becomes balanced and achieves what is required of it to regulate the work of these groups in a good way. This is not just political talk."[15] Since then, Egypt's Ministry of Social Solidarity has held multiple rounds of talks with local NGOs aimed at determining which articles of the law need to be amended. A draft proposal is expected to be ready in the spring of 2019, when it will be sent to parliament for consideration.[16]

Detention of American Citizens in Egypt

The detention of American citizens in Egypt has continued to strain U.S.-Egyptian relations. Some Members of Congress are concerned about the case of 53-year-old New York resident Mustafa Kassem, who was detained by authorities in 2013 and sentenced to 15 years in prison in a mass trial in September 2018.[17] These lawmakers insist that Kassem, who has been on a limited hunger strike, was wrongfully arrested and convicted, and they have sought Trump Administration support in securing his release from the government of Egypt. In January 2018, Vice President Pence raised Kassem's case directly with President Sisi in a meeting in Cairo,

[13] See, Statement by Senators John McCain & Lindsey Graham on Egyptian Legislation Regulating NGOs, December 1, 2016.

[14] U.S. State Department, "A Force for Good: America Reinvigorated in the Middle East," Secretary of State Michael R. Pompeo, The American University in Cairo, Cairo, Egypt, January 10, 2019.

[15] "Egypt's Sisi says Law Curbing NGOs needs to be more Balanced," *Reuters*, November 5, 2018.

[16] See, "Egypt: Parliament to Finalize NGO Law Amendments in March," *Global Legal Monitor*, The Law Library, Library of Congress, January 29, 2019.

[17] "Congress amps up Pressure to free Americans jailed in Egypt," *Al Monitor*, November 26, 2018.

saying "I told him we'd like to see those American citizens restored to their families and restored to our country."[18]

Coptic Christians

Since taking office, President Sisi has publicly called for greater Muslim-Christian coexistence and national unity. In January 2019, he inaugurated Egypt's Coptic Cathedral of Nativity in the new administrative capital east of Cairo saying, "This is an important moment in our history.... We are one and we will remain one."[19]

Despite these public calls for improved interfaith relations in Egypt, the minority Coptic Christian community continues to claim that they face professional and social discrimination, along with occasional sectarian attacks by terrorists and vigilantes. Coptic Christians have also voiced concern about state regulation of church construction. They have long demanded that the government reform long-standing laws (with two dating back to 1856 and 1934, respectively) on building codes for Christian places of worship.

Article 235 of Egypt's 2014 constitution mandates that parliament reform these building code regulations. In 2016, parliament approved a church construction law (Law 80 of 2016) that expedited the government approval process for the construction and restoration of Coptic churches, among other structures. Although Coptic Pope Tawadros II welcomed the law,[20] others claim that it continues to be discriminatory. According to *Human Rights Watch*, "the new law allows governors to deny church-building permits with no stated way to appeal, requires that churches be built 'commensurate with' the number of Christians in the area, and contains security provisions that risk subjecting decisions on whether to allow church construction to the whims of violent mobs."[21]

[18] "Mike Pence's Egypt Trip gives Glimmer of Hope to Advocates of American Political Prisoners," *The Intercept*, January 23 2018.

[19] "Egypt's Sisi opens Mega-Mosque and Middle East's Largest Cathedral in New Capital," *Reuters*, January 6, 2019.

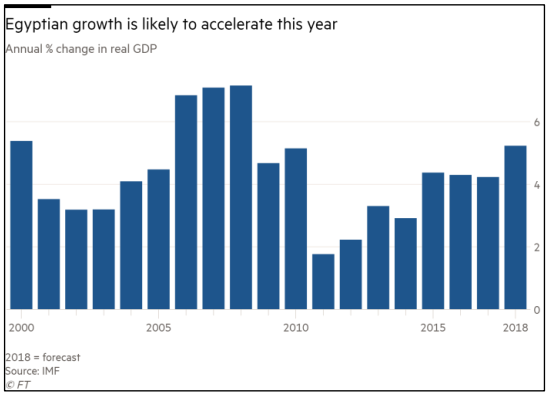
[20] "HH Pope Tawadros II: Church Construction Law Corrected an Error and Bandaged Wounds," Coptic Orthodox Cultural Center, September 1, 2016.

[21] "Egypt: New Church Law Discriminates Against Christians," *Human Rights Watch*, September 15, 2016.

The Economy

For 2019, the IMF projects 5.3% GDP growth for the Egyptian economy, noting that the outlook remains "favorable, supported by strong policy implementation."[22] In 2016, the IMF and Egypt reached a three-year, $12 billion loan agreement, $10 billion of which has been disbursed as of March 2019. Key sources of foreign exchange (tourism and remittances)[23] are up and unemployment is at its lowest level since 2011. In line with IMF recommendations, the government has taken several steps to reform the economy, including depreciating the currency, reducing fuel subsidies, enacting a value-added tax (VAT), and providing cash payments to the poor in lieu of subsidizing household goods (though many food subsidies continue).

Figure 2. Annual GDP Growth in Egypt



Source: *Financial Times*.

Egypt's energy sector also is contributing to the economy's rebound. Egypt is the largest oil producer in Africa outside of the Organization of the Petroleum Exporting Countries (OPEC) and the third-largest natural gas producer on the continent following Algeria and Nigeria.[24] In December 2017, an Egyptian and Italian partnership began commercial output from the Zohr natural gas field (est. 30 trillion cubic feet of gas), the largest ever natural gas field discovered in the Mediterranean Sea (see **Figure 3**). The Egyptian government also has repaid debts owed to foreign energy companies, allowing for new investments from BP and BG Group.

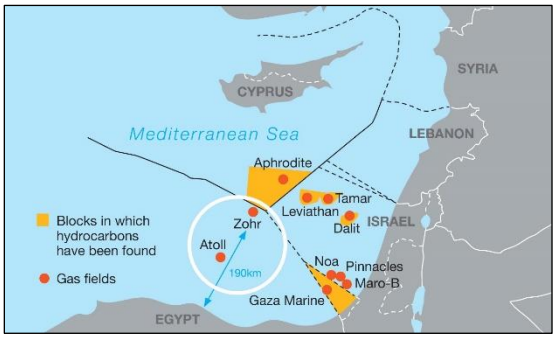
[22] "Egypt—IMF Executive Board Completes Fourth Review under the Extended Fund Facility (EFF)," International Monetary Fund, February 5, 2019.

[23] In 2018, Egypt received $25 billion of foreign exchange inflows from remittances abroad, which is by far the largest in the Middle East. See, "Migration and Remittances, Recent Developments and Outlook," World Bank Group, December 2018.

[24] U.S. Department of Energy, Energy Information Administration, Country Report: EGYPT, May 24, 2018.

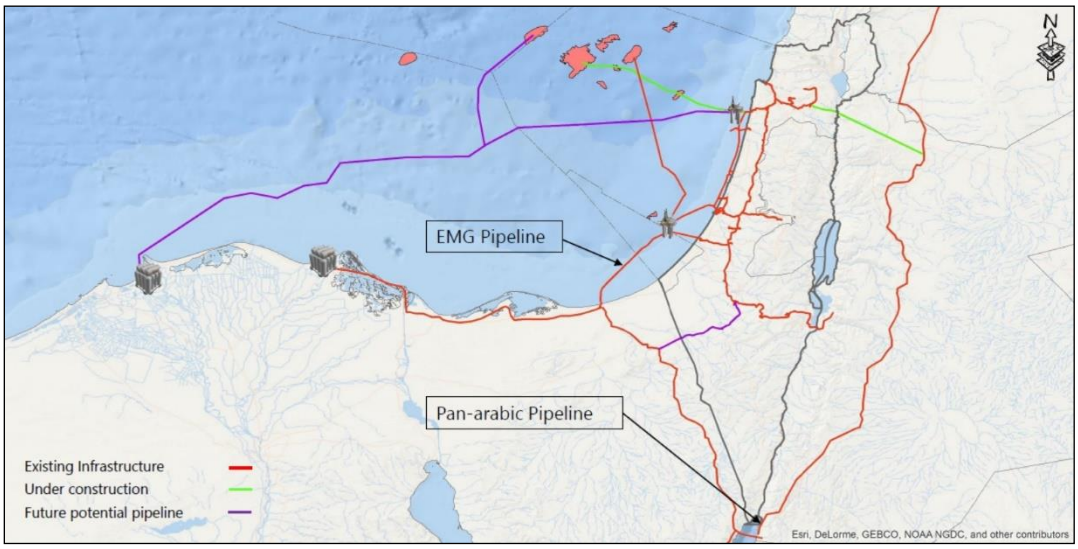
Egypt is attempting to position itself as a regional gas hub, whereby its own gas fields meet domestic demand while imported gas from Israel and Cyprus can be liquefied in Egypt and reexported.[25] Israeli and Egyptian companies have bought significant shares of an unused undersea pipeline connecting Israel to the northern Sinai Peninsula (see **Figure 4**). The pipeline will be used to transport natural gas from Israel to Egypt for possible reexport, as part of an earlier 10-year, $15 billion gas deal between the U.S. Company Noble Energy, its Israeli partner Delek, and the Egyptian company Dolphinus Holdings. In January 2019, Egypt convened the first ever Eastern Mediterranean Gas Forum (EMGF), a regional consortium consisting of Egypt, Israel, Jordan, the Palestinian Authority, Cyprus, Greece, and Italy, intended to consolidate regional energy policies and reduce costs.[26]

Figure 3. Egypt's Gas Fields in the Eastern Mediterranean



Source: http://www.vallourec.com/EN/group/MEDIA/News/Pages/cleanwell-zohr.aspx.

