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NOTE	
From:	General Secretariat of the Council
То:	Delegations
Subject:	Relations with Egypt
	- European Union's position for the Association Council's 10th meeting
	(Brussels, 23 January 2024)

Delegations will find attached the European Union's position for the 10th EU-Egypt Association Council.

# 10<sup>th</sup> MEETING OF THE EU-EGYPT ASSOCIATION COUNCIL (Brussels, 23<sup>rd</sup> January 2024) Statement by the European Union

1. The European Union welcomes the tenth meeting of the EU-Egypt Association Council, which marks the 20<sup>th</sup> anniversary since the Association Agreement entered into force in 2004. The EU-Egypt Association Agreement forms the basis of the partnership and cooperation between the EU and Egypt. The EU and Egypt adopted the new EU-Egypt Partnership Priorities (2021-2027) at the ninth EU-Egypt Association Council on 19 June 2022, marking an important political milestone in the bilateral relations. The Partnership Priorities restate the joint aim to address common challenges facing the EU and Egypt, promote joint interests and guarantee long-term stability and sustainable development on both sides of the Mediterranean. The shared commitment to the universal values of democracy, rule of law and respect for human rights continues to underpin the Partnership Priorities. Shared commitment from both sides is also reflected in the EU-Egypt Multi-Annual Indicative Programme for the period of 2021-2027<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> <u>Multi-Annual Indicative Programme European Union – Egypt 2021-2027 (europa.eu)</u>

2. The Partnership Priorities reflect the shared commitment of Egypt and the EU to reinforce cooperation in support of Egypt's 'Sustainable Development Strategy Vision 2030' and the EU's determination to renew and strengthen the partnership with its Southern Neighbourhood. Namely, in the European Council Conclusions of 10-11 December 2020<sup>2</sup> the EU stated its strategic priority for a democratic, more stable, greener and more prosperous Southern Neighbourhood. The EU Agenda for the Mediterranean<sup>3</sup> and its Economic and Investment Plan for the Southern Neighbours<sup>4</sup> set out in the EU Joint Communication on the Southern Neighbourhood of 9 February 2021 present the EU's objectives to achieve long-term, sustainable socioeconomic recovery and resilience and to advance the twin green and digital transitions in the region. The Council affirmed these goals in its Conclusions on a renewed Partnership with the Southern Neighbourhood of 19 April 2021<sup>5</sup> and foresaw a review of the Agenda in 2024.

<sup>&</sup>lt;sup>2</sup> <u>https://www.consilium.europa.eu/media/47296/1011-12-20-euco-conclusions-en.pdf</u>

<sup>&</sup>lt;sup>3</sup> JOIN(2021) 2 final

<sup>&</sup>lt;sup>4</sup> SWD(2021) 23 final

<sup>&</sup>lt;sup>5</sup> https://ec.europa.eu/neighbourhood-enlargement/news\_corner/news/new-agenda-mediterranean-council-approvesconclusions-renewed-partnership-southern\_en

3. The EU attaches great importance to its relationship with Egypt as an important bilateral partner and regional player, as testified by intense political engagement, trilateral cooperation schemes involving EU Member States, and numerous bilateral visits, including at the highest political level. In recognition of the strategic nature and potential of their partnership, the European Union is discussing with Egypt a strategic and comprehensive package prioritising, within the framework of the Association Agreement and the Partnership Priorities, a set of actions towards short- and long-term outcomes in sectors of mutual interest. This package aims to unleash the full potential of EU-Egypt relations, accompany Egypt's socio-economic development, and help mitigate the impact of the current crises in the region for our shared stability and security. Following the last EU-Egypt Association Council (June 2022), all subcommittees under the thematic clusters identified in the Partnership Priorities were held during 2022 and 2023. Macroeconomic Dialogues took place in September 2022 in Cairo and in September 2023 in Brussels. The eighth EU-Egypt Association Committee took place in May 2023 and the third High-Level Political Dialogue was held in June 2023 in Cairo. The signature of the Framework Protocol, in January 2024, will pave the way for the participation of Egypt in EU programmes including Horizon Europe.

4. Egypt remains among the top beneficiaries of EU bilateral assistance in its Southern Neighbourhood. The ongoing combined volume of financial assistance from the EU, its Member States and European Financial Institutions to Egypt in its different forms over the past ten years exceeds EUR 11 billion. The EU supports Egypt through a mix of cooperation instruments – bilateral, regional and global – with an ongoing bilateral cooperation portfolio of some EUR 1.3 billion. Since 2008, Egypt has been a major beneficiary of blending operations with over EUR 667 million in blending grants leveraging almost EUR 8 billion in concessional loans from European Financial Institutions for investments in key sectors such as renewable energy, energy efficiency, water and wastewater management, public transport, financial inclusion, support to Micro, Small and Medium Enterprises, urban development and technical vocational education and training. Egypt is likely to continue this trend under the enhanced European Fund for Sustainable Development (EFSD+) and the Economic and Investment Plan that could mobilise up to EUR 9 billion in investments in Egypt until 2027. Under the Neighbourhood, Development and International Cooperation Instrument (NDICI), an amount of EUR 240 million in grants has been allocated to Egypt for the bilateral portfolio for the period 2021-2024. This is complemented by additional amounts from the Food and Resilience Facility (EUR 100 million in grants), migration funds (EUR 181 million in grants) and funds from regional and thematic programmes.

