

ASPECTS OF HYDROCARBON INSECURITY IN THE EASTERN MEDITERRANEAN: MARITIME CLAIMS, ACCESS, AND QUEST FOR ENERGY RESOURCES

S. Süha ÇUBUKÇUOĞLU, M.A.

*Seaborne Energy Advisory Group, Koç University Maritime
Forum – Turkey*

serhat.cubukcuoglu@alumni.tufts.edu

Prof. Dr. Salih SANER

*Middle East Technical University, Northern Cyprus Campus,
Güzelyurt, Mersin – Turkey ssaner@metu.edu.tr*

Abstract

Issues related to maritime claims, access, and the quest for energy resources have always been considered as significant aspects of sea power, strategy and security. The Eastern Mediterranean at the turn of the 21st century is not an exception to that, particularly in the light of recent hydrocarbon discoveries in the region. This paper seeks to examine the mounting instability in the Eastern Mediterranean particularly with regards to rising energy geopolitics. By addressing a range of political, social, military, and economic insecurity issues related to offshore hydrocarbons, this research highlights possible emergent threats, challenges, opportunities, and responsibilities for related actors.

The paper conceptually views “hydrocarbon insecurity” within the broader context of the term “security” itself. Intrinsically, the assessment recognizes the essential maritime component in international relations and analyses issues that illustrate how factors in the possession, supply, and distribution of energy resources may impact the outlook of conflict and cooperation in the region. It is argued that the intensive political engagement should be advanced among conflicting parties to build confidence and resolve fundamental differences over competing claims of maritime delimitation. This can reduce risks and vulnerabilities associated with the endeavor of accessing, exploring, and exploiting energy resources in the region. The paper ultimately seeks to discuss the instruments through which hydrocarbon security challenges can be addressed such as advancement of regional security order and of multilateral maritime security governance in the region, particularly in reference to the role of regional alliances.

Keywords: Mediterranean, Security, Energy, Conflict, Delimitation, Hydrocarbon, EEZ, UNCLOS

1. Introduction

In an increasingly multipolar world, the perceived insecurity in the Eastern Mediterranean is sustained by intractable conflicts that draw local, regional, and global actors into a quagmire. The region borders the most tumultuous neighborhood in the world – the Middle East – often referred to by ethnic, religious, and sectarian confrontations. Situated in a geopolitical hotspot marked by uncertainty, economic stagnation, social cleavages, religious strife, and civil unrest it is a stage of shifting power play of partnerships, where countries suffer from influx of refugees, domestic violence, terrorism, and power struggles of various types if not outright hostility. The pursuit of power politics in this war of “all against all” culminates itself in an anarchic order. In particular, competing parties involved in the so-called Arab Spring and the ensuing intense Syrian civil war created a disaster of colossal magnitude on

multiple fronts. The region seems to be more fragmented than ever with diverse national and transnational interests competing to gain influence.

Inextricably linked to long-standing confrontations over the region, discovery of offshore hydrocarbons in the Eastern Mediterranean sparked a new dispute over delimitation of maritime zones, due to a competition over rights to exploit rich energy resources and to exert political influence for furtherance of national interests. The U.S. Geological Survey (USGS) estimated that the Levant basin houses 1.7 billion barrels of oil and 2 trillion m³ of natural gas, according to more realistic recent findings, that could meet the regional demand and be available for export to the outside world for 20-25 years.¹ Nevertheless, the blessing of hydrocarbon wealth might often turn into curse,² as seen in other parts of the world, the consequence of which is that the struggle for power to access, explore, and exploit resources exacerbates rather than abates existing tensions among littoral states, especially in the face of volatile energy prices. The question is the ability of the current international order to absorb and regulate maritime disputes to address hydrocarbon insecurity in the region.

Since seas are lifeblood of the world economy and the Mediterranean is situated on a crucial trade route between Europe, Asia, and Africa, emphasis has mounted on maritime security operations to protect energy infrastructure, free-flow of global maritime commerce, and hard-power instruments to meet challenges from potential adversaries. This research finds that notions of national sovereignty, territorial claims, and maritime boundaries are prioritized over inclusive, long-term planning, thus hindering the ability to assess the cumulative impact on security and sustainable development. Availability of political, economic, and military instruments to equitably resolve disputes over access to energy resources is limited in the context of multiple parties that have diverging interests within delicate power-balancing maneuvers. By unbundling the question about access to off-shore hydrocarbons, it addresses a gap in the literature on the role of religions, traditions, and culture in multi-issue, multi-party negotiations. Entrenched, positional

bargaining in a zero-sum game, whether be it involving religious, nationalist, or realpolitik elements, impairs productive dialogue, although in essence no one nation is big enough to be able to address the whole problem.³ There is a short window of opportunity for dialogue that parties do not seem to be in grasp of. Therefore, an integrated maritime strategy can help to address the fixed-pie nature of border disputes, outline a comprehensive plan to improve governance for energy security, environment, piracy, refugee flows, and wider forms of maritime crime. This vital initiative can provide a sustainable and long-term solution as an alternative to reliance on each individual nation's military strength in the Mediterranean.⁴

In the next section, the article lays out the background of Middle Eastern politics and describes competing views on the roots of conflict among, between, and within modern nation-states, non-state armed groups, and quasi-state structures. Part three looks at rules of engagement in asymmetric conflicts of modern day and the role, or lack thereof, manifested in supranational organizations to mediate conflicts. Specifically, this section maps security challenges to the regional order through the lens of alliances and rivalries. Part four depicts the new power balance consequent to shifting play of partnerships among state actors in the Eastern Mediterranean and efforts to delineate maritime zones for exploiting offshore hydrocarbon deposits. Part five examines possible avenues to confront insecurity emerging from the regional standoff and means for resolution to maritime disputes. Part six summarizes findings and draws conclusions.

2. Society and Politics in the Middle East

Shores of the Eastern Mediterranean are host to religious conflicts, historical ambitions, power asymmetries, and tense geopolitical rivalries along multiple axis at local, regional, and worldwide levels. In the past fifteen years, these frictions have intensified in terms of duration and impact. Whereas most Middle Eastern wars fought in the 20th cen-

ture were relatively small and short,⁵ emergence of non-state actors and asymmetric, borderless conflicts added another layer of complexity to the puzzle.