Figure 4. Natural Gas Pipelines in Egypt, Israel, and the Eastern Mediterranean



Source: Delek.

Notes: Shares in the EMG pipeline were just purchased by the U.S. Company Noble Energy, its Israeli partner Delek, and the Egyptian company Dolphinus Holdings, which will allow Israeli natural gas to be exported to Egypt.

Despite Egypt's positive economic outlook, significant challenges remain. Inflation remains over 11%, making the cost of goods high for many Egyptians. In addition, while the fiscal deficit may be decreasing, Egypt's overall public and foreign debt have grown significantly in recent years and remain high, leading the government to allocate resources (nearly 38% of Egypt's budget)

[25] "Egypt says U.S. Oil Firms showing Appetite for Offshore Projects," *Reuters*, November 24, 2018.

[26] "Natural Gas Fields give Israel a Regional Political Boost," *Associated Press*, January 23, 2019.

toward debt-service payments and away from spending on health and education.[27] Economists forecast that total public debt will reach 84.8% of GDP and external debt 32% of GDP ($101.7 billion) in 2019.[28]

Some observers assert that Egypt's recent economic reforms, while successful in the short term, have not addressed deeper structural impediments to growth. For example, Egypt's industrial sector is heavily dependent upon imports and, as the economy expands, the demand for foreign currency increases. According to *Bloomberg*, "this means, the more the economy grows, the greater the pressure on dollar reserves. It doesn't help that these were built up almost entirely through foreign borrowing, pushing Egypt's foreign debt from $55 billion in 2016 to $92 billion in late 2018. It won't be long before the country's finances are once again in crisis."[29]

Many experts argue that to sustain growth over the long term, Egypt requires dramatic expansion of the nonhydrocarbon private sector.[30] For decades, Egypt's military has played a key role in the nation's economy as a food producer and low-cost domestic manufacturer of consumable products; however, due to political sensitivities, the extent of its economic power is rarely quantified. Egypt's military is largely economically self-sufficient. It produces what it consumes (food and clothes) and then sells surplus goods for additional revenue. Egyptian military companies have been the main beneficiaries of the massive infrastructure contracts Sisi has commissioned.[31] Moreover, military-owned manufacturing companies have expanded into new markets, producing goods (appliances, solar panels, some electronics, and some medical equipment) that are cheaper than either foreign imports or domestically produced goods made by the private sector.

Terrorism and Islamist Militancy in Egypt

President Sisi, who led the 2013 military intervention and was elected president in mid-2014, came to power promising not only to defeat violent Salafi-Jihadi terrorist groups militarily, but also to counter their foundational ideology, which President Sisi and his supporters often attribute to the Muslim Brotherhood. President Sisi has outlawed the Muslim Brotherhood while launching a more general crackdown against a broad spectrum of opponents, both secular and Islamist. While Egypt is no longer beset by the kind of large-scale civil unrest and public protest it faced during the immediate post-Mubarak era, it continues to face terrorist and insurgent violence, both in the Sinai Peninsula and in the rest of Egypt.

Sinai Peninsula

Terrorists based in the Sinai Peninsula (the Sinai) have been waging an insurgency against the Egyptian government since 2011. While the terrorist landscape in Egypt is evolving and encompasses several groups, the Islamic State's Sinai Province affiliate (IS-SP) is known as the most lethal.[32] Since its affiliation with the Islamic State in 2014, IS-SP has attacked the Egyptian

[27] "Egypt Economy: Quick View - Deficit Target of 8.4% of GDP set in new Budget," *Economist Intelligence Unit*, March 21, 2018.

[28] "Egypt: 5-year Forecast Table," *Economist Intelligence Unit*, February 7, 2019.

[29] "Satisfying the IMF Won't Solve Egypt's Problems," *Bloomberg*, January 30, 2019.

[30] "Egypt: Time to Entrench Growth and Make it More Inclusive," International Monetary Fund, January 23, 2018.

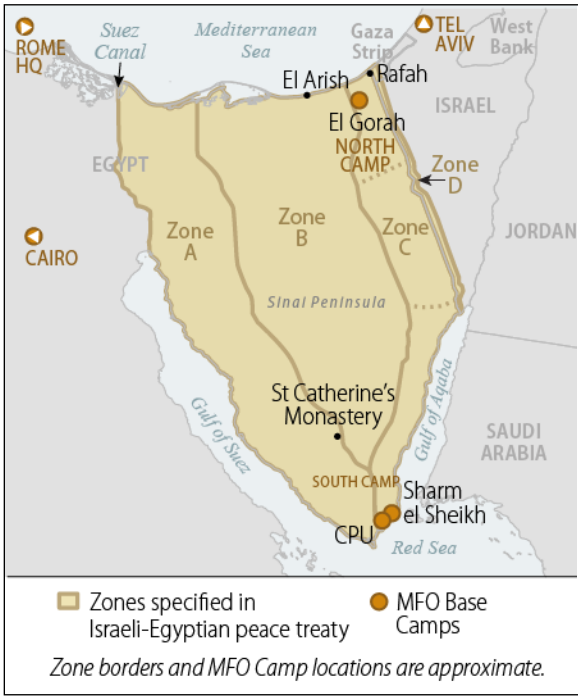
[31] "Egypt's Economy Falls to the Military," *Wall Street Journal*, May 22, 2018.

[32] This group was formerly known as *Ansar Bayt al Maqdis* (Supporters of the Holy House or Partisans of Jerusalem). It emerged after the Egyptian revolution of 2011 and affiliated with the Islamic State in 2014. Estimates of its

military continually, targeted Coptic Christian individuals and places of worship,[33] and occasionally fired rockets into Israel. In October 2015, IS-SP targeted Russian tourists departing the Sinai by planting a bomb aboard Metrojet Flight 9268, which exploded midair, killing all 224 passengers and crew aboard. Two years later, on November 24, 2017, IS-SP gunmen launched an attack against the Al Rawdah mosque in the town of Bir al Abed in northern Sinai. That attack killed at least 305 people, making it the deadliest terrorist attack in Egypt's modern history.[34]

Combating terrorism in the Sinai is particularly challenging due to an array of factors, including the following:

Figure 5. The Sinai Peninsula



Source: http://www.mfo.org.

- **Geography**: The peninsula's interior is mountainous and sparsely populated, providing militants with ample freedom of movement.
- **Demography and Culture**: The Sinai's northern population is a mix of Palestinians and Bedouin Arab tribes whose relationship to the state is filled with distrust. Sinai Bedouin have faced discrimination and exclusion from full citizenship and access to the economy. In the absence of development, a black market economy based primarily on smuggling has thrived, further contributing to the popular portrayal of Bedouin as outlaws. State authorities charge that the Sinai Bedouin seek autonomy from the central government, while residents insist on obtaining basic rights, such as property rights, full citizenship, and access to government services such as education and health care.[35]
- **Economics**: Bedouins claim that Egypt has underinvested in northern Sinai, channeling development toward southern tourist destinations that cater to foreign visitors.[36] Northern Sinai consists of mostly flat desert terrain inhospitable to large-scale agriculture without significant investment in irrigation. For decades, the Egyptian state has claimed to follow successive Sinai development plans.[37]

numerical composition range from 500 to 1,000. In Arabic, it is known as *Wilayat Sinai* (Sinai Province). Also referred to as ISIS-Sinai, ISIS-Egypt, and the Islamic State in the Sinai.

[33] In November 2018, IS-SP claimed responsibility for an attack against Coptic Christian pilgrims traveling to the Monastery of Saint Samuel the Confessor 85-miles south of Cairo in the western desert.

[34] See also CRS Insight IN10827, *Egypt: Terrorist Attack in the Sinai Peninsula*, by Jeremy M. Sharp.

[35] See Mohannad Sabry, *Egypt's Linchpin, Gaza's Lifeline, Israel's Nightmare*, The American University in Cairo Press; first edition, November 30, 2015.

[36] "Sinai Bedouin 'left out of region's economic development,'" *BBC News*, November 12, 2012.

[37] For a history of Sinai development, see "Egypt's Sinai Question," *International Crisis Group*, Middle East/North Africa Report Number 61, January 30, 2007.

However, Egyptian governance and development of the Sinai has been hampered by corruption.

