

Egypt's trajectory and role within a landscape marked by instability, geopolitical challenges, and security dilemmas

By Dr. Philip-Mark Spanidis, Geopolitical Analyst

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By:

Dr. Philip-Mark Spanidis, Geopolitical Analyst

Institute of Energy for SE Europe (IENE)

3, Alexandrou Soutsou, 106 71 Athens, Greece

tel: +30 210 3628457, 3640278 fax: +30 210 3646144

web: www.iene.gr, www.iene.eu e-mail: secretariat@iene.gr



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Abstract

Egypt constitutes a strategic hub in the MENA region¹, due to its geographic location, demographic weight, and historical legacy. The country faces socio-economic pressures, environmental vulnerabilities, and security challenges. With a population of over 115 million and a GDP of \$396 billion, its economy relies on agriculture, industry, tourism, and energy, yet suffers from debt and deficits. The energy security of Egypt is based on LNG exports from the Zohr field, while its geopolitical role is strengthened by its planned participation in the future NEWMED project. Climate change and water scarcity increase risks. Militarily strong, Egypt invests in partnerships with Greece, Cyprus, Israel, and the EU to ensure stability and regional influence.

1. Introduction

Egypt stands as a pivotal state with considerable geopolitical footprint² in the MENA region, due to its strategic location, demographic magnitude, and profound historical-cultural legacy. In the current conjuncture, Egypt faces both internal and external challenges that strain its socio-economic cohesion and test its resilience as a state of significant influence within the Arab world and the broader international system. This article examines Egypt's socio-economic, environmental, energy, defense, and international political profile. It also analyzes the geostrategic synergies and security dilemmas confronting the country in a landscape marked by instability and politico-military conflicts involving state and non-state actors across the Greater Middle East region. Finally, Egypt's relations with Greece and Cyprus are briefly discussed, emphasizing the need for these states to closely monitor geopolitical developments in the Eastern Mediterranean and to recalibrate their policies, whenever necessary, guided by the overarching interests of Hellenism.

2. Societal and Economic Landscape

The population of Egypt exceeds the 115 million, predominantly young (approximately 50%), with a median age of 24.5 years³ and overwhelmingly of Egyptian ethnicity (99.7%). The country also hosts around five (5) million immigrants originating from Arab, Asian, and African nations⁴. More than 85% of the population adheres to Sunni Islam, while 10–12% are Coptic

¹

² Spanidis, P. The Critical Role of Egypt in the Geopolitical and Energy Affairs of the Eastern Mediterranean. <https://www.energia.gr/article/168188/o-krisimos-rolos-ths-aigyptoy-sta-geopolitika-kai-energeiaka-dromena-ths-anatolikhs-mesogeioy>

³ Institute for Policy and Democracy Studies; <https://ispd.org.cy/el/egypt-langel/>

⁴ Office of the United Nations High Commissioner for Refugees (UNHCR) (Wikipedia)

Christians. In addition, there are small communities of Shiite Muslims and other minor religious groups^{5, 6}.

The GDP of the country, from \$21.6 billion in 1979⁷ reached \$396 billion in 2023⁸, reflecting an average annual growth rate of 3.3%, which contributed to a noticeable improvement in living standards and the development of primary production sector (per capita income: approximately \$3,360). The main pillars of Egyptian economy include agriculture, industry, tourism, and energy. However, the country faces a significant trade deficit, as imports nearly double exports (\$90.8 billion versus \$51.1 billion)⁹. Exports consist mainly of refined petroleum products, liquefied natural gas (LNG), fertilizers, and gold, while imports are dominated by machinery, high-tech products, weapons systems, foodstuffs, and chemicals. In 2024, Egypt's external debt reached \$160 billion, with nearly two-thirds of the state budget allocated to debt servicing¹⁰. The IMF has approved an Extended Fund Facility program (\$2 billion annually) for four years to improve the macroeconomic performance of the country¹¹. Furthermore, additional financial support has been agreed with United Arab Emirates, amounting to €35 billion¹². An additional fiscal burden has been imposed on the Egyptian economy due to the relocation of the country's administrative centre from Cairo to the New Administrative Capital (NAC), located 45 km east of Cairo. The project, valued at \$60 billion, forms part of the "Egypt Vision 2030" development plan, aimed at alleviating demographic and transportation congestion in Cairo. Nevertheless, the whole initiative has faced strong criticism for its exaggerated cost(s) and the limited return on investment¹³.

