NOVEMBER 2025

The Strategic Future of Subsea Cables

Egypt Case Study

By Erin Murphy and Thomas Bryja

Introduction

Situated at the crossroads of three continents and linking the Mediterranean and Red Seas, Egypt offers the shortest and most secure route for laying cables between **Asia and Europe**. It also connects Africa and the Middle East, and so it has been a keystone of global communications **since the nineteenth century**, when telegraph cables connected East and West. The sheer concentration of cables funneling through the remarkably narrow Red Sea cements Egypt's status as a **global chokepoint** in subsea cable systems, responsible for approximately **17 percent** of global internet traffic.

Additionally, over **90 percent** of Europe–Asia communications travel through Egypt into subsea cable systems in the Red Sea. The density of the network is **particularly pronounced** at the Bab al-Mandab Strait off the southeast corner of the Yemeni coast, where many terrestrial and subsea cable networks converge at the southern gateway to the Suez Canal route, which tightens **to only 16 miles** (26 kilometers [km]) at its narrowest point. The constricted passage of cables in this turbulent area, subject to terrorism—like that from Yemeni Houthis—and piracy, increases the risk of both accidental damage and deliberate sabotage, potentially leading to significant outages and disruptions in internet service across multiple continents.

Recent examples illustrate the depth of international dependence and the vulnerability of the cable system funneling through these waters. In **March 2024**, **four undersea cables** in the Red Sea were severed, disrupting an estimated **25 percent** of telecommunications traffic between Asia, Europe, and Africa and causing a major connectivity crisis. In **September 2025**, several subsea fiber-optic cables were cut in the Red Sea, degrading internet connectivity across the Middle East and Asia and prompting complaints spanning the United Arab Emirates, Saudi Arabia, India, and Pakistan.

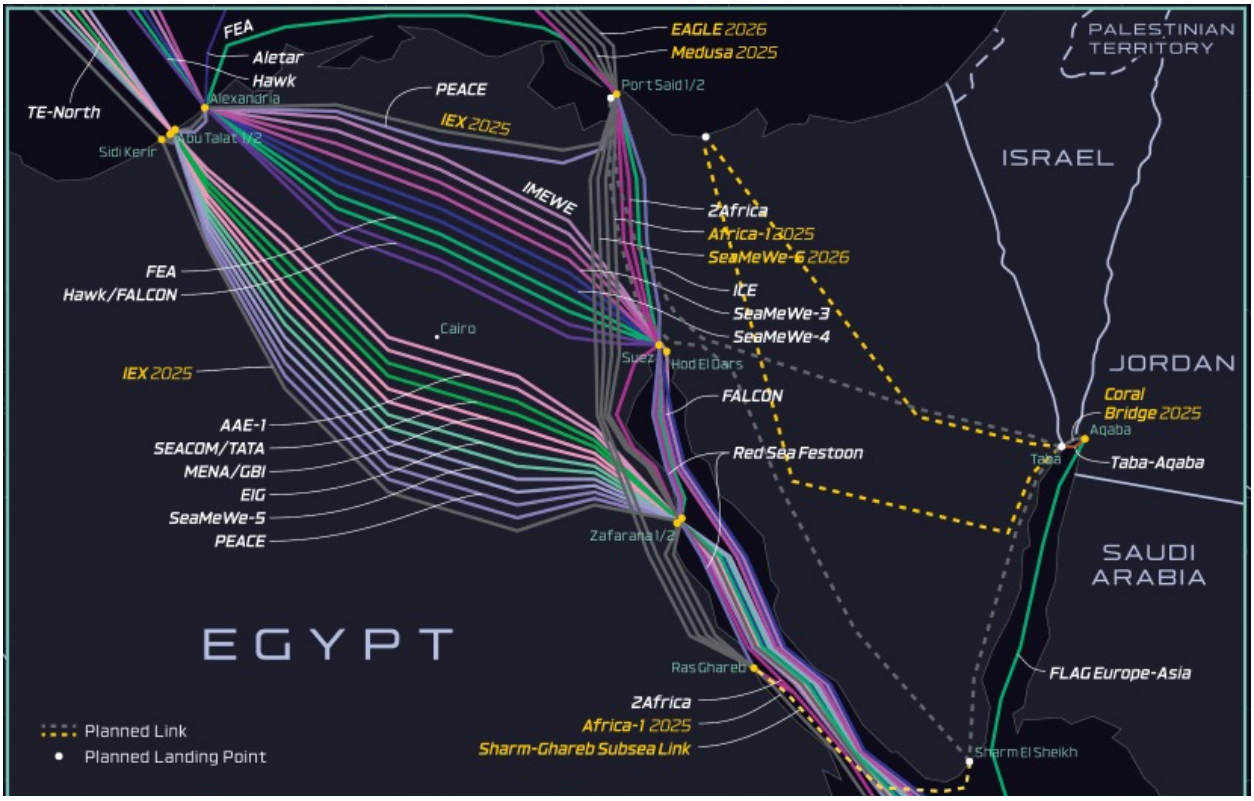
CSIS | CENTER FOR STRATEGIC & INTERNATIONAL STUDIES