# Egypt's Sustainable Modern Economy and Social Development, including cooperation on Climate and Energy

5. The EU and Egypt will cooperate in advancing socio-economic goals set out in Egypt's "Sustainable Development Strategy – Vision 2030" with a view to strengthening Egypt's ability to withstand and recover quickly from economic shocks, build prosperity and realise the Sustainable Development Goals (SDGs). Russia's war of aggression against Ukraine further strained the Egyptian economy necessitating additional exceptional monetary and fiscal measures and socio-economic support. Meanwhile, the consequences of humanitarian crisis in Gaza resulting from Israel's military operation after the Hamas terrorist attacks on 7 October will also affect Egypt's economy negatively. The EU and Egypt will cooperate closely on longterm socio-economic recovery built around green and sustainable development, human development, economic resilience the implementation of key structural reforms in Egypt to ensure sustainable economic development and prosperity building through the green and digital transitions, support to social cohesion, and the development of a modern and democratic state. It will be primarily supported by the speedy and efficient implementation of the flagship initiatives of the Economic and Investment Plan of the New Agenda for the Mediterranean, which will be implemented with a Team Europe approach associating EU Member States and European Financial Institutions. The EU acknowledges the economic measures taken to address the economic impact of Russia's war of aggression against Ukraine. Strong, sustainable and inclusive growth will require continued structural reforms in line with the IMF programme agreed in December 2022, as well as prudent fiscal policy to contain public debt and increase public revenue. In this context, the EU welcomes the continued public finance management (PFM) reform, which it is supporting through the Public Finance Management reform programme.

- 6. Egypt's Micro, Small and Medium Enterprises play a central role in EU cooperation with Egypt with a number of projects including those implemented through a number of European Financial Institutions (EFIs). The EU aims in particular to facilitate SMEs' access to finance with a particular focus on underserved segments thus increasing the participation of youth and women in the formal economy and to upgrade competitiveness of value chains, thus enhancing trade prospects.
- 7. The EU remains Egypt's first trading partner in terms of both imports and exports and one of the biggest investors in Egypt. In 2022, Egypt reduced its trade deficit with the EU owing to increased exports. In line with the EU Trade Policy Review Communication of February 2021, the EU is committed to working with Egypt on modernising bilateral trade and investment relations, including by ensuring the trade and competition provisions of the EU-Egypt Association Agreement are implemented in full, and World Trade Organisation commitments are fully respected As an important contribution to this common cause, the EU looks forward to continuing the constructive EU-Egypt trade dialogue to prevent and abolish measures potentially impeding bilateral trade and to remove Egypt's current trade barriers as soon as possible. The EU will continue supporting initiatives in Egypt aiming at further fostering the business and investment environment to attract more foreign direct investment, including through an open and sustainable trade policy. The upcoming EU-Egypt Investment Conference will be an important contribution to strengthened bilateral business engagement.

8. The EU continues to support Egypt in increasing its trade and investment opportunities, including through the implementation of the Economic and Investment Plan and exploring ways of promoting sustainable investments. We see the EU-Egypt Investment Conference foreseen for May 2024 as an important event to further these efforts. Competitiveness has been and will continue to be enhanced through work on the regulatory framework, the compliance of products with internationally agreed standards including sanitary and phytosanitary standards, market transparency, and innovation including the promotion of sustainable production and the development of industrial policies and strategies. The trade cooperation programme 'EU TIGARA' will enhance EU-Egypt cooperation on industrial and trade policy in line with international commitments and standards and increase the competitiveness and efficiency of the Egyptian private sector in selected value chains. The EU also supports Egypt in trade facilitation with assistance to the Egyptian Customs Authority and to the development of Intellectual Property Rights (patents, trademarks and industrial design).