3. Energy and Environment

Egypt's PEC is rising¹⁴ driven by population growth and industrial development. Annual oil consumption stands at approximately 350 million Bbl¹⁵, accounting for 41% of PEC. Natural gas represents 55% of PEC^{16, 17}, primarily extracted from the Zohr gas field - discovered in 2015 - which is the largest in the Mediterranean and constitutes a cornerstone of Egypt's LNG

⁵ World Economics; <https://www.worlddeconomics.com/GDP/Egypt.aspx>

⁶ Wikipedia, Egypt

⁷ Year the Camp David Accord was ratified (03/26/79) between Egypt and Israel to end hostilities between the two countries

⁸ Macrotrends. (2025). Egypt GDP - Historical Chart & Data

⁹ OEC (2025). Egypt (EGY) Exports, Imports, and Trade Partners

¹⁰ EIPR (2025). Egypt in the Grip of Debt

¹¹ IMF (2025). Arab Republic of Egypt and the IMF

¹² Filis, K. (2024). What Would Happen if Egypt "Collapsed"? <https://www.liberal.gr/amyna-diplomatia/kfilis-ti-tha-synebaine-epefte-i-aigyptos>

¹³ Wikipedia. (2025). New Administrative Capital

¹⁴ PEC: Primary Energy Consumption

¹⁵ Bbl: British barrel (1Bbl=159 liters)

¹⁶ EIA (2024). Country Analysis Brief: Egypt; [Country Analysis Brief: Egypt](#)

¹⁷ RBAC (2024). Egypt's Gas and LNG: Global Challenges and Global Ambitions.

export capacity¹⁸. The remaining 4% of PEC is supplied by renewable energy sources, mainly hydroelectric and photovoltaic systems. However, Zohr's facilities face critical environmental challenges due to water intrusion, that generates risks to gasification and cooling processes, and the LNG storage units, as well. In recent years, these issues have been compounded by a broader scarcity of surface water resources (beyond the Nile), coastal erosion, and pollution/salinization of groundwater aquifers. Moreover, Egypt must contend with the critical pressures of climate change and demographic explosion¹⁹, particularly given that 90% of its rapidly growing population is spatially concentrated along the Nile basin and the Mediterranean coastline. Rising sea levels - along with associated phenomena such as water flow reversal and degradation of soil quality and agricultural fertility²⁰, threaten the equilibrium of the wider deltaic ecosystem, constituting a long-term and potentially severe risk to national security, economic stability, and social cohesion.

4. Defence and Security

Egypt constitutes a cornerstone of stability and security within the geosystem of MENA. Its military serves as a fundamental pillar of governance, with President Abdel Fattah al-Sisi consolidating his authority through constitutional amendments and security mechanisms²¹. The country maintains an active diplomatic posture, operationally supported by approximately 900,000 officers and conscripts, 440,000 military personnel, and 500,000 reservists, all kept at high readiness in case of a potential armed engagement. This configuration ranks the Egyptian Armed Forces 14th globally²², based on key criteria such as manpower, armoury, training, logistics, economic capacity, and geography²³. Nevertheless, Egypt faces internal security challenges stemming from interreligious tensions²⁴ - primarily between Muslims and Copts - as well as sociopolitical uprisings reportedly fomented by the Muslim Brotherhood, according to credible journalistic reports and scholarly sources²⁵. These dynamics introduce a destabilizing dimension to Egyptian society and its political system. The Muslim Brotherhood^{26,27}, which emerged as the dominant political force following the ousting

¹⁸ Eni (2025). Zohr, the giant field offshore Egypt

¹⁹ ABC News. (2023). 'No other alternative': Egypt worries as climate change, dam project threatens Nile water supply

