

NAVIGATING A NEW DIRECTION IN THE EASTERN MEDITERRANEAN: WHAT ROLE FOR BRITAIN?

BY DR BURCU ÖZÇELİK



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**CENTRE
FOR NEW
MIDDLE
EAST**

September 2022

Published in 2022 by The Henry Jackson Society

The Henry Jackson Society
Millbank Tower
21-24 Millbank
London SW1P 4QP

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Tel: +44 (0)20 7340 4520

www.henryjacksonsociety.org

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Title: "NAVIGATING A NEW DIRECTION IN THE
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ISBN: 978-1-909035-76-8

£9.95 where sold

Cover image by engin akyurt on Unsplash (<https://unsplash.com/photos/k-J3DLKN140>).

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About the Author

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Dr Özçelik also acted as sole editor of *The politics of race and racialisation in the Middle East* (Routledge 2022) and authored *An Analysis of Seyla Benhabib's The Rights of Others: Aliens, Residents and Citizens* (Routledge 2017).

Acknowledgements

The author thanks those experts and colleagues who provided invaluable insight and expertise on the energy geopolitics of the Middle East and Eastern Mediterranean, including John V. Bowlus, Michael Bradshaw, Gabriel Mitchell, Eser Özdil, Ahmet Erdi Oztürk, Zenonas Tziarras and George Tzogopoulos.

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About Us



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About The Henry Jackson Society

The Henry Jackson Society is a think-tank and policy-shaping force that fights for the principles and alliances which keep societies free. It works across borders and party lines to combat extremism, advance democracy and real human rights, and make a stand in an increasingly uncertain world.



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The Centre for the New Middle East is a one-stop shop designed to provide opinion-leaders and policymakers with the fresh thinking, analytical research and policy solutions required to make geopolitical progress in one of the world's most complicated and fluid regions.

The Centre was established following the fallout from the Arab Spring. It is dedicated to monitoring political, ideological and military and security developments across the Middle East, and providing informed assessments of their wide-ranging implications to key decision-makers.

Executive Summary

Today, the cumulative effect of Western sanctions against Russia and a commitment to cut dependency on Russian gas exports has been a tightening of the global gas market and prices at an all-time high across Europe. While Britain is not technically dependent for its gas supply on European pipelines, the problem is that Britain is now having to compete with other gas-hungry countries for a reduced supply of gas. Rising energy prices, unfettered demand for limited supply and potential disruptions to supply chains render Britain's energy security highly vulnerable.

Despite having formally left the European Union (EU), the UK remains part of the north-west European gas market, which means that prices are determined by wider market conditions. The challenges that EU states now face in the area of energy security and diplomacy have spillover effects that impact Britain. It is likely that the crisis, spurred by skyrocketing natural gas prices, will last for more than one winter. The International Energy Agency predicts that natural gas demand will continue to increase globally towards 2030. As well as this, natural gas is an important transition fuel that will complement renewables as Britain, as well as the United States and Europe, transition towards more sustainable and cleaner energy.

The possibility that the Eastern Mediterranean could diversify supply to meet European energy needs has drawn the attention of European policymakers as well as energy companies.¹ The UK is an ally and close partner to Turkey, the EU, Israel and Egypt and welcomes positive developments in their bilateral relations and regional cooperation. While newly announced energy deals are unlikely to have an immediate impact on Britain's energy supplies, they could benefit Europe and the Eastern Mediterranean region as they will promote diversification and security of supply, which the UK supports. In the long run, that will help to promote stability and may present opportunities for UK companies in the energy and associated sectors.

Several factors influence British interests in the Eastern Mediterranean region and the calculus for harnessing new opportunities in the post-Brexit era, in line with targets adopted by the UK Government in the Global Britain integrated review.² The United States has initiated a partial withdrawal from the region, echoing its retreat from the broader geopolitical space of the Middle East.³ This opens a window of opportunity for Britain to assume a more significant diplomatic role over the direction of the Eastern Mediterranean as it continues to be a strategic partner to the US and other European and regional states. Given Britain's commitment to the NATO alliance and the safekeeping of international maritime security, it is paramount that the UK not only continue to support peaceful and diplomatic initiatives in the Eastern Mediterranean but demonstrate resolve and strategic leadership.

¹ Daniel Onyango, "Israel Gas Pipeline Could Supply Europe, Chevron CEO Announces", *Pipeline Technology Journal*, 14 March 2022, <https://www.pipeline-journal.net/news/israel-gas-pipeline-could-supply-europe-chevron-ceo-announces>.

² HM Government, "Global Britain in a Competitive Age: The Integrated Review of Security, Defence, Development and Foreign Policy," March 2021, <https://www.gov.uk/government/publications/global-britain-in-a-competitive-age-the-integrated-review-of-security-defence-development-and-foreign-policy>.

³ Zenonas Tziarras, "International Competition and Cooperation in the New Eastern Mediterranean", *Oxford Research Encyclopaedia of International Studies*, 28 June 2021, p.3, <https://doi.org/10.1093/acrefore/9780190846626.013.654>.