- **Diplomacy**: The 1979 Israeli-Egyptian peace treaty limits the number of soldiers that Egypt can deploy in the Sinai, subject to the parties' ability to negotiate changes as circumstances necessitate. Egypt and Israel mutually agree upon any short-term increase of Egypt's military presence in the Sinai. Since Israel returned control over the Sinai to Egypt in 1982, the area has been partially demilitarized, and the Sinai has served as an effective buffer zone between the two countries. The Multinational Force and Observers, or MFO, are deployed in the Sinai to monitor the terms of the Israeli-Egyptian peace treaty (see **Figure 5**).

Egypt and Israel reportedly continue to cooperate in countering terrorism in the Sinai. In a televised interview, President Sisi responded to a question on whether Egyptian-Israeli military cooperation was the closest it has ever been, saying "That is correct. The [Egyptian] Air Force sometimes needs to cross to the Israeli side. And that's why we have a wide range of coordination with the Israelis."[38] One news account suggests that Israel, with Egypt's approval, has used its own drones, helicopters, and aircraft to carry out more than 100 covert airstrikes inside Egypt against militant targets.[39]

In order to counter IS-SP in northern Sinai, the Egyptian armed forces and police have declared a state of emergency, imposed curfews and travel restrictions, and erected police checkpoints along main roads. Authorities also have limited domestic and foreign media access to the northern Sinai, declaring it an active combat zone and unsafe for journalists.[40] According to *Jane's Defence Weekly*, Egypt may be upgrading an old air base in the Sinai (Bir Gifgafa), where it could deploy Apache attack helicopters and unmanned aerial vehicles for use in counterterrorism operations.[41]

While an increased Egyptian military presence in the Sinai may be necessary to stabilize the area, many observers have argued that military means alone are insufficient.[42] These critics say that force should be accompanied by policies to reduce the appeal of antigovernment militancy by addressing local political and economic grievances. According to one account:

> Sinai residents are prohibited from joining any senior post in the state. They cannot work in the army, police, judiciary, or in diplomacy. Meanwhile, no development projects have been undertaken in North Sinai the past 40 years. The villages of Rafah and Sheikh Zuwayed have no schools or hospitals and no modern system to receive potable water. They depend on rainwater and wells, as if it were the Middle Ages.[43]

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[38] "Egypt's President El-Sisi denies ordering Massacre in Interview his Government later tried to Block," *60 Minutes*, January 6, 2019.

[39] "Secret Alliance: Israel carries out Airstrikes in Egypt, with Cairo's O.K," *New York Times*, February 3, 2018.

[40] "Egypt's Long, Bloody Fight against the Islamic State in Sinai is going Nowhere," *Washington Post*, September 15, 2017.

[41] "Egypt Reactivates Sinai Airbase," *Jane's Defence Weekly*, August 10, 2017. Also, "AT-802 Aircraft seen at Egyptian Airbase," *Jane's Defence Weekly*, January 23, 2018.

[42] Human rights organizations have repeatedly accused the military and police of harming unarmed civilians during military operations in the Sinai. In April 2017, Human Rights Watch released a report claiming that video footage aired by a Muslim Brotherhood-aligned channel in Turkey depicted the extrajudicial killing of unarmed detainees by Egyptian soldiers. See "Egypt: Videos Show Army Executions in Sinai," *Human Rights Watch*, April 21, 2017.

[43] "Sinai's Suffering," *Foreign Affairs*, March 13, 2017.

Egyptian counterterrorism efforts in the Sinai appear to have reduced the frequency of terrorist attacks somewhat. In February 2018, the military launched an offensive campaign, dubbed "Operation Sinai 2018." During the campaign, the military deployed tens of thousands of troops to the peninsula and was able to eliminate several senior IS-SP leaders. One report suggests that unlike previous military operations against militants in the Sinai, this time the Egyptian military armed progovernment tribesmen to assist conventional forces in combating IS-SP.[44] According to one analysis, the military's recent campaign has "to some degree, restricted the militants' movements, destroyed a number of hideouts, and most importantly eliminated several trained and influential elements."[45] However, as in previous major operations, once the military reduces its presence in northern Sinai, terrorist groups may reconstitute themselves.

In March 2019, CENTCOM Commander General Joseph L. Votel testified before Congress, stating that the "Egyptian Armed Forces have more effectively fought ISIS in the Sinai and are now taking active measures to address the underlying issues that give life to—to these violent extremist groups and are helping to contain the threat."[46]

Beyond the Sinai: Other Egyptian Insurgent Groups

Outside of the Sinai, either in the western desert near the Libya border or other areas (Cairo, Nile Delta, Upper Egypt), small nationalist insurgent groups, such as *Liwa al Thawra* (The Revolution Brigade) and *Harakat Sawaed Misr* (Arms of Egypt Movement, referred to by its Arabic acronym HASM), have carried out high-level assassinations of military/police officials and bombings of infrastructure. According to one expert, these insurgent groups are comprised mainly of former Muslim Brotherhood activists who have splintered off from the main organization to wage an insurgency against the government.[47]

On January 31, 2018, the U.S. State Department designated *Liwa al Thawra* and HASM as Specially Designated Global Terrorists (SDGTs) under Section 1(b) of Executive Order (E.O.) 13224.[48] The State Department noted that some of the leaders of both groups "were previously associated with the Egyptian Muslim Brotherhood."

Terrorist attacks against key sectors of the economy continue. In December 2018, a bus carrying a group of Vietnamese tourists to the pyramids in Giza hit a roadside bomb killing 4 people and injuring 11 others. No group claimed responsibility for the attack. In February 2019, a terrorist detonated a suicide bomb he was carrying while being pursued by police, killing himself and two officers near Cairo's popular Khan el Khalili market and famous Al Azhar Mosque.

[44] Egypt Arming Sinai Tribesmen in fight against Islamic State," *Associated Press*, September 27, 2018.

[45] "Superficial Gains, but No Lasting Success in Sinai 2018," The Tahrir Institute for Middle East Policy, February 7, 2019.

[46] House Armed Services Committee, Hearing entitled, National Security Challenges and U.S. Military Activities in the Greater Middle East and Africa, Testimony of General Joseph Votel, March 7, 2019.

[47] Mokhtar Awad, *A Challenging State, Emerging Armed Groups in Egypt*, a Briefing Paper of the Small Arms Survey/Security Assessment in North Africa project, July 2017.

[48] U.S. State Department, State Department Terrorist Designations of Ismail Haniyeh, Harakat al-Sabireen, Liwa al-Thawra, and Harakat Sawa'd Misr (HASM), Media Note, Office of the Spokesperson, Washington, DC, January 31, 2018.

Egypt's Foreign Policy

Israel and the Palestinians

Egypt and Israel have continued to find specific areas in which they can cooperate. In 2018, Israeli and Egyptian companies entered into a decade-long agreement by reaching a $15 billion natural gas deal, according to which Israeli off-shore natural gas will be exported to Egypt for liquefaction before being exported elsewhere (see "The Economy" above). While people-to-people relations remain cold, Israel and Egypt continue to cooperate against Hamas in the Gaza Strip. In mid-November 2018, Egyptian mediation between Israel and Hamas helped calm tensions after an Israeli raid inside Gaza escalated tensions.[49] Egypt reportedly continues to broker indirect Israel-Hamas talks aimed at establishing a long-term cease-fire.

Egypt is opposed to Islamist groups wielding political power across the Middle East, and opposes Turkish and Qatari support for Hamas.[50] On the Egyptian-Gaza border, Egypt has tried to thwart arms tunnel smuggling into Gaza and has accused Palestinian militants in Gaza of aiding terrorist groups in the Sinai. In order to weaken Hamas's rule in Gaza, Egypt has sought to restore a Palestinian Authority (PA) presence in Gaza by reconciling it with the PA. Though Egypt has helped broker several agreements aimed at ending the West Bank-Gaza split, Hamas still effectively controls Gaza. Egypt controls the Rafah border crossing into Gaza, the only non-Israeli-controlled entryway into the Strip, which it periodically closes for security reasons. Control over the Rafah border crossing provides Egypt with some leverage over Hamas, though Egyptian authorities use it carefully in order not to spark a humanitarian crisis on their border.[51]

Gulf Arab Monarchies

Egypt's relations with most Gulf Arab monarchies are strong. Saudi Arabia, the United Arab Emirates (UAE), and Kuwait have provided billions of dollars in financial assistance to Egypt's military-backed government since 2013. Saudi Arabia also hosts nearly 3 million Egyptian expatriates who work in the kingdom, providing a valuable source of remittances for Egyptians back home.[52] From 2013 onward, Emirati companies have made significant investments in the Egyptian economy.[53] Egypt transferred sovereignty to Saudi Arabia over two islands at the entrance to the Gulf of Aqaba—Tiran and Sanafir—that had been under Egyptian control since 1950, in a move that sparked rare public criticism of President Sisi. In June 2017, Egypt joined other Gulf Arab monarchies in boycotting Qatar. In Yemen, Egypt is officially part of the Saudi-led coalition against Houthi forces, though its contribution to the war effort has been minimal.

[49] "Violence Escalates after a Botched Raid into Gaza by Israelis," *New York Times*, November 13, 2018; "Israeli Official on Cease-fire Report: Only Developments on the Ground will Determine Israeli Reaction," *Haaretz*, November 13, 2018.