Revival of regions, growing megacities, and resurgent micro-ideologies challenged traditional central authority of governments, making it increasingly difficult to maintain national borders of the post-colonial states in the Middle East.⁶ Religion is often subordinated to political and economic motivations, in relation to which Huntington claimed in his famous, misleading theory of “The Clash of Civilizations” that people’s religious and cultural identities will be the primary source of conflict in the post-Cold War world⁷ and that Islam is a serious threat to the West. In particular, he argued that these are universal, “all-or-nothing” religions, in the sense that each side believes that their faith is the only correct one.⁸ The underlying question is whether the roots of conflict between rival actors lay more in their history, and thus violence against “Others” is indeed inherent in traditions and socio-cultural norms or whether such conflict is due to more recent phenomenon. Looking at historical precedent, theological arguments, and political thoughts in their essence, these cultures are not opposed to each other, but they differ dramatically in their interpretive traditions which nourish controversy and precipitate conflict.

Although in both realist and liberal traditions religion is not a state objective,⁹ its influence on social and political institutions has been profound. Protagonists often try to legitimize relatively recent disputes and derive political power by referring to acts in the distant past, which makes people inclined to think that the root causes of clashes lay in history as far back as the rise of civilisations.¹⁰ As a consequence, followers of a particular tradition become conditioned to defend their own belief system against any potential challenge. As long as there has been a tendency in the society to perceive religion as an acceptable and capable means of resolving issues, policymakers have used it as a source of public legitimacy to stage war on seemingly competing traditions. When chaos comes to the Middle East, people revert instinctively in

hierarchical order first to family, then to clan, then to tribe, and only then to religious grouping.¹¹ In essence, the post-colonial world order has transposed this cultural, tribal, familial conflict into nationalism and religious sectarianism which hinder compromises that history allowed communities to pursue in the past'.¹² There is a direct causal link between rising tensions in ethnically mixed, disputed territories and political, material economic interests that leverage sacred values to achieve desired outcomes.

Therefore, a main cause of contemporary conflict between different traditions, religions, and competing world-views in the Middle East is an unsuccessful transition from communities based on decentralised, tribal networks with informal structures, and obedience to divine law to nation-states which enforce human-made laws to increase their security and well-being.¹³ Inasmuch as religion has been transformed from a public issue into a private issue in most Western societies, some scholars argue that modernization has led to a resurgence of religiously dyed fundamentalist movements. The advent of social media, creation of slums, impersonal city life, crowd psychology, and environmental issues such as water scarcity caused resentment among ordinary people who are inclined to have religiously motivated political self-expression, empowering actors that repudiate the separation of temporal and spiritual authority into two distinct spheres.

3. Mapping Current Security Challenges in the Eastern Mediterranean

Conflicts of today are to a large extent moving targets of great complexity.¹⁴ In the post-WWII order, the United Nations (UN) has been the main vehicle to disseminate the ideals and principles of the Westphalian model characterized by supremacy of sovereign nation states, jurisdiction over particular physical territory with non-permeable borders and collective security throughout the world. Since 1990s, emerging non-state actors as instruments of internal and transnational violence in un-

stable, contagious regional wars have challenged the established order of Westphalia, unveiling limits of the current world order, and shifted focus of international security to intrastate “warfare amongst people”. When the current structure of the UN Security Council (UNSC) is incapable of preventing, controlling, or adequately responding to political upheaval and violence without the required approval of its controlling members, states with perceived power asymmetry will continue to act unilaterally in an attempt to promote their own security¹⁵ against increasingly heterogeneous threats.¹⁶

As a consequence of these institutional challenges, the lack of a joint, decisive action to solve crises increasingly draws regional actors such as Turkey, Iran, Egypt, Israel, and the Gulf Cooperation Council (GCC) countries into armed conflicts in various capacities. These national actors, in addition to the global powers of the U.S., Russia, and China, are inclined to further their political interests by using proxy war as a tool to achieve strategic outcomes. Iranian-backed Hezbollah in Lebanon came to support the Assad regime; ISIS terrorized the region with ideological, violent extremism that transcends borders, and PKK/YPG found an opportunity to capitalize on the turmoil in a power vacuum and legitimized itself by carving an enclave along a contiguous belt in northern Syria. The breakup of Iraq and Syria into micro-spheres of influence emboldened belligerent non-state armed groups and posed a major risk to the resilience, co-existence, and tolerance among various ethnicities, tribes, and sects. The extent to which the UNSC can absorb and regulate these developments is uncertain.

3.1. Middle Eastern Conflicts

Resources scarcity correlates with the rise of multilayered conflicts. Location especially matters even more in the case of energy whereby the quest for access to resources in the Middle East is inextricably linked to its geography. Iran’s “Shia Crescent” land corridor from Tehran to Beirut,¹⁷ a code term for its economic and strategic reach to

the Mediterranean, competes with Israeli-backed Kurdish ambitions for independence and parallel energy pipeline routes through Syria to Haifa.¹⁸ Via its network of alliances from Hamas in Gaza to Houthis in Yemen, Iran's sphere of influence extends from the Indian Ocean to Syria. Turkey, on the other hand, puts itself on the map as an important player in energy geopolitics, acting as a pipeline transit route, demonstrating its tactical maneuverability and keen interest to consolidate its influence and soft-power as an economic hub. Although Turkey and Iran have been regional rivals for decades and aim to restrain each another's hegemonic ambitions, both have shared interests in herding stability, economic cooperation, and preventing formation of a belligerent Kurdish state at their door step.