1. Introduction

Russia's invasion of Ukraine has ushered in an era of unprecedented challenge to international energy markets. In the six months since the start of the war on 24 February 2022, energy prices have soared globally. As John Bowlus, a lecturer at the Centre for Energy and Sustainable Development (CESD) at Kadir Has University in Istanbul, points out, the energy crunch started hitting in the winter of 2020–21 with gas markets breaking down in Asia, most notably, and prices surging. There was already a global problem of underinvestment by oil and gas companies for a host of reasons: climate concerns, uncertainty about markets, particularly in Europe, and low prices. Basically, the classic commodity price cycle (underinvestment when supply is abundant and prices low).⁴

To make matters worse, Russia has weaponised gas exports, going as far as to indefinitely halt supply to the Nord Stream pipeline, its biggest natural gas pipeline to the continent. On 5 September 2022, benchmark gas futures jumped as much as 35%, the most in almost six months, and electricity prices increased.⁵ The crisis is expected to last for more than one winter, requiring short-to-long-term strategic policymaking to alleviate the impact on consumers and industry.

The sharp rise in the cost of gas imports has pushed European states to scramble for alternatives that would allow them to move away from dependency on Russian oil and gas exports. As Britain pays for gas at prices set internationally, it quickly became evident that it is not immune from the meteoric rise in energy prices and the diminished supply on the global market.

Once again, the possibility that the Eastern Mediterranean can diversify supply to meet European energy needs has drawn the attention of policymakers. The United States Geological Survey estimates that the Levant Basin contains 122.4 trillion cubic feet of technically recoverable gas.⁶ This is about the same amount as the proven gas in the whole of Iraq, the twelfth largest reserve globally, meaning the strategic implications could not be higher.⁷

However, tapping the region's reserves and bringing them to market has proven repeatedly difficult. Since the discovery of sizeable gas reserves in the Eastern Mediterranean a decade ago, coastal states have been embroiled in diplomatic, legal and commercial disputes over maritime borders and exploration rights. The export of significant supply from the Eastern Mediterranean is still some time away, financially costly and technically complex. There is little prospect of additional supply in the short term. Nonetheless, the region has attracted attention for its potential among gas importing states, and regional states are involved in various diplomatic and commercial initiatives to accelerate the exploration, drilling and export of proven gas reserves. Although the region has emerged as an area of interest for external actors, several prickly obstacles remain.

This study by the Henry Jackson Society offers British, US and European policymakers original research and suggestions that can contribute to a new diplomacy-driven course in the Eastern Mediterranean. The focus is on two main policy areas: 1) Conflict resolution over maritime

⁴ John Bowlus, personal interview via email, 18 September 2022.

⁵ Elena Mazneva, "Europe Energy Prices Jump as Moscow Tightens Screw on Gas Supply", *Bloomberg*, 5 September 2022, <https://www.bloomberg.com/news/articles/2022-09-05/european-gas-jumps-as-moscow-tightens-the-screw-on-supply>.

⁶ John V. Bowlus, "Eastern Mediterranean gas: Testing the field" in "Deep Sea Rivals: European, Turkey, and New Eastern Mediterranean Conflict Lines", May 2020, European Council on Foreign Relations, https://ecfr.eu/special/eastern_med/gas_fields. See also, Christopher J. Schenk et al., "Assessment of undiscovered oil and gas resources of the Levant Basin Province, Eastern Mediterranean", U.S. Geological Survey Fact Sheet, 12 March 2010, <https://pubs.usgs.gov/fs/2010/3014/pdf/FS10-3014.pdf>.

⁷ Burcu Ozcelik, "Hydrocarbon diplomacy: Turkey's Gambit Might yet Pay a Peace Dividend", *War on the Rocks*, 30 January 2019, <https://warontherocks.com/2020/01/hydrocarbon-diplomacy-turkeys-gambit-might-yet-pay-a-peace-dividend/>.

borders disputes and political obstacles to regional cooperation; and 2) Promoting energy cooperation that can have a productive impact on meeting European energy demand.

While Britain has adopted a cautious approach to the region's multiple and overlapping disputes, this may have to change as Ziya Meral, a senior associate fellow at the Royal United Services Institute (RUSI), argues: "The UK should seek to be more public and visible in playing a constructive role" as a trusted ally to several states in the Eastern Mediterranean to bring about win-win compromises to overcome these challenges.⁸ In the post-Brexit era, Britain now occupies a unique position vis-à-vis the East Mediterranean states and is strategically poised to promote and facilitate dialogue and communication between its various allies that can bring about stability and economic prosperity.

In the area of energy security, the significant interplay between global, regional and domestic dynamics is inescapable from the perspective of British national interests. Around half the gas consumed in the UK originates from the North Sea. The rest is procured directly via pipeline from Norway – via two interconnectors from continental Europe – and as liquefied natural gas (LNG) from the global market. Despite this, it is evident that the UK is exposed to global gas price fluctuations. Moreover, domestic production from the North Sea peaked in 2000 and by 2004 the UK was a net importer.⁹

While Britain is not technically dependent for its gas supply on European pipelines, the problem is that Britain is now having to compete with other gas-hungry countries for a reduced supply of gas. Rising energy prices, unfettered demand for limited supply and potential disruptions to supply chains render Britain's energy security highly vulnerable. Despite having formally left the EU, the UK remains part of the north-west European gas market, which means that prices are determined by wider market conditions. The challenges that EU states now face in the area of energy security and diplomacy have spillover effects that impact Britain.