[50] "How Israel and Egypt are coordinating on Gaza," *Al Monitor*, July 12, 2018.

[51] "For Hamas, Reconciliation with Egypt worth more than Qatari Cash," *Al Monitor*, January 31, 2019.

[52] "Egypt Feels the Pain from Saudi Arabia's Reforms," *Bloomberg*, September 18, 2018.

[53] Emirati companies which have invested in various sectors of the Egyptian economy include: real estate/tourism (Emaar Properties), financial (Emirates NBD, the National Bank of Abu Dhabi, Abu Dhabi Islamic Bank, Union National Bank, and Mashreq), oil and gas (Mubadala Petroleum), and shipping (Dubai Ports).

Libya

The Egyptian government supports Field Marshal Khalifa Haftar and the Libyan National Army (LNA) movement, which controls most of eastern Libya. Haftar's politics closely align with President Sisi's, as both figures hail from the military and broadly oppose Islamist political forces. From a security standpoint, Egypt seeks the restoration of order on its western border, which has experienced occasional terrorist attacks and arms smuggling. From an economic standpoint, thousands of Egyptian guest workers were employed in Libya's energy sector prior to unrest in Libya in 2011, and Egypt seeks their return to Libya and a resumption of the vital remittances those workers provided the Egyptian economy.

Diplomatically, Egypt has tried to leverage its close ties to Haftar and the LNA in order to play the role of mediator between the LNA and Fayez al Sarraj, the Chairman of the Presidential Council of Libya and Prime Minister of the U.N.-backed Government of National Accord. Egypt's policy toward Libya also is closely aligned with other foreign backers of the LNA, including France and the United Arab Emirates (UAE). Reportedly, the three countries are working in concert to strengthen the position of Haftar in order to facilitate the eventual reunification of the Libyan army.[54] A 2019 LNA offensive into southern Libya has placed additional pressure on the Government of National Accord and may complicate U.S.-backed efforts by the United Nations to facilitate a national dialogue, constitutional referendum, and elections in 2019.

Egypt and the Nile Basin Countries

To Egypt's south, the government is embroiled in regional disputes with Nile Basin countries, such as Ethiopia, which is nearing completion of the $4.2 billion Grand Ethiopian Renaissance Dam, a major hydroelectric project. Egypt argues that the dam, once filled, will limit the flow of the Nile River below Egypt's agreed share. However, many analysts expect that Egypt will address the dispute by increasing water-use efficiency and investing in desalination, rather than using its military to bomb the dam.[55] Reduced Nile flow into Egypt may exacerbate existing water shortages and cause short-term political problems for the Egyptian government, which faces extensive domestic water needs. In February 2019, President Sisi assumed the one-year chairmanship of the African Union, during which he is expected to promote closer relations with fellow African states.

Egypt and Russia

Egypt and Russia, close allies in early years of the Cold War, have again strengthened bilateral ties under President Sisi, who has promised to restore Egyptian stability and international prestige. His relationship with Russian President Vladimir Putin has rekindled, in the words of one observer, "a romanticized memory of relations with Russia during the Nasser era."[56] President Sisi first turned to Russia during the Obama Administration, when U.S.-Egyptian ties were strained, and Egypt seemed intent on signaling its displeasure with U.S. policy.[57]

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[54] See, "France aims to back Haftar's Offensive," *Maghreb Confidential*, January 24, 2019, and "Why France is training Oussama Al Jouili's troops," *Maghreb Confidential*, January 10, 2019.

[55] Economist Intelligence Unit, Egypt, June 1, 2018.

[56] "The United States and the Future of Egyptian-Russian Relations," *The Caravan*, Hoover Institution, March 9, 2017.

[57] According to *Jane's*, "The two-year U.S. suspension of delivery of US F-16C/Ds in the wake of the Arab Spring

Since 2014, Egypt and Russia have improved ties in a number of ways, including through arms deals. Reportedly, Egypt is upgrading its aging fleet of legacy Soviet MiG-21 aircraft to a fourth generation MiG-29M variant with additional deliveries to Egypt in 2018 (first delivered in April 2017).[58] Egypt also has purchased 46 standard Ka-52 Russian attack helicopters for its air force. Egypt reportedly also has purchased the naval version of the Ka-52 for use on Egypt's two French-procured Mistral-class helicopter dock vessels (see below), and the S-300VM surface-to-air missile defense system from Russia.[59] In August 2018, Egyptian Defense Minister Mohamed Zaki visited Russia, where he attended a Russian arms exhibition.

Additionally, Egypt and Russia reportedly have expanded their cooperation on nuclear energy. In 2015, Egypt reached a deal with Russian state energy firm Rosatom to construct a 4,800-megawatt nuclear power plant in the Egyptian Mediterranean coastal town of Daba'a, 80 miles northwest of Cairo. Russia is lending Egypt $25 billion over 35 years to finance the construction and operation of the nuclear power plant (this will cover 85% of the project's total costs). The contract also commits Russia to supply the plant's nuclear fuel for 60 years and transfer and store depleted nuclear fuel from the reactors.

Figure 6. Egyptian Defense Minister Visits Russia: August 2018

Source: Ministry of Defence of the Russian Federation.

As Egyptian and Russian foreign policies have become more closely aligned in conflict zones such as eastern Libya, bilateral military cooperation has expanded. One report suggests that Russian Special Forces based out of an airbase in Egypt's western desert (Sidi Barrani) may be aiding General Haftar.[60] In November 2017, Egypt and Russia signed a draft agreement governing the use of each other's air space.[61]

While Egyptian-Russian ties have grown warmer in recent years, they are not without complications. In the aftermath of an October 2015 terrorist attack against a Russian passenger jet departing from Sharm El Sheikh, visits to Egypt by Russian tourists, previously the country's largest source of tourists, dropped significantly.[62] Russian commercial aircraft have resumed direct flights to Cairo but not to Sharm El Sheikh. Egypt and Russia also engaged in a trade

reinforced the notion that Egypt should maintain a diverse defense supply base to avoid being hamstrung by politically driven interruption of its defense supply chain." See, "Analysis: Egyptian Air Force Modernization," *Jane's International Defence Review*," November 10, 2016.

[58] See, Jane's Sentinel Security Assessment, Air Force- Egypt, August 7, 2018.

[59] "Egyptian S-300VM SAM Delivery Confirmed," *Jane's Defence Weekly*, June 6, 2017.

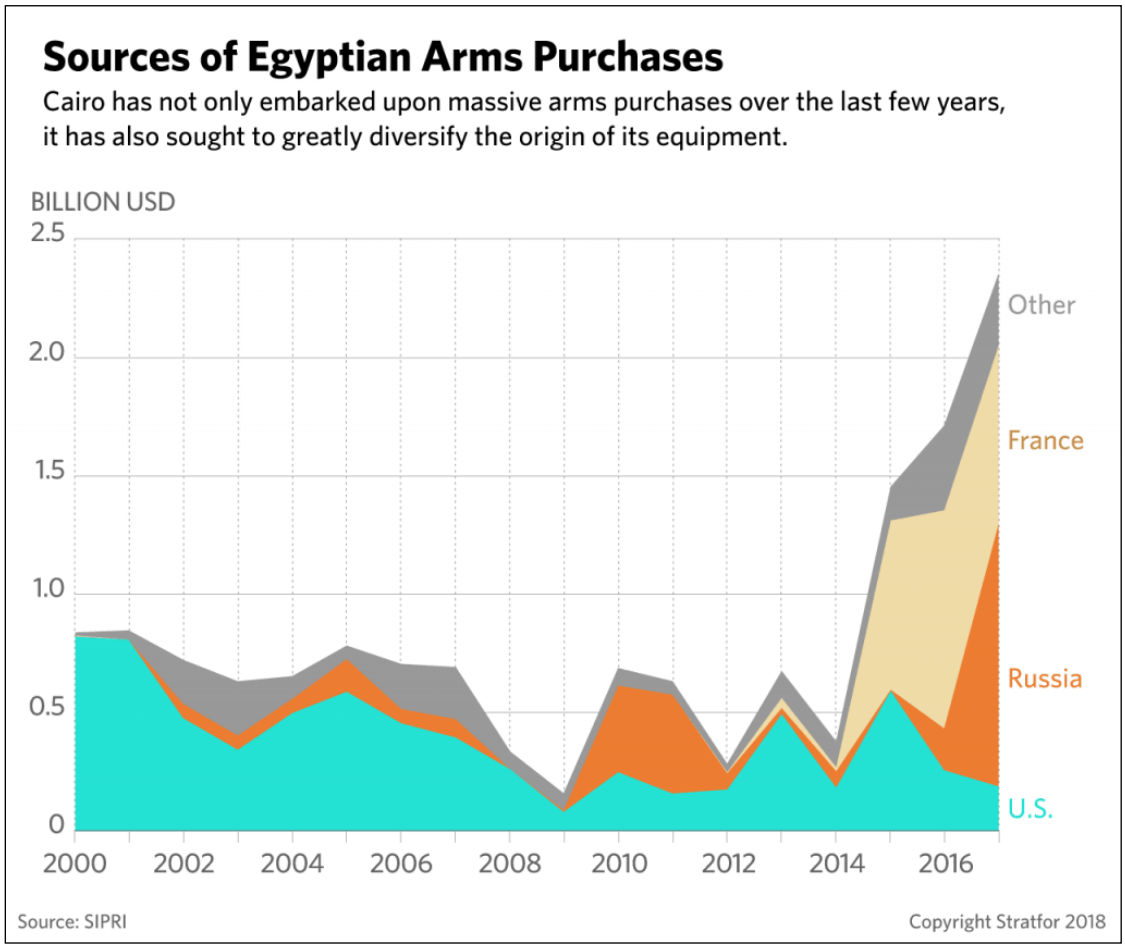
[60] "Russia appears to Deploy Forces in Egypt, Eyes on Libya Role – Sources," *Reuters*, March 14, 2017.