9. Working on the fiscal space is also paramount to allow sustainable investments in human development. With its growing population and significant numbers of migrants and refugees, education and health systems are in need of support and investment. The EU will continue to assist Egypt's efforts towards a sustainable demographic growth. It will provide another EUR 12 million to the implementation of Egypt's National Population Strategy building on the ongoing EU programme (EUR 27 million), which aims to increase the use of voluntary, rightsbased family planning. Egypt is also facing unprecedented urban expansion and the EU, through co-financing with European Financing Institutions, is playing a key role in tackling social inclusion in less advantaged urban areas through the provision of basic socio-economic services and infrastructure. With more than 70% of poor people concentrated in rural areas where agriculture is the main source of income, the EU is providing extensive support for the promotion of sustainable rural development, which will continue through the implementation of a recently agreed programme (EUR 27 million) for integrated rural development. The EU contributes to Egypt's efforts to address the social-economic impact of the ongoing crises, particularly on the most vulnerable, through support for the provision of basic services and social protection measures, notably via the Decent Life Initiative of the Government (Hava Karima, EUR 70 million).

10. Advancing on an ambitious green transition agenda is more urgent than ever. The latest scientific evidence as well as the rapidly evolving energy market require an acceleration of the energy transition and development of a resource-efficient, socially just, resilient, sustainable and climate neutral economy. Full implementation of the Paris Agreement and delivering on the commitments made at COP26, building on the results achieved at the COP27 in Sharm el-Sheikh and the COP28 in the United Arab Emirates, will be crucial to address the climate emergency including the need for a resolute and just worldwide transformation towards climate neutrality by mid-century, including transitioning away from fossil fuels in energy systems. Egypt, as former President of COP27 and potential to become an energy hub in the East Med region, has a strategic role to play in driving a just and inclusive green transition required to limit global warming to 1.5°C as set down in the Paris Agreement. The EU congratulates Egypt for hosting COP27 and encourages Egypt to build on the initiatives launched at and around COP 27 to accelerate its transition towards sustainable development. Through its leadership Egypt can set an example of ambitious green transition pathway. Hence, the importance of upgrading the current Nationally Determined Contributions, with the inclusion of economy-wide targets and the provision of unconditional commitments which could represent an important blueprint for engagement and support by partners like the EU.

- 11. The EU is ready to assist Egypt in its transition and sustainability efforts through structured cooperation on regulatory frameworks, standards and investments to incentivise the green transition and open opportunities for co-investments. The EU also stands ready to accompany Egypt in designing measures addressing the opening of carbon markets, including the adoption of a monitoring, reporting and verification (MRV) system and developing a carbon tax/carbon pricing framework. The "EU Green Facility" has been created under the bilateral 2023 cooperation package for these purposes.
- 12. The EU attaches great importance to cooperation with Egypt in the energy sector, especially in view of common priorities such as energy security and energy transition. In light of the new geopolitical and energy market reality after the Russian invasion of Ukraine, and the threats arising from other geopolitical crisis, Egypt is a crucial partner in the EU's efforts to diversify its energy routes and move towards more reliable suppliers. The Trilateral Memorandum of Understanding on Cooperation Related to Trade, Transport, and Export of Natural Gas to the European Union with Egypt and Israel and the Memorandum of Understanding on a Strategic Partnership on Renewable Hydrogen with Egypt signed in 2022 are examples of the deepening of our energy cooperation.

- 13. The EU has provided extensive support to the sector and is supporting Egypt in updating its integrated energy strategy to meet the country's sustainable development requirements while reducing greenhouse gas emissions. The EU is committed to deepen energy cooperation, including through new and sustained investments in the electricity grids, interconnections, and trilateral cooperation. Egypt participates together with other Mediterranean countries in the EU-financed MED-GEM programme, which is aimed at supporting and promoting exchanges among governments, private sector and financial institutions to underpin renewable energy and hydrogen investments in the region. The EU is committed to supporting the work of the East Med Gas Forum with a view to strengthen energy cooperation and security of gas supply in the region and gas trade with the EU. In this regard, reducing fugitive methane emissions is key to mitigate climate change and as such Egypt was invited to participate in an EU-organised methane event at COP28. In addition, the EU sees the opportunity to further strengthen energy cooperation and trade with Egypt in the field of safe and sustainable low carbon technologies, by supporting and encouraging the implementation of projects such as the GREGY Interconnector, while preserving Egypt's own green transition.
- 14. The EU welcomes the significant policy developments and investments addressing sustainable development and climate change in Egypt, which demonstrate the growing importance given to green growth and sustainable energy transition. It will be essential that this transcends all sectors so as to ensure a sustainable and resource efficient economy. The European Green Deal offers significant opportunities to work together to accelerate the green transition and sustainable investments.