Britain has significant energy and commercial interests in the Eastern Mediterranean. British Petroleum (BP) is a major player operating in the Mediterranean basin. Several overarching factors will determine the extent to which the Eastern Mediterranean can serve as a source of gas supply to meet British and European energy needs. According to Chi Kong Chyong, at the University of Cambridge's Energy Policy Research Group, any analysis must take into account the fact that the UK and Europe are part of a global gas market, which means that if and when Eastern Mediterranean gas surplus becomes available (and the question to what extent in terms of export volume), importers like Britain will certainly benefit. Chyong adds, however, "It is important to frame this question in terms of timing (when the volume might become available), relative cost (relative to other sources of supply that will become available), and export volume out of the Eastern Mediterranean and who will be involved in its development and export."¹⁰

This report suggests that Britain can use its levers of influence to promote energy cooperation and diplomacy between allies including Israel, Greece, Cyprus and Turkey that may lead to regional stability, which Britain supports. Within the broader context of the Mediterranean, the subregion of the Eastern Mediterranean presents the UK with common interests and opportunities for cooperation with regional states, as well as strategic engagement within the framework of 'Global Britain'. British (re)engagement in the region may also incentivise regional states to reconsider or reorient their foreign policy and commercial postures to align more closely with a wider policy of integration and cooperation.

⁸ Ziya Meral, "It's Time to Rethink the UK's Posture in the Mediterranean", *RUSI*, 10 September 2020, <https://www.rusi.org/explore-our-research/publications/commentary/its-time-rethink-uks-posture-mediterranean>.

⁹ Michael Bradshaw, "The UK's reliance on gas imports leaves us open to unpredictable prices", *The Guardian*, 14 October 2021, <https://www.theguardian.com/commentisfree/2021/oct/14/uk-reliance-gas-imports-unpredictable-prices->.

¹⁰ Chi Kong Chyong, personal interview via email, 15 August 2022.

2. The politics of Eastern Mediterranean energy

The discovery of significant deposits of natural gas in the Eastern Mediterranean beginning in the late 2000s was a game-changer that upended the status quo in regional geopolitics, while also raising the prospect of the area emerging as a solution to Europe's energy security needs, and a way of reducing reliance on Russian gas exports. Israel's discovery of the Tamar and Leviathan natural gas reserves in 2009 and 2010 respectively, as well as Cyprus's discovery of the Aphrodite reserve in 2011, rendered hydrocarbon politics a primary concern for both regional and extra regional states. Egypt later discovered the "supergiant" gas field Zohr in 2015, and Cyprus discovered Calypso in 2018 and Glafkos in 2019.

After becoming a major energy producer following the discovery of offshore gas fields, Israel forged a new set of diplomatic ties with regional partners Cyprus and Greece. The objective of these partnerships was to support natural gas exploration projects pursued by Cyprus, counterbalance Turkey's own claims to maritime zones, and boost shared commitment to hydrocarbon cooperation.¹¹ Ankara's relationship with Egypt grew strained following the military overthrow of the government of Mohammed Mursi. This prompted Egypt to pursue closer ties with Greece, Cyprus and Israel.

The EastMed pipeline was long envisioned as the solution to transporting the region's gas to Europe.¹² This would have been a 1900 kilometre (1180 mile) subsea pipeline costing approximately US\$7 billion and slated to carry 10 billion cubic metres of gas per year from Israeli and Cypriot waters to the Greek island of Crete, on to the Greek mainland and into Europe's gas network via Italy. Turkey opposed the pipeline, suggesting the existing Trans-Anatolian pipeline instead. Turkey argued that any pipeline project that ignored the rights of Turkey and Turkish Cypriots over natural resources in the Eastern Mediterranean would fail. Investors shied away from the capital-intensive, deep-water pipeline, which was never feasible economically. In January 2022, the US announced that it would no longer support the construction of the EastMed pipeline. With the EastMed pipeline now off the table, the possibility of alternative supply routes has gained renewed interest.

2.1. European efforts to diversify supply in a post-Russia gas market

Since the discovery of major offshore gas fields in the Eastern Mediterranean, Europe has recognised that the region has significant potential as an energy exporter that can help reduce dependence on Russian gas supplies. A number of international energy companies have been involved in gas exploration projects in the region. According to a Reuters report: "Italy's Eni has the largest stakes in the region, with massive holdings in Egypt and exploration blocks off the Republic of Cyprus and Lebanon. Other Western companies – including BG (United Kingdom), Total (France), Kogas (Korea), ExxonMobil (United States) – have joined Eni in Cyprus. BP (UK) has considerable holdings in Egypt, while Noble (United States) and Israeli companies own Israeli fields. Lastly, Russia's Rosneft and Novatek have stakes in Egypt and Lebanon respectively."¹³

However, longstanding political and diplomatic challenges between littoral states have appeared insurmountable in recent years. As John Bowlus explains, prior to the war in Ukraine,

¹¹ Zenonas Tziarras, "Cyprus's foreign policy in the Eastern Mediterranean and the trilateral partnerships: A neoclassical realist approach", in Zenonas Tziarras (Ed.), *The new geopolitics of the Eastern Mediterranean: Trilateral partnerships and regional security* (2019): 53-72, PRIO Cyprus Centre.

¹² Angeliki Koutantou, "Greece, Israel, Cyprus sign EastMed gas pipeline deal", *Reuters*, 2 January 2020, <https://www.reuters.com/article/us-greece-cyprus-israel-pipeline/greece-israel-cyprus-to-sign-eastmed-gas-pipeline-deal-idUSKBN1Z10R5e>.