[61] According to one report, "Russian and Egyptian war planes would be able to use each other's air space and airfields by giving five days advance notice, according to the draft agreement, which is expected to be valid for five years and could be extended." See "Russian Military Working on Deal to use Egyptian Air Bases: Document," *Reuters*, November 30, 2017.

[62] Before 2015, Russian visitors accounted for 20-30% of Egypt's tourist arrivals. See, "Russian Tourist Numbers set to recover slowly," *Economist Intelligence Unit*, May 4, 2018.

dispute in 2016 over Russian wheat imports. Egypt is the largest global importer of wheat, and the largest export market for Russian wheat.

Figure 7. Growing Russian and French Arms Sales to Egypt



Source: Stratfor.

France

Aside from Russia, France stands out as a non-U.S. country with which President Sisi has sought to build a diplomatic and military procurement relationship. In the last five years, as French-Egyptian ties have improved, Egypt has purchased major air and naval defense systems from French defense contractors, including the following:

- Four Gowind Corvettes (produced by Naval Group)—This deal was signed in July 2014. As part of the French-Egyptian arrangement, some of the Corvette construction has taken place at the Alexandria Shipyard in Egypt.[63]
- One FREMM multi-mission Frigate (produced by Naval Group)—Named the *Tahya Misr* (Long Live Egypt), this vessel was delivered to Egypt in 2015. This

[63] In the fall of 2018, it was reported that the German manufacturer ThyssenKrupp Marine Systems is competing with the French company Naval Group for a possible new Egyptian Navy purchase of corvettes.

ship has participated in an annual joint French-Egyptian naval exercise, known as Cleopatra.

- In February 2015, Egypt purchased 24 Rafale multirole fighters (produced by Dassault Aviation). Under the initial agreement, Egypt and France may enter into a new procurement agreement for 12 additional Rafale fighters. According to the manufacturer, the Rafale has flown in combat in Afghanistan, Libya, Mali, Iraq, and Syria and is used by Egypt, Qatar, and India.[64] In 2018, French officials said that the United States would not permit France to export the SCALP air-launched land-attack cruise missile used on the Rafale to Egypt under the International Trade in Arms Regulation (ITAR) agreement.[65] The United States may have been concerned over the transfer of sensitive technology to Egypt.
- Two Mistral-class Helicopter Carriers (produced by Naval Group)—In the fall of 2015, France announced that it would sell Egypt two Mistral-class Landing Helicopter Dock (LHD) vessels (each carrier can carry 16 helicopters, 4 landing craft, and 13 tanks) for $1 billion. The LHDs (ENS *Anwar El Sadat* and ENS *Gamal Abdel Nasser*) were delivered in 2016. In 2017, Egypt announced that it would purchase Russian 46 Ka-52 Alligator helicopters, which can operate on the LHDs.

In January 2019, French President Emmanuel Macron paid a three-day visit to Egypt, where he raised human rights issues in public and with Egyptian authorities and civil society representatives. According to Macron, "I can't see how you can pretend to ensure long-term stability in this country, which was at the heart of the Arab Spring and showed its taste for freedom, and think you can continue to harden beyond what's acceptable or justified for security reasons."[66]

Figure 8. French President Visits Egypt

Source: Egypt State Information Service.

[64] See https://www.dassault-aviation.com/en/defense/rafale/.

[65] "France could replace US Parts in SCALP missile to Circumvent ITAR Restrictions for Egypt, but at some Delay," *Jane's Defence Weekly*, August 2, 2018.

[66] "Egypt's Rights Record seen as Worse than under Mubarak: Macron," *Reuters*, January 27, 2019.

Trump Administration Policy toward Egypt

President Trump has praised the Egyptian government's counterterrorism efforts while his Administration has worked to restore high-level diplomatic engagement,[67] joint military exercises,[68] and arms sales.[69] Many commentators initially expected President Trump to bring the United States and Egypt closer together, and that largely has been the case. The Administration has withheld some foreign assistance for policy reasons on at least one occasion, however,[70] and the United States has not had an ambassador in Cairo since June 30, 2017.

As evidence of improved bilateral ties, the U.S. Defense Department notified Congress in November 2018 of a major $1 billion sale of defense equipment to Egypt, consisting of 10 AH-64E Apache Attack Helicopters, among other things.[71] The Egyptian Air Force already possesses 45 less advanced versions of the Apache that were acquired between 2000 and 2014.[72] In January 2019, U.S. Secretary of State Michael Pompeo delivered a major policy speech at the American University in Cairo, where he stated: "And as we seek an even stronger partnership with Egypt, we encourage President Sisi to unleash the creative energy of Egypt's people, unfetter the economy, and promote a free and open exchange of ideas. The progress made to date can continue."[73]

U.S. officials have not yet publicly criticized efforts by supporters of President Sisi to advance amendments to the constitution (see above) to extend the possibility of Sisi's continued presidency. Human rights advocates have called for Western governments to withhold assistance to Egypt if the amendments are approved. According to *Human Rights Watch*, "Al-Sisi's government is encouraged by the continued silence of its allies, and if the US, UK, and France want to avoid the destabilizing consequences of entrenching authoritarian rule in Egypt, they should act now."[74] On February 22, 2019, a bipartisan group of national security experts called on U.S. officials to "express strong concern about the amendments to the Egyptian constitution now moving through a rapid approval process."[75]

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[67] White House, Remarks by President Trump and President Al-Sisi of the Arab Republic of Egypt Before Bilateral Meeting, September 24, 2018.

[68] In August 2018, the United States participated in Operation Bright Star 18, a multinational military exercise held in Egypt. See, U.S. Central Command, U.S. participates in Exercise Bright Star in Egypt, Release No: 18-081, Aug. 30, 2018.

[69] In September 2018, the Defense Security Cooperation Agency (DSCA) notified Congress of a possible foreign military sale to Egypt for as much as $99 million for practice tank rounds provided by General Dynamics Ordnance and Tactical Systems. See, http://www.dsca.mil/major-arms-sales/egypt-120mm-tank-rounds.

[70] With the exception of years in which Congress enacted across-the-board budgetary rescissions, Egypt had received $1.3 billion in FMF a year since 1987. For FY2017, the Trump Administration reduced FMF aid to Egypt by $65.7 million, citing "Egyptian inaction on a number of critical requests by the United States, including Egypt's ongoing relationship with the Democratic People's Republic of Korea, lack of progress on the 2013 convictions of U.S. and Egyptian nongovernmental organization (NGO) workers, and the enactment of a restrictive NGO law that will likely complicate ongoing and future U.S. assistance to the country." Congressional Notification Transmittal Sheet, Mary K. Waters, Assistant Secretary of Legislative Affairs, January 23, 2018.

[71] See, DSCA Transmittal Number 17-43 and 18-47, November 27, 2018.

[72] "AH-64E Apaches approved for Egypt," *Jane's Defence Weekly*, November 30, 2018.

[73] op. cit., U.S. Department of State, January 10, 2019.

[74] "Egypt: A Move to Enhance Authoritarian Rule," *Human Rights Watch*, February 12, 2019.

[75] The Working Group on Egypt's Letter to Secretary of State Pompeo and Assistant to the President for National Security Affairs John Bolton, February 22, 2019.

Egypt's poor record on human rights and democratization has sparked regular criticism from U.S. officials and some Members of Congress. Since FY2012, Members have passed appropriations legislation that withholds the obligation of FMF to Egypt until the Secretary of State certifies that Egypt is taking various steps toward supporting democracy and human rights. With the exception of FY2014, lawmakers have included a national security waiver to allow the Administration to waive these congressionally mandated certification requirements under certain conditions.