Egypt's subsea cable infrastructure supports not only global internet traffic but also boosts Egypt's digital economy, allowing for growth in sectors such as IT services, digital entrepreneurship, and innovation (see Figure 1).

Unsurprisingly, given that the area is home to such critical cable junctures, the Middle East and North Africa (MENA) region has become a strategic focus for China and its Digital Silk Road initiative. Since Chinese cable companies entered the market around the end of the 1990s, they have steadily expanded their presence. By May 2023, they had built or acquired ownership stakes in **13 of MENA's 62 subsea cables**, accounting for over one-fifth of all systems. These projects included **57 distinct cable landings** across 39 stations, giving China a significant footprint across the region. China intends for its networks to control up to **60 percent** of the world's fiber-optic communications market—a development that underscores the urgent need for greater U.S. engagement to safeguard its interests in the region.

The following country case study provides an overview of Egypt's subsea cable infrastructure, highlighting key risks and presenting strategic recommendations to expand and protect this critical infrastructure.

Figure 1: Subsea Cable Network in Egypt



Source: TeleGeography, "Submarine Cable Map 2025," https://submarine-cable-map-2025.telegeography.com/.

Overview of Subsea Cable Infrastructure in Egypt

As seen in Figure 1, the cables route from the Mediterranean Sea, **emerge** briefly into terrestrial networks in Egyptian soil, dive back into the 1,200 miles of water that is the Red Sea, then exit the

Red Sea through its narrow southern gate—the Bab al-Mandab Strait—and ultimately slither into the Indian Ocean.

No other telecom cable route in the world has condensed so many cables through similar successive bottlenecks, **arguably making it** "the internet's most vulnerable place on Earth."

That is not to mention that the Red Sea, and in particular the Suez Canal, is also a global chokepoint for shipping, accounting for over 30 percent of all container traffic, with **50 to 60 ships** passing through every day that move about $1 trillion in goods each year. When the cargo ship Ever Given famously became wedged in the Suez Canal for six days in 2021, it blocked at least **$60 billion** worth of trade. Subsea cable systems intentionally avoid passing through the Suez Canal for related reasons. It would be economically disastrous to halt that ship traffic to lay or maintain cables and to mitigate the outsized risks from anchor dragging in such congested waters.[1] Still, the passage of so many ships through the Red Sea just beyond the Suez only enhances the threat to an already vulnerable concentration of cables.

Together, these factors create a **critical digital artery** where damage to any one segment—from ship anchors, natural disasters, or **potential intentional attacks** by bad actors—simultaneously threatens the data traffic of Europe, Asia, and Africa, and even a partial outage can slow up to **17 percent** of the world's interregional internet capacity.