²⁰ Carnegie Endowment. (2023). Climate Change in Egypt: Opportunities and Obstacles

²¹ https://www.pentapostagma.gr/kosmos/afriki/7282454_aigyptos-egkrithike-exoplistiko-paketo-mamoyth-axias-5-dis-gia-eksyghronismo

²² Global Fire Power (2023); <https://www.capital.gr/diethni/3692313/poies-xores-exoun-ton-dunatotero-strato-ston-kosmo-se-poies-theseis-briskontai-i-ellada-kai-i-tourkia/>

²³ Ibid.

²⁴ Many of which ended in bloodshed.

²⁵ Harvard RPL. (2018). Egypt's Muslim Brotherhood

²⁶ Khalifa, S. (2023). "Islamic Revivalist Movements and The Qur'an: A Critical Analysis of the Muslim Brotherhood, the Taliban, and Boko Haram". (available in: researchgate.net).

²⁷ Jenkins, J., Farr, C. (2015). Muslim Brotherhood Review: Main Findings. London: Prime Minister's Office, Cabinet Office, Foreign & Commonwealth Office and Home Office (Accessed January 27, 2016).

of President Hosni Mubarak (from June 30, 2012, to July 3, 2013) and the subsequent election of Mohamed Morsi, has been outlawed since 2013²⁸. Security forces frequently conduct suppression operations, while together with the military they remain central pillars of state governance²⁹.

5. NEWMED and EastMed Pipeline Projects

The NEWMED project represents a recent energy partnership between Israel and Egypt aimed at the export and transportation of Israeli natural gas through Egyptian liquefaction. The agreement between NewMed Energy and the partners of Leviathan field stipulates an annual natural gas production of 23 bcm³⁰, projected to generate exports worth \$35 billion by 2040. The gas will be liquefied in Egyptian plants and subsequently transported to the European Union (EU), the energy security and economy of which have been strained by the macroeconomic repercussions of the Russo-Ukrainian conflict.

With the implementation of NEWMED, Egypt is poised to evolve into a regional hub for natural gas processing and distribution, while Israel will enhance its international standing as a natural gas-producing state. If realized, the project - combined with the EastMed pipeline³¹ -will constitute a major geostrategic development, contributing to the consolidation of the energy security architecture and the (re)distribution of power in the Eastern Mediterranean. This dynamic involves not only EU Mediterranean member states (Greece and Cyprus) but also countries in the broader region that rely on hydrocarbon reserves from the Middle East (Figure 1).