Over the last year, the Administration has obligated several tranches of FMF to Egypt, including the following:

- In September 2018, the Administration obligated $1 billion in FY2018 FMF. Per Section 7041(a)(3)(A) of P.L. 115-141, the Consolidated Appropriations Act, FY2018, $300 million in FMF remains withheld from obligation until the Secretary of State certifies that Egypt is taking various steps toward supporting democracy and human rights. In previous acts, the amount withheld had been $195 million. FY2018 FMF for Egypt remains available to be expended until September 30, 2019.
- In August 2018, the Administration waived the certification requirement in Section 7041(a)(3)(B) of P.L. 115-31, the Consolidated Appropriations Act, FY2017, allowing for the obligation of $195 million in FY2017 FMF, which occurred in September 2018. However, according to one report, Senator Patrick Leahy has placed a hold on $105 million in FY2017 FMF and is seeking more information on the plight of detained Egyptian-American Moustafa Kassem.[76]
- In January 2018, the Administration notified Congress of its intent to obligate $1.039 billion in FY2017 FMF out of a total of $1.3 billion appropriated for FY2017. It chose not to obligate $65.7 million in FY2017 FMF. The remaining $195 million had been withheld until a national security waiver was issued in August 2018 (see above).

For FY2019, the President requested a total of $1.381 billion in foreign assistance for Egypt, the same amount requested for the previous year. Nearly all of the requested funds for Egypt are for the FMF account. For FY2020, the request is nearly identical from previous years, as the President is seeking a total of $1.382 billion in bilateral assistance for Egypt.

The FY2019 Omnibus (P.L. 116-6) provides the following for Egypt:

- a total of **$1.419** billion in bilateral U.S. foreign assistance for Egypt, of which $1.3 billion is in FMF, $112.5 million in ESF, $3 million in NADR, $2 million in INCLE, and $1.8 million in IMET; and
- a reauthorization of ESF to support future loan guarantees to Egypt;

P.L. 116-6 sets the following conditions for Egypt:

- As in previous years, it requires that funds may only be made available when the Secretary of State certifies that the government of Egypt is sustaining the strategic relationship with the United States and meeting its obligations under the 1979 Egypt-Israel Peace Treaty.
- As in previous years, the act withholds ESF that "the Secretary determines to be equivalent to that expended by the United States Government for bail, and by nongovernmental organizations for legal and court fees, associated with

[76] "After Brunson, Congress demands Egypt release US Prisoner," *Al Monitor*, October 17, 2018.

democracy-related trials in Egypt until the Secretary certifies and reports to the Committees on Appropriations that the Government of Egypt has dismissed the convictions issued by the Cairo Criminal Court on June 4, 2013, in Public Prosecution Case No. 1110 for the Year 2012 **and has not subjected the defendants to further prosecution or if convicted they have been granted full pardons**." This last condition (bolded) was added in 2019 to account for the acquittal of the 43 foreign defendants in Case 173 (see above).

- As in previous years, the FY2019 Omnibus also includes a limitation on ESF, stating that no FY2018 ESF or prior-year ESF "may be made available for a contribution, voluntary or otherwise, to the Civil Associations and Foundations Support Fund, or any similar fund, established pursuant to Law 70 on Associations and Other Foundations Working in the Field of Civil Work [informally known as the NGO law]."
- As in previous years, the act also includes a provision that withholds $300 million of FMF funds until the Secretary of State certifies that the Government of Egypt is taking effective steps to advance, among other things, democracy and human rights in Egypt.[77] The Secretary of State may waive this certification requirement, though any waiver must be accompanied by, among other things, an assessment of the Government of Egypt's compliance with United Nations Security Council Resolution 2270 and other such resolutions regarding North Korea. There has been some concern in the Administration and Congress over Egypt's alleged weapons procurement from North Korea in recent years.

P.L. 115-245, the Department of Defense (DOD) and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019, specifies that the Secretary of Defense may provide Egypt with funds from the Counter-ISIS Train and Equip Fund (CTEF) to enhance its border security. To date, Egypt has not received security assistance from DOD-managed accounts.

Table 1. U.S. Bilateral Aid to Egypt: FY2014-FY2019

current dollars in millions

Account	FY2014	FY2015	FY2016	FY2017	FY2018 est.	FY2019
FMF	$1,300.000	$1,300.000	$1,300.000	$1,234.300	$1,300.000	$1,300.000
ESF	$200.000	$36.462	$112.250	$112.500	$106.869	$112.500
INCLE	$3.000	$1.000	$2.000	$2.000	$2.000	$2.000
NADR	-	$3.100	$2.500	$3.00	$3.00	$3.000
IMET	-	$1.700	$1.800	$1.739	$1.800	$1.800
Total	**$1,503.000**	**$1,342.260**	**$1,418.550**	**$1,353.539**	**$1,413.669**	**$1,419.300**

Source: U.S. State Department

Notes: In 2016, the Obama Administration notified Congress that it was reprogramming $108 million of ESF that had been appropriated for Egypt in FY2015 but remained unobligated for other purposes. In 2017, the Trump Administration also reprogrammed approximately $37 million in FY2016 ESF for Egypt to support, among

[77] The $300 million FMF withholding pending certification is an increase from prior years. In the FY2017 Omnibus, appropriators withheld 15% of FMF ($195 million) pending certification. The FMF certification requirement for Egypt in P.L. 115-31 does not apply to funds appropriated for counterterrorism, border security, and nonproliferation programs for Egypt.

other things, water programs in the West Bank. Funding levels in this table include both enduring (base) and Overseas Contingency Operation (OCO) funds.

Appendix. Background on U.S. Foreign Assistance to Egypt

Overview

Between 1946 and 2016, the United States provided Egypt with $78.3 billion in bilateral foreign aid (calculated in historical dollars—not adjusted for inflation).[78] The 1979 Peace Treaty between Israel and Egypt ushered in the current era of U.S. financial support for peace between Israel and its Arab neighbors. In two separate memoranda accompanying the treaty, the United States outlined commitments to Israel and Egypt, respectively. In its letter to Israel, the Carter Administration pledged to "endeavor to take into account and will endeavor to be responsive to military and economic assistance requirements of Israel." In his letter to Egypt, former U.S. Secretary of Defense Harold Brown wrote the following:

> In the context of the peace treaty between Egypt and Israel, the United States is prepared to enter into an expanded security relationship with Egypt with regard to the sales of military equipment and services and the financing of, at least a portion of those sales, subject to such Congressional review and approvals as may be required.[79]

All U.S. foreign aid to Egypt (or any foreign recipient) is *appropriated and authorized by Congress*. The 1979 Egypt-Israel Peace Treaty is a bilateral peace agreement between Egypt and Israel, and the United States is not a legal party to the treaty. The treaty itself does not include any U.S. aid obligations, and any assistance commitments to Israel and Egypt that could be potentially construed in conjunction with the treaty were through ancillary documents or other communications and were—by their terms—subject to congressional approval (see above). However, as the peace broker between Israel and Egypt, the United States has traditionally provided foreign aid to both countries to ensure a regional balance of power and sustain security cooperation with both countries.

In some cases, an Administration may sign a bilateral "Memorandum of Understanding" (MOU) with a foreign country pledging a specific amount of foreign aid to be provided over a selected time period subject to the approval of Congress. In the Middle East, the United States has signed foreign assistance MOUs with Israel and Jordan. Currently, there is no U.S.-Egyptian MOU specifying a specific amount of total U.S. aid pledged to Egypt over a certain time period.[80]

Congress typically specifies a precise allocation of most foreign assistance for Egypt in the foreign operations appropriations bill. Egypt receives the bulk of foreign aid funds from three primary accounts: Foreign Military Financing (FMF), Economic Support Funds (ESF), and

[78] U.S. Overseas Loans and Grants, Obligations and Loan Authorizations, July 1, 1945-September 30, 2016.

[79] See Letter From the Secretary of Defense (Brown) to-the Egyptian Minister of Defense and War Production (Ali), March 23, 1979, "United States Sales of Military Equipment and Services to Egypt." Ultimately, the United States provided a total of $7.3 billion to both parties in 1979. The Special International Security Assistance Act of 1979 (P.L. 96-35) provided both military and economic grants to Israel and Egypt at a ratio of 3 to 2, respectively, though this ratio was not enshrined in the treaty as Egypt would later claim.

[80] In July 2007, the George W. Bush Administration had announced, as a part of a larger arms package to the region, that it would begin discussions with Egypt on a proposed $13 billion military aid agreement over a 10-year period. Since Egypt was already receiving approximately $1.3 billion a year in military assistance, the announcement represented no major change in U.S. aid policy toward Egypt. Since then, no such bilateral MOU on U.S. military aid to Egypt has been reached by the Bush, Obama, or Trump Administrations with the Egyptian government.

International Military Education and Training (IMET).[81] The United States offers IMET training to Egyptian officers in order to facilitate U.S.-Egyptian military cooperation over the long term.

Military Aid and Arms Sales

Overview

Since the 1979 Israeli-Egyptian Peace Treaty, the United States has provided Egypt with large amounts of military assistance. U.S. policymakers have routinely justified this aid to Egypt as an investment in regional stability, built primarily on long-running military cooperation and sustaining the treaty—principles that are supposed to be mutually reinforcing. Egypt has used U.S. military aid through the FMF to (among other things) purchase major U.S. defense systems, such as the F-16 fighter aircraft, the M1A1 Abrams battle tank, and the AH-64 Apache attack helicopter.

Frequently Asked Question: Is U.S. Military Aid Provided to Egypt as a Cash Transfer?