¹³ John V. Bowlus, "Eastern Mediterranean gas".

the global oversupply of non-Russian LNG meant that the importance of Eastern Mediterranean gas was waning for Europe.¹⁴ However, the war in Ukraine and the weaponisation of energy as a foreign policy tool by Russia may have changed the calculus. The ripple effects of Russian aggression on gas prices threaten to derail the EU's energy transition and decarbonisation targets. Faced with soaring gas prices, many European states have taken steps to accelerate stringent policies to reduce demand and ward off an energy crisis. EU states must cut demand by substantial amounts to prevent storage facilities from running out of supply. One estimate finds that Germany, for example, must achieve a reduction in gas demand of around 29% to withstand a Russian gas cut-off.¹⁵ "About half of German imports of gas and hard coal, and about one third of oil imports originate from Russia. Germany depends on Russia for about 1/3 of total energy consumption."¹⁶

In June, Israel, Egypt and the EU signed a deal in Cairo to boost gas exports to Europe. This builds on a \$15 billion deal agreed in 2018 that allows Israel to export gas from the Tamar and Leviathan offshore gas fields to Egypt, where it is liquefied and shipped to European countries.¹⁷ According to industry officials, Israel is expected to double its gas output to about 40 billion cubic metres (bcm) a year as it expands projects and brings new fields online. Subsequently, in mid-July, European Commission President Ursula von der Leyen and Azerbaijan's President Ilham Aliyev signed a memorandum of understanding to double Azerbaijani gas exports to the bloc. According to the agreement, by 2027 Azerbaijan "will supply Europe with at least 20 billion cubic meters of fossil gas every year via the Southern Gas Corridor (SGC)—a 3,000-kilometer chain of pipelines delivering gas to the EU."¹⁸ The corridor passes through Georgia, Turkey, Greece, Albania and Italy to other EU markets, and consists of the South Caucasus Pipeline, the Trans-Anatolian Pipeline, the Trans-Adriatic Pipeline and other branch lines.

Although such deals constitute positive steps towards promoting regional cooperation and capacity building of relevant actors, they cannot fulfil the EU's immediate and short-term gas demand. Boosting gas production, transportation and storage capacity will take a minimum of five years and will not remedy short-term gas shortages over the coming winter months.¹⁹ Eser Özdil, a non-resident fellow at the Atlantic Council, points out that the memorandum signed in June between Israel, Egypt and the EU is unlikely to bring major relief in the short term given that all LNG terminals in Egypt are already working at full capacity. Higher quantities of LNG can only be supplied to Europe if new liquefaction terminals are built, which will take years.²⁰

Furthermore, a wider factor that is often overlooked when reporting such partnership initiatives is that it is corporate entities, not countries, that develop gas fields, build LNG terminals and transport the gas. According to Michael Bradshaw, professor of global energy at Warwick Business School and a co-director at the UK Energy Research Centre, it is surprising that such agreements are perceived to result in significant investments.²¹ Bradshaw states that, "Political support is important, but it is not in the gift of the European Commission to make such projects happen. Much like Japan in the past, and China more recently, the EU is engaging in energy diplomacy to encourage new investments in LNG development all around the Atlantic basin."

¹⁴ John V. Bowlus, "Eastern Mediterranean gas".

¹⁵ Ben Moll (@ben_moll), *Twitter*, 15 July 2022, 6.58pm, https://twitter.com/ben_moll/status/1548004141049425920.

¹⁶ Rüdiger Bachmann et al., "What if? The Economic Effects for Germany of a Stop of Energy Imports from Russia", *ECONtribute Policy Brief No. 028*, 7 March 2022, https://www.econtribute.de/RePEc/ajk/ajkpbs/ECONtribute_PB_028_2022.pdf.

¹⁷ Burcu Ozelik, "Are Greece and Turkey Locked in a Mediterranean Forever War?", *The National Interest*, 19 July 2022, <https://nationalinterest.org/feature/are-greece-and-turkey-locked-mediterranean-forever-war-203657>.

¹⁸ Gligor Radečić, "The EU-Azerbaijan gas deal is a repeat mistake", *Politico*, 17 August 2022, <https://www.politico.eu/article/the-eu-azerbaijan-gas-deal-is-a-repeat-mistake/>.

¹⁹ *Ibid.*

²⁰ Eser Özdil, personal interview via email, 5 September 2022.

²¹ Michael Bradshaw, personal interview via email, 30 August 2022.

Bradshaw argues that this is problematic for two reasons: Firstly, there is already an anticipated surge in LNG production in the second half of the 2020s. These projects will take three to five years to develop and could contribute to an over-supplied market in the early 2030s. Secondly, the EU is not only pivoting away from Russian gas, but also looking to accelerate the energy transition to reduce gas demand more quickly. LNG projects need long-term contracts that last 15–20 years to underpin their investment decisions. It is unclear whether by the mid-2030s the EU will still need these sources of LNG. If not, then assets could be stranded. This is directly relevant to potential investments in the Eastern Mediterranean. Given these projections, the question is whether EU-based energy corporations are willing to sign up to long-term contracts with prospective projects in the Eastern Mediterranean.

The EU's 2050 net-zero target limits the expected commercial lifetime of a new pipeline built to deliver natural gas to Europe, raising the prospect of creating stranded assets. This renders it financially unattractive at this juncture to construct a new pipeline from the Eastern Mediterranean to Europe, which is why the EastMed pipeline project was abandoned. Using or adapting existing pipelines, existing or new LNG liquefaction infrastructure, or a combination of these may be the most commercially viable and expedient option.