- 15. In the environmental sector, the EU and Egypt have identified a number of common priority areas for cooperation. On biodiversity, the EU welcomes the important part Egypt continues to play in the United Nations Convention on Biological Diversity, including its support to creating synergies between the Conventions. Following the adoption of an ambitious Global Biodiversity Framework (GBF) at COP15 in December 2022, the EU is committed to working with Egypt for the implementation of the goals and targets under the GBF. The EU has provided extensive support to Egypt on mitigation and adaptation related topics including water resource management, development of sustainable agriculture, expanding public transport networks, the rollout of renewable energy, promotion of energy efficiency and pollution abatement. In relation to water, the EU and Egypt are proposing to sign a Joint Declaration to enhance future cooperation on different aspects of sustainable water management, with the aim, inter alia, of helping Egypt to become a regional hub for the knowledge management and transfer of integrated water resource policies and practices. Support to these sectors will continue along with other areas of common interest such as biodiversity conservation, reducing air pollution, combating desertification and land degradation, disaster risk reduction (Sendai Framework), sanitation and solid waste management including industrial pollutants, chemicals and hazard waste management. Egypt also participates in regional projects on the environment and climate, including CLIMA MED (supporting climate governance), Switch MED on sustainable production and consumption and the Water and Environment Support initiative.
- 16. The EU is also ready for increased cooperation, consultations and exchange of experience in crisis management and prevention, reinforcing cooperation on civil protection and disaster risk management.

- 17. The EU has led the development of a Team Europe Initiative on Climate Change Adaptation through Integrated Water & Food Security. This programme brings together the EU, EU Financial Institutions (EFIs) and EU Member states to support Egypt in addressing the main challenge faced by agriculture water productivity and scarcity –, while adapting to climate change, improving environmental protection and strengthening rural communities. This initiative supports the Egyptian NWFE (Nexus Water, Food, Energy) Initiative, that Egypt successfully launched during COP27. Furthermore, the EU will support rural areas via an action in line with the Presidential initiative Haya Karima (Decent Life), and is currently supporting Egypt through the Food and Resilience Facility to increase grain storage capacity and grain production by expanding mechanisation and the development of new seeds varieties more resistant to drought and salinity. Opportunities under the UfM for cooperation on climate, environment and sustainable blue economy<sup>6</sup> will continue to be explored.
- 18. In the field of transport, the EU continues to support Egypt with the upgrade and extension of public transport such as metro, tram and railway systems (Cairo, Alexandria, Abu Qir and Tanta-El Mansoura-Damietta) as well as the promotion of transport standards and an integrated multimodal network for a sustainable, secure, safe, efficient and connected transport system. Egypt cooperated with EuroMed regional projects and in particular with the European transport agencies under the Regional Transport Action Plan (RTAP) for the Mediterranean region. Within the Union for the Mediterranean Egypt was also involved in the development of a Trans-Mediterranean Transport Network and its connection to the European Transport Network (TEN-T).

<sup>&</sup>lt;sup>6</sup> In line with the UfM Ministerial Declaration on Sustainable Blue Economy <u>https://ufmsecretariat.org/wp-content/uploads/2021/02/Declaration-UfM-Blue-Economy-EN-1.pdf</u>

- 19. The EU welcomes Egypt's progress towards achieving Education for All, the expansion of access to basic education and the closing of the gender gap in enrolment. The EU remains committed to the development of the Egyptian education sector, particularly for the most vulnerable. The EU is providing extensive support to the modernisation and increased quality of education, and particularly Higher Education and Technical and Vocational Education and Training so as to better align skills to labour market demand and develop high-quality and practice-oriented technical schools to contribute to the digital and green transition, societal resilience and empowerment of youth and women. The EU is also supporting the Global Partnership for Education, a UN initiative.
- 20. In addition to the EU's substantial bilateral support in this sector, Egypt also participates in EU programmes to promote international cooperation among students, higher education institutions and researchers. In 2022, new Erasmus+ capacity-building projects with Egyptian participation were selected (3 in the field of higher education, 5 in the field of Vocational Education and Training and 8 in the field of Youth), as well as 2 Virtual Exchanges projects. 58 Egyptian students were also selected to benefit of Erasmus Mundus scholarships, and 846 Erasmus+ scholarships were allocated for higher education mobility between the EU and Egypt, in both directions. Egypt is encouraged to take greater advantage of the opportunities offered by Erasmus+ and the Marie Skłodowska-Curie Actions within Horizon Europe for the training and mobility of researchers.

- 21. The EU attaches great importance to reliable, comparable and professionally independent statistics as the basis for evidence-based policy-making and for monitoring the impact of policies. The EU invites Egypt to continue its efforts to produce statistics in line with international and European norms and standards and welcomes the continued interest of the Central Agency for Public Mobilization and Statistics (CAPMAS) in statistical cooperation with the EU, including in the statistical cooperation programme MEDSTAT V for the Southern Neighbourhood.
- 22. In line with the objectives of the new EU Global Approach Communication for Research and Innovation adopted in May 2021, the EU will work with Egypt to promote science and evidence-based policymaking to deliver innovative solutions to make our societies green, digital and healthy. The EU looks forward to further cooperating with Egypt in research and innovation in particular in advancing digital technologies, including artificial intelligence and cybersecurity while protecting the right to privacy.

