

STRATEGIC
REPORTS

29 AUGUST 2018



المعهد المصري للدراسات
EGYPTIAN INSTITUTE FOR STUDIES

US Aid to Egypt Suspension & Release

Mahmoud Gamal



WWW.EIPSS-EG.ORG

 Eipss.EG  Eis_EG

TURKEY- ISTANBUL

Bahçelievler, Yenibosna Mh 29 Ekim Cad. No: 7 A2 Blok 3. Plaza D: 64
Tel/Fax: +90 212 227 2262 E-Mail: info@eis-eg.org

US Aid to Egypt: Suspension & Release

Mahmoud Gamal

Introduction

The US State Department announced on Wednesday, July 25, 2018, that the United States has decided to release \$195 million in military aid to Egypt after withholding the assistance last September over human rights concerns. The department said the decision follows steps Egypt has taken in response to specific U.S. concerns, and it cited stronger U.S.-Egypt ties in security and counterterrorism while also acknowledging remaining areas of concern about human rights and governance.

For its part, the Egyptian Foreign Ministry welcomed this decision and said it reflects the significance and specificity of Egyptian-American relations. Speaking to Saudi Arabia's MBC television channel late Wednesday, Egyptian Foreign Ministry spokesman Ahmed Abu Zeid warmly welcomed the US move. Abu Zeid said the US decision also highlights commitment of the two countries to supporting and strengthening relations between them, adding that the aid program is an integral part of these relations. The Egyptian Foreign Ministry spokesman also described the U.S. military assistance to Egypt as a pillar of Cairo's "strategic relationship" with Washington. The US Embassy in Cairo has also commented on the US administration's decision to lift hold off \$ 195 million in foreign military aid to Egypt, saying "We are proud of our partnership with Egypt and its people" The US embassy voiced its intention to develop and enhance cooperation opportunities between the two countries. In its Twitter account, the embassy added that the U.S hails the steps taken by Egypt in order to boost mutual partnership in the last year 'despite the suspension

of aids. The embassy added that the US administration is committed to supporting the Egyptian government's counterterrorism efforts.

It is noteworthy that a senior Egyptian security and military delegation headed by Major General Mohammad al-Kishki, assistant Egyptian Defense Minister for Foreign Relations, had held talks with senior officials in the US Department in Washington to discuss US-Egyptian relations one week before the US administration decided to release its military aid to Egypt. During the talks, Egypt reiterated that the suspension of aid was “a false message that American counterparts do not understand the nature of the challenges facing Egypt, including the challenge of domestic and regional terrorism.” During the same period, Director of Egyptian General Intelligence Service Maj. General Abbas Kamel, was on a visit to Washington, which was revealed by the US envoy to the international agreements, Jason Greenblatt, assistant to the US President and Special Representative for International Negotiations. Jason Greenblatt said that he and Senior Adviser to US President Jared Kushner met in Washington, on July 25, 2018, with the director of Egyptian General Intelligence Service, Maj. General Abbas Kamel, and discussed several issues. Greenblatt [tweeted](#) saying, “A pleasure to meet with General Abbas Kamal, Director of the Egyptian Intelligence Service together with Jared Kushner. We discussed the strategic relationship between Egypt and the USA, as well as the important leadership role Egypt is playing in connection with Gaza.”

First: Why had the US military aid been suspended?

The Egyptian-American relations have improved remarkably since Trump came to power in December 2016. As a result, the joint U.S.-Egyptian military exercise “Bright Star” was resumed on 10 September 2017 for the first time since 2009, when U.S. officials during the Obama Administration canceled them in 2013 following the

massacres committed by the Egyptian army and security forces at the dispersal of the Rabaa al-Adawiya and Nahdha sit-ins that were organized by pro-Morsi peaceful protesters.

The Bright Star exercises are periodic military maneuvers between Egypt and the United States with the participation of a number of other countries. The joint exercise dates back to the early 1980s, following the signing of the Camp David Accords during President Jimmy Carter's administration. Bright Star was carried out every other year since -- until 2012, when the exercise was canceled due to instability in Egypt after Mubarak's ouster. Then-President Barack Obama canceled the exercise in 2014 over human rights abuses by the Egyptian government following the 2013 military coup. "Bright Star has been the leading engagement between the United States and Egypt to collectively address the common interest we share in combatting regional challenges," said U.S. Air Force Maj. Gen. Jon Mott, U.S. CENTCOM exercises director. "It is through exercises like Bright Star that bring our militaries together and allow us to build trust, strengthen partnerships and enhance our capabilities."