3. British foreign policy in the Eastern Mediterranean

Britain follows developments in the Eastern Mediterranean and Aegean closely, encourages partners to engage in dialogue over their disputes, and maintains that the most enduring way of resolving the differences is to achieve a Cyprus settlement. As expert George Tzogopoulos, Senior Fellow at the Hellenic Foundation for European and Foreign Policy and the Begin-Sadat Center for Strategic Studies in Israel, emphasises, Britain's long tradition of diplomatic mastery could play an important role in bringing stability to the region.²²

Several factors influence British interests in the Eastern Mediterranean region and the calculus for harnessing new opportunities in the post-Brexit era, in line with targets adopted by the UK Government in the Global Britain integrated review.²³ The United States has initiated a partial withdrawal from the region, echoing its retreat from the broader geopolitical space of the Middle East.²⁴ This opens up a window of opportunity for Britain to assume a more significant role over the direction of the region as it continues to be a strategic partner to the US. Coupled with this, Russia controls the port of Tartus in western Syria, located in the eastern Mediterranean Sea. The port, controlled by Russia since the Cold War under a 1971 agreement with Syria, holds significant strategic value for Russia, which it can leverage as a military threat on NATO's southern flank in the Mediterranean.

Given Britain's commitment to the NATO alliance and the safekeeping of international maritime security, it is paramount that the UK not only continues to support peaceful and diplomatic initiatives in the Eastern Mediterranean but demonstrate resolve and leadership. The foreign and defence policy of France is intended to strengthen its status in the Eastern Mediterranean and has focused on building closer ties with Greece and the Greek Cypriots. In March 2021, France formally joined the East Mediterranean Gas Forum (EMGF), which also includes Greece, Cyprus, Italy, Israel, Egypt, Jordan and the Palestinian Authority but significantly not Turkey. There is a risk that France may orient its strategy to overtake British influence and status in Cyprus. This would threaten Britain's longstanding national interests in Cyprus, and the access and manoeuvrability vis-à-vis the Middle East that this close association provides.

Taking up a greater role in the Eastern Mediterranean aligns with Britain's historic role in the region and resonates today as Britain seeks new opportunities to consolidate its strategic significance as a leader in global and regional affairs.

3.1. Greece and Cyprus

In 1878, Britain assumed the administration of Cyprus in exchange for offering the Ottoman Empire protection against Russian southward expansion, although it remained de jure part of the Ottoman Empire until World War I. In 1914, Cyprus was annexed to Britain and was formally declared a Crown Colony a year later. Cyprus gained independence in 1960 following a lengthy conflict between the Greek Cypriots and Great Britain over the future of the island throughout the 1950s. Under the 1960 Treaty of Guarantee, Turkey, Greece and the UK became guarantors of the new republic and its ethnic power-sharing arrangement, meaning that they can exercise the right to intervene to restore any constitutional breakdown. In addition, Britain retained control over two military zones (Sovereign Base Areas or SBAs), one in the east of the island (Dhekelia) and one in the south (Akrotiri).²⁵

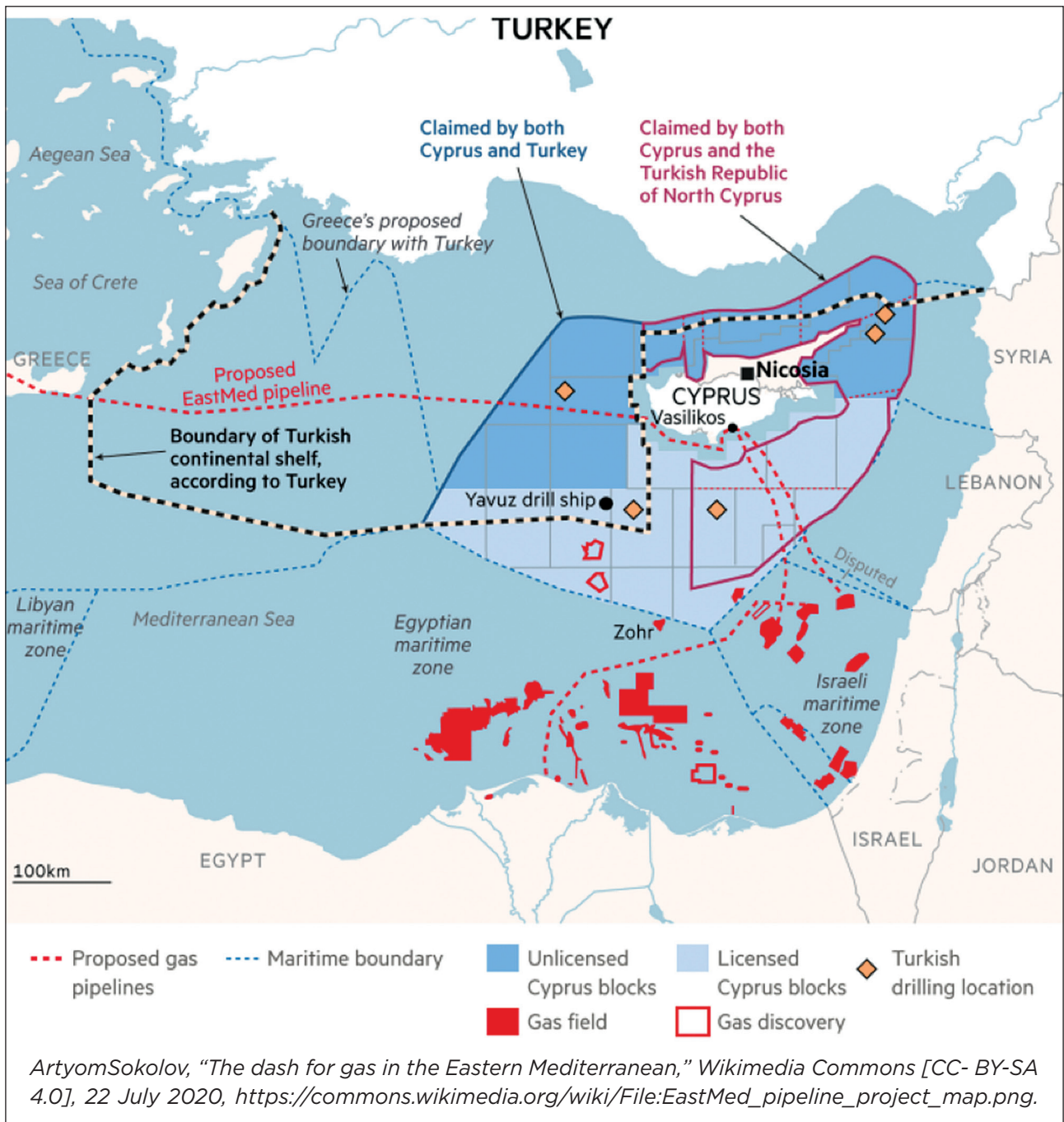
²² George Tzogopoulos, personal interview via email, 1 September 2022.