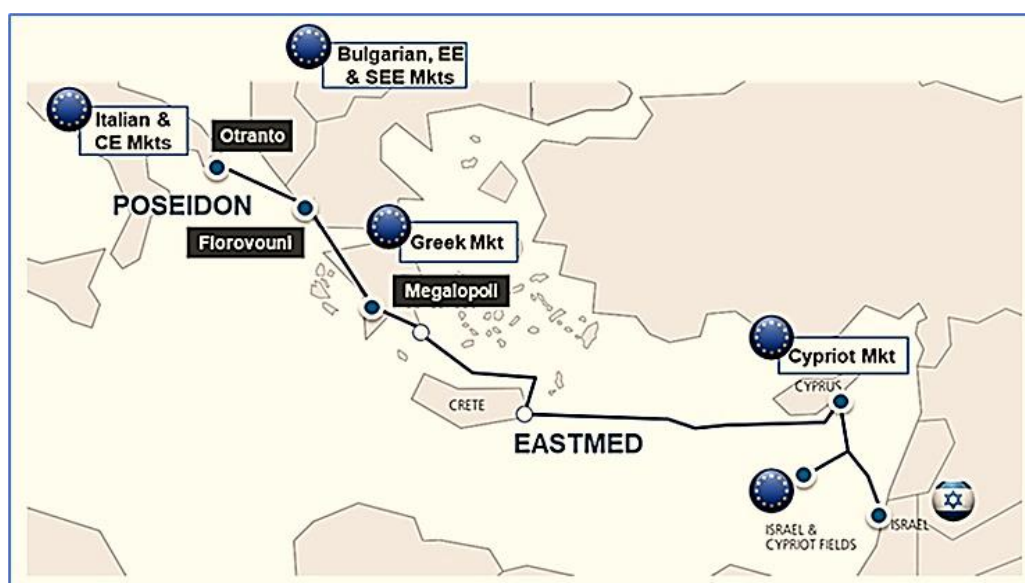


Figure 1: The EastMed Natural Gas Pipeline Project³¹

²⁸ New Lines Institute. (2019). Egypt's Military Regime and the Muslim Brotherhood.

²⁹ Ibid.

³⁰ 1 bcm= 1 billion [m³]

³¹ DEPA International Projects; Eastern Mediterranean Interconnecting Pipeline (EastMed).

6. Geostrategic Relations and Partnerships

Egypt maintains robust strategic partnerships with the United States, the EU, Greece, Cyprus, and Israel through trade agreements, joint military exercises³², and cooperation in the energy sector via the East Mediterranean Gas Forum (EMGF)³³. A key component of this framework is the GREGY project (Greece–Africa Power Interconnector)³⁴, which aims to establish an electricity link between Greece and Egypt with a capacity of 3 GW.

The country invests in defence self-sufficiency and the development of advanced weapons technologies through collaborations³⁵ with Turkey—participating in the KAAN fighter jet production program—and is considering the acquisition of the Iron Dome system³⁶, while maintaining multifaceted cooperation with the United States in military assistance and counterterrorism. Furthermore, the Strategic and Comprehensive Partnership signed in 2024 between the EU and Egypt includes funding of €7.4 billion to support economic stabilization and migration management³⁷. Nevertheless, ongoing socio-religious unrest poses a persistent and visible risk that may, in the future, affect both domestic security and regional power balances³⁸.

7. Geopolitical Challenges and Security Dilemmas

Egypt faces a series of external geopolitical and geostrategic challenges that unfold across its geographical perimetric zone and, by extension, exert a direct impact on the country's internal dynamics. These challenges require a reasonable analysis and understanding, insofar as they generate - either directly or indirectly – crucial security dilemmas involving multiple ethno-religious groups. Such dilemmas extend beyond Egypt's borders, affecting Greece and Cyprus as well as other actors, whose interests are shaped by security-related issues within the complex geopolitical landscape of the Greater Middle East. Specifically:

- [1]. Gaza: The Israel– Hamas clashes in Gaza have generated significant challenges along the Israel–Egypt border, complicating the delivery of humanitarian aid to the Palestinian population from and through Egypt. Cairo opposes large-scale Palestinian migration into its territory, fearing ideological and political interactions between refugee communities and Hamas networks with the Muslim Brotherhood,

³² Such as the annual multinational/multi-branch exercise for the dispersal of amphibious forces, 'Bright Star,' which is usually conducted on the beaches of Tobruk and El Alamein along the Mediterranean coastline.

³³ Atlantic Council. (2020). For Turkey, the Libyan conflict and the eastern Mediterranean are inextricably linked.

³⁴ Sidiropoulos, N. (2024). The Role of Egypt in Greece's National and Regional Security—Challenges and Prospects, Security and Resilience, Issue 14.

³⁵ The rapprochement between the two countries was restored over the past five years, following pressure mainly from Turkey and under the prospect of the 'reappearance' of the Muslim Brotherhood on Egypt's political stage.

³⁶ "To Vima" (11/09/2025) "Turkey and Egypt Close to a Historic Defense Agreement"
<https://www.tovima.gr/2025/08/20/diplomatia/konta-se-istoriki-amyntiki-symfonia-tourkia-kai-aigyptos-pos-allazoun-oi-isorropies/>

³⁷ European Parliament. (2024). EU-Egypt Strategic and Comprehensive Partnership.

³⁸ See above No.21.

developments that could trigger destabilization and potential flare-ups across the wider region³⁹, involving multiple actors for diverse strategic reasons.

