



**Congressional
Research Service**

Informing the legislative debate since 1914

Egypt: Background and U.S. Relations

Updated February 25, 2026

Congressional Research Service

<https://crsreports.congress.gov>

RL33003



RL33003

February 25, 2026

Jeremy M. Sharp
Specialist in Middle
Eastern Affairs

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 opened in 1869 and is one of the world’s most critical maritime chokepoints, linking the Mediterranean and Red Seas. Its population of more than 108 million people makes Egypt by far the most populous Arabic-speaking country. Its majority Sunni Muslim population and institutions have transnational influence, and its large Coptic Christian minority is the Middle East region’s largest Christian population.

Egypt’s 1979 peace treaty with Israel stands as one of the most significant diplomatic achievements for the promotion of Arab-Israeli peace. During the war in Gaza, Egypt worked with U.S. officials to serve as a mediator between Israel and Hamas. Egypt was one of several nations which played a key role in mediating the October 2025 ceasefire between Israel and Hamas. In October 2025, Egypt hosted the Sharm el Sheikh Peace Summit, where President Trump, President Sisi, and other world leaders jointly signed a declaration endorsing the ceasefire.

In 2026, Egypt is experiencing a period of relative economic growth and revived regional relevancy as the Trump Administration looks to Egypt (and others) to help stabilize Gaza. After several years of economic disruption and a balance of payments crisis caused by both domestic policies and international events, Egypt’s debt crisis has eased due to outside economic support from international financial institutions and Arab Gulf states. The Egyptian economy, according to the International Monetary Fund (IMF), is now “showing signs of robust growth”

In addition to Gaza, the Egyptian government is facing other foreign policy challenges. Egypt has had to contend with a politically divided Libya on its western border and a civil war in Sudan on its southern border. Conflict in Sudan and tensions with Ethiopia implicate the Nile River, a core Egyptian national security interest. In addition to insecurity on Egypt’s land borders, earlier Houthi attacks in the Red Sea and against Israel from Yemen redirected commercial shipping away from the Suez Canal, depriving Egypt of hard currency revenues for several years.

Since 1946, the United States has provided Egypt with over \$90 billion in bilateral foreign aid (calculated in historical dollars—not adjusted for inflation), with military and economic assistance increasing significantly after 1979. Annual appropriations legislation includes several conditions governing the release of these funds. 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. military aid to Egypt finances the procurement of weapons systems and services from U.S. defense contractors.

P.L. 119-75, the Consolidated Appropriations Act, 2026, provides \$1.5 billion in total aid for Egypt, of which \$1.375 billion is for Foreign Military Financing grant aid, an amount \$75 million above what Egypt had been receiving as an FMF baseline for decades. The act also would withhold \$320 million in FMF from obligation unless the Secretary of State can make several human rights-related determinations, which are no longer delineated in the law’s text, but are now found in the Joint Explanatory Statement accompanying P.L. 119-75. The Secretary of State may waive the withholding provision if the Secretary determines that “such funds are necessary for counterterrorism, border security, or nonproliferation programs or that it is otherwise important to the national security interest of the United States to do so, including a detailed justification for the use of such waiver and the reasons why any of the requirements cannot be met.” For fiscal years 2020-2023, the Biden Administration and Congress reprogrammed or withheld a total of \$750 million in FMF originally designated for Egypt based on relevant provisions in appropriations law.

Contents

Overview	1
Historical Background.....	2
Issues for Congress.....	3
Iran	3
Israel and Gaza	4
The Nile River, Ethiopia and the War in Sudan	6
Democracy, Human Rights, and Religious Freedom	7
Coptic Christians.....	8
Terrorism in the Sinai, the Muslim Brotherhood, and U.S.-Egyptian Counter- Terrorism Cooperation	9
Egypt and China.....	11
U.S.-Egyptian Relations	11
U.S. Foreign Aid to Egypt.....	12
U.S.-Egyptian Trade & Investment.....	13

Figures

Figure 1. Map of Egypt	2
Figure 2. Suez Canal Transits by Year.....	3
Figure 3. President Trump at the Peace Summit in Egypt.....	4
Figure 4. European Monitors at the Rafah Crossing	6
Figure 5. The Nile River.....	7
Figure 6. U.S.-Egyptian Bilateral Trade: 2016-2025.....	14

Tables

Table 1. Democracy, Human Rights, and Development Indicators.....	8
Table 2. Recent Major Foreign Military Sales to Egypt Since October 7, 2023	13

Contacts

Author Information.....	14
-------------------------	----

Overview

In 2026, Egypt is experiencing a period of relative economic growth and revived regional relevancy as the Trump Administration looks to Egypt (and others) to help stabilize Gaza. After several years of economic disruption and a balance of payments crisis caused by both domestic policies and international events, Egypt's debt crisis has eased due to outside economic support from international financial institutions and Arab Gulf states. The Egyptian economy, according to the International Monetary Fund (IMF), is now "showing signs of robust growth"¹ with Gross Domestic Product (GDP) expected to grow 4.7% in 2026. Although today its government may play a smaller political or military role in the Arab world than it has in the past, Egypt may retain some "soft power" by virtue of its demographic weight, history, media, and culture. Cairo hosts both 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.

