EGYPT OIL&GAS RESEARCH & ANALYSIS

# Driving Connectivity Across Egypt's Hydrocarbon Value Chain

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# Driving Connectivity Across Egypt's Hydrocarbon Value Chain

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Egypt's hydrocarbon sector in fiscal year (FY) 2024/25 came under intensifying operational and structural strain, as external trade imbalances, escalating transport costs, and uneven route performance continued to erode overall sectoral efficiency. Although aggregate hydrocarbon transport volumes were stable, transportation expenditures increased at a fast rate, reflecting the rising unit costs and compounding cost pressures across the hydrocarbon value chain.

These pressures were also reflected in the local transport system, where hydrocarbon flows increasingly exposed structural constraints in modal utilization and delivery patterns. This was particularly evident in segments where declining -or only marginally changing volumes- were accompanied by notable increases in spending, underscoring rigidities in the movement of hydrocarbons across the domestic market.

At the same time, the performance of Egypt's key transport modes and routes revealed an increasingly uneven logistics landscape. Pipelines remained the backbone of hydrocarbon mobility, while railway utilization stayed limited, trucking activity remained concentrated in key fuel flows, and coastal tanker performance showed mixed trends. These internal pressures were further compounded by regional shipping disruptions, which continued to weigh on Suez Canal activity and broader trade connectivity.

Against this backdrop, the report analyzes Egypt's hydrocarbon external trade, domestic transport dynamics, key transport routes, and maritime transit performance to evaluate the imbalances and cost pressures shaping the sector in FY 2024/25.

## External Hydrocarbon Trade Flows

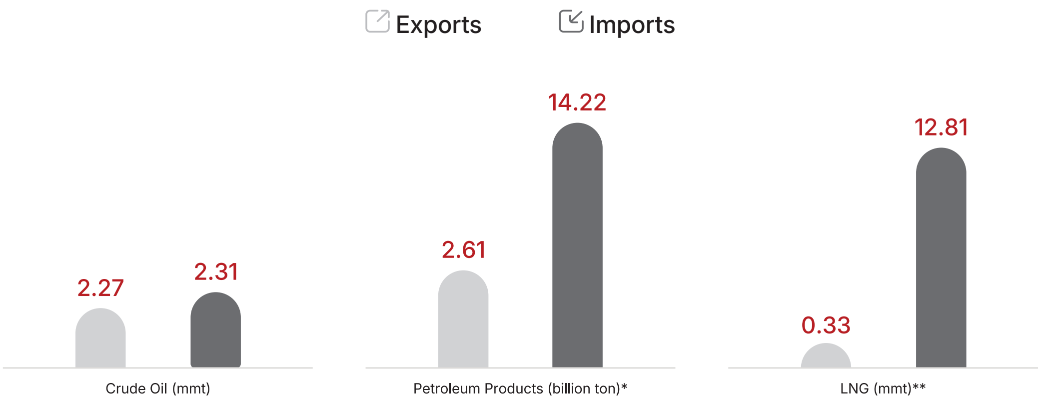
Egypt's hydrocarbons trade structure in FY 2024/25 reflects varying degrees of import dependence across energy streams. Crude oil trade remained broadly balanced, with imports exceeding exports by roughly 2%, indicating relative equilibrium in upstream production and refining requirements.

In contrast, petroleum products recorded a significant trade gap, as import volumes were more than four times export levels, equivalent to an import surplus of approximately 445% over exports, despite efforts to compensate for natural gas supply shortfalls during periods of high demand, supply disruptions, and peak-hour consumption.

The most pronounced imbalance appeared in natural gas, where imports were nearly 38 times higher than exports, underscoring a sharp shift toward external sourcing to meet local demand, according to the Central Agency for Public Mobilization and Statistics (CAPMAS).

Egypt's natural gas exports remained limited,13.6 billion cubic feet (bcf) to Jordan via the Arab Gas Pipeline (AGP). Meanwhile the Liquefied natural gas (LNG) from Idku recorded 3.76 bcf in a single shipment. Imports dominated, totaling 344 bcf via pipelines plus 84 LNG shipments for regasification with a total of 5.76 million tons (mmt), according to Egyptian Natural Gas Holding Company (EGAS).

