

Greece and Egypt signed an agreement that sets the stage for an undersea cable that will transport electricity produced by renewables from North Africa to Europe, the first such infrastructure in the Mediterranean.

Greek Energy Minister Kostas Skrekas said that such an interconnection is a win-win for both Greece, Egypt and the European Union, adding that the project will help build an Eastern Mediterranean energy corridor and improve security of energy supply in the region. The deal comes as Greece, Cyprus and Israel plan to build the Euro-Asia Interconnector, the world's longest and deepest underwater electricity cable crossing the Mediterranean, at a cost of about 900 million dollars.

The Greek-Egyptian memorandum establishes a high-level working group of senior officials, representatives of the power grid operators and energy regulators. The group will examine means and financing for the implementation of the project and facilitate the timely granting of permits and approvals, necessary the feasibility studies.

The agreement further strengthens ties between Greece and Egypt, which last year signed an accord on their maritime boundaries, giving them rights over natural resources.

As part of the project, Cyprus is due to sign a similar agreement with Egypt.