> *No other telecom cable route in the world has condensed so many cables through similar successive bottlenecks, arguably making it "the internet's most vulnerable place on Earth."*

Egypt, then, is the land bridge that wires together the African, European, and Asian continents, a keystone of global communication. The country has **14 active cable systems**, with plans to grow to more than 21 within the next three years, all of which follow a similar path spanning Egypt's extensive **1,824-mile** (2,936 km) coastline along the Red Sea and the Mediterranean:[2]

1. First, cables are routed through underground terrestrial ducts to cross the land corridor from the Mediterranean to the Red Sea. Cables emerge from the Mediterranean at one of five landing stations on Egypt's coast: Port Said, Alexandria, Abu Talat 1, Abu Talat 2, and Sidi Kerir, which are separated by distances ranging from 1.3 miles (2 km) to 171 miles (275 km) to enhance resilience through geodiversity.
2. The trans-Egypt terrestrial routes run alongside motor highways and oil pipelines to one of five landing stations from the northernmost tip to the southernmost tip of the **Suez Canal Route**: Suez, Hod El Dars, Zafarana 1, Zarafana 2, and Ras Ghareb.[3] Expansions are planned on the Sinai Peninsula.[4] The **shortest trans-Egypt route** runs 124 miles (200 km) from Port Said to Suez,

1 Interview with Egyptian officials, September 2025.

2 Ibid.

3 Ibid.

4 Ibid.

straddling the western bank of the heavily secured and monitored Suez Canal in order to avoid potential disruptions from marine traffic altogether if crossing the canal itself.

3. Then, cables travel back through a subsea route down the narrow alley of the Red Sea, one of the world's **busiest shipping lanes**.
4. Finally, cables travel through the 16-mile-wide Bab al-Mandab Strait to eventual connections across Africa and Asia.

The nation has also become a growing hub for data centers and telecommunications services, attracting significant investments from multinational corporations. Since 2018, Egypt's information and communications technology (ICT) sector has experienced a growth rate of **over 16 percent**, making it the highest-growing sector for six consecutive years, and Egypt attracted **$46.1 billion** in foreign direct investment during FY 2023–24. This growth is driven by the government's Digital Egypt Strategy, which prioritizes digital infrastructure, local talent development, and a better business climate, as well as investment incentives, special economic zones, and simplified customs and tax policies. Additionally, the African Union's continent-wide Digital Transformation Strategy, along with its 2024 Continental AI Strategy, calls for **reliable subsea capacity** as a precondition for scaling digital workloads needed for growth in the continent's digital economy.

As the country's only telecom provider and one of the MENA region's largest subsea cable operators, Telecom Egypt is involved in the ownership and operation of more than **13 subsea cables**. In recent years, hyperscalers like Meta, Google, and Amazon have made significant **investments** in this infrastructure. Other companies involved either as part owners or major capacity buyers include Subcom, Vodafone, Orange, center3, Bayobab, Saudi Telecom, MTN Group, Bharti Airtel, and Tata Communications. Chinese state-owned companies like China Mobile International, Huawei, China Telecom, and China Unicom have also gained control of a growing share of these cables.

Egypt is set to see growth in its subsea cable infrastructure in the coming years:

- Following a 2022 **memorandum of understanding** between Egypt and Saudi Arabia, NTT DATA and Google Cloud have partnered to launch a new cable connecting the two countries, with telecom giant Mobily as the owner.
- In **September 2023**, Telecom Egypt and Medusa Submarine Cable System signed an agreement to extend the **Medusa Cable** to Egypt by 2026, linking multiple Mediterranean cities to Port Said, Egypt.
- Telecom Egypt and NaiTel, the telecom arm of Aqaba Digital Hub, worked together on the **Coral Bridge project**, which newly connects Egypt and Jordan as of August 2025.
- The India Europe Xpress cable, set for completion in 2026 and spanning almost 6,074 miles (9,775 km), is owned by China Mobile International, Reliance Jio Infocomm, and other undisclosed stakeholders.
- The **Africa-1 cable**, with an estimated completion in 2026, will cover approximately 6,214 miles (10,000 km), connecting Africa, the Middle East, and Europe, with Telecom Egypt as a key participant.

- Other projects include the **SEA-ME-WE-6 cable**, an almost 13,484 mile (21,700 km) cable system that will connect Egypt to several countries spanning Asia, the Middle East, and Europe; the **EAGLE cable**, a system connecting Egypt and Albania with Telecom Egypt as a major stakeholder and set for completion in 2026; and the **ICE IV cable**, expected by 2027.