Regionally, Egypt is still surrounded by neighboring states/territories beset by internal strife, with the civil war in Sudan a particular cause of concern for Egyptian authorities. Some conflict along its land and sea borders has abated, but conditions in Libya and the Red Sea region remain tenuous. President Donald Trump's September 2025 20-point plan regarding Gaza's future and the ensuing October 2025 ceasefire between Israel and Hamas has presented the Egyptian government with an opportunity to play a key role in aiding new Gazan governance and security entities, such as the National Committee for the Administration of Gaza (NCAG), the Gazan Police Force, and the International Security Force (ISF). In the Red Sea, attacks by the Houthis in Yemen against commercial shipping have currently ceased and, while maritime traffic through the Suez Canal (a key source of revenue for the Egyptian government) has not returned to pre-October 2023 levels, it is slowly rebounding.²

Despite these trends, Egypt faces a number of internal and external challenges which will most likely keep it relegated to playing a more limited role in international affairs. At home, over the past five years, inflation, multiple currency depreciations, and spiraling budget deficits have all eroded the purchasing power of the average Egyptian consumer. As a result, the government will continue to grapple with how to expend scarce public resources while maintaining an economic system which depresses private sector investment in favor of military-owned industries.³ Egyptian President Abdel Fattah al Sisi, who is serving his third and constitutionally-proscribed final term (ends in 2030), originally hails from the military, which, since 1952, has largely served as the bedrock of the country's ruling elite. Egypt's military has long taken an active role in the nation's economy, competing with private sector companies in an array of sectors, such as food production, construction, mining, and manufacturing.⁴

Without being able to generate surplus revenue domestically, Egypt will continue to rely on the largesse of Arab Gulf monarchies, Israel (for natural gas), European institutions, and increasingly, new partners such as Turkey (Türkiye) and the People's Republic of China, for aid, investment, and hard currency. In return, outside actors may expect Egypt to side with their foreign policy

¹ IMF, "IMF Staff Reaches Staff Level Agreement on Egypt's Fifth and Sixth Review Under the Extended Fund Facility and First Review Under the Resilience and Sustainability Fund, December 22, 2025.

² Claire Parker and Heba Farouk Mahfouz, "How Egypt is reviving the Suez Canal after maritime attacks sank traffic," *Washington Post*, January 21, 2026.

³ Ahmed Aboudouh, "Egypt's foreign policy will remain too little, too late in 2026," Chatham House, December 19, 2025.

⁴ Yezid Sayigh, "Owners of the Republic: An Anatomy of Egypt's Military Economy," Carnegie Endowment for International Peace, November 18, 2019.

priorities, as regional states continue to vie with each other for influence in the Middle East and the Horn of Africa. Even with its limited resources, Egypt will likely continue to prioritize its longstanding goal of seeking binding, internationally supervised limits on Ethiopia's use of its own Grand Renaissance Dam to restrict flows of the Nile River, which Egypt is dependent on for almost all of its freshwater. In sum, Egypt has limited foreign policy maneuverability due to its extreme dependence on others.

Figure 1. Map of Egypt



Source: CRS, using ESRI and State Department data and the *CIA World Factbook*.

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 al Sisi (2013-present). These four men have ruled Egypt with strong backing from the country's security establishment almost continually.

The one departure from Egypt's decades of military rule took place between 2011 and 2013. Popular demonstrations dubbed the "Arab Spring," which had started in neighboring Tunisia, spurred 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 Mohammed Morsi, who was affiliated with the Egyptian Muslim Brotherhood. In general, the Muslim Brotherhood has been the most significant and abiding opposition during the decades of military-backed rule.

When Morsi took office on June 30, 2012, after winning Egypt's first truly competitive presidential election, his ascension to the presidency was expected to mark the end of a rocky 16-

month transition period.⁵ Proposed timelines for elections, the constitutional drafting process, and the military's relinquishing of power to a civilian government had been repeatedly 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 public 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'état 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.⁶

Since 2013, the power of President Abdel Fattah al Sisi has gone mostly unchallenged amidst a continuing crackdown and repression of Islamist and non-Islamist opposition figures. President Sisi assumed office formally in June 2014 after winning a May 2014 election with 96% of the vote. In 2018, he was reelected for a second term, receiving 97% of all valid votes cast. In 2023, Sisi was reelected for a third term, receiving 89.6% of the vote, though critics decried the election as a foregone conclusion.⁷

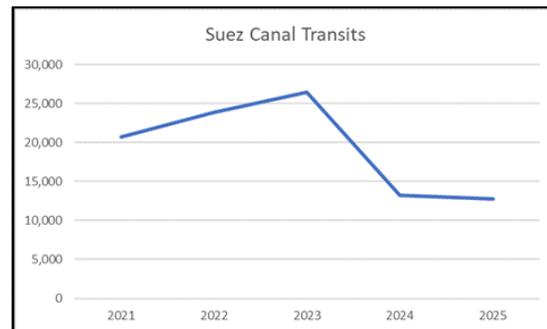
Issues for Congress

Iran

While Egypt does not play a major role in U.S. Iran policy writ large, granting U.S. Navy vessels expedited passage through the Suez Canal is a significant benefit to United States when it seeks to rapidly deploy military assets to the Persian Gulf area and wider Indian Ocean basin. In early 2026, as President Trump has sought to deploy additional naval vessels to the Persian Gulf in the event of the use of military force against Iran, several U.S. navy vessels reportedly passed through the Suez Canal.

Although expedited passage is a benefit to U.S. forces, conflict involving Iran and its proxies (e.g., the Houthis in Yemen), particularly in the Red Sea, has depressed Suez Canal maritime traffic and thereby deprives the Egyptian government of hard currency from Canal transit fees

Figure 2. Suez Canal Transits by Year



Source: Suez Canal Authority

⁵ David Kirkpatrick, "Named Egypt's Winner, Islamist Makes History," *New York Times*, June 24, 2012.

⁶ "Egyptian Cabinet Vows to Disperse Pro-Morsi Protest Camps," *The Guardian* (UK), July 31, 2013.

⁷ "Egypt's Sisi sweeps to third term as president with 89.6% of vote," Reuters, December 18, 2023.

(see **Figure 2**). The Egyptian government, in conjunction with other Arab states, has been advocating for de-escalation and diplomacy.