²³ HM Government, "Global Britain in a Competitive Age".

²⁴ Tziarras, "International Competition and Cooperation in the New Eastern Mediterranean".

²⁵ "Treaty Concerning The Establishment of The Republic of Cyprus," Republic of Turkey Ministry of Foreign Affairs, <https://www.mfa.gov.tr/treaty-concerning-the-establishment-of-the-republic-of-cyprus.en.mfa>.

Figure 1: The dash for gas in the Eastern Mediterranean



The island has been divided since 1974 after Turkish troops were deployed following a Greece-backed military coup on the island. The Turkish Republic of Northern Cyprus (TRNC) was established in 1983. While the Republic of Cyprus is internationally recognised as a sovereign state, the TRNC is recognised only by Ankara. Efforts at normalisation and peace talks have repeatedly failed. The Turkish part of Cyprus is separated from the Republic of Cyprus by a UN buffer zone, overseen by a UN force of around 750 troops. The UK contributes around 250 troops.

The Royal Air Force base located in Akrotiri has been instrumental in support operations deployed in Iraq and Afghanistan and helped reinforce NATO's eastern flank after Russia invaded Ukraine. Combined, the bases host two infantry battalions and serve as a strategic hub for the UK's surveillance and intelligence gathering network in the Mediterranean and Middle East. Britain views the bases as providing strategic advantage at home as well as for

its Western allies, a safeguard for stability in the region, and a mechanism for Britain to exert a global presence across the region.

UK-Cyprus relations rest on a bedrock of shared history and common values and legal systems, and on joint membership of the Commonwealth. A wide network of personal and professional relations exists between the diaspora communities. Cooperation in the area of defence has expanded recently, as enshrined in the Memorandum of Understanding on the Enhancement of Defence and Security Co-operation signed in 2019, which allows both sides to work more closely together to address common defence and security challenges and collaborate on training, capability development and crisis planning.²⁶

However, there are historical, political and social limitations on Britain's potential role as an arbiter in the Cyprus dispute that must be addressed. According to Zenonas Tziarras, a lecturer in the Department of Turkish and Middle Eastern Studies at the University of Cyprus, at the current juncture, Britain lacks the necessary legitimacy to play such a mediating role, especially among the Greek Cypriot community. Tziarras argues that this stems from a general mistrust about possible British motives, both because of the UK's military presence on the island via the SBAs and because, from a historic perspective, Britain's position (going back to the 1950s) is seen as aligned with that of Turkey.²⁷

A degree of mistrust of British motives also runs across parts of the Turkish Cypriot community in Cyprus. In previous years, the self-declared TRNC has criticised Britain for adopting a pro-Greece stance at the expense of the Turkish Cypriots. In 2021, the region's Foreign Minister, Tahsin Ertuğruloğlu, objected to a 13 September 2021 interview in which Stephen Lillie, then British High Commissioner to Cyprus, expressed support for a bi-zonal, bi-communal federation.²⁸ The Turkish Cypriot Government has suggested that the primary motivation for Britain's engagement with the island is a narrow concern with guaranteeing its own sovereignty over the SBAs rather than promoting a long-term settlement with political equality.²⁹

Between 27 and 29 April 2021, UN-backed '5+1' informal talks between Greek and Turkish Cypriots, the three guarantor states of Greece, Turkey and Britain and the UN were held in Geneva to restart dialogue that had collapsed four years earlier during talks held in Crans-Montana. Under the new leadership of President Ersin Tatar, Turkish Cypriots more recently declared that only a two-state solution could work and that hopes for a two-zone federation, a plan to which both sides had previously agreed in principle, was no longer possible because Turkish Cypriots would become a "minority" in the federal state envisioned by Greek Cypriots. No agreement was reached at the Geneva summit.