3.2. Eastern Mediterranean Basin Conflicts

From Syria to Qatar, high seas have assumed ever greater defense significance in the face of changing regional dynamics, external interventions, and quest for access to scarce energy resources. Blended with the Middle East's power dynamics, the Eastern Mediterranean has the greatest potential for controversy due to rich deposits of undersea hydrocarbons and a certain sense of disagreement on equitable distribution of these resources. This is demonstrated by presence of warships from many countries in the region, including China, Iran, Britain, France, and, of course, Russia.¹⁹ Cyprus occupies a pivotal geographic and economic position, heightened in importance by discovery of offshore oil and gas in the Levant basin, and Lebanon is exploring opportunities amid tremendous pressure posed by its war-torn neighborhood. Egypt, which historically had suffered from supply shortage due to expansion of gas-fired power generation capacity and strong growth in electricity demand,²⁰ has a fragile economy dependent on foreign aid, not helped by frequent terrorist attacks and disruptions to its energy infrastructure connecting to Israel and Jordan. Hamas, an off-shoot of Muslim Brotherhood in Gaza, has been compelled by Israel, the West Bank, and Egypt, to shift its position, ease relations, and reconcile with Fatah

in the Palestinian Authority,²¹ while Gaza's maritime zones are under Israeli blockade on demands of political and security clearance as well as favorable terms of trade.²² Qatar, the main sponsor of Hamas, is under embargo by Egypt and three of its Gulf neighbors, which want the emirate to cut its ties with the Islamist movement.²³ Yet, Israel's own off-shore gas fields are also within the range of Lebanese-Hezbollah missiles prompting pre-emptive airstrikes against arm depots and convoys in Southern Lebanon-Syria.

3.3. Exclusive Economic Zones and Conflicts on Maritime Delimitation

Against this backdrop, the discovery of offshore energy in Eastern Mediterranean Sea sparked a dispute over delimitation of Exclusive Economic Zones (EEZs), due to a competition among littoral states over rights to exploit rich offshore energy resources and to exert political influence for furtherance of national interests. At the back of this challenge resides the fact that international extraction, storage, and transportation projects over sovereign areas of Turkey, Cyprus, Greece, Lebanon, Palestine, and Israel frequently compete to gain feasibility and security appraisals in finding the most cost-effective alternative energy supply route from the Middle East through to Europe. Since the viability and security of project realizations depend on the extent of a just and equitable resolution of the EEZ delimitation disputes, the situation has particularly underscored the crucial strategic position of Cyprus and heightened its importance within a broader power struggle involving global as well as regional players. In addition to potential windfall profits, a domestic factor amplifying the significance of new offshore gas exploitation is that Greek Cypriots have committed to cut carbon-intensive fuel-oil usage and CO² emissions in order to avoid carbon taxation measures.

3.4. *Effects of European Gas Demand*

Furthermore, the Arab Spring that began in 2011 emphasized the importance of natural gas and the power struggle over energy resources around the Fertile Crescent. The politically motivated unrest in the region coincided with an economic slowdown in Europe, creating diverging push and pull dimensions to inter-regional relationships²⁴ and further complicating negotiations surrounding the maritime delimitation dispute. Although difficulties remain to establish commercial viability of export production, successful offshore exploration activities may uncover higher quantities of gas in the coming years, as in the case of the giant Zohr field in Egypt's EEZ, especially with the advent of shale revolution. This, coupled with the strategic location of the region between major producers of the Middle East and demand centers of Europe, makes the Eastern Mediterranean a frequent target of energy import and export project proposals²⁵ as well as a potential energy transit hub. Polarized by prolonged conflict, autocratic tendencies, and illegitimate sub-state actors, this complex environment actually presents a previously overlooked strategic opportunity for emergence of a sustainable and inclusive multilateral governance structure for Eastern Mediterranean states in the long run.

4. **The Regional Equation in the Eastern Mediterranean and Energy Geopolitics**

The New World Order of the 21st century is characterised by multi-polar international relations involving many state and non-state actors with economic, social, and political interdependency. Local development concerns, structure of economic relations, and proximity of rival states sustain complex multi-party issues. *Ceteris Paribus*, in an asymmetric region characterized by constant shift of alliances, such as the Middle East, aspiring pre-eminent regional power centers pursue hegemonic goals coercing smaller entities to acquiesce to their policies.²⁶ This enables short-term, issue-based partnerships rather than permanent alliances.

On a global scale, the U.S. administration's cautious stance towards multilateralism leads to questions about American support for decades of trans-Atlantic economic and defense ties.²⁷ Defense cooperation had been an integral part of this collaboration and underpinned American influence and commitment for seventy years, but the political worldview that liberal internationalism is obsolete undermines support for multilateral bodies, cripples the system that binds the U.S. to its allies, and abates the role of a defense network that could otherwise help to raise the only superpower above its regional rivals in the Middle East.²⁸ In a broader strategic context, the administration in Washington has suggested revising the U.S. emphasis on large multilateral institutions like NATO and the UN, in preference for bilateral, transactional policies.²⁹ As evidenced in official statements on NATO and American contribution to the war in Syria, the U.S. prudently prefers to let allied groups, good or bad, take more ownership and responsibility for burden-sharing in regional security. Therefore, NATO, previously a source of balance and stability in the region, has lost much of its credibility from Turkey's perspective. In a geopolitical environment characterized by the realpolitik of proxy warfare, it should not come as a surprise that ideas such as liberalism, human rights, and responsibility to protect (R2P) are seconded to survival.

Meanwhile, Russia has assumed the role of a dominant power player and agenda setter³⁰ in its periphery. It has been more than a decade since the president Vladimir Putin stated that the collapse of the U.S.S.R. was the greatest geopolitical catastrophe of the 20th century. His promise upon rising to presidency was to revive Russia's status as a great power. Despite economic problems, as it so happens in many cases, "foreign policy presents itself as a glorious terrain for injecting hope to a demoralized population".³¹ To demonstrate its assertiveness, Russia has seized Crimea, waged proxy warfare in Ukraine, dispatched forces to Syria, strengthened its nuclear arsenal, and squeezed NATO allies on its periphery,³² pumping up patriotism and the president's popularity at home. To fill the power vacuum, Russia has re-emerged in the Eastern Mediterranean and expanded its political and military clout through

opportunities of cooperation and coercion with the aim to tip the balance of power to NATO's disadvantage. Moscow not only deployed its Mediterranean fleet under the flagship carrier Admiral Kuznetsov, with frequent cruise missile attacks against targets in Syria, but also secured basing rights in South Cyprus to enable pier-side support for the fleet, arranged the first-ever joint naval drills with Egypt, sent ships to make a port call in Alexandria for only the second time since 1992,³³ and gained access to its airspace. It has developed anti-access / area-denial capabilities with advanced electronic warfare assets and submarine activity that has reached Cold War levels,³⁴ surpassing NATO's standing naval capabilities.