- 23. The EU welcomes Egypt's active participation in Horizon Europe, the EU framework Programme for Research and Innovation, and in Partnership for Research and Innovation in the Mediterranean Area (PRIMA), as well as in other programmes, so as to support scientific research and innovation in areas of mutual interest, such as water management, energy, food security and sustainable agriculture. In the area of research and innovation until 2023, Egypt has participated in 59 projects under Horizon 2020; 11 projects under Horizon Europe and 69 PRIMA projects addressing water management, agro-food value chains and water, energy, food Nexus. The EU welcomes Egypt's interest in being associated to Horizon Europe as expressed during the 8<sup>th</sup> sub-committee on Audiovisual, ICT, Research and Innovation, Education, Culture and Youth and the 8<sup>th</sup> EU-Egypt Association Committee. The upcoming signature of the Framework Protocol for the participation of Egypt in EU programmes will open the way for the participation of Egypt in other EU programmes, including Creative Europe and Horizon Europe.
- 24. The EU appreciates the close cooperation with Egypt in the context of the policy dialogue with the Union for the Mediterranean on research and innovation including the adoption of the Roadmaps in the jointly agreed priority areas of Climate Change, Health, and Renewable Energies. The EU also welcomes the active engagement of Egypt in the AU-EU High-Level Policy Dialogue (HLPD) on Science, Technology and Innovation. The EU looks forward to the continued engagement of Egypt for the implementation of the jointly agreed Research and Innovation priorities, as well as continued work with the Joint Research Centre on the topic of Technology Transfer.

#### Partners in Foreign Policy

- 25. Nearly two years after the start of Russia's full-scale, unprovoked and unjustified military aggression against Ukraine, grossly violating international law and the principles of the UN Charter and undermining global security and stability and inflicting unspeakable suffering on the Ukrainian population, the EU stands firmly and unwaveringly by Ukraine and its people. The EU looks forward to Egypt's assistance to prevent the circumvention of EU restrictive measures adopted in response to Russia's aggression against Ukraine. The EU welcomes Egypt's support to upholding the principles of the UN Charter in condemning Russia's war of aggression against Ukraine, as reflected in the voting in favour of the UN General Assembly Resolution of 23 February 2023, calling for "Comprehensive, just and lasting peace" and calls on Egypt to join supporting President Zelensky's Peace Formula.
- 26. The EU is concerned by Russian state-sponsored disinformation and massive information manipulation used to justify and support its military aggression against Ukraine as well as undermine the EU's position on this issue, gravely distorting and manipulating the facts. It is of major concern that false pro-Kremlin narratives are being spread intensively in the media and social networks in Arabic language across the Middle East and North Africa region, including Egypt. The EU stands ready to share with Egypt and all partners its best practices and expertise in countering pro-Kremlin disinformation, while upholding freedom of expression.

- 27. Russia's war of aggression against Ukraine and its weaponisation of food is undermining global food security, including in the Middle East and North Africa. Food security in Egypt continues to be of great concern given the reliance of Egypt on wheat imports, in particular from Russia and Ukraine. Food insecurity is currently further exacerbated by food inflation following successive devaluations of the Egyptian pound. The EU is supporting Egypt to ease the situation with a EUR 100 million grant from the "Food and Resilience Facility for the Southern Neighbourhood" adopted in 2022 to expand grain storage capacity and production. This is complemented by additional support from the European Investment Bank. In addition, the European Union supports international efforts to maintain secure corridors for the export of Ukrainian grain through the Black Sea, and, together with MS, is facilitating the exports of cereals, including through the EU's solidarity lanes, to Egypt and other third countries, thus contributing in tackling global food shortages. The EU encourages Egypt to avoid export restrictions on agricultural goods and the EU continues to seek convergence on how to meet the food security challenges in the World Trade Organization, Food and Agriculture Organization, G7, G20 and other international fora.
- 28. The partnership between the EU and Egypt is important for the stability and prosperity of the Mediterranean, the Middle East and Africa. The EU recognises Egypt's strategic regional role, which is especially important at a time when the country is faced with conflict along all its borders.

- 29. The EU commends Egypt's efforts to foster international consensus in addressing the aftermath of Hamas' terrorist attacks across Israel on 7 October and Israel's military response, including by hosting the Cairo Summit for Peace on 21 October, coordinating the delivery of humanitarian aid to the Gaza Strip and contributing to the Israel-Hamas hostage release deal as well as supporting third nationals evacuation from Gaza via the Rafah border crossing and facilitating the pause reached on 24 November. Egypt has an indispensable role in the Middle East Peace Process and the EU will continue to engage closely with Egypt to discuss every aspect of the crisis, and to restore a political horizon for a lasting and sustainable peace, based on a two-state solution, in which both Israelis and Palestinians can live in security side by side. The EU remains firm in its commitment to a negotiated and viable two-state solution built upon the internationally agreed parameters and international law. The EU underlines the urgent need for engagement to restore a political horizon and open the path towards the relaunch of the peace process as soon as possible.
- 30. Given the strategic orientation of the partnership, the EU is committed to reinforcing cooperation with Egypt in foreign policy at the bilateral, regional and international levels, notably in the UN and other multilateral fora, as well as with the League of Arab States (LAS), the African Union and the Union for the Mediterranean.
- 31. Egypt hosts the headquarters of the League of Arab States and plays a leading and convening role in the largest organisation of the MENA region. The EU is committed to deepen and broaden its cooperation with the LAS in areas of common interest like regional security, counter-terrorism, migration and climate change.