**Hydrocarbons Trade Dynamics in FY 2024/25**




Source: CAPMAS

*Include Fuel oil, Gas Oil, Jet Fuel (ton), 95 octane gasoline, kerosene, Butane, Diesel oil, Diesel fuel, and their mixtures

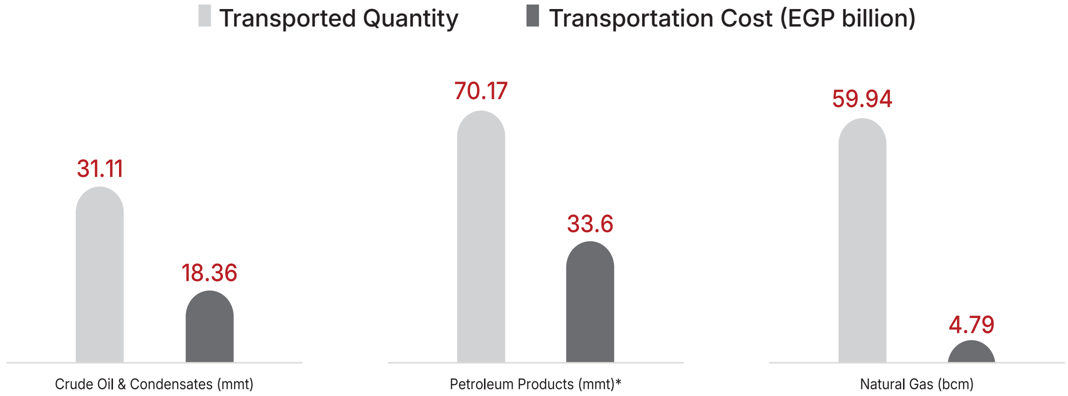
**Excluding the six shipments exported to Europe and Canada during FY 2025/26

## Hydrocarbon Local Transport Dynamics

Egypt's petroleum transportation cost structure in FY 2024/25 reflects intensifying cost pressure despite broadly stable transport volumes. Total transport volumes increased marginally by around 0.5%, while expenditure rose by nearly 13%, driving a clear double-digit increase in average cost per ton. On a total hydrocarbon transport spending basis in FY 2024/25, petroleum products accounted for about 59% of total expenditure, crude oil and condensates represented roughly 32%, and natural gas contributed around 8%, indicating that liquid fuels remain the primary driver of overall transport costs.

Fixed-cost pressure also intensified year-on-year (YoY) across segments. Crude and condensate volumes declined by nearly 10%, yet costs still rose in the mid-single digits, lifting unit costs to the high-teens. For petroleum products, volumes increased by around 6%, but costs expanded faster, raising unit costs by about 10%. Natural gas showed the sharpest divergence, with volumes down roughly 7% while costs surged by nearly 50%, pushing implied unit costs up by around 60%, according to CAPMAS.

## Hydrocarbons Transportation Highlights in FY 2024/25




Source: CAPMAS

*Include Gas Stove (Butane), Nafta, Gasoline, Kerosene, Turbine (Jet Fuel), Solar/Samar Diesel, Fuel Oil (Mazout), Reformat

# Key Transportation Routes

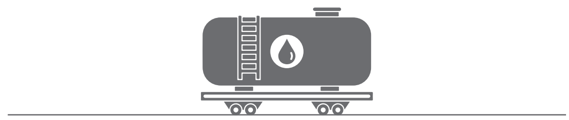
## Railway Tanks

The number of Egypt's operational railway tanks declined by 17.5% in FY 2024/25 compared to FY 2023/24, reaching 224 tanks. Meanwhile, the total petroleum railway tank fleet, including non-operational units, stood at 816 tanks.

Approximately half of the railway tanks were allocated to the transportation of diesel. The remaining fleet was distributed among turbine and jet fuel, gasoline, and fuel oil.