The Bright Star exercises have been organized 14 times and suspended four times since they first kicked off in 1981. The joint US-Egyptian exercises are scheduled to be held for the 15th time this year, according to Thomas Goldberger, US Charge d'affaires in Cairo on March 14, who added that Egypt is undertaking a very significant responsibility in the face of terrorism and eradicating it, considering that this is not only in the interest of the security and stability of Egypt, but also for the security and stability of the region and the whole world. Stability of the region and the world. Goldberger added that Egypt is not alone in the fight against terrorism, and that it fights this scourge on behalf of the world.

It is noteworthy that the Bright Star exercise was halted more than once for many reasons, including the Gulf War (Operation Desert Shield, Operation Desert Storm, Operation Desert Saber) and the unstable situation in Egypt, as follows:

1991: The exercise was suspended due to participation in the Gulf War.

2003: The exercise was also halted because of the U.S. commitments in the Gulf War.

2011: The exercise was suspended because of the transitional situation that Egypt was experiencing in the wake of the 25 January revolution.

2013: The exercise was cancelled following the military regime's dispersal of the Rabaa and Nahdha sit-ins by force in Egypt.

Despite the resumption of the Bright Star exercises between the Egyptian army and the American army after an interval of 8 years, however the United States took some action against the Egyptian regime for several reasons as follows:

1- On August 22, 2017, the United States decided to deny Egypt \$95.7 million in aid and to delay a further \$195 million because of its failure to make progress on respecting human rights and democratic norms

[New York Times](#) said the US concerns over Egypt's human rights record and its cozy relationship with North Korea were behind the US administration's decision to deny Egypt \$96 million in aid and delay \$195 million in military funding.

2- In coincidence with the US decision to cut 95.7 economic aid to Egypt in addition to delaying 195 million dollars of military assistance, the Senate's foreign aid spending panel voted on September 7 to slash military assistance to Egypt by \$300 million amid growing congressional frustration with the country's dismal human rights record under Abdel Fattah al-Sisi. A summary of the fiscal year 2018 bill from Sen. Patrick Leahy, D-Vt., the top Democrat on the Appropriations subcommittee overseeing the State

Department and foreign assistance, indicated that lawmakers also wanted to cut economic aid by \$37 million compared with 2017 levels. "There is growing concern in the Congress, and the administration, with the repressive policies of the al-Sisi government," Leahy told [Al-Monitor](#) in an email after the vote. "The United States and Egypt have a long history of cooperation, which we want to see continued. But it is important for the Egyptian people to know that the United States supports freedom of expression, of association and of due process, and when these rights are systematically violated

Second: Why has the military aid been released?

There are many interpretations of the US decision to release the suspended military aid to the Egyptian regime, including:

1- Severing Cairo's relations with Pyongyang:

Some referred the US decision at that time to removal of the main reason for the suspension of the military aid to Egypt, i.e. the Sisi regime's relationship with North Korea.

This was reported by the [Washington Post](#) that "a U.N. investigation uncovered a complex arrangement in which Egyptian business executives ordered millions of dollars worth of North Korean rockets (more than 30,000 rocket-propelled grenades) for the country's military while also taking pains to keep the transaction hidden, according to U.S. officials and Western diplomats familiar with the findings. The incident, many details of which were never publicly revealed, prompted the latest in a series of intense, if private, U.S. complaints over Egyptian efforts to obtain banned military hardware from Pyongyang, the officials said."

In August 2016, “a secret message was passed from Washington to Cairo warning about a mysterious vessel steaming toward the Suez Canal. The bulk freighter named Jie Shun was flying Cambodian colors but had sailed from North Korea, the warning said, with a North Korean crew and an unknown cargo shrouded by heavy tarps.”

The newspaper added that, “Armed with this tip, customs agents were waiting when the ship entered Egyptian waters. They swarmed the vessel and discovered, concealed under bins of iron ore, a cache of more than 30,000 rocket-propelled grenades. It was, as a United Nations report later concluded, the “largest seizure of ammunition in the history of sanctions against the Democratic People's Republic of Korea.”

A statement from the Egyptian Embassy in Washington pointed to Egypt's “transparency” and cooperation with U.N. officials in finding and destroying the contraband.

“Egypt will continue to abide by all Security Council resolutions and will always be in conformity with these resolutions as they restrain military purchases from North Korea,” the statement said.

“But U.S. officials confirmed that delivery of the rockets was foiled only when U.S. intelligence agencies spotted the vessel and alerted Egyptian authorities through diplomatic channels — essentially forcing them to take action — said current and former U.S. officials and diplomats briefed on the events. The officials, who spoke on the condition of anonymity to discuss U.S. and U.N. findings, said the Jie Shun episode was one of a series of clandestine deals that led the Trump administration to freeze or delay nearly \$300 million in military aid to Egypt over the summer,” the WP report said.

