

Lapid says Egypt should take temporary control of Gaza, in exchange for debt relief

Speaking at an FDD event in Washington, the Israeli opposition leader said, 'We can take these two problems and combine them into one solution'

By [Marc Rod](#) February 25, 2025



Israeli opposition leader Yair Lapid addresses a rally in Tel Aviv on July 20, 2024.

Yair Lapid, the Israeli opposition leader and former prime minister, laid out a plan on Tuesday for Egypt to take temporary control of Gaza for eight to 15 years after the war in Gaza, in cooperation with various other regional powers, in exchange for international relief of its foreign debt obligations.

Under the plan, after the end of the three-phase cease-fire and hostage-release deal between Hamas and Israel, Egypt, backed by a United Nations Security Council resolution with some partnership from the Gulf and others in the international community, would take “temporary guardianship” of Gaza, Lapid said in an event at the Foundation for Defense of Democracies.

Lapid said that, based on the completion of “measurable benchmarks” in anti-corruption and deradicalization, Egypt would turn over control of Gaza to the Palestinian Authority at the end of its guardianship period, in coordination with Israel and the United States.

Lapid said that there’s precedent in the 1960s for such an arrangement, with support from the Arab League. He said that Saudi Arabia and the Abraham Accords states, as well as the U.S., would be part of the deal, with the U.S. and others making investments in reconstruction — a provision that Lapid claimed was consistent with President Donald Trump’s vision for Gaza.

“On the security side, Israel and Egypt have a deep and lasting strategic relationship supported by the United States. Egypt has an interest in the stability of Gaza and the region as a whole,” Lapid said. “Egypt wants to remove the idea of a population transfer from Gaza to Egypt.”

In exchange, the international community would pay off Egypt’s mounting international debts, both incentivizing Egypt to participate in the plan and stabilizing the Egyptian government.

“We can take these two problems and combine them into one solution,” Lapid said.

Any Palestinians who have somewhere else to move to would be allowed to do so, he continued.

Lapid framed his “Egyptian Solution” as having the effect of also solving long-running concerns from Israel and others in the region about the stability of the Egyptian government, a critical ally to Israel. Lapid warned that the fall of the Egyptian government could set off a chain reaction around the Middle East.

He suggested that it would also be in Egypt’s own security interests to deal with the potential threat from Gaza, as well as avert the possibility of forced mass population transfer from Gaza into Egypt.

While acknowledging that Egypt has not been a perfect partner to Israel, the opposition leader said it has a long-running relationship with Israel, is

reasonably trustworthy and has worked with Israel on security issues before, making it the best option available.

“We know how to work together very well,” Lapid said. “Between bad dilemmas, this is the best option.”

Under the plan, Egypt would be responsible for leading the deradicalization and demilitarization of Gaza, including preventing arms smuggling to Hamas and destroying the terrorist group’s expansive network of tunnels under Gaza.

While he did not offer many specifics on what the security force in Gaza would look like, he said it would involve Egypt and a pan-Arab force, while allowing Israel to intervene militarily when necessary.

“We’re going to trust you but we’re not going to trust anyone if we’re going to see another bunch of guys with Toyota trucks and machine guns coming towards our border,” Lapid said. “It’s going to be a joint effort that will take a lot of time ... It’s going to be a long process and a painful one, and the use of force part of it.”

Outside of Gaza, Lapid said that Israel and the international community need to go after Iran’s oil production to ensure that Iran cannot rearm and resupply Hamas, and ultimately precipitate the fall of the regime in Tehran.

Lapid, who sounded largely in lockstep with the current Israeli government on some key issues a day earlier in a speech to an AIPAC conference, criticized the Israeli government at FDD for failing to present a realistic alternative to Hamas or the Palestinian Authority in Gaza for effective governance, noting that Gulf states have refused to enter Gaza without cooperation from the PA.

“I supported it, I still do, but the use of force is not the goal,” Lapid said. “It is a tool to change reality. We need to get to a point where Gaza stops being a security threat to Israel and where it also stops being a hotbed of poverty, extremism and religious hatred.”

He dismissed suggestions that Israel should annex Gaza or the West Bank permanently as a “messianic” vision detached from reality and Israel’s own interests.

Asked during a Q&A session by FDD CEO Mark Dubowitz what deradicalization means and whether it would be realistic, Lapid pointed to educational curricula on tolerance promoted by the United Arab Emirates and emphasized the need to reform Palestinian textbooks. He also highlighted the need to address corruption in the PA.

He reiterated that he believes it’s in Israel’s interest to find a way to “divorce” from the Palestinians — which he said will not make the Israeli-Palestinian conflict go away permanently — but that the “burden of proof” will be on the Palestinians to demonstrate that they’re changing.

The former Israeli prime minister said that finding a viable path forward in Gaza is also a necessary precondition for Israel’s key challenge of building and reinforcing a regional coalition to oppose Iran, of which Saudi Arabia would be a key partner.

Lapid said he hasn’t discussed the plan with Egypt at this point, though he said he has talked about it with allies throughout the Middle East and the Gulf, and presumes that Egypt is aware of the proposal through such conversations.

“I’m estimating they’re going to say no and then yes,” Lapid said. “They understand this as the beginning of some sort of a negotiation towards a solution.”

Pressed during the Q&A by Middle East Institute senior fellow Brian Katulis on the clear inconsistencies between the Lapid plan and Trump’s proposal — which includes not just U.S. investment but direct U.S. control of Gaza and the forced permanent relocation of the Palestinian population — Dubowitz framed the Lapid plan as a potentially more feasible version of Trump’s proposal, taking it from an “11” and dialing it down to “a seven or eight, for a realistic plan.”