Yet, the U.S. officials calculate that Russia is a reactive, declining power and does not pose a major, long-term threat as would a rising China in the Pacific or would a resurgent, nuclear Iran against Israel. The natural trend of an overstretched, more isolationist and more energy self-sufficient U.S. is to focus limited diplomatic resources more on Asia.³⁵ China's One Belt One Road (OBOR) initiative, backed by strong leadership, rich currency reserves, and a ring of military outposts, aims to champion globalization, free-trade, and prosperity in vast swaths of the world. Iran, Turkey, Greece, and Russia all take part in the revival of the new Silk Road in various forms with important strategic implications for the U.S. interests in the region.

Overshadowed by great-power politics, relationships between littoral states in the Mediterranean remain difficult, competitive and conflict-prone. Although there are economic, energy, and security interests shared between these countries that necessitate value-creating, constructive maritime negotiations the progression of multilateral talks are easier said than done. Regional geopolitics descended into an uneasy standoff as once again the Cyprus peace process failed to produce an agreement, throwing the prospect of unification into unknown. Unless both sides of the island agree on a workable, just and permanent power-sharing structure with proper security guarantees, attempts for reunification are bound to fail. A mutually enticing opportunity of new gas

finds could be thought to provide an incentive to actually bring the parties out of the stalemate, but challenges in exploration, transportation, and security emerged as major obstacles. For one, proven gas reserves in Greek Cypriot blocks do not yet justify a multi-billion-dollar investment proposal to build a pipeline to Europe, despite political rhetoric and perceptual manipulation otherwise. Also, standalone production and storage in an LNG liquefaction facility in South Cyprus would have insufficient capacity to economize on gas volumes in the Levant basin and have lower net returns than a pipeline through Turkey to Europe. Nevertheless, delineation of the course for a gas pipeline from Israel via Cyprus to Turkey depends on consent of both Turkish and Greek Cypriots. Yet, even if Cyprus is re-united, the EEZ delimitation conflict between the island and Turkey remains as a challenge to be resolved.

With the latest bidding round, the Greek Cypriot cabinet approved three offshore exploration blocks in EEZ areas 3, 6-8 and 10-11 for ENI, Total, Exxon and Qatar Petroleum,³⁶ where blocks 6 and 7 overlap with Turkey's continental shelf. Greek Cypriots, in violation of international law, undertook a unilateral, non-transitory step that risks irreparable prejudice and leads to a permanent physical exploitation without a final agreement on the maritime boundary.³⁷ As the consortium began exploration under the shadow of a French frigate, Turkey ordered its seismic vessel *Barbaros Hayreddin Paşa*, escorted by a frigate and a fast-attack boat, to conduct hydrocarbon research activity in areas that overlap with those demarcated by the Greek Cypriot government and reportedly discovered gas prospect off the northeast coast of the island.³⁸ When Turkey purchased an off-shore drilling platform, Greek Cypriots have been provocatively preparing to do an additional bid round for the area between Turkey and North Cyprus. Moreover, a Greek Cypriot contracted drilling ship *Saipem 12000* that attempted to enter block 3 and start exploration was met by Turkey's naval escorts for violating Turkish Cypriot EEZ, igniting a new regional crisis that quickly escalated to EU's top agenda in its ministerial meeting. The next planned exploration in block 10 is reportedly to be overshadowed by the U.S. 6th Fleet's presence under the guise of taking up positions

against Syria. It has to be said that, despite liberal displays of gunboat diplomacy, no shot has been fired in anger in the Mediterranean over contested offshore jurisdiction, at least not between Turks and Greeks.³⁹

Amidst this tug-of-war over EEZ rights, recent years witnessed another geopolitical event that would further alter regional dynamics; Italian gas company ENI's discovery of a giant 850 bcm of natural gas reserve in Egypt's Zohr field 120 miles ashore amounted to largest-to-date in the Mediterranean Sea and added a new dimension to regional energy geopolitics. While this has led to interest in gas investment,⁴⁰ Egypt still depends on Qatari LNG imports to compensate for a domestic production shortfall and is bound by international treaties to keep the waterway open unless the country is formally at war.⁴¹ Approximately one tenth of world's LNG transits the Suez Canal, and yet, with the Gulf of Aqaba, these are insecure locations for gas transport, pipelines, and terminals. It is all the more crucial that Combined Maritime Forces (CMF) assure the maritime community through overt demonstration of presence in these elevated-risk zones for protection of critical energy infrastructure.

Further complicating matters, due to strained diplomatic ties with Turkey over the Muslim Brotherhood, Egypt angled towards closer interaction, cooperation, and coalition formation with Greece, South Cyprus and Israel to mitigate the perceived power asymmetry. The uniting factor between these parties to develop a position and enhance their partnership on energy security is to create a "common vision", to increase efforts to mark out maritime zones, and to foster energy cooperation against Turkey's interests. As the former president Hosnu Mubarak's son crafted trade deals with Greek Cypriots, so does Sisi with both Greeks and Israelis. On one hand, Egypt agreed to settle arbitration court rulings to compensate Israel for the interruption of exports in 2012; On the other hand, Noble Energy and Delek, which are partners in Leviathan, agreed in early 2018 with Dolphinus to export Israeli gas to the Egyptian market via Jordan,⁴² although whether Egypt has spare gas storage capacity for it is still a question mark.