However, the Egyptian regime responded quickly after the US decision. On September 09, 2017, former Egyptian Defense Minister General Sedki Sobhi visited Seoul. During his visit to South Korea, Egypt's defense minister announced that his country cut military ties with North Korea, according to a report by South Korea's Yonhap news agency.

Yonhap's report late Monday quoted the South Korean Defense Ministry as saying Egyptian Defense Minister Sidki Sobhi told his South Korean counterpart that Cairo had “already severed all military ties with North Korea.” “Egypt will actively cooperate with South Korea against North Korea acts that threaten peace,” the agency quoted Sobhi as saying. Yonhap said Sobhi was responding to a request from South Korean Defense Minister Song Young-moo for Egypt to join efforts to toughen sanctions on the North over its recent ballistic missile and nuclear tests.

Also, the US positively responded to this Egyptian move when US President Donald Trump announced on Sept. 22, 2017, during a meeting with Sisi in the United States, that his country would discuss release of the military aid to Egypt.

It is possible that the military aid has been released to the Egyptian army after Egypt suspended its relationship, even if temporarily, with North Korea. Also, the presence of Maj. General Abbas Kamel in Washington at the time of the US latest decision may have been a key factor in this, as Egypt's relations with North Korea has become one of the important issue on the agenda of Egyptian intelligence Service.

2- Signing CISMOA Agreement with US:

Some see that the US decision came at that time after the Sisi regime signed the CISMOA agreement with the US military (in March 2018), after the Egyptian army had refrained from signing the agreement for decades.

On 21 March the [Embassy of Egypt](#) in Washington quoted US Central Command General Joseph Votel as saying that “in January 2018, we celebrated the successful signing of the bilateral Communications Interoperability and Security Memorandum of Agreement (CISMOA), crowning over thirty years of effort to enhance security and counterterrorism cooperation.”

CISMOA covers the supply of encrypted communications equipment and systems, allowing secure peacetime and wartime communication between the two militaries and their assets. However, many countries, such as India, have been reluctant to sign up to CISMOA as US communications and encryption equipment is only accessible for maintenance or repair to US personnel. Egypt would be obliged to let the US military access its facilities and communications equipment – these concerns have delayed the CISMOA agreement.

The Embassy of Egypt in Washington also quoted US Central Command General Joseph Votel as saying that “Egypt remains an anchor of U.S. interests in the region” and said that “President (Donald Trump) asked the Congress to provide \$1.3 billion as military aid for Egypt in 2018.” Gen. Votel added that “Egypt supports our overflight requests, ensures Suez Canal transit, and shares our commitment to defeat ISIS. The cornerstone of this relationship is our security assistance partnership.” “Egypt is an essential partner in countering the flow of foreign fighters, material, and financial support to extremists transiting from Libya through Egypt into the Central Region,” Votel added. A [document](#) leaked in 2009 by WikiLeaks spoke about the strong relations between Egypt and the United States. The document mentioned clear conditions for the military agreements between Cairo and Washington. These conditions were confirmed by Egypt through former President Mohamed Hosni Mubarak and commanders of the

armed forces in Egypt. The document also spoke about the concern of former Egyptian Chief of Staff Lt. General Sami Anan and some Armed Forces commanders that the US did not allow Egypt to possess sophisticated weapons and that Egyptian leaders were frustrated that Cairo was not allowed to buy certain weapon systems from the US, which led Egypt to refuse to sign CISMOA agreement. “Both Anan and Reda (an army commander at the time) will express concern over releasability issues and frustration with Egypt's inability to procure restricted weapons systems. Some systems are not releasable because of Egyptian refusal to sign the necessary agreement (CISMOA) providing end-use assurances and ensuring proper protection of certain U.S. origin technology,” the document said.

Matthew Axelrod, an American writer who served as the Country Director for Egypt and North Africa in the Office of the Secretary of Defense from 2005-2007 and conducted research on the U.S.-Egypt strategic relationship on a Fulbright grant in Egypt in 2008, says: “Egypt would have to sign a ‘Communications, Interoperability, and Security Memorandum of Agreement’ (CISMOA), something Egyptian defense officials have refused to do for over a decade, arguing that the resulting U.S. inspection requirements amount to an infringement on national sovereignty. Such concerns, however, have not kept the countries of the Gulf Cooperation Council from signing the agreement, which raises the likelihood that some other reason underlies Egypt's decision.”

The Communications, Interoperability, and Security Memorandum of Agreement (CISMOA) entails the laying down of protocols for interoperability and assuring the security of communication between the armed forces of the two countries.