- 32. The EU welcomes its continued partnership with Egypt as key actor within the African Union, as outlined in the EU-African Union **Joint Vision for 2030. The EU acknowledges** Egypt's leading role within the African Union in particular in our common fight against climate change and joint efforts towards a green energy transition.
- 33. Within the Union for the Mediterranean (UfM), the EU and Egypt are partners committed to enhance cooperation and dialogue in the interest of peace, stability, development, and shared prosperity for a strengthened Euro-Mediterranean region. The EU underlines the joint interest to address common challenges in view of a more peaceful, secure, green, prosperous and inclusive Mediterranean region and to strengthen the organisation by reviewing its role, functioning and efficiency.
- 34. The EU and Egypt share a common interest in promoting stability and prosperity in Libya. The EU reaffirms its firm commitment to a Libyan-led and Libyan-owned sustainable political solution under UN auspices.
- 35. The EU has taken positive note of Egypt's efforts to reach a political solution in Sudan, by calling the Neighbouring Countries Summit in July and participating in the Bordering Countries' Ministerial Mechanism on Sudan. The EU appreciates Egypt's efforts in hosting a significant number of Sudanese refugees. In this regard, it provided Disaster Relief Emergency Funding (DREF) to the Egyptian Red Crescent (EUR 200 000) for immediate assistance to people fleeing the fighting, while the EU has made available EUR 20 million in assisting Egypt with the influx of refugees.

36. In light of the significance of the Nile as a source of livelihood, the EU is conscious of the importance that Egypt places in finding an agreement on the Grand Ethiopian Renaissance Dam (GERD). The EU has welcomed the UN Security Council Presidential Statement on the GERD issued on 15 September 2021<sup>7</sup>. The EU continues to strongly encourage a mutually agreed solution between all parties on the filling and operation of the GERD. The EU stands ready to continue supporting African Union-led talks and to play a more active role, if useful and desirable to all parties, by putting forward its rich experience in the management of shared water resources in line with international law. Reaching a mutually acceptable, lasting international agreement as soon as possible is crucial for the water security, economic development and peace and stability of the region. The EU welcomes the renewed negotiations between Egypt, Ethiopia and Sudan in both Addis Ababa and Cairo in 2023. With political will and support from the international community, this dispute could be turned into an opportunity for many people. Millions of people who live in the Nile Basin stand to benefit from an agreement on the GERD, which would create predictability, and open the door for foreign investments in energy, food security and water security.

<sup>&</sup>lt;sup>7</sup> <u>https://documents-dds-ny.un.org/doc/UNDOC/GEN/N21/254/83/PDF/N2125483.pdf?OpenElement</u>

# Rule of law, human rights and fundamental freedoms

- 37. In line with the Partnership Priorities, both sides are committed to ensuring accountability, the rule of law, the full respect of human rights, fundamental freedoms, promoting democracy, gender equality, women's empowerment and equal opportunities as constitutional rights of all their citizens. These commitments contribute to the advancement of the partnership and to Egypt's sustainable development and stability. The increased and constructive engagement between the EU and Egypt in the last period has opened the path to more meaningful dialogue on human rights related issues. The subcommittee on Political Matters, Human Rights and Democracy, International and Regional issues of December 2022 and the Association Committee of May 2023 provided the institutional platforms to exchange on an array of human rights issues, which the EU would like to continue and build on. The improvement of the human rights situation in Egypt will have a positive impact on EU-Egypt relations.
- 38. The EU has welcomed the publication of the first-ever National Human Rights Strategy as a manifestation of Egypt's commitment at the highest level to address human rights issues in line with Egypt's constitution and international commitments. The EU has taken note of the implementation report published in December 2022 and continues to strongly encourage the prompt and effective implementation of the strategy together with civil society in an effort to improve, inter alia, the respect and protection of fundamental freedoms. Stemming from our own experience in implementing the EU Action Plan on Human Rights and Democracy 2020-2024, the EU stands ready to work with the Government of Egypt in translating its national strategic document into practice. The EU also welcomes the National Dialogue and encourages Egypt's implementation of proposals arising from the dialogue.