The proposed East-Med pipeline was the focus of a four-party ministerial meeting in Nicosia on December 5th, 2017 where an Memorandum of Understanding (MOU) has been signed.⁴³ Pipeline projects would present alternative routes to Europe over conflict-prone energy corridors such as Kirkuk-Ceyhan, North Africa, and Persian Gulf LNG supplies that face risks from regional instability. Yet, the EastMed pipeline initiative, which provisions 10 billion m³ per year stable upside volume, faces market off-take risk and price-risk in project financing even by the optimistic realization timeline of 2025, let alone the enormous engineering challenge to build a deep-water gas transport pipeline over 1500 km of distance and uneven seabed.⁴⁴ The time window is short as alternative suppliers from the U.S. to Africa and Australia place downward price pressure in a low-demand market and undermine profitability of new underwater pipeline projects. Plus, mapping out an intergovernmental agreement to create the necessary political stability and determine maritime jurisdictions within the present security context is a challenge.⁴⁵ To its detriment, LNG's share increases against long-distance pipelines in global gas trade and is expected to reach 1.15 trillion m³ per year by 2040.⁴⁶

In early 2018, ENI further announced discovery of a promising gas deposit called "Calypso" in block 6, estimated to match "Aphrodite" field's production capacity in block 12, that together in theory could feed an East-Med pipeline if also joined by Israelis. Nevertheless, unless the new round of exploratory drills reveal significant quantities in block 10, the only feasible way, other than Turkey, to commercially transport extracts from the Greek Cypriot blocks 12 and 6 are through a direct pipeline to Egypt's LNG plants.⁴⁷ Even this second option has security, market reach and capacity risks. Egypt already plans to export 20 billion m³ on average per year of its own gas during the peak production phase between years 2022-2035⁴⁸ and only so via LNG terminals; it's not looking to participate in the East-Med project. Also, coalitional arrangements in the EEZ dispute depict deal-making behaviour within a difficult economic and political climate and are inherently voluntary and unstable. Although, the Southern Gas Corridor from Azerbaijan to

Europe over Turkey is the most effective option for gas exports,⁴⁹ the export route that receives approval to proceed first, and not necessarily on rational terms, may likely set the pattern for Levant basin's development.⁵⁰

5. Confronting Current Security Challenges in the Eastern Mediterranean

Despite the deadlock in the EEZ dispute, it would be unrealistic to assume that littoral states will give up their long-term interests over the Eastern Mediterranean by *fait accompli*. There is not going to be a "peace pipeline" that would resolve long-standing disputes with the touch of a button. Politics takes the lead and economics follows. However, cooperation, shared values and commercial interests could help rapprochement. Management of conflict and peaceful resolution of disputes are by vast majority done through bilateral negotiations. Only if all mechanisms of peaceful settlement are exhausted, then under the authority of UN Charter, Article 36:3, parties should submit a legal dispute to arbitration bodies as a last resort.⁵¹ But law presumes the preexistence of a disposition to abide by it, as evidenced by the cases reviewed.⁵²

Although South Cyprus is a signatory to the United Nations Convention on Law of the Sea (UNCLOS) treaty, Turkey, Israel, and Syria are not, and naturally UNCLOS is not binding to non-parties of the treaty. Based on the principle of *ius tertii*, it is a contractual law governed by the Vienna Convention on Law of Treaties that is not legally enforceable through compulsory binding procedures against a state that declines to sign and ratify it.⁵³ Nevertheless, nothing may prevent Greek Cypriots, for instance, to make unconscionable claims on maritime limits under the customary international law. Even though Turkey is not in a position to become a "rules-setter" in the Eastern Mediterranean,⁵⁴ it should reject any tacit acceptance or acquiescence to a particular maritime delimitation imposed by other parties, in order to avoid being bound to it as a custom in the future.⁵⁵

At the crux of the problem is that South Cyprus, Greece, and Turkey are unlikely to agree on the interpretation of the treaty regarding the EEZ delimitation over an area covering approximately 210,000 km². Due to diplomatic non-recognition issue they lack powerful mechanisms to reach a binding mutual consent in order to formally refer to the jurisdiction of arbitration bodies. This legal uncertainty is similar to the case of unsettled counter-claims over the extent of EEZs between Lebanon and Israel over 850 km² to which lack of diplomatic recognition poses a major obstacle. Seismic research and a study of geological formations indicate that the northeast part of Levant basin covered by the Lebanese EEZs has the highest hydrocarbon reserve potential.⁵⁶ It is not a coincidence that Iran, Israel, and Saudi Arabia are embroiled in a bitter confrontation to control Lebanon that culminated in a political crisis and the initial chaos over the Prime Minister Saad Hariri's position. The U.S. has tried to intervene and broker a relationship between the two countries without much success, although little hope remains on both sides that conflict over the disputed area can be resolved through dialogue and mediation.⁵⁷ Three out of five offshore blocks on offer by Lebanon are disputed with Israel.⁵⁸ As the first bidding round for offshore drilling blocks 4 and 9 attracted the expected level of interest from Russian Novatek, Italian ENI, and French Total, both parties to the dispute should see a benefit to avoid escalation that will otherwise deter potential investors to the field. While Lebanon is optimistic to court international support to protect its maritime borders, Israel would certainly want to wait and see the results of test drills in Lebanese exploration blocks before taking a precipitated action on the border dispute. Total and ENI plan to launch their first exploration well in block 4 by the end of 2019, with a second bid round scheduled to be offered in Q4 2019.⁵⁹

It seems a far possibility that a military confrontation will ensue in reaction to unilateral proclamation of 200-mile wide EEZs in the Mediterranean. Counter-moves will probably take the form of a carefully measured tit-for-tat reprisal or coercive diplomacy to demonstrate resolution and to emphasize the credibility of determination to protect

each party's maritime interests.⁶⁰ This may be coupled with an accommodative approach to leave a way out of the quarrel for all sides to avoid unwanted escalation and mitigate the danger of mutual commitment, as experienced in resolution of past crises over disputed sovereignty of continental shelves and islets between Turkey and Greece in the Aegean Sea.

In this tense geopolitical setting, a greater role should be entrusted to regional bodies with geographical affinity to the conflict zones to manage the crisis.⁶¹ NATO was a source of hope until recent tensions between the U.S. and Turkey regarding regional issues faded the influence of the alliance and, besides, undermined respectability of the UNSC. NATO should develop more unity, resilience, and deterrence in the face of its increasingly fragile southern flank, reconcile different schools of thought of its member states and address emerging threats more effectively.⁶² On the other hand, to counter-balance the Euro-Atlantic block's influence over the region and avoid the "groupthink", Turkey should continue to engage all stakeholders and invent options for mutual gain, especially with Russia, Iran, and Iraq. These guarantor powers in the Syrian war have taken positive concrete steps towards stabilization, de-confliction, and creation of safe zones. Such pre-emptive security measures that sustain conflict transformation, regional security, and constructive cooperation should extend to cover the wider region.