These upcoming projects will add significant capacity increases and an influx of capital into the region by 2028. More than 30 telecom firms have invested over **$10 billion** in laying subsea cables in the Red Sea region between 2000 and 2024, underscoring demand, geostrategic interest, and geographical necessity.

> *While a widespread bypass of Egypt seems unlikely for now, the country must navigate these pressures to secure its long-term position as a key global connectivity hub.*

However, Egypt also faces **increasing competition** from regional players like Saudi Arabia, Oman, Israel, and **Morocco**. The reasoning for seeking alternatives might be, at least in part, captured by TeleGeography's senior analyst Paul Brodsky, **who said**, "A complaint for a long time has been that Egypt is a single point of failure for cables running between Europe and Asia, the Middle East and East Africa. The operator has a monopoly due to the lack of commercial diversity in cable routes. It has been the white whale of the subsea cable business. Is there a way to get away from this dependence?"

The Google-led Blue-Raman cable systems, for example, successfully avoid Egypt, connecting Italy, Greece, and Israel via the Blue Cable and Jordan, Saudi Arabia, Oman, and India via the Raman Cable. With rising costs and other associated risks in Egypt's vicinity, more companies could start to explore alternative routes and solutions for Asia-Europe connectivity that bypass the Egyptian hub. While a widespread bypass of Egypt seems unlikely for now, the country must navigate these pressures to secure its long-term position as a key global connectivity hub.

Building, Repairing, and Protecting Subsea Cable Infrastructure

Telecom projects in Egypt are required to **partner** with a licensed Egyptian operator to obtain site permits, which makes Telecom Egypt, as a **state-controlled operator**, a stakeholder in the infrastructure, as well as a national gatekeeper for cable routes and landing sites, a license cosignatory, and the terrestrial crossing provider. Because of this position, Telecom Egypt sits at the center of every consortium's decisionmaking process, even when **external investors** hold the vast majority of ownership of new projects.

Globally, private companies NEC (Japan), SubCom (United States), HMN Tech (China), and Alcatel Submarine Networks (France) collectively hold **98 percent** of the market share for engineering, laying, and maintaining subsea cables. In Egypt—and broadly across the rest of the world—these core private sector vendors have been involved in all 16 international cable systems that land on Egyptian shores, with the additions of Italy's Prysmian and China's **Hengtong**. Additionally, the project logs

for each approved and currently contracted telecom cable in Egypt's corridor list these vendors as lead suppliers.

BUILDING NEW CABLES

Development projects face a multiagency permitting process that can stretch for months, a sequence that has remained largely unchanged since 2003 and that creates **chokepoints** even for fully financed projects.

In Egypt, the **Ministry of Communications and Information Technology** (MCIT) oversees the development and regulation of the nation's ICT sector generally, and the **National Telecommunications Regulatory Authority** (NTRA) operates under the auspices of the MCIT to regulate Egypt's telecommunications sector specifically. The **legal and regulatory framework** governing subsea cable infrastructure in Egypt is primarily outlined in the **Egypt Telecommunication Regulation Law** of 2003. This law requires subsea cable operators to obtain licensing and approvals from the NTRA and other relevant authorities.

A typical process might look something like this: A development consortium applies to the NTRA for an international landing station license. The NTRA verifies design elements and engineering plans within **three months**. After securing the landing license, the development consortium then files an **environmental impact assessment** with the Egyptian Environmental Affairs Agency. Here, the Red Sea bottleneck might prove a hurdle, with delays caused by requests from fisheries and conservation groups.

Next, developers must secure a classified review from the Egyptian Ministry of Defense (MOD). After MOD approval, the consortium negotiates a "special crossing" contract with the Suez Canal Authority. Additionally, the MOD, through its naval operations, functions as a **bodyguard** for cable-laying vessels that are traveling through potentially dangerous waters, such as around the narrow Bab al-Mandab Strait. Naval patrol crafts must support the cable-laying vessels with "**close protection**." The permitting and availability of these escorts can add additional costs and time to the project, additionally exacerbated by the emerging threat of Houthi attacks on merchant vessels in the Red Sea.