- 39. The EU places great importance on the joint promotion of gender equality and recognises Egypt's commitment to strengthen women's empowerment. The EU has been working with Egypt, notably the National Council for Women and civil society, to reinforce women's empowerment and women's full enjoyment of human rights. The EU's work with Egypt focuses on women's participation in public life through the Citizens' Rights project, women's economic empowerment, addressing sexual and gender based violence and has contributed to the national campaign against female genital mutilation.
- 40. The EU notes the national efforts to promote freedom of religion or belief in Egypt and encourages the elimination of all forms of discrimination on such grounds and protection of individuals from sectarian attacks. The EU commends the Government of Egypt's efforts together with religious institutions to combat extremism and prevent radicalisation and reiterates the importance of doing so in line with international human rights obligations.

- 41. The EU expresses its hopes for engaging in good faith and continuing constructive dialogue with Egypt in the field of human rights. At the same time, the EU remains concerned about restrictions to civil society space and pressure against human rights defenders in Egypt as well as restrictions on upholding online and offline freedom of expression, media freedom, academic freedom and freedoms of peaceful assembly and association. The EU notes positively a number of releases and the reactivation of the Presidential Pardon Committee. However, the EU remains concerned about reported cases of new arbitrary arrests, reprisals, such as travel bans, and the extensive use of pre-trial detention, including against family members of human rights defenders and journalists, investigate cases of enforced disappearance and torture and all allegations of human rights violations and abuses, including incidents of violence by security forces, and bring perpetrators to justice. The EU reiterates its call to shed light on the circumstances of the death of Giulio Regeni and Eric Lang and bring about justice. Fully respecting the independence of the judiciary, the EU underlines the importance of access for trial observation.
- 42. The increase in the use of the capital punishment in recent years in Egypt despite the global trend to abandon this inhumane punishment goes against the EU's principled position to abolish the death penalty. The National Human Rights Strategy foresees the review of crimes punishable by the death penalty. In view of this, the EU calls on Egypt to suspend executions as a first step and to establish a formal moratorium with a view to its abolition.

- 43. Following the reform of the NGO law in 2019 and the adoption of the bylaws in early 2021, the EU underlines the importance of this legislation for the civil society's contribution to implementing the EU-Egypt Partnership Priorities. This law directly affects the EU's cooperation assistance to Egypt as a large part of EU and Member States' cooperation relies on civil society organisations as important implementing partners. The EU stands ready to work with Egypt on the implementation of this law to institutionalise a safe and enabling environment for civil society as well as a meaningful social dialogue and allow organisations, including organisations working on human rights matters, to work without undue restrictions.
- 44. The EU supports Egypt's commitments to enhance state institutions' accountability, efficiency, independence and transparency. The EU has contributed to Egypt's efforts to reform the public administration, notably on improving public finance management and fight against corruption. We stand ready to further support Egypt in effective public sector reform and modernisation of its justice sector in line with international standards to ensure access to justice and fair trials for all citizens. In this regard and as per the Partnership Priorities, both sides could consider developing cooperation with the European Anti-Fraud Office, the European Public Prosecutor's Office and with the EU agency for Criminal Justice Cooperation (Eurojust).

45. The EU remains committed to contributing to Egypt's effort to attain the UN Sustainable Development Goals. In this regard, the EU commends Egypt's efforts in the context of COP27 to highlight the right to a clean environment, which the EU-Egypt partnership on energy and climate aims to protect and promote.

#### **Cooperation on Security and Defence**

46. The EU recognises Egypt's key role for regional security and stability. Terrorism, organised crime and conflict are common threats against our security and the social fabric of nations across both sides of the Mediterranean. Therefore, the EU and Egypt have a common interest in strengthening cooperation on security and defence in the areas highlighted in the Partnership Priorities, in full compliance with international law, including human rights and international humanitarian law.

# Counter terrorism and prevention of violent extremism

47. The EU places great importance on taking multilateral action to counter terrorism. The EU and Egypt's successful partnership as co-chair the Global Counter Terrorism Forum (GCTF) confirms this approach. At the GCTF, the EU has been working with Egypt to promote a whole-of-society, rule-of law-approach, with concrete results, such as addressing the importance of dialogue and community resilience when countering terrorism and preventing violent extremism, but also to promote a stronger role for women across the counterterrorism domain. As co-chairs, the EU and Egypt are working to address the growing threat level on the African continent.

48. Collaborating with Egypt on the multilateral level also contributes to reinforcing our bilateral cooperation. In October, the EU and Egypt established their Dialogue on Counter-Terrorism, holding the first meeting in Brussels, aiming to increased exchange on policy initiatives, as well as on terrorist threat assessments at the regional level, in addition to fostering more practical cooperation on counterterrorism and prevention of violent extremism issues.