Israel and Gaza

During the war in Gaza, Egypt worked with U.S. officials to serve as a mediator between Israel and Hamas. Egypt was one of several nations which played a key role in mediating the October 2025 ceasefire between Israel and Hamas. In October 2025, Egypt hosted the Sharm el Sheikh Peace Summit, where President Trump, President Sisi, and other world leaders jointly signed a declaration endorsing the ceasefire (see **Figure 3**).

Between October 2025 and January 2026 (“phase one” of President Trump’s 20-point plan to end the Gaza conflict), Egyptian officials, most notably Egypt’s General Intelligence chief Hassan Rashad, met with Israeli leaders, Hamas figures, Palestinian Authority officials, and other foreign leaders to resolve various issues, such as the future Palestinian composition of the NCAG, the reopening of the Rafah border crossing, and the disarming of Hamas.⁸ Since the January 2026 move to “phase 2” and the formation of the 15-member NCAG, Palestinian NCAG officials have been convening meetings in Cairo. According to one unnamed diplomat, NCAG officials will not enter Gaza until they have the “necessary tools to govern the enclave.”⁹ On January 21, 2026, Egypt formally accepted President Trump’s invitation to join the Board of Peace.

One of Egypt’s primary roles in assisting Gaza’s transition from Hamas rule to civilian governance is to train a Gaza police force that can restore law and order in the Strip and oversee Hamas’ disarmament. The Egyptian government, and other nations, sought international authorization for such an undertaking, which was ultimately codified in United Nations Security Council Resolution (UNSCR) 2803 (adopted November 17, 2025). UNSCR 2803 states the following regarding the ISF:

The ISF shall work with Israel and Egypt, without prejudice to their existing agreements, along with the newly trained and vetted Palestinian police force, to help secure border areas; stabilize the security environment in Gaza by ensuring the process of demilitarizing the Gaza Strip, including the destruction and prevention of rebuilding of the military, terror, and offensive infrastructure, as well as the permanent decommissioning of weapons from non-state armed groups; protect civilians, including humanitarian operations; train and provide support to the vetted Palestinian police forces; coordinate with relevant States to

Figure 3. President Trump at the Peace Summit in Egypt
October 2025



Source: The White House

⁸ “Netanyahu, Egyptian intel chief meeting transforms dialogue into strategic cooperation, expert says,” *Jerusalem Post*, October 24, 2025 and “Mediators said to meet in Cairo to discuss Gaza truce’s second phase,” *Times of Israel*, November 25, 2025.

⁹ “Gaza technocratic panel unlikely to enter Gaza this week, with no date set for start of operations,” *Times of Israel*, February 10, 2025.

secure humanitarian corridors; and undertake such additional tasks as may be necessary in support of the Comprehensive Plan.¹⁰

Reportedly, some Palestinians from Gaza, including a number who have remained on the PA's payroll since Hamas seized control of Gaza in 2007, have received police training from Egypt and Jordan to prepare them to assume roles in preserving law and order in Gaza under the transitional government referenced in the U.S. 20-point plan. Some 7,500-10,000 vetted Palestinians may receive police training from Egypt, Jordan, and the European Union.¹¹

As "phase 2" requires the disarmament of Hamas, Egypt and other nations¹² may be advocating for a plan that initially entails Hamas voluntarily relinquishing some of its arms. According to unnamed officials cited in the media, one draft plan suggests that the Trump Administration is calling for Hamas to surrender all of its rockets and missiles capable of striking Israel, but will allow the group to keep some small arms.¹³

The Rafah Crossing between Gaza and Egypt

Rafah is a border area historically split between Gaza and Egypt. During the Israel-Hamas war in spring 2024, Israel, in order to pressure Hamas and cut off its only non-Israeli border crossing, seized control over the Gazan side of Rafah, shut down the crossing to passengers, and cut off humanitarian aid deliveries via the Gaza-Egypt border. For almost two years, the crossing remained closed, and the Rafah crossing's status became a source of consternation between the Israeli and Egyptian governments. Israel accused Egypt of turning a blind eye to Hamas' underground smuggling tunnels in Rafah, while Egypt accused Israel of violating the 1979 Israel-Egypt peace treaty by stationing military forces along Egypt's border unilaterally. Israel also accused Egypt of violating the treaty for deploying additional forces to the Sinai.¹⁴

Between 2007 and 2023, when Hamas controlled the Gazan side of Rafah, Egypt used the crossing both as a source of leverage against Hamas and revenue for military-connected officials, all-the-while taking some steps to curb smuggling. According to one report, both Hamas and Egypt used to tax imported goods moving into Gaza through the Rafah gate, once earning Hamas tens of millions of dollars per year in revenue.¹⁵ In addition, intermediaries with ties to Egyptian intelligence reportedly had sold exit access through Rafah to Palestinians with means for exorbitant prices.¹⁶ In the 2007-2023 time frame, the Egyptian military took a number of steps to stop smuggling-tunnel construction beneath the Egyptian-Gaza border. It created a "buffer zone" along the Gaza border by demolishing parts of Rafah city (on the Egyptian side) and flooded trenches in the area with seawater from the Mediterranean. The military also erected concrete walls and barbed-wire fencing along the buffer zone to protect against terrorist attacks emanating from the Sinai.

President Trump's 20-point plan mentioned the reopening of the Rafah crossing, and Israel, Egypt, and others negotiated for several months over the conditions of its reopening. Israel refused to reopen the crossing until Hamas had returned the remains of Israel's last hostage in Gaza, Ran Gvili (which it did on January 26). In

¹⁰ It is unclear whether Resolution 2803 provides a broad mandate for the ISF to use force against Hamas or other "non-state armed groups" in Gaza under Chapter VII of the United Nations Charter. See, Samiksha Mukherjee and Sanmay Moitra, "An Analysis of Resolution 2803 and the International Stabilization Force: A Militarized Enforcement Mission with Precarious Legal and Strategic Implications," *Just Security*, December 10, 2025.