REPAIRING EXISTING CABLES

As in most parts of the world, accidental anchor damage from ships and commercial fishing gear remains the leading cause of cable breaks. The European Union Agency for Cybersecurity estimates that such unintentional activity accounts for the majority of **global faults**. Natural hazards, such as seismic or weather-driven seabed movement, are rarer.

Policymakers also perceive the deliberate targeting of seabed infrastructure by state and nonstate actors as an emerging global threat. Despite limited documented precedence of such intentional attacks, the concern around their possibility is not entirely baseless. In the MENA region in February 2024, for example, a Houthi missile struck the Rubymar cargo vessel and **crippled** it. With its navigational abilities lost, it floated northward until it passed through the Bab al-Mandab Strait and cut three major telecom cable systems—AAE-1, EIG, and Seacom/TGN-Gulf—resulting in a disruption to roughly a quarter of all Asia-to-Europe traffic. Although it is not at all clear that this was the intended result of the Houthi attack, incidents like this, and like the Baltic Sea cuts that same year, highlight for policymakers the vulnerability of these systems should any bad actor decide to actively target them. Yemeni and

regional intelligence services have since **warned** that Houthi forces may target cables directly, elevating intentional damage concerns and disruptions from hypothetical to operational risk. In addition to this episode and that in the Baltic Sea, incidents around Taiwan have further fanned the flames of these fears, as has the September 2025 cut of **four cables** in the Red Sea, which degraded services from the Middle East to India and Pakistan.

In cases where faults are localized within Egypt's jurisdiction, the owner of the infrastructure commissions a repair ship. With limited regional infrastructure to support the ships and larger global repair ship limitations, the actual repair time can leave a cable offline for a significant period of time; in the case of the March 2025 **PEACE-cable break**, for example, the cable was offline for nearly three months, causing significant disruptions to internet traffic.

As a further hurdle specific to the region, certain subsea cable operators have also bemoaned the headaches, expenses, and delays resulting from attempts to secure insurance to cover repair ships venturing into the Red Sea and braving hazards like Houthi terrorists and nearby pirates.[5]

PROTECTING THE SUBSEA CABLE NETWORK

Protection of the Red Sea and Mediterranean cable hubs within Egyptian territorial waters rests with the Egyptian Navy's Southern Fleet and the Egyptian Coast Guard. Since 2022, the multinational **Combined Task Force 153** (CTF-153), a coalition initiative to "focus on international maritime security and capacity-building efforts" in the region, has supported these security efforts in international waters. Egypt chairs the task force, which sits under the larger 46-nation **Combined Maritime Forces** based in Bahrain, through October 2025. Egypt has also been involved in combined maritime forces exercises with partners including Cyprus, France, Greece, Italy, Saudi Arabia, the United Arab Emirates, the United Kingdom, and the **United States**.

Within its 12-mile territorial sea, Egypt exercises full sovereignty; navy divers and coast guard boarding teams can detain vessels and seize evidence. Beyond the territorial sea but inside Egypt's Red Sea and Mediterranean exclusive economic zones, enforcement still rests with the navy. Despite this authority, the navy's limited subsea and aerial surveillance capabilities, as well as limited detainment authority, leave gaps in its hard security. The ***Rubymar* incident** demonstrates how a "ghost ship" could drift 30 miles while its anchor destroyed undersea cable infrastructure.

Ministerial Decree No. 259 of 2003 already requires a mandatory security perimeter around all landing stations and main cable routes, with violators facing prosecution. **Decree No. 667** of 2017 goes further, explicitly criminalizing any tampering, espionage, or sabotage of subsea assets and obligating operators to adopt preventative measures. Working together, these orders give Cairo wide latitude to police its own territorial waters and the cable landing approaches.