- [2]. Red Sea: Houthi attacks have inflicted severe damage on Egypt's economy and on international shipping through the Suez Canal, reducing transit revenues from the Red Sea, which account for approximately 2% of Egypt's GDP, thereby diminishing the country's foreign currency reserves⁴⁰. It is noteworthy that the Suez Canal handles 12% of global trade and more than 20% of international container shipments^{41, 42}.
- [3]. Sudan–Ethiopia: Tensions with Sudan over Nile water flow - and particularly the Grand Ethiopian Renaissance Dam (GERD) - remain unresolved. As the last downstream country along the river, Egypt is the most affected by freshwater scarcity and, therefore, perceives the dam as a threat to its national existence and security^{43, 44}.
- [4]. Libya: Until recently, Egypt supported the Libyan National Army (LNA), while Turkey backed the Government of National Accord (GNA). The restoration of relations between Libya's rival factions and the rapprochement between Egypt and Turkey may strengthen prospects for "bridging" bilateral differences⁴⁵. In such a scenario, Egypt's role could become more substantive and potentially decisive in resolving this protracted conflict.
- [5]. Horn of Africa: This region constitutes a theater of competition and overlapping interests among Israel, Turkey, and China. Due to geographic proximity, these dynamics affect Egyptian interests, complicating strategic planning and constraining Cairo's geopolitical influence⁴⁶ in the western side of the Mashreq geosystem⁴⁷.
- [6]. Syria: A major security dilemma for Egypt is the emergence of Ahmad Hussein al-Sharaa (also known as Mohammed al-Jolani) and Hay'at Tahrir al-Sham (HTS) as the de facto governing authority in Syria. Egypt views the transition from Bashar al-Assad's regime to al-Sharaa's leadership with scepticism, given HTS's ties to radical Islam and al-Qaeda, its ideological affinity with the Muslim Brotherhood, and its cooperative relations with Turkey's government and intelligence services. Considering Egypt's historically stable relations with Assad's regime, Cairo may interpret al-Sharaa's rise as a prelude to the resurgence of Islamist movements with destabilizing implications for its domestic security. Geostrategically, the new Syrian landscape could alter the power balances along the Egypt–Jordan–UAE–Saudi Arabia axis and affect Egypt's relations with the United States and Israel. President al-Sisi might opt for a mediating role, while maintaining a discrete distance from al-Sharaa's administration, promoting a transition toward political normalization through diplomacy. This approach could include support for Kurdish autonomy in northern Syria—both to counter Turkey's military-political interventions and to weaken extremist Islamist elements—by backing autonomy for Druze, Alawites, and allied Christian minorities. The ultimate objective would be the creation of a security buffer

³⁹ PRISME. (2024). Egypt's Challenge: Balancing Borders and Stability Amid Gaza War.

⁴⁰ Atlantic Council. (2024). Houthi attacks on ships in the Red Sea add to Egypt's economic troubles.

⁴¹ Kathimerini "The Map of Global Trade Has Changed" (15/09/25); The Map of Global Trade Has Changed; kathimerini.com.cy

⁴² Pavlopoulos, N. "Red Sea: Chaos in Global Trade – Operation 'Guardians of Prosperity' Against the Houthis"; <https://www.newsbomb.gr/kosmos/story/1502786/erythra-thalassa-xaos-sto-pagkosmio-emporio-epixeirisi-frouroi-tis-evimerias-kata-ton-xoyti>

⁴³ OWP. (2024). Nile River Conflicts.

⁴⁴ KATHIMERINI (2023). Egypt's Anger Against Ethiopia Over the Nile; <https://www.kathimerini.gr/world/562611142/orgi-tis-aigyptoy-kata-tis-aithiopias-gia-ton-neilo/>

⁴⁵ Libya Tribune. (2024). What does Egypt-Turkiye rapprochement mean for Libya?

⁴⁶ USIP. (2024). The Red Sea in Turmoil: Peace and Security in the Horn of Africa and the Middle East.