Throughout the latest round of preliminary diplomatic efforts to return to formal talks, the UK Government has emphasised its support for a comprehensive, just and lasting settlement of the Cyprus issue, based on the internationally accepted model of a bi-zonal, bi-communal federation.³⁰ Britain does not support a two-state solution but rather a highly decentralised

²⁶ British High Commission Nicosia, "A new year, a new era for the UK and Cyprus, British High Commissioner Stephen Lillie outlines his vision for the future relationship between the UK and Cyprus", 14 January 2021, <https://www.gov.uk/government/news/a-new-year-a-new-era-for-the-uk-and-cyprus>.

²⁷ Zenonas Tziarras, personal interview via email, 26 August 2022.

²⁸ Marina Economidou, "A decentralized federation, with flexibility", *KNews*, 13 September 2021, <https://knews.kathimerini.com.cy/en/news/lilly-interview>.

²⁹ Ministry of Foreign Affairs, TRNC, "Statement by TRNC Foreign Minister, H.E. Mr. Tahsin Ertuğruloğlu regarding Kathimerini newspaper's interview with Stephen Lillie, British High Commissioner accredited to the Greek Cypriot Administration", 13 September 2021, <https://mfa.gov.ct.tr/statement-by-trnc-foreign-minister-h-e-mr-tahsin-ertugruloglu-regarding-kathimerini-newspapers-interview-with-stephen-lillie-british-high-commissioner-accredited-to-the-greek-cypriot-admi/>.

³⁰ John Curtis and Stefano Fella, "Cyprus: recent developments and peace talks," House of Commons Research Briefing, 27 May 2022, <https://commonslibrary.parliament.uk/research-briefings/cbp-9555/>.

federation, which is consistent with prior internationally recognised frameworks – one that has been referenced informally as “two states internally, one state externally”, which is synonymous in practice with a bizonal bicomunal federation.³¹

Given its long history of engagement on the island and its longstanding status as a guarantor, it would seem natural for the UK to play a central role in facilitating dialogue between the disputing sides, supporting a pro-peace plan, and even overseeing implementation based on the mutual agreement of all sides.

From 31 March 2021, the UK Government stopped providing any new direct financial or promotional support for the development of fossil fuels overseas. However, the UK has consistently stated its support for the sovereign right of the Republic of Cyprus to exploit the oil and gas in its internationally agreed Exclusive Economic Zone (EEZ). Moreover, the UK’s position is that any development of Cyprus’s oil and gas should be for the benefit of all Cypriots.

According to a senior official in the UK’s Foreign, Commonwealth and Development Office (FCDO), the UK has good relations with Turkey, Greece and the Republic of Cyprus, based on long-standing partnerships and shared memberships of organisations like NATO and the Council of Europe. The UK has not presented a clear blueprint as to what a comprehensive political resolution should look like, leaving this to a process of dialogue between the concerned parties. Britain is concerned that trust between the sides is low, and a solution seems a long way off. However, the UK should continue to encourage all parties to pursue a solution and support measures aimed at de-escalation and reducing tensions.³²

3.2. Turkey’s posturing in the Eastern Mediterranean

Neighbouring states and NATO members Turkey and Greece disagree over a number of issues, including competing claims over jurisdiction in the Eastern Mediterranean, overlapping claims over their continental shelves, maritime boundaries, airspace, energy, the ethnically split island of Cyprus, and the status of the islands in the Aegean Sea.

The Republic of Cyprus has strengthened its place in the European Union and even established exclusive economic zone-delineation treaties with Egypt in 2003, Lebanon in 2007 and Israel in 2010. The conflict, an ongoing thorn in Europe’s side, has gained renewed prominence thanks to the new chapter of energy geopolitics. The dispute is fuelled by claims lodged by the Turkish Cypriots over the vast resources in the offshore waters north of the island – claims that are denied by the Greek-Cypriot Government.

Ankara, which has yet to strike a sizeable gas discovery of its own, argues that offshore licensing and energy development should be halted until a political settlement is reached for the island. Turkey has voiced longstanding objections to the unilateral exploration grants offered by Cyprus to international energy companies including Eni (Italy) and Total (France). These grants for the most part focus on Blocks 4, 5, 6 and 7 lying to the south and extending to the southwest of the disputed island, which are included in the exclusive economic zone claimed by Cyprus, but which Ankara claims violate its continental shelf as well as the territorial waters belonging to the TRNC. Turkey’s formal position is that the objective of the country’s hydrocarbon activities in the Eastern Mediterranean is to protect maritime rights on Turkey’s continental shelf, and protect the equal rights of the Turkish Cypriots, who are co-owners of the island, over hydrocarbon resources.³³

³¹ Economidou, “A decentralized federation, with flexibility”.

³² Personal interview, anonymous source, senior FCDO official, 26 August 2022.

³³ Republic of Turkey, Ministry of Foreign Affairs, “No: 206, 16 July 2019, Press Release Regarding the Conclusions Adopted by the EU Foreign Affairs Council”, https://www.mfa.gov.tr/no_206_-ab-disiliskiler-konseyi-nin-aldigi-kararlar-hk.en.mfa.