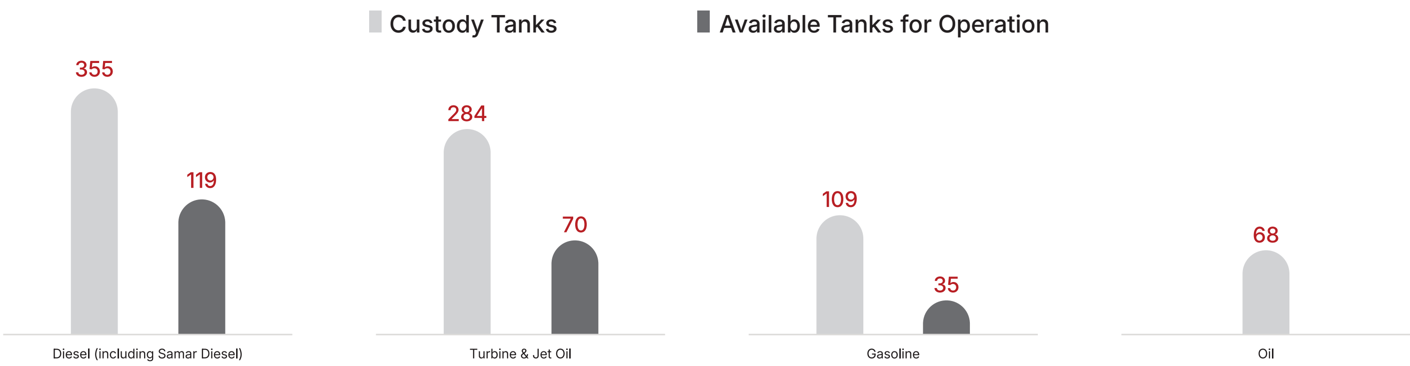
Oil tanks were not available for operation during both FYs; a total of 68 oil tanks were under construction in FY 2024/25. All product tanks under construction represent approximately 72.5% of the total custody railway tanks, according to CAPMAS.

### Total Transported Quantities in FY 2024/25



**289,068 t**

### Railway Tankers Breakdown by Product in FY 2024/25




## Petroleum Pipelines

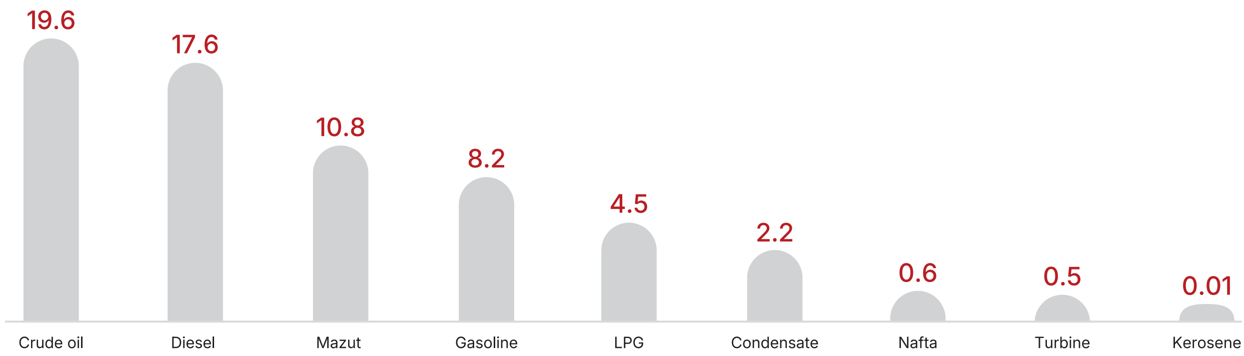
Egypt relies on a well-established network of internal and trunk pipelines to transport petroleum products efficiently across domestic and international markets. These pipelines facilitate the movement of crude oil, condensates, liquefied petroleum gas (LPG), and other refined products.

The total number of pipelines reached 88, totaling more than 6334 kilometers (km). The network comprises 24 crude oil lines and 43 petroleum product lines, including 15 butane lines and six condensate lines.

Crude oil and diesel accounted for the largest share of products transported through Egypt's petroleum pipeline network during FY 2024/25, averaging 57.8% of total quantities transmitted.

Mazut ranked third, contributing approximately 16.7% of total transported volumes, followed by other petroleum products, which accounted for around 12.7% of the total quantities transported, according to CAPMAS.