Egypt, however, remains outside **two major agreements** governing subsea telecom infrastructure: the 1884 International Convention for the Protection of Submarine Telegraph Cables and the 1958 Geneva Convention on the High Seas. Acceding to them would hand Egypt an internationally sanctioned ability to **fight sabotage**, as Article 10 of the 1884 Convention empowers signatories to stop and examine a vessel if they suspect cable damage, which has only been **evoked once before**.

5 Interview with major subsea cable operators, January 2025.

Limitations remain with the jurisdiction of Article 10, however, as it only authorizes identity checks. Moreover, if Red Sea merchants fly flags of convenience that never signed the 1884 treaty, Egypt's **jurisdictional reach** could be questioned. Still, acceding to these conventions would also be powerful diplomatic signaling, which would align Cairo with the growing club of states pressing for stricter seabed infrastructure norms and reassure investors of its commitment to more tangible protections for this infrastructure.

When the three undersea cables were cut in the Red Sea in **March 2024**, the Houthi leadership denied allegations of targeting the cables, but they were indirectly responsible for cutting the cables as they downed the ship whose anchor cut the cables. The September 2025 cut has spurred **similar suspicions** toward the Houthis, although no definitive cause has been attributed as of this writing.

Telecom Egypt has taken steps to mitigate vulnerabilities, including with the 2023 launch of **WeConnect**, which enables cross connections between landing stations, but the geographical perils remain pronounced nonetheless. Egypt will need to safeguard its subsea infrastructure against those threats to maintain its role as a linchpin in global data connectivity.

INTERTWINED CHALLENGES TO PROTECTING AND EXPANDING SUBSEA CABLE INFRASTRUCTURE

The **Houthi-related cable-cutting incident** in 2024 raised fears that the Houthis may expand their attacks to directly target subsea cable infrastructure. These fears occur against the backdrop of **frequent attacks** against maritime traffic in the narrow Bab al-Mandab Strait and a second break of multiple cables in September 2025. Although these threats could be mitigated if broader regional issues were resolved, they currently deter investment and raise operational risks. In addition, the shallow waters of the Red Sea and heavy ship traffic increase the risk of accidental damage from anchors or seismic activity.

> *As the market for submarine communication cables continues to grow, losing its strategic position as a cable hub could significantly impact Egypt's economy, especially given that Egypt's ICT sector alone contributed 5.1 percent to GDP in 2022–2023.*

Moreover, despite the expected subsea cable expansion, Egypt is also feeling economic pressure from international competition, as developers are seeking alternative routes to bypass Egypt. This desire is motivated by transit fees, frustration with the multiagency permitting process, and recent geopolitical instability, which challenges the reliability of existing routes. As already mentioned, Israel is attracting investors, with projects like Google's Blue-Raman cable, which **sidesteps** Egypt by instead channeling south through Israel and ultimately connecting to Europe and Asia. The Trans Europe Asia System (**TEAS**) initiative, led by the company **Cinturion**, links Europe to India via the Mediterranean and Persian Gulf through the Med West and Med East cables, and would also avoid Egypt. African terrestrial routes as potential alternatives to avoid the Middle East and Red Sea are gaining traction, with projects

like the **East2West cable**, which would bypass Egypt and the Suez Canal to connect Asia to the Americas or Europe. South Africa has also seen increasing interest from telecom providers seeking to diversify their routes, with projects like **Africa-1**, which would link South Africa to Europe via the East African coast.

As the market for submarine communication cables continues to grow, losing its strategic position as a cable hub could significantly impact Egypt's economy, especially given that Egypt's ICT sector alone contributed **5.1 percent** to GDP in 2022–2023.

In addition to geopolitical challenges, rising costs and delays for constructing new cables have together elucidated the need for new cross-continental highways for data as part of a strategic reevaluation by the subsea cable industry that focuses on building even more redundant and diverse systems.[6]

In this context, Egypt has turned to China for investments due to its competitive pricing and comprehensive offerings. This shift to Chinese financing, technology, and digital infrastructure introduces additional vulnerabilities, potentially granting a U.S. adversary opportunities for covert data collection operations, as **U.S. government officials** have repeatedly warned.