¹¹ Rina Bassist, "As phase 2 looms, Netanyahu insists no Turkish or Qatari troops in Gaza," *Al-Monitor*, January 27, 2026; Nava Freiberg, "Egypt and EU stepping up preparations to dispatch Palestinian police force to Gaza," *Times of Israel*, December 2, 2025; Dov Lieber and Summer Said, "U.S. Pushes a Hamas-Free 'Green Zone,'" *Wall Street Journal*, November 21, 2025.

¹² Barak Ravid, "U.S. thinks Hamas is ready to demilitarize as Gaza deal moves to 'phase two,'" *Axios.com*, January 14, 2026.

¹³ Adam Rasgon, Natan Odenheimer, and Abu Bakr Bashir, "Hamas Would Keep Some Arms Initially in Draft Gaza Plan, Officials Say," *New York Times*, February 10, 2026.

¹⁴ Khaled Hassan, "Egypt is revising its peace agreement with Israel," *Jewish Chronicle*, January 7, 2026.

¹⁵ "New Gaza Crossing Raises Questions about Blockade Policies," *PolicyWatch #3205*, The Washington Institute for Near East Policy, October 23, 2019.

¹⁶ "Network linked to Egyptian intelligence sells entry permits to Sinai at exorbitant rates," *Le Monde*, January 26, 2024.

negotiating over Rafah, Egypt has long feared being inundated with Palestinian refugees; Egypt had rejected President Trump's earlier calls to relocate Gazans outside the Strip.¹⁷ Egypt constructed areas on its side of the border to contain any uncoordinated mass movements of Palestinians.

Figure 4. European Monitors at the Rafah Crossing



Source: EUBAM

On February 2, 2026, the Rafah crossing reopened for a limited number of persons seeking medical care in Egypt and for those Palestinians who left Gaza during the war to return. Under the terms of the reopening, Palestinian and European officials operate the crossing, but both Israel and Egypt vet the names of Gazans moving through Rafah. Israel also has a separate screening system it operates on Gazan territory it controls. Currently, restrictions in place permit 50 people to return to Gaza each day and 50 medical patients—with two companions for each—are allowed to leave. An estimated 20,000 Gazans are seeking medical care outside the Strip.¹⁸

The Nile River, Ethiopia and the War in Sudan

Egypt relies on the Nile River (see **Figure 5**) for hydroelectricity, agriculture, and most of its domestic water needs, and thus treats restrictions to the flow of the Nile from upstream countries as an existential issue. The government has been at odds with Nile Basin countries to Egypt's south that seek to revisit colonial-era treaties governing the allocation of Nile waters. Tensions are particularly strong with Ethiopia, which operates the \$4.2 billion Grand Ethiopian Renaissance Dam (GERD), a major hydroelectric project on the Blue Nile, which starts in Ethiopia. Egypt argues that the dam will limit the flow of the Nile below Egypt's share, as agreed upon in a 1959 Egyptian deal with Sudan (to which Ethiopia was not a party). Ethiopia claims that the dam, which would double its electricity generating capacity, is critical to its efforts to eradicate poverty.

After years of failed talks, Egypt, Ethiopia, and Sudan continue to disagree over how much water should be released from the GERD on an annual basis, particularly during prolonged droughts. Reportedly, in order to pressure Ethiopia, Egypt may be militarily supporting the Fano, an Ethiopian rebel movement.¹⁹

¹⁷ Sherif Tarek, "Egypt Pushes Against Gaza Displacement Call with Rebuilding Plan," *Bloomberg*, February 5, 2025.

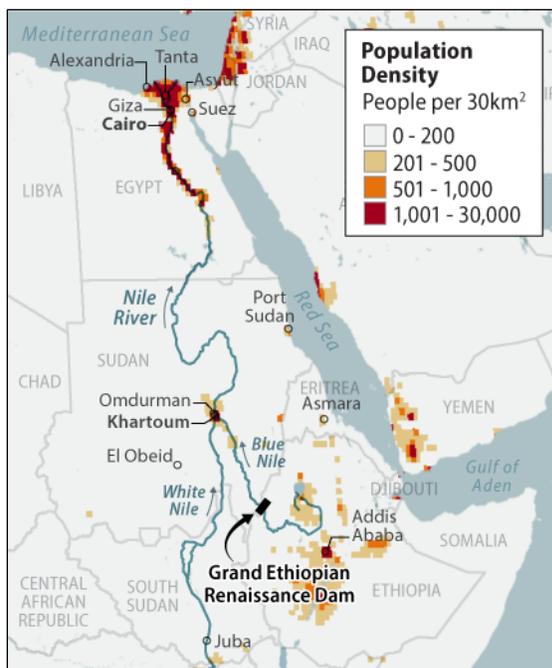
¹⁸ "Gaza's Rafah crossing opens after 2-day closure as Palestinians claim delays and mistreatment," Associated Press, February 8, 2026.

¹⁹ "The promise and peril of Ethiopia's new mega-dam," *The Economist*, September 9, 2025.

Since the conflict in Sudan began in 2023, Egypt has diplomatically and militarily²⁰ supported the Sudan Armed Forces (SAF, the military) in its battle against the paramilitary Rapid Support Forces (RSF), which has been backed militarily by one of Egypt's main benefactors, the UAE.²¹ Egypt also is a member of the "Quad," a U.S.-led multilateral mediation effort to end the conflict also consisting of Saudi Arabia and the UAE. As the war in Sudan has led to the world's largest humanitarian crisis, the United Nations estimates that over 3 million Sudanese have fled to Egypt with 1 million Sudanese having registered as refugees in Egypt with the United Nations High Commissioner for Refugees (UNHCR). Sudan's influence over the Nile River's flow into Egypt makes it vital to Egyptian security.