## Transported Quantities by Pipelines in FY 2024/25 (mmt)



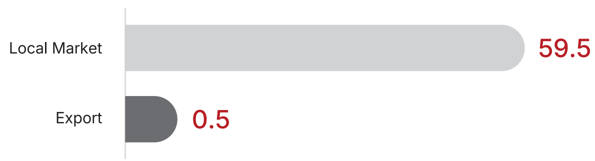

### Natural Gas Pipelines

Egypt’s total natural gas pipeline network length remained stable at 8,291.5 km in FY 2024/25, indicating no new expansions in cumulative line infrastructure during the period.

Export volumes witnessed a sharp contraction of 77.5% in FY 2024/25 compared to FY 2023/24. Consequently, the export share narrowed significantly to 0.8% in FY 2024/25, compared to 3.4% a year earlier, highlighting a pronounced shift toward prioritizing domestic consumption.

Nevertheless, local transportation volumes fell by 4.5% in FY 2024/25, reflecting a decline in natural gas production, according to CAPMAS.

## Natural Gas Transported Quantities in FY 2024/25 (bcm)

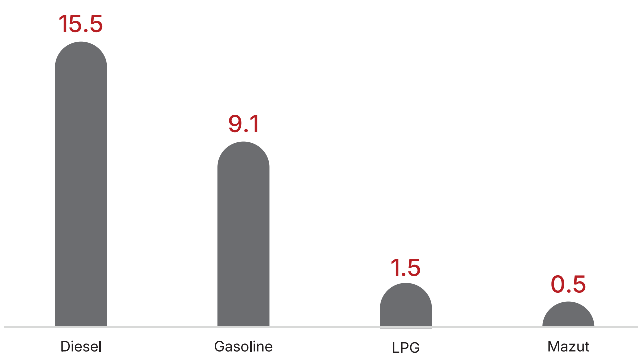



### Trucks

Total transported quantities by trucks recorded a 0.8% increase in FY 2024/25, rising by 224 tons. Diesel accounted for the largest share of petroleum products transported by trucks, representing 58.1% of total volumes, followed by gasoline at 34.3%.

Transported quantities of mazut by trucks declined by 14%. This contraction can be partially attributed to the increased reliance on pipelines for mazut transportation, which recorded a significant rise of approximately 47.2%, according to CAPMAS.

## Transported Quantities by Trucks in FY 2024/25 (mmt)

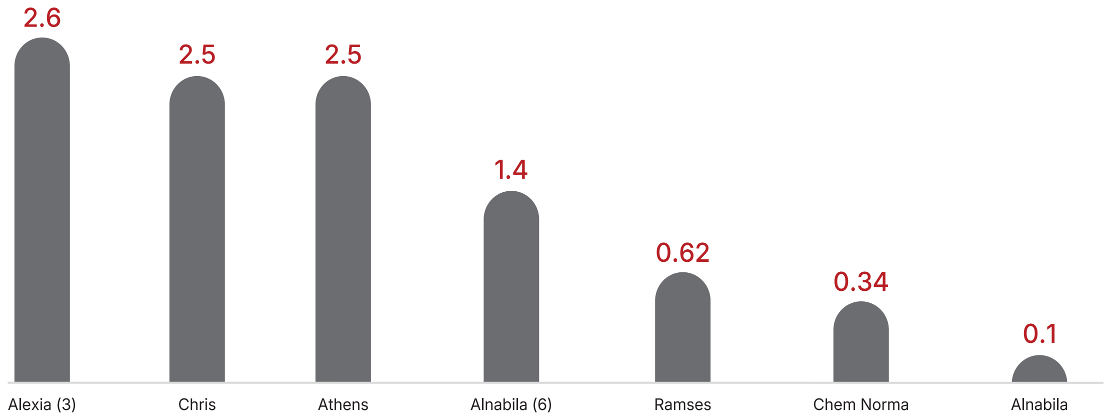



### Coastal Tankers

Quantities transported by coastal tankers decreased by 12.9% in FY 2024/25, reaching a total of 9.8 mmt. Alexia (3) held the largest share at 26.8% of quantities transported by coastal tankers in FY 2024/25, followed by Athens at 25.7% and Chris at 23.5%.

