



EGYPT

Southern Neighbourhood

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EU-EGYPT PARTNERSHIP PRIORITIES



Sustainable Modern
Economy and Social
Development



Partnering in
Foreign Policy



Enhancing Stability



TRADE & INVESTMENT

The EU is Egypt's biggest trading partner, representing **27% of the country's total trade**, and the biggest foreign investor in Egypt with almost €22 billion in foreign direct investments in 2022. Total trade in goods between the EU and Egypt has almost quadrupled since the Free Trade Agreement entered into force in 2004, growing from less than €9 billion in 2002 to more than €37 billion for the period 2021-2027.



MOBILITY

Under the Erasmus+ programme, **4,489** Egyptian students, professors and university staff travelled to Europe and **2,230** European counterparts travelled to Egypt between 2015 and 2022.



EU FUNDING

- The **Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI)** is the main instrument for EU cooperation with external partners, including Egypt for the period 2021-2027.
- The EU bilateral allocation (grants) to Egypt for 2021-2023 amounts to **€206 million**. NDICI funds are channelled to support:
 - green and sustainable development;
 - human development, economic resilience and prosperity building through green and digital transition; and
 - social cohesion, and the development of a modern and democratic state.
- In addition, and to mitigate the impact of Russia's war in Ukraine on food security in the southern Neighbourhood, the European Commission created a "Food and Resilience Facility" from which Egypt received **€100 million** to expand grain storage capacity and production.
- Projects ongoing under the **EU Emergency Trust Fund for Africa (EUTF Africa)** amount to **€91 million** to enhance the response to migration (€60 million of bilateral funds, the rest coming from regional programmes supporting security, labour mobility, asylum, children and family refugees).
- Under the NDICI instrument, the EU has allocated around **€181 million** for migration related bilateral and regional programmes in the areas of protection, asylum, border management and voluntary returns from 2021 to 2023. This includes support provided to Egypt in the context of the Sudan crisis..
- Under NDICI, the allocation for **human rights and democracy** for Egypt amounts to almost €10 million for the period 2021-2024.
- In the area of **research and innovation**, by 2023 Egypt will have participated in 59 Horizon 2020 projects and 69 Partnership for Research and Innovation in the Mediterranean Area (PRIMA) projects.





ECONOMIC AND INVESTMENT PLAN



In the framework of the Economic and Investment Plan, **€5.8 billion** has already been mobilised since 2021 in cooperation with international financial institutions to support agriculture and food security, digital infrastructure, green transition, public transport and waste water treatment sectors and support to SMEs. This includes €343 million in grants from the EU budget made available to date.

Projects supported by the EIP include:

MEDUSA digital connectivity project for North Africa

Estimated project cost: €342 million. EU grant contribution: €40 million. EIB: up to €100 million.

With a length of 7,100 km, Medusa will be the longest submarine fibre optic cable connecting the two shores of the Mediterranean Sea. The EU contribution will result in a significant upgrade in the interconnectivity of research and education centres in the North African countries, with each other and with EU peer organisations, fostering exchange of information and scientific contributions. This will stimulate innovation and research in the region.

Flagship 7: Digital transformation, research and innovation

Support to the Helwan Wastewater Treatment Plant

Estimated project cost: €288 million. EU grant contribution : €26 million. EIB: €166 million.

The project will increase wastewater treatment capacity and coverage in Cairo and reduce wastewater related pollution, thus contributing to sustainable growth.

Flagship 11: Resource efficiency

Expansion of the Gabal Asfar Wastewater Treatment Plant

Estimated total cost of the project: €510,5 million with the contribution of AFD and AfDB. EU grant contribution: €10,4 million.

The project will contribute to the improvement of Egypt's wastewater treatment services in the largest treatment plant in Cairo (and the largest of its kind in the Middle East and Africa).

Flagship 11: Resource efficiency

Nexus Water, Food and Energy initiative

EU grant contribution: €35 million. EIB: €1 billion

The Nexus Water, Food and Energy initiative was launched at COP27 last year to implement Egypt's climate strategy. The EU will support the Energy pillar, to foster Egypt's energy transition, whilst EiB will address the food, agriculture and water related aspects of this initiative.

Flagship 10: Energy transition and energy security



EU-EGYPT STRATEGIC AND COMPREHENSIVE PARTNERSHIP

In March 2024, the EU and Egypt signed a declaration on a Strategic and Comprehensive partnership, covering the following areas: political relations, macroeconomic stability, sustainable investment and trade, migration, security and human capital development. The EU financial package which underpins this partnership is worth **€7.4 billion for 2024-2027**.

KEY MILESTONES

JUNE 2001

Signature of the EU-Egypt Association Agreement

JULY 2004

The Association Agreement entered into force

JULY 2017

Adoption of the EU-Egypt Partnership Priorities for 2017-2020

JUNE 2022

Adoption of the EU-Egypt Partnership priorities for 2021-2027

JULY 2022

Adoption of the Multi-Annual Indicative Programme European Union – Egypt for 2021-2027

MARCH 2024

Signature of a declaration on an EU-Egypt Strategic and Comprehensive Partnership

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