For hydrocarbon exploitation, a consensus on de-emphasizing territorial sovereign rights for the benefit of a greater common cause could help to unlock the dispute. Parties may offer a menu of pie-expanding gestures in order to build bridges such as Track II diplomacy talks and cross visits through Chambers of Commerce and Industry. Technology-sharing, private sector partnership, and creation of a provisional Joint Development Area (JDA) could partly satisfy the EEZ claims of both parties, apportionment of benefits being the most delicate aspect.⁶³ The World Bank could be a possible lender of finance for an underwater pipeline project from Cyprus to Turkey via Israel. This arrangement has

been demonstrated to be helpful in other cases where all windfall revenues were deposited in an offshore escrow account, a certain portion of which was required to be used for joint development purposes.⁶⁴ The existence of a maritime boundary dispute does not necessarily prohibit the exploitation of energy resources that are located in the contested area.⁶⁵

6. Conclusion

In the unpredictable new world order of kaleidoscopically shifting rivalries, security and strategic interests are at the forefront. Hydrocarbon insecurity widens existing stand-offs and undermines efforts to foster regional cooperation, for which regrettably there is no short-term, quick-fix solution in sight. International institutions should evolve to organize around a more inclusive structure in order to mitigate negative impacts of asymmetric power relations, help welfare growth in disadvantaged nations, and more effectively deal with contemporary conflicts. Strong, decisive measures by the UN and NATO may re-establish lost trust in international organizations. In the long run, efforts to raise public awareness on environmental protection, multilateral trade, and regional cooperation may re-establish a culture of tolerance and respect. It is through economic interdependence and accommodation of different traditions, values, and contributions that peaceful co-existence may be possible. Therefore, it is important to coordinate common policies, duties, and responsibilities as well as claim sovereign rights on particular areas on high seas. The key guiding principle to resolve maritime disputes should be to avoid brinkmanship during the process and to draw conflicting parties into a multilateral consensus under the principle of friendly co-existence. All parties should keep the channels open for discussion to overcome frictions on long-entrenched opposing views on sea rights. This would ensure maximum utilisation of opportunities for offshore energy exploitation in a limited time window by picking the most commercially viable option to reach consumer markets.

Acknowledgements

The authors thank Mr. Ergün Olgun and Admiral (Ret.) Cem Gürdeniz for their useful and constructive comments on the manuscript, and Dr. Emine Eminel Sülün for her contributions to the initial concept and abstract.

Endnotes

- 1 U.S. Energy Information Administration, *Overview of oil and natural gas in the Eastern Mediterranean region*, August 15, 2013 (accessed October 28, 2017); available from http://www.eia.gov/countries/analysisbriefs/Eastern_Mediterranean/eastern-mediterranean.pdf.
- 2 The Economist, “The death of the internal combustion engine,” August 12, 2017 (accessed August 12, 2017); available from <https://www.economist.com/news/leaders/21726071-it-had-good-run-end-sight-machine-changed-world-death>
- 3 IHS Jane’s, “*Maritime Security Through Partnership [IDEX17D2]*,” Richard Scott (accessed February 19, 2017); available from <http://www.janes.com/article/67899/maritime-security-through-partnership-idx17d2>.
- 4 AllAfrica, “*Somalia: A Solution to Somali Piracy Is in Sight - Local Communities Hold the Key*,” Stephanie Carver, Monash University, March 29, 2017 (accessed April 2, 2017); available from <http://allafrica.com/stories/201703300509.html>.
- 5 Prof. Niall Ferguson, “*Roots of Conflict in the Middle East*”, Harvard University, 2008 (accessed September 13, 2017) available from http://www.youtube.com/watch?v=zkezi_MnAZ8.
- 6 Robert Kaplan, *The Revenge of Geography*, (New York: Random House, 2012), 301.
- 7 Foreign Affairs, “*The Clash of Civilizations?*”, vol. 72, no. 3, Summer 1993, pp. 22-49, (accessed September 12, 2017) available from <http://www.foreignaffairs.com/articles/48950/samuel-p-huntington/the-clash-of-civilizations>.
- 8 Samuel P. Huntington, *The Clash of Civilizations and the Remaking of World Order*, New York, Simon & Schuster, 1996.
- 9 Prof. Anna Seleny, “*International Politics: The Modern International System*,” The Residency, Lecture 3, GMAP, The Fletcher School, Tufts University, 2014.
- 10 Prof. Niall Ferguson, “*Roots of Conflict in the Middle East*”, Harvard University, 2008 (accessed September 13, 2017) available from http://www.youtube.com/watch?v=zkezi_MnAZ8.