In January 2026, President Trump wrote a letter to President Sisi, saying, as quoted in press accounts, that "I am ready to restart U.S. mediation between Egypt and Ethiopia to responsibly resolve the question of 'The Nile Water Sharing' once and for all."²² During the first Trump Administration, a U.S.-led mediation effort stalled in 2020 after Ethiopia rejected a draft agreement put forth by then-Treasury Secretary Steven Mnuchin and accused the United States of bias toward Egypt.

Figure 5. The Nile River



Source: CRS Graphics.

Democracy, Human Rights, and Religious Freedom

U.S. officials and some Members of Congress have frequently criticized Egypt's record on human rights and democratization. The Egyptian government rejects foreign criticism of its human rights practices as illegitimate interference in Egypt's domestic affairs.²³ It also claims that it is taking tangible steps to improve its human rights record and broaden political participation by launching a national human rights strategy,²⁴ forming a Presidential Pardon Commission to release political prisoners,²⁵ and launching a National Dialogue to allow some open discussion of political issues by a range of various actors²⁶ (excluding the Muslim Brotherhood which the Egyptian

²⁰ Declan Walsh, Malachy Browne, Eric Schmitt, and Nick Cumming-Bruce, "The Secret Egyptian Air Base Behind Sudan's Drone War," *New York Times*, February 1, 2026.

²¹ CRS In Focus IF12816, *The War and Humanitarian Crisis in Sudan*, by Lauren Ploch Blanchard.

²² "Trump offers to mediate Egypt-Ethiopia dispute on Nile River waters," Reuters, January 16, 2026.

²³ "Egypt calls on US not to interfere in its affairs," *The Middle East Monitor*, March 15, 2019.

²⁴ Government of Egypt, State Information Service, *Egypt and Human Rights*, February 3, 2022.

²⁵ Heba Saleh, "Critics of Egypt's regime given rare platform ahead of elections," *Financial Times (UK)*, June 27, 2023.

²⁶ Vivian Yee, "Facing Crisis, Egypt's Leader Tries New Tack: Talking to Opponents," *New York Times*, June 13, 2023.

government designated as a terrorist group in 2013).²⁷ Certain practices of President Sisi’s government, the parliament, and the security apparatus have been the subjects of U.S. criticism, including Egypt’s detention and treatment of U.S. citizens. According to the U.S. State Department’s report on human rights conditions in Egypt in 2024

Significant human rights issues included credible reports of: torture or cruel, inhuman, or degrading treatment or punishment; arbitrary arrest and detention; instances of transnational repression against individuals in another country; serious restrictions on freedom of expression and media freedom, including unjustified arrests or prosecutions of journalists and censorship; significant restrictions on workers’ freedom of association; and significant presence of some of the worst forms of child labor.²⁸

Select international human rights, democracy, and development monitoring organizations provide the following global rankings for Egypt (see **Table 1**).

Table 1. Democracy, Human Rights, and Development Indicators

Issue	Index	Ranking
Democracy	Freedom House, Freedom in the World 2025	“Not Free”
Press Freedom	Reporters Without Borders, World Press Freedom Index 2025	170/180 Countries
Corruption	Transparency International, Corruption Perceptions Index 2025	130/180 Countries
Human Development	United Nations Human Development Programme, Human Development Index 2023	100/193 Countries

Sources: Freedom House, Reporters Without Borders, Transparency International, and United Nations Human Development Programme.

Coptic Christians

Most Egyptians are Sunni Muslims (perhaps 90%).²⁹ A relatively small percentage are Coptic Christians, and this minority has faced discrimination and persecution, from the government as well as from other citizens and terrorist groups.

For years, the Coptic Christian community in Egypt has called for equal treatment under the law, and members of the community have won several court cases, beginning in 2019.³⁰ 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.”³¹

Despite these public calls for improved interfaith relations in Egypt, the Coptic Christian community continues to face professional and social discrimination, along with occasional

²⁷ “Egypt’s National Political Dialogue agrees on social issues to discuss, voices appreciation for pardons,” *Al Ahram*, July 30, 2022.

²⁸ U.S. Department of State, *2024 Country Reports on Human Rights Practices: Egypt*.

²⁹ The World Factbook, last updated August 23, 2024.

³⁰ See George Sadek, “Egypt: Court Grants Christian Woman Share of Father’s Estate Equal to Share of Her Two Brothers,” *Global Legal Monitor*, The Law Library, Library of Congress, January 9, 2020. See also, “Egypt court gives Coptic woman inheritance equivalent to the man,” *Egypt Independent*, April 11, 2023.

³¹ “Egypt’s Sisi Opens Mega-Mosque and Middle East’s Largest Cathedral in New Capital,” Reuters, January 6, 2019.

sectarian attacks. According to the 2025 U.S. Commission on International Religious Freedom report, “While Egyptian security services sometimes moved expeditiously to quell violent incidents against churches, observers criticized authorities’ slow response in other instances, resulting in property damage;” the report also noted that “Egypt’s government maintained some initiatives to recognize and encourage religious inclusivity.”³²

Terrorism in the Sinai, the Muslim Brotherhood, and U.S.-Egyptian Counter-Terrorism Cooperation

Terrorism in the Sinai. From roughly 2011 until 2023, several terrorist groups based in the Sinai Peninsula (the Sinai) waged an insurgency against the Egyptian government and committed terrorist acts against the civilian population there. Of these groups, the Islamic State’s Sinai Province affiliate (IS-SP), established in 2014, was the most lethal. IS-SP attacked the Egyptian military repeatedly, targeted Coptic Christian individuals and places of worship, 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, in November 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.³³ The State Department designated IS-SP as a Foreign Terrorist Organization (FTO) in 2014.