Looking Ahead: Strengthening Subsea Cable Infrastructure in Egypt

Safeguarding the future of Egypt's "Digital Suez" will require Cairo to collaborate closely with the private sector. Egypt's government must enact reforms that streamline permitting to make this critical infrastructure more commercially attractive, while also strengthening physical and cyber defenses and continuing its multilateral engagement. Concurrently, private sector initiatives must drive forward partnerships that deepen infrastructure investment and increase repair capabilities. Specifically, Egypt should:

1. **Develop a unifying strategy to improve regulations and catalyze private investment.**

   To strengthen its position as a global subsea cable hub, Egypt must streamline and de-risk its permitting funnel. Currently, approvals must go through a fragmented, multiagency permitting gauntlet. Cairo could adopt a single agency streamlined model, designating the NTRA as the lead agency—with consolidated responsibilities and statutory timeline targets—as well as develop a unified strategy that harmonizes regulatory adjustments, landing site development, private sector and multilateral engagement, defense coordination, and commercial diplomacy that advances Egyptian economic interests, like the Suez Canal Economic Zone.

   While some work has been done to more clearly communicate timelines to potential cable owners, further effort is needed to cut down those timelines and to publicize predictable, reliable landing rights and licensing fee frameworks.[7]

   Moreover, Telecom Egypt must be a benefactor and facilitator in the permitting process and should reduce any perceptions of monopolization. Today, TE has an outsized role on every term sheet, and its position as a state-sponsored entity should be leveraged in terms of relationships and familiarity with the process to attract private investment. TE has the potential to catalyze the pace of the permitting process or lower costs for partners, as it has already demonstrated in past

6 Interview with Egyptian officials, August 2025.

7 Ibid.

years when it **collaborated with the NTRA**. According to Adel Hamed, former CEO of Telecom Egypt, this effort aimed to reduce "regulatory fees to match the trends in industry pricing, thereby eliminating the unfavourable economic impact on transit traffic," and better enable international operators to meet demands.

With further reforms, Egypt can reify its position as a leading partner for foreign partners and stem the loss of business to alternative routes that avoid it.

2. **Continue to build redundancy and resiliency.**

The digital landscape is and will continue to experience surges and new heights of data consumption, especially in the wake of the explosion of internet-enabled devices and **bandwith-demanding** activites like cloud computing and increasingly AI-dependent global systems, which are driving demand up for investments that expand subsea cables to ensure sufficient capacity. Indeed, "demand for international bandwidth is **nearly doubling** every two years," according to TeleGeography's 2024 The State of the Network report, and hyperscalers like Google, Meta, Microsoft, and AWS are eager to build subsea cable supply to meet those new demands.

As discussed above, Egypt is uniquely positioned, and it finds itself at a crossroads where it now must choose whether cable operators will view it as a necessary transit state with unclear expectations and clear regional risks, or as a trusted steward, valuable keystone, and reliable bridge facilitating global connectivity. By continuing to invest in redundant terrestrial crossings, including across Sinai and along alternative Suez routes; expanding its international partnerships and commercial appeal with the private sector; encouraging cross-border redundancy agreements with its neighbors; and securing its waterways and landing stations, Egypt can reduce the risk of systemic single-point-of-failure events. More cables are needed, and meeting that need necessitates a better enabling environment for private investments, or operators will take their money and projects elsewhere, as they already have before.

By mitigating regional risks and bolstering commercial viability, redundancy will follow, and Egypt could be viewed as a global cable hub rather than a geographic chokepoint vulnerable to accidental cuts or deliberate disruption.

3. **Invest in physical protection measures.**

To protect its large and strategic maritime domain, upon which much of the world's communication depends, Egypt must increase its capacity for defending and monitoring subsea cable infrastructure.

Beyond basic increases of naval protection, Egypt could enhance real-time monitoring of cable infrastructure to help track and even prevent unintentional or intentional damage. Egypt should invest in advanced technologies, including offering financial grants for the development of acoustic monitoring networks. The use of underwater unmanned vehicles and remotely operated vehicles could further improve detection capabilities. Other possibilities include integrating automatic identification systems for patrol boats, multisite acquisition radars, fixed and mobile units, and radio communication systems. Protection zones around landing sites could be expanded; moreover, higher penalties, in tandem with increasing the likelihood of

attribution due to the aforementioned measures, could spur boaters—well intentioned or not—to be particularly judicious in reviewing maps of cable systems to avoid breakage.