- 11 Diana Darke, *My House in Damascus: An Inside View of the Syrian Crisis* (London, Haus Publishing Ltd., 2016), 171.
- 12 Peter Schwartz, “*Roots of Conflict in the Middle East*”, 2008 (accessed September 17, 2017) available from http://www.youtube.com/watch?v=zkezi_MnAZ8.
- 13 Goldschmidt, Davidson, “*A Concise History of the Middle East*”, 9th ed., Westview Press, pp. 452, 2010.
- 14 Robert Egnell, “*A Western Insurgency in Afghanistan*,” Joint Force Quarterly, Issue 70, 3rd Quarter, July 2013, pp. 8-14.
- 15 Fitzalan Gorman, *Non-State Actors, Terrorism and the United Nations: A Critical Analysis through three Case Studies Examining the United Nations’ Effectiveness in Addressing the Threat Imposed by Violent Non-State Actors*, MA Thesis, Virginia Polytechnic and State University, Alexandria, Virginia, 2009.
- 16 Friends of Europe, “*Debating Security Plus*,” Hybrid & Asymmetric Warfare, September 27, 2017 (accessed September 28, 2017); available from <https://www.civocracy.org/warfare>.
- 17 The Economist, “*Trump’s Muddle East*,” September 16, 2016 (accessed September 20, 2017); available from <https://www.economist.com/news/leaders/21728896-it-right-worry-about-irans-growing-influence-trump-administration-may-be-about>.
- 18 Doç. Dr. Ahmet Kasım Han, *Manşet “Irak’taki sıcak gelişmeler”* (Habertürk: İstanbul, 2017), 21:00; available from <https://www.youtube.com/watch?v=eeTZOI27eRw>.
- 19 Dean James Stavridis, Admiral (Ret) USN, “*Turkey’s Turn*,” The Fletcher School of Law and Diplomacy, Tufts University, April 10, 2014.
- 20 Anders Norlen, Kerri Maddock, *Giant gas field discovery in Egypt likely to impact global gas markets*, McKinsey Solutions, September 2015, Energy Insights; available from <https://www.mckinseyenergyinsights.com/insights/discovery-of-gas-field-in-egypt’s-zohr.aspx>.
- 21 Centre on Religion & Geopolitics, *Hamas to dismantle administrative committee to increase cooperation with PA*,” Analysis in Brief, Tony Blair Institute for Global Change, September 22, 2017.
- 22 Victor Kattan, “*The Gas Fields of Gaza: A Gift or a Curse?*,” Al Shabaka, April 24, 2012 (accessed October 8, 2017); available from <https://al-shabaka.org/briefs/gas-fields-gaza-gift-or-curse/>.
- 23 The Economist, “*The Palestinians Try to Reconcile*,” October 5, 2017 (accessed October 8, 2017); available from <https://www.economist.com/news/middle-east-and-africa/21730026-latest-effort-likely-fail-palestinians-try-reconcile>.
- 24 Kristian Coates Ulrichsen, *A European Perspective on the GCC Involvement in*

- the Mediterranean in Light of the Arab Spring*, The German Marshall Fund of the United States, December 2012, Mediterranean Policy Program (accessed October 4, 2017); available from <http://www.gmfus.org/publications/gcc-mediterranean-light-arab-spring>.
- 25 U.S. Energy Information Administration, *Overview of oil and natural gas in the Eastern Mediterranean region*, August 15, 2013 (accessed September 21, 2017); available from [http://www.eia.gov/countries/analysisbriefs/Eastern Mediterranean/eastern-mediterranean.pdf](http://www.eia.gov/countries/analysisbriefs/Eastern%20Mediterranean/eastern-mediterranean.pdf)
- 26 John B. Hattendorf, *Naval Policy and Strategy in the Mediterranean: Past, Present, and Future*, Bridging History and Future Security Policy, Stephen C. Calleya (London, Frank Cass Publishers, 286).
- 27 Bloomberg, “*Trans-Atlantic Mood Sours as Merkel Refutes Trump on Euro*,” Patrick Donahue, Arne Defls (accessed February 1, 2017); available from <https://www.bloomberg.com/politics/articles/2017-01-31/trump-adviser-blasts-germany-for-exploiting-undervalued-euro>.
- 28 The Economist, “*An Insurgent in the White House*,” February 2, 2017 (accessed February 4, 2017); available from <http://www.economist.com/news/leaders/21716026-donald-trump-rages-against-world-he-inherited-president-americas-allies-are-worriedand>.
- 29 Ed Husain, Ali Soufan, “*Religion, Conflict, and Geopolitics in 2017*,” Tony Blair Institute for Global Change, Centre on Religion & Geopolitics, March 17, 2017 (accessed March 20, 2017); available from <http://www.religionandgeopolitics.org/crg-report/religion-conflict-and-geopolitics-2017>.
- 30 Foreign Policy, “*Will the U.S. Embassy’s Move to Jerusalem Matter*,” Will Inboden, December 6, 2017 (accessed December 9, 2017); available from <http://foreignpolicy.com/2017/12/06/will-the-u-s-embassys-move-to-jerusalem-matter>.
- 31 Vassilis Paipais, *Greek Expectations: Broaching the case for a European Exclusive Economic Zone*, The London School of Economics and Political Science (accessed August 10, 2016); available from <http://blogs.lse.ac.uk/eurocrisis-press/2013/03/14/greek-expectations-broaching-the-case-for-a-european-exclusive-economic-zone/>
- 32 Mac Thornberry and Andrew F. Krepinevich Jr., “*Preserving Primacy*,” *Foreign Affairs*, Council on Foreign Relations, September/October Issue, 2016 (accessed August 21, 2016); available from <http://www.foreignaffairs.com/articles/141444/daron-acemoglu/the-failed-autocrat>.
- 33 The European Geopolitical Forum, “*New Russian Order in the Middle East?*,” Dr.Cyril Widdershoven, 2017; available from <http://gpf-europe.com/forum/?blog=security&id=181>.
- 34 Carnegie Europe, “*NATO’s Southern Strategy at a Crossroad*,” Sinan Ülgen, De-