⁴⁷ A geopolitical subsystem, also known as the Mashreq, defined by the continuum between Northeastern Africa and Western Asia, which includes Egypt, Jordan, Lebanon, Syria, Iraq, Saudi Arabia, UAE, Yemen, Oman, Kuwait, Bahrain, Sudan, as well as Israel.

area, inherently linked to Israel's strategic plans for military safeguarding and control and the future configuration of the region's political geography system (**Figure 2**).



Figure 2: The Ethno-Religious Mosaic of Syria⁴⁸

- [7]. **Relations with Hellenism:** Recently, Egypt issued a verbal note to Greece contesting the boundaries of the Greek Exclusive Economic Zone (EEZ) and continental shelf in the Mediterranean, following the publication of Greece's maritime spatial planning⁴⁹. Another incident occurred in late May 2025, when Egyptian courts ruled that the world's oldest monastery—the Monastery of Saint Catherine on Mount Sinai—would be transferred to state ownership. This decision resulted from a legal dispute between Orthodox monks of the monastery and the Egyptian state, a conflict that originated during the presidency of Mohamed Morsi, a leading person of the Muslim Brotherhood⁵⁰. Both incidents, in a broader perspective, appear to align with a political shift aimed at appeasing the Muslim Brotherhood and fostering rapprochement with Turkey, whose government maintains declared ties of solidarity and cooperation with the Brotherhood.

8. Conclusions

Egypt's trajectory is shaped by internal challenges and external pressures, where the stakes of stability and development are particularly high. The country must navigate an environment of increasing geopolitical entropy, in which regional rivalries are intensifying and redefining

⁴⁸ https://en.wikipedia.org/wiki/Sectarianism_and_minorities_in_the_Syrian_civil_war

⁴⁹ The Egyptian Ministry of Foreign Affairs issued a statement noting that 'certain areas designated under the Greek Maritime Spatial Planning' overlap with the scope of Egypt's Exclusive Economic Zone (EEZ) and continental shelf in the Mediterranean Sea. The Ministry reaffirmed its objection to this development and emphasized that any consequences or implications arising from the Greek decision are deemed unacceptable.'

⁵⁰ Ibid.

power balances across the Greater Middle East. Egypt's pursuit of economic recovery, growth, and political stability presupposes the strengthening of regional security, the leveraging of strategic partnerships, and the projection of power to substantially reduce the influence of state actors (e.g. Turkey) and non-state actors (e.g. Islamist movements) within its borders. Furthermore, power projection in the Eastern Mediterranean and the Horn of Africa constitutes a critical factor for Egypt's national security. Consequently, the country must invest in institutional resilience, social cohesion, and multidimensional diplomacy. Its geographic position confers an undeniable geopolitical advantage, yet rational strategic planning is required to address pressing political, social, economic, and religio-political issues so that Egypt does not become vulnerable to externally driven destabilization. For these reasons, Egypt is expected - beyond the aforementioned measures - to reinforce its defense self-sufficiency, capitalize on energy diplomacy (e.g., in the context of NEWMED project), and seek a mediating role in the ongoing reconfiguration of political geography in Syria and Libya, maintaining substantial influence over future developments. The overarching challenge lies in transforming risks into opportunities through internal institutional fortification and the enhancement of Egypt's power projection, both via diplomacy and through the modernization of its deterrent capabilities.

9. Greece and Cyprus

For Greece and Cyprus, the critical issue requiring careful interpretation and in-depth understanding is the dynamic of the current conjuncture and the leverage exerted in the Eastern Mediterranean by a wide array of actors on an almost daily basis—whether through soft or hard power confrontations. In such fluid environments, history has shown that relations of friendship or rivalry among actors are never fixed and can shift at any moment for a variety of reasons, some more predictable than others⁵¹. Consequently, within a framework of rolling developments—where historical continuity does not assign roles but rather employs actors who have assumed, adopted, and designed an active role for themselves and their societies—the common imperative for Greece and Cyprus must be a substantive and long-term repositioning on the geostrategic map and within the geopolitical dynamics of the region. To this end, the following are proposed:

- (a). Maintaining and further upgrading relations with Egypt through the strengthening and encouragement of cooperation primarily in the fields of defence, energy, and security, as well as in culture and education
- (b). Undertaking mediating initiatives for regional stability through diplomatic, commercial, and economic synergies with Egypt (and beyond), positioning it as a

⁵¹ The good relations between Egypt and Israel have recently come under renewed strain, as Egypt labeled Israel an 'enemy state' following a recent Israeli airstrike in Qatar. This development triggered an extraordinary Arab-Islamic Summit in Doha to discuss further joint actions by Arab countries.

balancing factor and a channel of reciprocal communication between the Arab world and the West.

- (c). Redefining their energy role with emphasis on projects that enhance international cooperation and reduce geopolitical frictions. In this regard, the IMEC initiative appears to be a historic opportunity, despite the current challenges in maturing this concept into a sufficiently organized and evolving geo-economic undertaking.

In any case, both preparation and appropriate diplomatic handling are required, given that Egypt is not officially a participating member in the IMEC corridor (**Figure 3**), as presented at the G20 Summit in 2023, but rather a potential partner, at this stage.

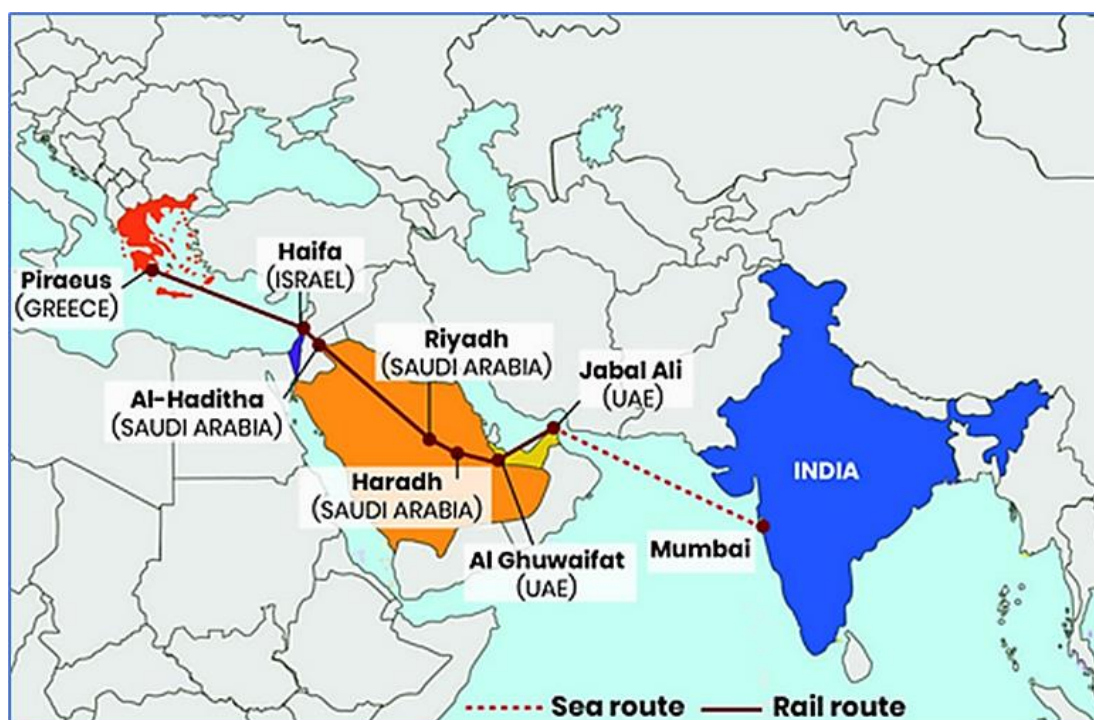


Figure-3: Geographical arrangement of the IMEC initiative⁵²

⁵² Source: India-Middle East-Europe Economic Corridor (IMEC); Government Facilitator; <https://www.imec.international/about/>