In terms of annual performance, quantities transported by Alnabila (6) increased by 5.5%, and Chem Norma recorded a significant surge of 113%. By contrast, volumes transported by Alexia (3) declined by 17.7%, Athens by 18.8%, and Chris by 28%. Kim Alia and Diamond-t recorded a full drop in activity 100%, while Ramses entered operations during the year, according to CAPMAS.

Transported Quantities Per Coastal Tanker in FY 2024/25 (mmt)



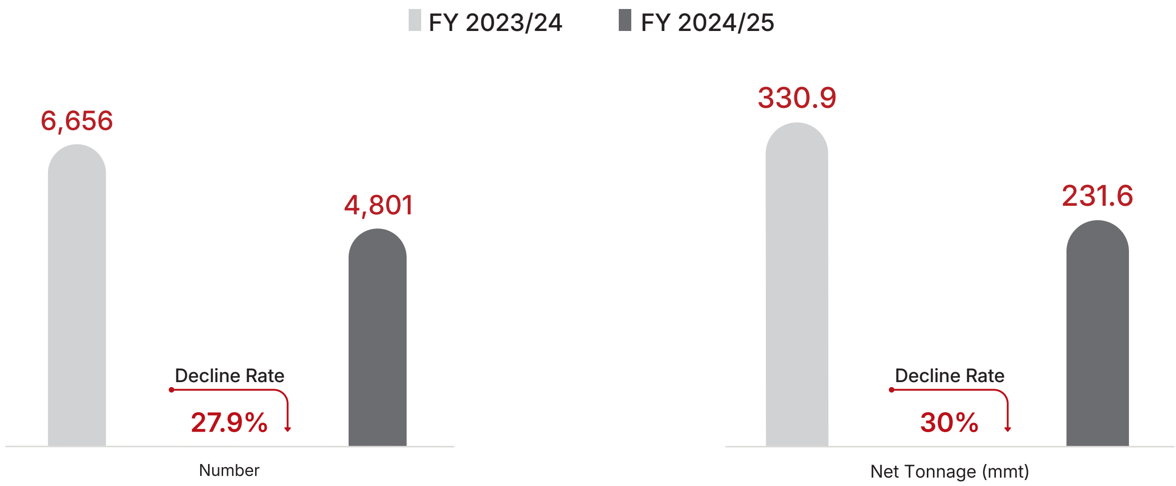

## Suez Canal Navigations

Despite the Suez Canal's role as one of the world's key maritime corridors, Red Sea shipping disruptions weighed on transit activity in FY 2024/25. Suez Canal transit receipts declined by 45.5% to $3.6 billion, compared to $6.6 billion in FY 2023/24, according to the Central Bank of Egypt (CBE). Net tonnage also fell by 55.1% to 482.8mmt, while the number of transiting vessels dropped by 38.5% to 12,400. In the second half (H2) of FY 2024/25, receipts were broadly stable, edging down by 1.4% to $1.80 billion from $1.83 billion.

### Oil Tankers

Oil tanker traffic through the Suez Canal declined in FY 2024/25, as the number of tankers fell by 27.9% compared to FY 2023/24, according to the Suez Canal Authority (SCA). Despite the drop, oil tankers accounted for around 38.7% of total vessels transiting the Canal in FY 2024/25.

Oil Tankers Navigation Statistics




Egypt's hydrocarbon balance-the mix between domestic production, consumption, and trade-remains structurally uneven. Crude oil trade is broadly balanced, with exports and imports offsetting each other. By contrast, petroleum products and natural gas show persistent deficits, as Egypt relies on imports to meet local demand. The product shortfall reflects strong domestic consumption and limited refining flexibility, while the gas gap underscores continued dependence on imported volumes to cover household and industrial needs.

At the same time ,transport expenditures rose disproportionately to throughput, driving up unit costs and revealing structural rigidities, most notably in the natural gas segment, where costs increased despite declining volumes. Modal dynamics further underscore system constraints, with limited railway utilization, heavy pipeline reliance, concentrated trucking in key fuel flows, and fluctuating coastal tanker performance. Red Sea disruptions compounded these pressures by affecting Suez Canal navigation and regional trade flows.

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