- ember 7, 2017 (accessed December 16, 2017); available from <http://carnegieeu-rope.eu/2017/12/06/nato-s-southern-strategy-at-crossroads>.
- 35 Qamar Energy, “*Russia and Saudi See Mutual Gains Through Closer Ties*,” October Issue (October 17, 2017), 5 (accessed December 10, 2017); available from <http://www.qamarenergy.com/sites/default/files/NEWSLETTER%20OCTOBER%202017%20-%20Final.pdf>.
- 36 Republic of Cyprus, *3rd Licensing Round – Hydrocarbon Exploration*, Ministry of Energy, Commerce, Industry, and Tourism, December 21, 2016 (accessed May 5, 2017); available from: http://www.mcit.gov.cy/mcit/mcit.nsf/dmlhcarbon3_en/dmlhcarbon3_en?OpenDocument.
- 37 Mahmoud M.A. Abdou, “*International Law of the Sea and Hydrocarbon Discoveries in the East Mediterranean*,” The Centre for International and Maritime Boundaries, London Center for International Law Practice, September 2016, 15.
- 38 Güne Başlarken “Rum basını: Türkiye Kıbrıs Açıklarında Doğalgaz Keşfetti” (CNN Türk: İstanbul, 2017) 07:00; available from <https://www.cnnturk.com/videoalar>.
- 39 John B. Hattendorf, *Naval Policy and Strategy in the Mediterranean: Past, Present, and Future*, The Law of the Sea and Jurisdictional Issues in the Mediterranean, David Attard, Dominic Fenech (London, Frank Cass Publishers, 368).
- 40 Qamar Energy, “Key MENA Energy Scorecard,” July Issue (August 18, 2017), 10.
- 41 Carnegie Middle East Center, “*Beyond Qatar Crisis*,” David Livingston, Sagatom Saha, August 14, 2017 (accessed September 4, 2017); available from <http://carnegie-mec.org/diwan/72785>.
- 42 Ibid.
- 43 Qamar Energy, “*Key MENA Energy Scorecard*”, August Issue (September 18, 2017), 9 (accessed September 28, 2017); available from [http://qamarenergy.com/sites/default/files/August%20Newsletter%20v4%20\(1\).pdf](http://qamarenergy.com/sites/default/files/August%20Newsletter%20v4%20(1).pdf).
- 44 Al-Monitor, “*Gas remains divisive issue in Mediterranean region*,” November 2013 (accessed December 3, 2015); available from <http://www.al-monitor.com/pulse/business/2013/11/mediterranean-gas-disputes-egypt-turkey-israel.html>.
- 45 Parikiaki, “*EastMed Pipeline Envisaged to Be Highly Competitive by 2025*,” December 6, 2017 (accessed December 10, 2017); available from <http://www.parikiaki.com/2017/12/eastmed-pipeline-envisaged-to-be-highly-competitive-by-2025/>.
- 46 Oğuzhan Akyener, Sezayi Toprak, “Qatar Crisis and Energy,” Energy Policy Turkey, August 30, 2017 (accessed November 21, 2017); available from <http://www.energypolicyturkey.com/qatar-crisis-and-energy/>.

- 47 IENE, “No Easy Path for Cyprus to Become an Energy Hub, Note Senior Officials at IENE-FMW Symposium,” Institute of Energy, November 1, 2017 (accessed November 21, 2017); available from <http://www.iene.eu/no-easy-path-for-cyprus-to-become-an-energy-hub-note-senior-officials-at-iene-fmw-symposium-p3802.html>.
- 48 Oğuzhan Akyener, Ali Maraşlı, “Egypt Gas Export Potential up to 2050 & Regional Gas Policies,” Energy Policy Turkey, April, 2017 (accessed December 26, 2017); available from <http://www.energypolicyturkey.com/egypt-gas-export-potential-up-to-2050-regional-gas-policies/>.
- 49 MENAFN.com, “Expert: Southern Gas Corridor efficient route for Israeli gas export,” AzerNews, August 30, 2017 (accessed September 5, 2017); available from: http://www.menafn.com/qn_news_story_s.aspx?storyid=1095792580&title=Expert-Southern-Gas-Corridor-efficient-route-for-Israeli-gas-export&src=RSS.
- 50 Qamar Energy Newsletter, “Calypso Could Resurrect Cyprus’ Energy Sector,” Robin Mills, March Issue (March 18, 2018).
- 51 UN, *Charter of the United Nations*, Chapter VI: Pacific Settlement of Disputes, Article 36:3 (accessed November 22, 2016); available from <http://www.un.org/en/sections/un-charter/chapter-vi/>.
- 52 John B. Hattendorf, *Naval Policy and Strategy in the Mediterranean: Past, Present, and Future*, The Law of the Sea and Jurisdictional Issues in the Mediterranean, David Attard, Dominic Fenech (London, Frank Cass Publishers, 368).
- 53 UN, *UNCLOS, Declarations and Statements*, Division for Ocean Affairs and Law of the Sea, October 19, 2013 (accessed November 22, 2016); available from http://www.un.org/depts/los/convention_agreements/convention_declarations.htm.
- 54 Julian Kubilay Falkenberg, “Can Turkey Foster Regional Stability Under UNCLOS,” Turkish Policy Quarterly, Summer 2015, Volume 14, Number 2, 112.
- 55 David J. Bederman, *International Law Frameworks* (New York, Thomson Reuters Foundation Press, 2010), 30.
- 56 Necdet Karakurt, “Cyprus Energy Corridor,” Energy Policy Turkey, August 30, 2017 (accessed November 12, 2017); available from <http://www.energypolicyturkey.com/cyprus-energy-corridor/>.
- 57 Financial Times, “Israel and Lebanon clash over maritime border amid oil interest,” John Reed, Erika Solomon, March 28, 2017 (accessed March 29, 2017); available from <https://www.ft.com/content/0250eed4-1082-11e7-b030-768954394623>.
- 58 Qamar Energy Newsletter, “Key MENA Energy Scorecard,” Robin Mills, March Issue (March 18, 2017).
- 59 Qamar Energy Newsletter, “Key MENA Energy Scorecard,” Robin Mills, March Issue (April 15, 2019).

- 60 Alexander L. George, *Avoiding War: Problems of Crisis Management*, Chapter 16: Strategies for Crisis Management (Colorado: Westview Press, 1991), 377-393.
- 61 Mikaela D'Angelo, "Debating Security Plus," Friends of Europe (September 27, 2017); available from <https://www.civocracy.org/dsplus>.
- 62 Judy Dempsey, "NATO's Eastern Flank and Its Future Relationship with Russia," Carnegie Endowment for Peace, 24 October 2017 (accessed October 25, 2017); available from <http://go.carnegieendowment.org/x0P001030f00nVP0So5F8Vs>.
- 63 Par Didier Ortolland, *The Greco-Turkish dispute over the Aegean Sea: a possible solution?*, April 10, 2009 (accessed October 25, 2017); available from <http://www.diploweb.com/The-Greco-Turkish-dispute-over-the.html#nb6>
- 64 Prof. Joel Trachtman, "International Loan Agreements and Project Financing," International Business and Economic Law, Lecture 10, The Fletcher School of Law and Diplomacy, Tufts University, 2014.
- 65 Mahmoud M.A. Abdou, "International Law of the Sea and Hydrocarbon Discoveries in the East Mediterranean," The Centre for International and Maritime Boundaries, London Center for International Law Practice, September 2016, 9.