No. All U.S. military aid to Egypt finances the procurement of weapons systems and services *from U.S. defense contractors*.[82] The United States provides military assistance to U.S. partners and allies to help them acquire U.S. military equipment and training. Egypt is one of the main recipients of FMF, a program with a corresponding appropriations account administered by the Department of State but implemented by the Department of Defense. FMF is a grant program that enables governments to receive equipment and associated training from the U.S. government or to access equipment directly through U.S. commercial channels.

Most countries receiving FMF generally purchase goods and services through government-to-government contracts, also known as Foreign Military Sales (FMS). According to the Government Accountability Office, "under this procurement channel, the U.S. government buys the desired item on behalf of the foreign country (Egypt), generally employing the same criteria as if the item were being procured for the U.S. military." The vast majority of what Egypt purchases from the United States is conducted through the FMS program funded by FMF. Egypt uses few of its own national funds for U.S. military equipment purchases.

Under Section 36(b) of the Arms Export Control Act (AECA), Congress must be formally notified 30 calendar days before the Administration can take the final steps of a government-to-government foreign military sale of major U.S.-origin defense equipment valued at $14 million or more, defense articles or services valued at $50 million or more, or design and construction services valued at $200 million or more. In practice prenotifications to congressional committees of jurisdiction occur, and proposed arms sales generally do not proceed to the public official notification stage until issues of potential concern to key committees have been resolved.

Realigning Military Aid from Conventional to Counterterrorism Equipment

For decades, FMF grants have supported Egypt's purchases of large-scale conventional military equipment from U.S. suppliers. However, as mentioned above, the Obama Administration announced that future FMF grants may only be used to purchase equipment specifically for

[81] Egypt also receives, though not consistently, relatively small sums from the Nonproliferation, Antiterrorism, Demining, and Related Programs (NADR) account and the International Narcotics Control and Law Enforcement (INCLE) account. NADR funds support counterterrorism training through the Antiterrorism Assistance Program. INCLE funds support police training and respect for human rights in law enforcement. The Administration typically requests these funds, but they are not usually specifically earmarked for Egypt (or for most other countries) in legislation. After the passage of a foreign operations appropriations bill, federal agencies such as the State Department and the U.S. Agency for International Development (USAID) allocate funds to Egypt from these aid accounts. They then submit a country allocation report (653a Report) to Congress for review.

[82] For the relevant legal authorities, see §604 of the Foreign Assistance Act as amended (22 U.S.C. 2354) and §503 of the Foreign Assistance Act as amended (22 U.S.C. 2311).

"counterterrorism, border security, Sinai security, and maritime security" (and for sustainment of weapons systems already in Egypt's arsenal).[83]

It is not yet clear how the Trump Administration will determine which U.S.-supplied military equipment would help the Egyptian military counter terrorism and secure its land and maritime borders. Overall, some defense experts continue to view the Egyptian military as inadequately prepared, both doctrinally and tactically, to face the threat posed by terrorist/insurgent groups such as Sinai Province. According to a former U.S. National Security Council official, "they [the Egyptian military] understand they have got a problem in Sinai, but they have been unprepared to invest in the capabilities to deal with it."[84] To reorient the military toward unconventional warfare, the Egyptian military needs, according to one assessment, "heavy investment into rapid reaction forces equipped with sophisticated infantry weapons, optics and communication gear ... backed by enhanced intelligence, surveillance and reconnaissance platforms. In order to transport them, Egypt would also need numerous modern aviation assets."[85]

Special Military Assistance Benefits for Egypt

In addition to substantial amounts of annual U.S. military assistance, Egypt has benefited from certain aid provisions that have been available to only a few other countries. For example

- **Early Disbursal and Interest-Bearing Account**: Between FY2001 and FY2011, Congress granted Egypt early disbursement of FMF funds (within 30 days of the enactment of appropriations legislation) to an interest-bearing account at the Federal Reserve Bank of New York.[86] Interest accrued from the rapid disbursement of aid has allowed Egypt to receive additional funding for the purchase of U.S.-origin equipment. In FY2012, Congress began to condition the obligation of FMF, requiring the Administration to certify certain conditions had

[83] According to a 2015 GAO report on U.S. assistance to Egypt, DSCA "led a review of Egypt's FMF program to align current purchases with shared security interests and to make recommendations on whether to continue to support specific systems through FMF. As part of this review, DSCA identified some systems that did not directly align with shared security interests. These included some older, outdated, or third-party produced systems, such as Chinese-built submarines and Russian-made surface-to-air missiles, as well as U.S.-manufactured Gulfstream VIP aircraft and M1A1 tank kits. DSCA recommended continuing support for 18 of these systems totaling $6.5 billion, but identified 15 of these systems totaling $777 million that should be transitioned from FMF funds to Egyptian government funds or ended." See GAO-15-259, "EGYPT U.S. Government Should Examine Options for Using Unobligated Funds and Evaluating Security Assistance Programs," February 2015.

[84] "In Egypt, Furious Retaliation but Failing Strategy in Sinai," *New York Times,* November 25, 2017.

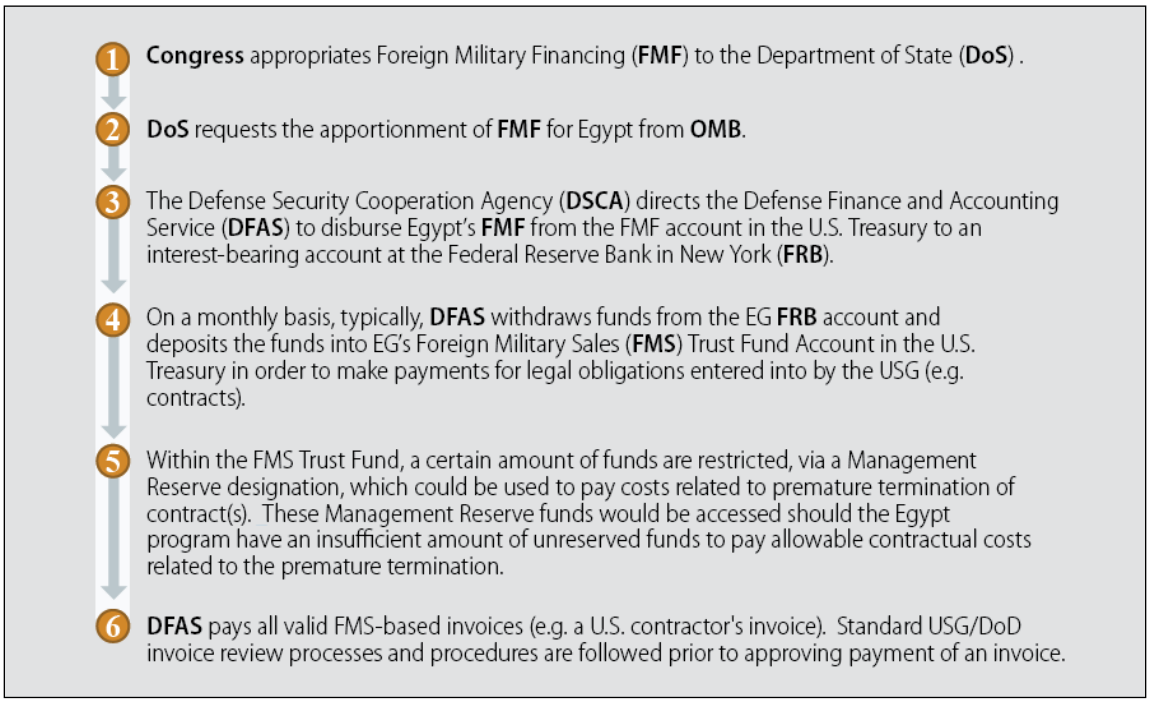
[85] "Egypt's Conventional Military Thinking," *Stratfor*, June 12, 2015.

[86] By law, Egypt and Israel are permitted to earn interest on congressionally appropriated Foreign Military Financing (FMF). During the late 1990s, the Clinton Administration (especially the U.S. Defense Department) and the Egyptian government sought to increase U.S. military aid to Egypt. One proposal had been to grant Egypt a benefit already enjoyed by Israel—the use of an interest-bearing account in which unspent FMF funds can accumulate interest to be used for future purchases. During Senate consideration of legislation to provide Egypt access to an interest-bearing account, Sen. Mitch McConnell remarked that "In the State Department briefing justifying the request, U.S. officials urged our support because of Mubarak's need to address the requirements of 'his key constituents, the military.' Frankly, I think Mr. Mubarak needs to worry less about satisfying the military and spend more time and effort shoring up democratic institutions and civic society." See Congressional Record-Senate, S5508, June 21, 2000. In October 2000, Congress passed P.L. 106-280, the Security Assistance Act of 2000, which authorized FY2001 FMF funds for Egypt to be disbursed to an interest-bearing account in the Federal Reserve Bank of New York. The law required that none of the interest accrued by such account should be obligated unless first notified to relevant congressional appropriations and oversight committees. In November 2000, Congress passed P.L. 106-429, the FY2001 Foreign Operations Appropriations Act, which included an interest-bearing account for Egypt in appropriations legislation. Since then, this provision has remained in annual appropriations legislation, most recently in P.L. 114-113, the Consolidated Appropriations Act, 2016.

been met before releasing FMF funds, thereby eliminating their automatic early disbursal. However, Congress has permitted Egypt to continue to earn interest on FMF funds already deposited in the Federal Reserve Bank of New York.

