



Embassy of Egypt
WASHINGTON, D C

FACT SHEET: EGYPT AND THE U.S. A STRATEGIC RELATIONSHIP

For decades, Egyptian-American relations have been grounded in a bilateral commitment to common goals that are vital for advancing peace, prosperity and stability in the Middle East.

Indeed, **Egypt has long been among the United States' most reliable and influential allies.** Egypt's regional leadership, skilled and educated population of 85 million and geo-strategic location at a critical global security and commerce crossroads render it an invaluable partner in advancing a broad range of common interests.

The two countries first established diplomatic relations in 1922, following Egypt's independence from protectorate status under the United Kingdom. And with the signing of the 1979 Egypt-Israel Peace Treaty, **Egypt and the United States established a special economic and military assistance relationship. Since then, Egypt and the U.S. have engaged in consistent collaborative efforts to expand commercial ties, increase foreign direct investment, ensure safe transit through the Suez Canal, modernize the Egyptian military and fight terrorism.** One indication of this unique bilateral relationship came in 2009 when President Obama chose Cairo University as the venue for his historic address to the Muslim world.

Egypt and the United States share a common understanding that implementing solutions to persistent challenges in the Middle East requires continuing and further strengthening cooperation between our nations.

A Common Vision:

Egypt and the United States share vital interests. Together we work closely on a range of issues, including achieving regional stability, combating terrorism, curbing the proliferation of weapons of mass destruction, participating in global peace keeping operations, expanding international trade and increasing regional economic integration and development.

A Strategic Ally:

Because of its regional influence and geographic location, Egypt is **America's key partner on shared goals of peace and stability throughout the Middle East, North Africa and beyond.** The two countries maintain close military-to-military relations, predicated on the shared view that a strong and modern Egyptian military contributes to regional stability. Egypt was a key American coalition partner during the 1991 Gulf War, comprising the second largest contingent of allied forces. The U.S.-Egypt relationship also has grown to include cooperation on counter-terrorism, the Israeli-Palestinian peace process, peacekeeping operations in Africa, deepening regional economic integration and other shared endeavors.

A Partner in Peace:

The 1979 Egypt-Israel Peace Treaty has been a crucial foundation for all subsequent efforts toward broader peace in the Middle East. **Continued U.S.-Egypt collaboration is integral to further progress on Israeli-Palestinian peace.** Notably, Israel's 2005 withdrawal from the Gaza Strip would have been impossible without Egypt agreeing to implement critical enhancements to border security and pledging to prevent weapon smuggling and illegal border crossings into Gaza. Elsewhere, **Egypt participates in 8 UN peacekeeping operations out of 15 operations worldwide, with a total of 2738 personnel.** Egypt is ranked the 11th among the international contributors to peace keeping operations key to maintaining international peace and security.

A Partner Against Terrorism :

Egypt is one of the **founders of the Global Counter Terrorism Forum, a multilateral counter terrorism (CT) platform that focuses on identifying critical civilian CT** needs, mobilizing the necessary expertise and resources to address such needs and enhance global cooperation. Egypt and the U.S. co-chair the working group on Criminal Justice and the Rule of Law. This joint leadership demonstrates the joint commitment to supporting rule-of-law based and human rights compliant approaches to combating and preventing terrorism.

A Trade and Investment Partner:

The **United States is Egypt's largest single trading partner, with volume reaching \$8.5 billion in 2012**, and Egypt broadens and deepens its trade and investment relationship with the United States each year. The United States also remains among the top 10 foreign direct investors in Egypt. The largest American Investor in Egypt, Houston –based Apache Corporation, has investments totaling over \$10 billion. Other prominent American companies—including Coca Cola, General Motors, Johnson & Johnson and Marriott, among others—consider Egypt a major regional business hub. Egypt and the United States also are partners in liberalizing trade relations, including the inclusion of Egypt as a beneficiary country under the U.S. Generalized System of Preferences (GSP) and the establishment of Qualifying Industrial Zones (QIZs), which allows duty-free entry to manufactured goods combining Egyptian and Israeli components from designated industrial areas. Further, Egypt and the United States finalized a Trade and Investment Framework Agreement (TIFA) in 1999.

Also, Egypt's investments in the United States have witnessed a significant boost in 2011, when the Egyptian Orascom Construction Industries (OCI) invested around \$1.8 billion to create the Iowa Fertilizer Company (IFC) making it the largest investment in the history of Iowa, creating 2500 employment opportunities.

Egypt – U.S. Relations Today

The international community, including the United States, has closely monitored events in Egypt over the past two years. Through two historic revolutions, the **United States has held firm in its support of the Egyptian people in their bid for an inclusive, democratic government**. As Egypt continues its difficult but unwavering commitment to a democratic future, its citizens look forward to sustained support from the United States. For its part, Egypt remains committed to a bilateral partnership, that is based on shared interests and mutual respect. Speaking in Cairo on November 3, 2013, U.S. Secretary of State John Kerry unequivocally stated the United States' intentions toward Egypt: **“The United States is a friend of the people of Egypt, of the country of Egypt, and we are a partner to your country. The United States wants Egypt to succeed and we want to contribute to your success.”**

Egypt – U.S. Relations Moving Forward

America's strategic partnership with Egypt encompasses a wide range of diplomatic, commercial, development and cultural initiatives that continue to grow and evolve:

- A blend of public and private sector collaboration allows **broad economic and social benefits for both countries**. For instance, last September the U.S. Government's development finance institution provided an insurance package for the Apache Corporation's \$11 billion investment in Egypt's oil and gas sector. This public-private collaboration enabled the largest U.S. investor in Egypt to continue to expand its operations in a growing foreign market.
- Both the U.S. Agency for International Development and the American Chamber of Commerce maintain a strong presence in Egypt, **helping to strengthen relations between the two countries' business communities and create incentives for entrepreneurs**.
- Additionally, **U.S. agencies and Egyptian ministries frequently partner on sectoral projects**, which include granting export access to the U.S. for Egypt's expanding fruit and vegetable markets and forging new ties between Egyptian and American institutions of higher learning.
- **Our nations also partner to preserve Egypt's rich cultural heritage**, such as the Egyptian Antiquities Conservation Project, a collaboration between USAID and Egypt's Supreme Council of Antiquities.
- Health and **medical cooperation remains a top priority, yielding nearly \$1 billion in U.S. investments in Egyptian health and wellness over the past three decades**. The U.S. has also been a critical partner in Egypt's renewed push for expanding polio vaccinations to prevent a return of the crippling disease.



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