

INSS Insight No. 271, July 28, 2011 Egypt-Sinai-Gaza: The Triangular Threat to Israel Gilad Stern, Einay Yogev, and Yoram Schweitzer

Last week's attack on the gas pipeline in the El-Arish area in northern Sinai was the fifth attack on the pipeline in the past six months. According to reports in the Egyptian press, four armed masked men infiltrated the gas terminal, blew it up, and escaped without disclosing their identities. The explosion caused serious damage to the pipeline, even more extensive than the damage caused in the attack of the previous week.

In spite of the fact that no organization has taken responsibility for the series of attacks, all of which had a similar modus operandi, various elements in Egypt have pointed an accusing finger at terrorist organizations based in the Gaza Strip: al-Tawhid wa al-Jihad, and Jaish al-Islam. At this stage, it is not clear whether Palestinian Salafist elements in Gaza are behind the attacks, or whether it is Egyptian opposition elements. In any case, the ongoing nature of the attacks, the choice of targets, the timing of the attacks, and the perpetrators' successful escape all indicate that the planners have exploited the governmental vacuum created in Egypt following the fall of the Mubarak government and the weakness of the Egyptian security forces, which are focusing their efforts on major cities throughout the country. Additionally, it is evident that the target was chosen because of its essential role in Israel-Egypt bilateral economic relations.

These events, along with the sharp increase in smuggling of advanced weapons through Sinai to the Gaza Strip, make the Sinai area a security challenge for Israel because of the likely strategic consequences of the looser control by the new Egyptian regime in the vast spaces of the peninsula. Furthermore, the special gas agreements signed between Israel and the previous regime in Egypt have recently come under strong criticism in Egypt. Various media channels have reported intentions of placing the former oil minister, who was in charge of maintaining the gas agreements, on trial on charges of "wasting public money" to the tune of \$714 million. They have also reported a plan by the current administration to conduct a "reassessment" of the gas export agreements with Israel with the goal of increasing the country's revenues. In early July, the Egyptian finance minister announced his intention to raise the price of gas to Israel by some 2.5 billion shekels, and

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another senior Egyptian official even offered an assessment that the attacks on the gas pipeline "is expected to continue unless implementation of the [gas] agreement in its present format is not halted." Even without the planned changes in the agreements, the immediate damage of these attacks is already being felt in Israel. As a result of the intermittent gas supply and the use of more expensive fuels such as fuel oil and diesel, Israel's Minister of National Infrastructures Uzi Landau estimates that electricity prices will rise by some 20 percent, and the Israel Electric Company has stated that the cost of these changes to the Israeli economy is liable to reach some 3-3.5 billion shekels.

Aside from the immediate economic damages, the series of attacks is an indication of the additional security risks that are liable to stem from the new situation in Egypt. The Sinai is likely to become a "no-man's land" from a security point of view, where terrorist organizations will be able to maneuver more easily. Maj. Gen. Aviv Kochavi, head of Israeli Military Intelligence, recently observed that Egyptian security forces "are losing control over the Sinai region," reflecting the concern of security officials in Israel about the reported sharp increase in terrorist attacks in the Sinai, most of which are a direct challenge to Egyptian control of the area. For example, in early January 2011, Bedouins armed with anti-tank missiles attacked the police station in Sheikh Zawid, near the Gaza border; four days later, the headquarters of Amn a-Dawla (Egyptian state security) in Rafah was attacked and burned down; and in May, it became known that dozens of armed Bedouins had taken control of the Nuweiba port and prevented the transit of passengers and goods. There was also a report about the involvement of 400 al-Qaeda activists in planning terrorist acts in Egypt and Sinai.

In fact, it is evident that the shaky security situation in the Sinai has already affected Israel. A report published by the General Security Services in May 2011 stated that terrorist organizations are exploiting the governmental chaos in the Sinai in order to smuggle large quantities of weapons into the Gaza Strip. Israeli military intelligence officials reported that Egypt recently stopped building the physical barrier to prevent smuggling on the Philadelphi Route, in contravention of the agreement it had with Israel on this issue. In addition, it has been reported that in the past six months, Bedouin smugglers have exploited the wide open border in Rafah and the absence of Egyptian security forces in the vast expanses of the Sinai to smuggle rockets to Gaza. This has increased the number of rockets held by terrorist elements from 5,000 in their possession at the end of 2010 to some 10,000. In addition, the quantity of standard explosives smuggled into the Gaza Strip over the past half year is three times larger than the quantity smuggled in all of 2010.

The recent developments only sharpen the need for Israeli political and security officials to conduct an in-depth examination of the situation in light of the possibility of a strategic shift in relations between Israel and Egypt. This would likely to require new military and

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security arrangements on the southern front, quiet for over thirty years. At the same time, the accepted assessment in Israel thus far is that even if relations with Egypt will not be as close as they were for most of Mubarak's rule, the new regime in Egypt will continue to adhere to the peace treaty. Nonetheless, until the new regime in Egypt stabilizes and as long as the Egyptian security apparatus is occupied primarily with the uprising aftermaths in the large cities, the common border area between Egypt, Israel and the Gaza Strip will likely continue to be a focus for increased activity by terrorist organizations against Israeli targets.