- **The Excess Defense Articles (EDA) program** provides one means by which the United States can advance foreign policy objectives—assisting friendly and allied nations through provision of equipment in excess of the requirements of its own defense forces. The Defense Security Cooperation Agency (DSCA) manages the EDA program, which enables the United States to reduce its inventory of outdated equipment by providing friendly countries with necessary supplies at either reduced rates or no charge. As a designated "major non-NATO ally," Egypt is eligible to receive EDA under Section 516 of the Foreign Assistance Act and Section 23(a) of the Arms Export Control Act.

Figure A-1. The Military Aid "Pipeline"



Source: Information from Defense Security Cooperation Agency. Graphic created by CRS.

Economic Aid

Overview

Over the past two decades, U.S. economic aid to Egypt has been reduced by over 90%, from $833 million in FY1998 to a request of $75 million for FY2019. Beginning in the mid to late 1990s, as Egypt moved from an impoverished country to a lower-middle-income economy, the United States and Egypt began to rethink the assistance relationship, emphasizing "trade not aid." Congress began to scale back economic aid both to Egypt and Israel due to a 10-year agreement reached between the United States and Israel in the late 1990s known as the "Glide Path

Agreement," which gradually reduced U.S. economic aid to Egypt to $400 million by 2008.[87] U.S. economic aid to Egypt stood at $200 million per year by the end of the George W. Bush Administration, whose relations with then-President Hosni Mubarak suffered over the latter's reaction to the Administration's democracy agenda in the Arab world.[88]

During the final years of the Obama Administration, distrust of U.S. democracy promotion assistance led the Egyptian government to obstruct many U.S.-funded economic assistance programs.[89] According to the Government Accountability Office (GAO), the Department of State and the U.S. Agency for International Development (USAID) reported hundreds of millions of dollars ($460 million as of 2015) in unobligated prior year ESF funding.[90] As these unobligated balances grew, it created pressure on the Obama Administration to reobligate ESF funds for other purposes. In 2016, the Obama Administration notified Congress that it was reprogramming $108 million of ESF that had been appropriated for Egypt in FY2015 but remained unobligated for other purposes. The Administration claimed that its actions were due to "continued government of Egypt process delays that have impeded the effective implementation of several programs."[91] In 2017, the Trump Administration also reprogrammed FY2016 ESF for Egypt.

U.S. economic aid to Egypt is divided into two components: (1) USAID-managed programs (public health, education, economic development, democracy and governance); and (2) the U.S.-Egyptian Enterprise Fund. Both are funded primarily through the Economic Support Fund (ESF) appropriations account.

[87] In January 1998, Israeli officials, sensing that their economic growth had obviated the need for that type of U.S. aid at a time when Congress sought to reduce foreign assistance expenditures, negotiated with the United States to reduce economic aid and increase military aid over a 10-year period. A 3:2 ratio that long prevailed in the overall levels of U.S. aid to Israel and Egypt was applied to the reduction in economic aid ($60 million reduction for Israel and $40 million reduction for Egypt), but Egypt did not receive an increase in military assistance. Thus, Congress reduced ESF aid to Egypt from $815 million in FY1998 to $411 million in FY2008.

[88] The George W. Bush Administration requested that Congress cut ESF aid by half in FY2009 to $200 million. Congress appropriated the President's request.

[89] House Foreign Affairs Committee, hearing entitled, "Egypt: Challenges and Opportunities for U.S. Policy," Prepared Statement by Amy Hawthorne, Project on Middle East Democracy, June 15, 2016.

[90] EGYPT: U.S. Government Should Examine Options for Using Unobligated Funds and Evaluating Security Assistance Programs, GAO-15-259: Published: February 11, 2015. Publicly Released: March 12, 2015.

[91] "US shifts Egypt aid to other countries," *Al Monitor*, October 16, 2016.

Table A-1. U.S. Foreign Assistance to Egypt: 1946-2019

$'s in millions (calculated in historical dollars—not adjusted for inflation)

Year	Military	Economic	Annual Total
1946	n/a	$9,600,000	$9,600,000
1948	n/a	$1,400,000	$1,400,000
1951	n/a	$100,000	$100,000
1952	n/a	$1,200,000	$1,200,000
1953	n/a	$12,900,000	$12,900,000
1954	n/a	$4,000,000	$4,000,000
1955	n/a	$66,300,000	$66,300,000
1956	n/a	$33,300,000	$33,300,000
1957	n/a	$1,000,000	$1,000,000
1958	n/a	$601,000	$601,000
1959	n/a	$44,800,000	$44,800,000
1960	n/a	$65,900,000	$65,900,000
1961	n/a	$73,500,000	$73,500,000
1962	n/a	$200,500,000	$200,500,000
1963	n/a	$146,700,000	$146,700,000
1964	n/a	$95,500,000	$95,500,000
1965	n/a	$97,600,000	$97,600,000
1966	n/a	$27,600,000	$27,600,000
1967	n/a	$12,600,000	$12,600,000
1972	n/a	$1,500,000	$1,500,000
1973	n/a	$800,000	$800,000
1974	n/a	$21,300,000	$21,300,000
1975	n/a	$370,100,000	$370,100,000
1976	n/a	$464,300,000	$464,300,000
1976tq	*n/a*	*$552,501,000*	*$552,501,000*
1977	n/a	$907,752,000	$907,752,000
1978	$183,000	$943,029,000	$943,212,000
1979	$1,500,379,000	$1,088,095,000	$2,588,474,000
1980	$848,000	$1,166,423,000	$1,167,271,000
1981	$550,720,000	$1,130,449,000	$1,681,169,000
1982	$902,315,000	$1,064,936,000	$1,967,251,000
1983	$1,326,778,000	$1,005,064,000	$2,331,842,000
1984	$1,366,458,000	$1,104,137,000	$2,470,595,000
1985	$1,176,398,000	$1,292,008,000	$2,468,406,000
1986	$1,245,741,000	$1,293,293,000	$2,539,034,000

Year	Military	Economic	Annual Total
1987	$1,301,696,000	$1,015,179,000	$2,316,875,000
1988	$1,301,477,000	$873,446,000	$2,174,923,000
1989	$1,301,484,000	$968,187,000	$2,269,671,000
1990	$1,295,919,000	$1,093,358,000	$2,389,277,000
1991	$1,301,798,000	$998,011,000	$2,299,809,000
1992	$1,301,518,000	$933,320,000	$2,234,838,000
1993	$1,302,299,892	$753,532,569	$2,055,832,461
1994	$1,329,014,520	$615,278,400	$1,944,292,920
1995	$1,342,039,999	$975,881,584	$2,317,921,583
1996	$1,373,872,023	$824,526,772	$2,198,398,795
1997	$1,304,889,154	$811,229,175	$2,116,118,329
1998	$1,303,343,750	$833,244,554	$2,136,588,304
1999	$1,351,905,310	$862,062,972	$2,213,968,282
2000	$1,333,685,882	$742,458,662	$2,076,144,544
2001	$1,299,709,358	$393,734,896	$1,693,444,254
2002	$1,301,367,000	$1,046,193,773	$2,347,560,773
2003	$1,304,073,715	$646,856,657	$1,950,930,372
2004	$1,318,119,661	$720,241,711	$2,038,361,372
2005	$1,294,700,384	$495,849,549	$1,790,549,933
2006	$1,301,512,728	$351,242,865	$1,652,755,593
2007	$1,305,235,109	$737,348,766	$2,042,583,875
2008	$1,294,902,533	$314,498,953	$1,609,401,486
2009	$1,301,332,000	$688,533,320	$1,989,865,320
2010	$1,301,900,000	$301,154,735	$1,603,054,735
2011	$1,298,779,449	$240,529,294	$1,539,308,743
2012	$1,302,233,562	$90,260,725	$1,392,494,287
2013	$1,239,659,511	$330,576,763	$1,570,236,274
2014	$1,303,000.000	$200,000.000	$1,503,000.000
2015	$1,345,091,943	$222,673,006	$1,567,764,949
2016	$1,105,882,379	$133,408,861	$1,239,291,240
2017	$1,241,039.000	$112,500.000	$1,353,539.000
2018	$1,306,800.000	$106,869.000	$1,413,669.000
2019	$1,306,800.000	$112.500,000	$1,419,300.000
Totals	**$50,986,900.898**	**$32,845,476.526**	**$83,832,377.424**

Source: U.S. Overseas Loans and Grants, Obligations and Loan Authorizations, July 1, 1945-September 30, 2016, and Congressional Budget Justifications (FY2018-FY2020)

Notes: This chart does not account for the repurposing of assistance funds which had been previously obligated for Egypt.

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