For several years, there have been no mass civilian casualty terrorist incidents reported in the Sinai. Egyptian counterterrorism efforts there appear to have been effective, most notably the Egyptian Army’s decision to enlist local Sinai tribes to form a local security force called the Sinai Tribes Union.³⁴ The Egyptian government also has used non-military means, such as increased economic development in the Sinai, in an effort to win support among the local population. In 2021, the government inaugurated in northern Sinai the world’s largest agricultural wastewater treatment plant, as part of a national initiative to develop the area and optimize the use of water resources.³⁵

The Muslim Brotherhood in Egypt. Since its founding in 1928, the Muslim Brotherhood (MB) has been one of Egypt’s strongest political movements. Its stated purpose is to turn Egypt toward government based on *sharia* (religious) law and Islamic principles. In its nearly century-long history, the MB has at times used violence against the Egyptian state, and several Egyptian terrorist organizations have splintered from the main movement.³⁶ Over the years, the Egyptian government has alternated between tolerating and suppressing the Brotherhood.

Since the military’s 2013 ouster of then-President Mohammed Morsi, the group has been outlawed in Egypt and its members banned from participation in politics. In late 2013, Egyptian authorities declared the MB a terrorist organization, effectively criminalizing membership in the group. Some MB members were already imprisoned, while others fled the country, primarily to Turkey, the United Kingdom, and Qatar. In Turkey, MB members established media outlets critical of President al Sisi; as Egyptian-Turkish relations have improved (beginning around

³² Annual Report of the U.S. Commission on International Religious Freedom, March 2025.

³³ See archived CRS Insight IN10827, *Egypt: Terrorist Attack in the Sinai Peninsula*.

³⁴ *Mada Masr*, “Meet the newly remade Union of Sinai Tribes, the force taking over the fight in Sinai,” May 24, 2022.

³⁵ *Arab News*, “El-Sisi inaugurates world’s largest wastewater treatment plant,” September 28, 2021.

³⁶ Associated Press (AP), “What to know about the Muslim Brotherhood after the US terrorist designation,” January 13, 2025.

2022-2023), Egypt has sought Turkish cooperation in shutting down MB broadcast media in Turkey.³⁷

U.S. Muslim Brotherhood Terrorist Designation. For over a decade, some U.S. lawmakers have sought, through legislation and other means, to sanction the Brotherhood and its supporters, and some have pressed the executive branch to designate the group as an FTO.³⁸ During the first Trump Administration, reports suggested that U.S. officials considered doing so.³⁹ In January 2026, several months after President Trump issued an Executive Order (EO) focused on the Muslim Brotherhood, the Treasury Department designated the Egyptian Muslim Brotherhood (alongside other groups) as a Specially Designated Global Terrorist (SDGT) under EO 13224 (2001), citing ties to Hamas, a U.S.-designated FTO and SDGT.⁴⁰ The Egyptian government praised the designation, asserting that it “validates” Egypt’s approach to the Brotherhood.⁴¹ Some U.S. state governments also have declared the MB a terrorist organization under state laws.⁴² Some human rights groups have asserted in the past that a State Department designation of the MB as an FTO would “wrongly equate it with violent extremist groups” and would “threaten the rights to association of Muslim groups in the United States.”⁴³

U.S. Security Cooperation. As discussed below, Egypt is a longstanding U.S. regional partner and one of the largest recipients of annual U.S. military assistance. For decades, military aid grants have supported Egypt’s purchases of large-scale conventional military equipment from U.S. suppliers. Beyond conventional warfighting capabilities, experts have long noted how in order to effectively combat terrorism, Egypt also needed to invest in “rapid reaction forces equipped with sophisticated infantry weapons, optics and communication gear ... backed by enhanced intelligence, surveillance and reconnaissance platforms.”⁴⁴ The last U.S. Department of State Country Reports on Terrorism (2023) notes that the United States has provided Egypt with “counter-IED training, mobile sensor towers, and mine-resistant and ambush-protected vehicles, as well as training programs on special operations CT, air-to-ground integration, and border security.”⁴⁵ The Texas National Guard has a State Partnership Program with Egypt’s military. Egyptian military units have also trained with U.S. Special Forces.⁴⁶

³⁷ Sinan Ciddi and Mariam Wahba, “A Marriage of Convenience—the Limits of a Turkish Rapprochement With Egypt,” Foundation for the Defense of Democracies, September 24, 2024.

³⁸ See, e.g., 113th Congress, H.R. 5194, the Muslim Brotherhood Terrorist Designation Act of 2014.

³⁹ Reuters, “Trump Weighs Labeling Muslim Brotherhood a Terrorist Group,” April 30, 2019.

⁴⁰ Department of the Treasury, “Treasury and State Departments Designate Muslim Brotherhood Branches as Terrorist Organizations,” January 13, 2026.

⁴¹ Egypt State Information Service, “Egypt welcomes U.S. designation of Muslim Brotherhood as terrorist group,” January 13, 2026.

⁴² See, e.g., Office of the Texas Attorney General, “Attorney General Ken Paxton Takes Legal Action in Lawsuit Involving the Terrorist Organization CAIR,” December 23, 2025.

⁴³ See, e.g., Human Rights Watch, “US: Don’t Target Muslim Brotherhood,” February 8, 2017.

⁴⁴ *Stratfor*, “Egypt’s Conventional Military Thinking,” June 12, 2015.

⁴⁵ Department of State, “Country Reports on Terrorism 2023: Egypt.”

⁴⁶ Egyptian Armed Forces, “The conclusion of the activities of the joint Egyptian-American training of special forces elements in the field of counter-terrorism Training (SOF03) for Paratroopers and Training (SOF06) for Commandos Forces with US Special Forces,” February 9, 2021.

Egypt and China

Egyptian-Chinese bilateral relations continue to expand. Commercially, China is Egypt's largest trading partner with bilateral trade of \$17 billion in 2024.⁴⁷ In early 2025, Huawei, one of China's leading telecommunications companies, signed an agreement with Egypt Telecom to equip Egypt's cellular network in anticipation of launching 5G services in Egypt.