Egypt currently chairs the coalition partnership of CTF-153 through October 2025, aligning it closely with regional and Western allies. Through this partnership, Egypt can further negotiate cost-sharing patrol schedules, combined training, and sensor data reciprocity. Additional regional partnerships with the African Union and League of Arab States would increase surveillance and hard-security capacity, but also open doors for burden sharing and regional partnerships. For example, Telecom Egypt's former CEO, Adel Hamed, **asserts** that one of the greatest "outcomes of the African Continental Free Trade Area Agreement is the reinforcement of Egypt's plans to expand in the African continent."

The UN **International Maritime Organization**, which recently established a regional presence **office** for the MENA and regional maritime security initiatives, can provide the framework for Egypt to strengthen its maritime capabilities by fostering regional cooperation on "**maritime safety, security and environmental sustainability**."

4. **Harness multilateral development banks, development finance institutions, and regional opportunities.**

Currently, financing of subsea cables in Egypt is primarily domestic or bilateral, despite the country's potential to leverage foreign capital to cement its global leadership as a hub for subsea cables.

Institutions like the World Bank, International Finance Corporation, African Development Bank, and International Telecommunication Union can be partnered with for the financing of new routes, especially those with digital inclusion benefits. By positioning subsea cables as a global public good, Egypt can lower costs for projects through development financing and embed itself into collective resilience efforts, both of which strengthen Egypt's regional leadership credibility in this sector.

For Western alternatives, the U.S. International Development Finance Corporation (DFC) helps finance—through loans, guarantees, equity investment, political risk insurance, and technical assistance—projects led by the private sector in developing countries that promote economic growth and U.S. foreign policy objectives. Infrastructure, telecom, and critical technology are key interests of the DFC, and so too would be subsea cables, particularly for projects that involve U.S. companies, strengthen regional connectivity, prioritize strategic redundancy routes, and reduce reliance on Chinese vendors and financers. A particular application of the DFC's political risk insurance, which **protects** "assets and income losses caused by . . . hostile actions by national or international forces . . . revolution, insurrection, and civil strife . . . [and] terrorism and sabotage," might be used to mitigate the anxieties, costs, and delays emerging from the repair ships entering waters afflicted by regional terrorists and nearby pirates.

If Egypt needed early-stage grants rather than project financing, the U.S. Trade and Development Agency might be interested on similar grounds and could finance feasibility studies, technical assistance, or pilot projects involving U.S. companies. Likewise, the European Investment Bank, the largest multilateral financial institution worldwide, could be utilized.

Conclusion

Egypt's geographic location has long positioned it as a linchpin in global internet infrastructure, but that advantage is no longer guaranteed. Amid rising regional instability, intensifying geopolitical competition, and the growing demand for subsea capacity, the protection of subsea cables must be treated as a national security and economic priority. As the rise of alternative routes threatens Egypt's dominance as a transit hub, the country's continued role as a digital gateway between continents depends on its ability to develop a coherent, unitive strategy that streamlines institutional coordination, clarifies regulatory frameworks and timelines, bolsters commercial appeal for international investment, strengthens maritime surveillance, enhances cybersecurity, and widens trusted international partnerships. These actions will build redundancy and resilience, and therefore national credibility, on the world stage, enabling Egypt to assume an indispensable global role—if it can fulfill the requisite responsibilities. Strategic choices made today will determine whether Egypt remains a pivotal node or is gradually bypassed in tomorrow's digital ecosystem. ■

Erin Murphy *is deputy director of Chair on India and Emerging Asia Economics and senior fellow of Emerging Asia Economics at the Center for Strategic and International Studies (CSIS) in Washington, D.C.* ***Thomas Bryja*** *is a program manager and research associate for the Project on Prosperity and Development at CSIS.*

This report is made possible by the generous support of the Smith Richardson Foundation.