#### Security and Defence

49. Recognising Egypt's role in regional security against transnational organised crime, the EU and the Ministry of Interior of Egypt held a senior official's meeting in June exploring ways of strengthening cooperation in various security/law enforcement domains. The meeting resulted to an increased bilateral exchange between the two sides leading to an agreement for an anti-smuggling operational partnership (ASOP), in addition to consultations with Europol and CEPOL towards signing of a working arrangement to frame bilateral collaboration. Further cooperation has been pursued also with a familiarisation visit by Egyptian Police Officers to Frontex HQ, an identification visit on the protection and addressing organised crime on cultural heritage, anticipating also partnering with the EMCDDA (European Monitoring Centre for Drugs and Drug Addiction) Agency.

50. On Defence particularly, in the aftermath of Egypt's participation to the Schuman Forum for Security and Defence in March, the Chairman of the EU Military Committee (EUMC) and ENAVFOR Op. ATALANTA Operations Commander visited Egypt, meeting with the Armed Forces leadership and paved the way for enhanced cooperation on maritime security by having a joint naval training exercise. Furthermore, a mission from the EU visited the Egyptian Ministry of Defence exploring areas of benefiting the Egyptian Armed Forces through support under the European Peace Facility (EPF) in the field of developing military capabilities, a work currently ongoing.

# **Cooperation on Migration**

51. The EU and Egypt have a strong, strategic and comprehensive cooperation on migration as highlighted in the Partnership Priorities.

52. Between 2015 and 2020, Egypt benefited from the EU Trust Fund for Africa (EUTF) with EUR 91 million in bilateral and regional actions, with a focus on addressing root causes of irregular migration through job creation. Egypt is also a beneficiary of a number of regional EU migration programmes addressing different aspects of migration including voluntary return and reintegration, legal migration and labour mobility in line with Member States' competences, child protection, fighting smuggling of migrants and trafficking of human beings and border management. The EU humanitarian assistance of EUR 5 million per year benefits the most vulnerable refugees and asylum seekers through a 'one refugee approach', aiming to reach both Syrians and other nationalities based on vulnerabilities and needs, most recently Sudanese, and not through earmarked funding by nationality. The European Council Conclusions of October 2021<sup>8</sup> reiterated the EU's expectation regarding the financing for Syrian refugees and host communities, inter alia in Egypt under relevant instruments. The EU will continue supporting Egypt in initiatives aiming at fostering inclusion of refugees, asylum seekers and vulnerable migrants, and seek ways to support ongoing reforms to enhance inclusion of refugees and asylum seekers into national systems and policies and enhance their access to essential services, notably health and education. The EU will continue to support the Egyptian government's efforts to reform its asylum framework, including respective legislation, and to that effect welcomes the ongoing work with the European Asylum Agency.

<sup>8 &</sup>lt;u>https://www.consilium.europa.eu/en/press/press-releases/2021/10/22/european-council-conclusions-21-22-october-2021/</u>

53. The EU acknowledges Egypt's efforts to ensure the effective management of its borders, in particular the enhanced handling of irregular migratory flows, and welcomes its generous hosting of a large number of refugees. The EU will continue to support and build on Egypt's efforts in these areas, notably when it comes to the delivery of basic services to migrants and refugees, border management, the fight against smuggling and trafficking, and return and reintegration. The EU reiterates the importance of the respect for human rights of refugees and migrants, particularly in the field of border management. In line with Egypt's request, the EU will step up its engagement and financial assistance in the field of border management, returns and reintegration, anti-smuggling and anti-trafficking. The EU calls for a more even, effective and predictable cooperation on returns between Egypt and the EU Member States. Of notable importance is the launching in October 2022 of the first EU initiative to support the Egyptian Ministry of defence in the area of border management, an initiative which has in 2023 been topped up to reach the significant overall amount of EUR 110 million (total support to border management for 2022 and 2023). The EU and Egypt will continue to strengthen cooperation also on other aspects of migration and mobility, including legal migration, in line with EU and national competences, notably in the framework of a Talent Partnership. Egypt is also currently part of the ambitious programme Towards a Holistic Approach to Labour Migration Governance and Labour Mobility in North Africa (THAMM), funded under the EU Trust Fund for Africa, which promotes legal migration and mobility between North Africa and Europe in line with Member States' competences and within the North of Africa. The EU encourages strengthening operational cooperation in the field of migration with Frontex.

# **Principles of Cooperation**

54. The EU looks forward to crystalising the current positive momentum of the partnership, including the recent effort to further develop a strategic and comprehensive approach, and mark real progress in the interest of both sides. The EU-Egypt partnership will benefit from further deepening our political dialogue in a spirit of mutual trust and openness. The role of civil society, youth and women, as well as the private sector in the implementation of the Partnership Priorities is crucial. Regular engagement regarding the progress made in the implementation of the Partnership Priorities, through the various mechanisms foreseen in Association Agreement and through regular political dialogue, will allow us to continue to maintain this positive momentum, in the interest of our people and regions.