Egypt and China Conduct Joint Military Exercises

In 2024 and 2025, several reports have indicated the Egyptian government's interest in purchasing PRC J-10 or J-35 fighter jets.⁴⁸ Egypt's current inventory of fighter aircraft is a mix of American F-16s, Russian Mig-29s, and French Rafales. In May 2025, Egypt and China conducted "Eagles of Civilization 2025,"⁴⁹ an 18-day military exercise in Egypt featuring PRC refueling tankers, radar aircraft, and fighter jets.⁵⁰ During the first Trump Administration, Egypt attempted to purchase Su-35 aircraft from Russia, but backed away from the deal after U.S. officials threatened to levy sanctions using authorities in the Countering America's Adversaries Through Sanction Act (CAATSA).⁵¹

U.S.-Egyptian Relations

As the most populous Arab state (108 million as of August 2025), Egypt is important to U.S. policymakers both because of its size and its position astride the Suez Canal. Through mediation by President Jimmy Carter in 1979, Egypt was the first Arab country to reach a peace agreement with Israel, and though tensions exist, the peace treaty remains intact. Since 1981, U.S. diplomatic leadership and participation in the Multinational Force and Observers (MFO) mission in the Sinai Peninsula has played a key role in facilitating Israeli-Egyptian military coordination. U.S. troops have served in the Sinai as part of the observation mission, and Congress has annually appropriated Peacekeeping Operations (PKO) funds to support MFO operations since it was established.

As a key defense partner of U.S. Central Command (CENTCOM) forces, U.S. officials have praised U.S.-Egyptian defense cooperation while seeking a greater Egyptian role in regional security. In testimony before the House Armed Services Committee in June 2025, Katherine Thompson, the acting Assistant Defense Secretary for International Security Affairs, testified that

Egypt plays an integral role in advancing U.S. movement in the theater, expediting U.S. forces through the Suez Canal. As part of our efforts to increase burden-sharing with our regional partners, the Department of Defense is encouraging Egypt to be more active in addressing instability in its near abroad, particularly Gaza and the Red Sea. Jordan also remains a vital partner in promoting security in the Middle East.⁵²

⁴⁷ Joyce Karam and Rosaleen Carroll, "As Sisi avoids Washington visit, Egypt courts China's tech giant Huawei," *Al Monitor*, July 3, 2025.

⁴⁸ Amira El Fekki, "U.S. Ally Looks to Buy Chinese J-35 Stealth Jets," *Newsweek*, May 29, 2025.

⁴⁹ "Chinese fighter jets soar over Egypt in first joint exercises," *Reuters*, May 6, 2025.

⁵⁰ Howard Altman, "China Deploys J-10 Fighters to Egypt," *The War Zone*, April 21, 2025.

⁵¹ Ali Dizboni, Karim El-Baz, "Understanding the Egyptian Military's Perspective on the Su-35 Deal," *Fikra Forum*, The Washington Institute for Near East Policy, July 15, 2021.

⁵² House Armed Services Committee, "Greater Middle East/Africa Military Posture," testimony of Katherine Thompson, performing the duties of the assistant Defense secretary for international security affairs, CQ Committee Testimony, June 10, 2025.

In 2025, the United States and Egypt conducted the 19th iteration of Operation Bright Star in Egypt, a multinational military exercise in which 1,500 U.S. soldiers participated with military forces from 40 other nations.⁵³

U.S. Foreign Aid to Egypt

Since 1946, the United States has provided Egypt with over \$90 billion in bilateral foreign aid (calculated in historical dollars—not adjusted for inflation), with military and economic assistance increasing significantly after the U.S.-brokered 1979 Egyptian-Israeli peace treaty. This assistance made Egypt one of the largest recipients of U.S. aid in the world. Annual appropriations measures have included several conditions governing the release of these funds. 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 treaty. All U.S. military aid to Egypt finances the procurement of weapons systems and services from U.S. defense contractors.

P.L. 119-75, the Consolidated Appropriations Act, 2026, provides \$1.5 billion in total aid for Egypt, of which \$1.375 billion is for Foreign Military Financing grant aid, an amount \$75 million above what Egypt had been receiving as an FMF baseline for decades. The act also would withhold \$320 million in FMF from obligation unless the Secretary of State can make several human rights-related determinations, which are no longer delineated in the law’s text, but are now found in the Joint Explanatory Statement accompanying P.L. 119-75. The Secretary of State may waive the withholding provision if the Secretary determines that “such funds are necessary for counterterrorism, border security, or nonproliferation programs or that it is otherwise important to the national security interest of the United States to do so, including a detailed justification for the use of such waiver and the reasons why any of the requirements cannot be met.” For fiscal years 2020-2023, the Biden Administration and Congress reprogrammed or withheld a total of \$750 million in FMF originally designated for Egypt based on relevant provisions in appropriations law.

Egypt also may receive smaller amounts of security assistance from accounts managed by the Department of Defense (FMF is managed by the State Department). For example, Section 1225 of P.L. 119-60, the National Defense Authorization Act for Fiscal Year 2026, authorizes defense assistance (from Section 1226 of the FY2016 NDAA) “along the border of Egypt with Sudan.”

President Trump and Congress have exempted aid to Egypt from several executive actions/laws designed to pause or rescind foreign assistance. For example:

- When President Trump ordered a 90-day pause and review of foreign aid globally in 2025, he exempted FMF to Israel and Egypt;⁵⁴

On July 18, 2025, Congress passed P.L. 119-28, the Rescissions Act of 2025. That act exempted from rescission the unobligated FY2025 Economic Support Fund (ESF) balances for assistance to Egypt;

⁵³ U.S. Department of Defense, CENTCOM, “U.S. and Egypt Host Exercise Bright Star 25,” Press Release, August 29, 2025.