Some believe that the CISMOA agreement is one of the most dangerous military agreements in the 21st century because that agreement makes the armed forces of signatory states as part of the US military. Egypt shall be obliged to let the US military access its facilities and communications equipment – these concerns have delayed the CISMOA agreement. The agreement also allows Egypt to obtain weapons and missiles that were banned before to the North African country. In case of military aggression against Egypt, the US will defend the Egyptian territory militarily. In return, in case of war, the US could ask Egypt for military support, ammunition, and use of Egyptian military bases for US operations. In this case, Egypt's military forces will be under the control of the US Central Command (CENTCOM).

Under the CISMOA, signatory states will never be completely independent and will never face any aggression from the US and Israel; and perhaps the recent change in Egypt's military doctrine toward Israel since Sisi came to power led to signing this agreement that enhances friendliness with Tel Aviv.

Some believe that the reason behind the US decision to release military aid to Egypt was the Sisi regime's signing of the agreement, which makes the Egyptian army part of the US military.

3- In response to Egyptian-Russian rapprochement:

Since the military coup in Egypt on July 3, 2013, the Egyptian-Russian relations have witnessed remarkable convergence on the political, military, and economic levels. Militarily, Russia has become a significant source for arming the Egyptian military since the U.S. withheld delivery of some military items to Egypt (Oct. 9, 2013) after the brutal dispersal of Rabaa and Nahda sit-ins. (The frozen military items at the time included Apache attack helicopters, Harpoon missiles, M1- A1 tank parts, and F-16 warplanes).

Egypt and Russia have held more than 14 military deals to arm the Egyptian military, including: Yak 130, Mil Mi-17, Su-30MK, MiG-29, Mi-35, Alligator, and Ka-52 aircraft, Tor-M2, S-300 BM, and Kornet missiles, as well as T-90 tanks, RPG launchers, ships and boats. The two countries have also expanded their joint military operations, most notably “Defenders of Friendship” military exercise. Although this exercise is not on the agenda of Egyptian army’s annual exercises, yet it has been conducted jointly by the Egyptian and Russian armies for the second year in a row. Therefore, some believe that the Egyptian-Russian rapprochement worried the US administration, and was one of the reasons behind the US administration’s decision to release its military assistance to the Egyptian army.

4- The positive Egyptian role in the ‘Deal of the Century’:

According to some observers, the release of US military aid to Egypt came as a result of the positive role played by the Sisi system in preparing for the implementation of the so-called ‘Deal of the Century’, which is based on two steps:

First: the eviction of the Sinai population and resettling them in other places in Egypt,
Second: the eviction of Palestinians from the occupied territories and resettling them in parts of Egypt’s North Sinai governorate.

Those observers link this to comprehensive Operation Sinai 2018, carried out by the Egyptian army, and the preparations for implementing the ‘Deal of the Century’.

According to a report by the London-based [Middle East Eye](#), the key to US President Donald Trump's peace plan, known as the “Deal of the Century”, is now in Sisi's hands. “There is every reason to believe that is now the goal of an Israeli-Trump initiative to gradually relocate Palestinians to Sinai through investment in infrastructure projects,” says Jonathan Cook in his MEE report.

5- A larger functional role for the Egyptian army in the region:

The Egyptian army in the US military security strategy is a functional army of the US administration, and the resumption of US military aid to the Egyptian army after months of suspension may have come because the administration of US President Trump will authorize the Egyptian army with more operations in Africa and the Middle East in the coming period. Therefore, the United States works to prepare the Egyptian army for undertaking new tasks, possibly the expansion of the Egyptian army's participation in operations of the peacekeeping forces in Africa.

6- Maintaining security of Israel:

One of the most significant priorities of the US administration is to maintain the security of Israel and prevent any threatening against it. Some observers believe that because the military operations in Sinai may pose threats to Israel, the US administration provides the Egyptian army with the latest armament and training techniques to secure its borders with Israel. The US has therefore released the suspended US military aid to the Egyptian army.

Conclusion

According to the US security strategy, the Egyptian army has become a functional army to the US administration and one of the most important allies in the Middle East on which it relies in many files. Although the Egyptian relations with North Korea had existed for decades - before it was severed last year - the United States could not prevent such relations during the eras of late President Anwar Sadat and former President Hosni Mubarak. However, the US saw that the era of Sisi is right time for putting an end to this relationship amid a "fragile" regime that would never be able to face many crises without the international and regional support that it receives. Also,

the US administration took advantage of the timing of the release of military aid to Egypt in practicing pressures on the Egyptian regime to sign the CISMOA agreement, which makes the Egyptian army more of a regional center for the US national security than a strategic ally of the United States, something that it could not achieved with previous Egyptian regimes.

Perhaps the positive role of the Egyptian regime in the preparations made for the Trump's 'Deal of the Century' peace plan through the Egyptian army's military operations in Sinai was a key factor in the US decision to release the military aid to the Egyptian army.