⁵⁴ Edward Wong, “Sweeping Halt to Foreign Aid Does Not Apply to Arms for Israel and Egypt,” *New York Times*, January 25, 2025.

- On August 29, 2025, President Trump, citing authority under the Impoundment Control Act, rescinded certain funds for foreign assistance and international organizations, but exempted peacekeeping funds to the MFO.⁵⁵

Since the Hamas-led attacks of October 7, 2023 and the subsequent Israel-Hamas war in Gaza, both the Biden and Trump Administrations have noticeably accelerated U.S. arms sales to Egypt. During that time, the State Department has notified Congress of a total of \$12 billion in Foreign Military Sales cases for Egypt (see **Table 1**), which would require over nine years' worth of FMF appropriations at prevailing annual rates. It is possible that, during the Biden Administration, U.S. officials reinstated Egypt's access to cash flow financing, a special benefit for select FMF recipients, which allows countries to incrementally pay for arms sales over multiple years.

Table 2. Recent Major Foreign Military Sales to Egypt Since October 7, 2023

Date Notified to Congress	Major U.S. Defense System	Amount	Principal Contractor
July 24, 2025	National Advanced Surface-to-Air Missile System	\$4.67 billion	RTX Corporation
February 4, 2025	AN/TPS-78 Long Range Radar	\$304 million	Northrop Grumman Corporation
February 4, 2025	Fast Missile Craft Modernization	\$625 million	Lockheed Martin and L3Harris
December 20, 2024	Hellfire AGM-114R Missiles	\$630 million	Lockheed Martin
December 20, 2024	Advanced Precision Kill Weapon System (APKWS)	\$30 million	BAE Systems
December 20, 2024	Abrams Tank Refurbishment	\$4.69 billion	General Dynamics Land Systems
September 24, 2024	Stinger Missiles	\$740 million	RTX Corporation
January 10, 2024	28-Meter Patrol Craft Kits	\$129 million	Swiftships
January 10, 2024	Light Tactical Vehicle Chassis and Fleet Build	\$200 million	AM General, LLC
Totals		\$12.018 billion	

Source: Defense Security Cooperation Agency.

U.S.-Egyptian Trade & Investment

Egypt is the top export market for U.S. goods and services in Africa. In 2025, the total volume of bilateral trade stood at \$11.2 billion, a noticeable leap from previous years (see **Figure 6**). Leading U.S. exports to Egypt include agricultural goods, oil and gas, transportation equipment, chemicals, machinery, and computer and electronic products.⁵⁶ According to the U.S. Department of Agriculture, in 2024, Egypt was the 21st largest market for U.S. food and agricultural product exports, led by soybeans.⁵⁷

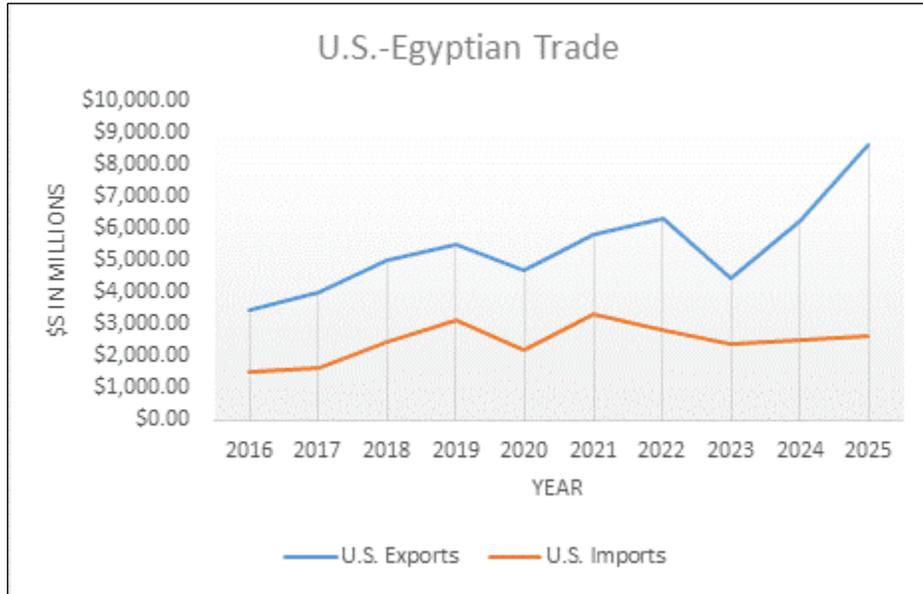
⁵⁵ The White House, "Historic Pocket Rescission Package Eliminates Woke, Weaponized, and Wasteful Spending," August 29, 2025.

⁵⁶ U.S. Department of Commerce, International Trade Administration, Country Commercial Guide, Egypt, November 11, 2025.

⁵⁷ U.S. Department of Agriculture, Foreign Agricultural Service, Egypt: Exporter Guide Annual, December 31, 2025.

Figure 6. U.S.-Egyptian Bilateral Trade: 2016-2025

\$s in millions

**Source:** U.S. Census Bureau

Since 2004, Egypt has participated in the Qualified Industrial Zone (QIZ) program, a trade arrangement that provides duty-free access to the U.S. market for goods produced with certain levels of Israeli and Jordanian; Israeli and Egyptian; or Palestinian content. Under the U.S.-Egypt QIZ program, the United States waives duties on Egyptian imports if the value of the imports includes at least 10.5% Israeli content and 11.7% Egyptian content.⁵⁸

The United States is the third largest foreign investor in Egypt (behind the UK and Belgium) with most investments concentrated in the oil and gas sector. In November 2025, the U.S. Export-Import Bank approved a \$4 billion credit-insurance guarantee for Egypt to secure gas deliveries from U.S.-based Hartree Partners.

Author Information

Jeremy M. Sharp
Specialist in Middle Eastern Affairs

⁵⁸ See, <https://www.trade.gov/qiz-egypt>

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.