Tensions have risen since 2018 when Turkey moved to block drilling operations led by Cyprus. Turkey deployed seismic research vessels accompanied by navy ships in the Eastern Mediterranean, as well as a Turkish navy presence off the coast of Libya, raising tensions that even led to a close clash between Turkey and Greece and an incident with France in the summer of 2020. In response, the EU imposed limited sanctions against individuals involved in the Turkish operations in 2019. The UK participated in these sanctions and continued them when it left the EU in 2020. The UK Government has repeatedly stressed the “need for dialogue and diplomatic resolution of differences”.³⁴

The EU’s diplomatic efforts to bring Greece and Turkey into a dialogue that will de-escalate tensions in the Eastern Mediterranean have been spearheaded mainly by German officials and policymakers since 2020. Following a mild collision between a Turkish and a Greek navy ship in August 2020, Chancellor Angela Merkel spoke directly with Turkish President Recep Tayyip Erdoğan and Greek Prime Minister Kyriakos Mitsotakis to prevent further escalation. On 26 August 2020, Germany’s Defence Minister Annegret Kramp-Karrenbauer said that the aim of efforts was to reach “a fair agreement with all the parties involved” which implies a “difficult and complicated process”.³⁵

European states have diverged in their policy approach to the risk of military escalation and a potentially deadly stand-off between Greece and Turkey in the Eastern Mediterranean. While Germany has pursued a more conciliatory approach, France has favoured a more hard-line, confrontational stance against Turkey’s actions in the Eastern Mediterranean. The differing views of Germany and France have limited the EU’s ability to respond to fast-paced and emerging challenges.

In September 2020, Defence Minister Ben Wallace reiterated the UK’s position that Greece and Turkey should back efforts mediated by Germany to broker de-escalation in the Eastern Mediterranean over gas drilling rights, adding, “It is in no one’s interest for the East Mediterranean to become a place of disagreement between two NATO allies.”³⁶ Britain’s position has consistently been to call for de-escalation and conditions for dialogue.

In late July 2022, Turkey’s Foreign Minister Mevlüt Çavuşoğlu criticised Germany for failing to remain impartial over the dispute between Turkey and Greece. “Germany had a neutral stance as a mediator regarding disputes between Turkey, Greece and the Greek Cypriot administration but it has lost its impartiality,” he said.³⁷ The failure of the EU to thus far achieve a working solution for the competing parties has meant that there is a pressing need for an external actor to assume leadership in promoting meaningful dialogue. Turkey has expressed that it is open to mediation efforts by third parties. Britain could take a more prominent role than it has done in the past to facilitate dialogue that would serve the shared concerns and objectives of regional stability, energy security and commercial interests of the parties involved. This would be aligned with Britain’s wider interests in the Mediterranean and Middle East.

As EU interventions have failed, there is a strong case to be made that Britain should leverage the trust it has built up with Turkey to achieve creative solutions and stability in the Eastern

³⁴ Curtis and Fella, “Cyprus: recent developments and peace talks”.

³⁵ BIA News Desk, “Germany’s Defense Minister says mediation efforts were ‘really hard on the Turkish side’”, *Bianet*, 28 August 2020, <https://m.bianet.org/bianet/world/229840-germany-s-defense-minister-says-mediation-efforts-were-really-hard-on-the-turkish-side>.

³⁶ Layelle Saad and Omar Elkatouri, “UK backs German efforts to resolve east Mediterranean dispute between Greece, Turkey”, *Al Arabiya English*, 6 September 2020, <https://english.alarabiya.net/News/world/2020/09/06/UK-backs-German-efforts-to-resolve-east-Mediterranean-d>.

³⁷ *Daily Sabah* with agencies, “Turkey slams Germany for losing neutrality as mediator”, *Daily Sabah*, 29 July 2022, <https://www.dailysabah.com/politics/diplomacy/turkey-slams-germany-for-losing-neutrality-as-mediator>.

Mediterranean. Britain views Turkey as an important ally within the NATO architecture as well as maintaining good bilateral ties. According to senior diplomatic sources in Turkey's Ministry of Foreign Affairs, Ankara would welcome British diplomatic engagement that could persuade Greece to return to negotiations and find sustainable and fair solutions. Since German mediation efforts fell apart, channels for dialogue between Greece and Turkey have remained closed. However, sources in Ankara indicate that Turkey views the UK as a trusted actor that is uniquely positioned to take this role given its status as a guarantor state over Cyprus and its longstanding relations with Turkey in the areas of defence and trade.³⁸

3.3. *Israel-Turkey relations and prospects for energy cooperation*

The Leviathan field, which is located 130 kilometres west of Haifa and is owned by US supermajor Chevron and the Israeli firms NewMed Energy and Ratio Oil, currently supplies gas to Jordan, Israel and Egypt. The field's partners intend to increase its annual production from the current 12 bcm to 21 bcm.³⁹

Longstanding relations between Israel and Turkey deteriorated sharply in 2010 following the *Mavi Marmara* incident in which nine people died trying to stop Israeli commandos boarding a Turkish-owned ship carrying aid to Gaza. In 2016, however, both sides agreed to reset the relationship and even began negotiating terms for exporting gas from the Leviathan field, which holds an estimated 500-800 bcm of gas, to Turkey via a new major pipeline. But talks broke down, ostensibly over prices and supply routes but in reality largely due to conflicting approaches to the Palestinian issue.

In an important turn of events in August 2022, Israel and Turkey finally announced the normalisation of diplomatic ties. A pillar of Israeli foreign policy has long been to develop stable and sustainable relations in the larger Middle Eastern region, and Israel has always considered Turkey to be an important country. According to Michael Bradshaw, while the announcement of diplomatic normalisation is a positive development, the complex geopolitics in the region have been a barrier to significant investment and impose a high level of risk on investments. The companies involved must weigh this up as the projects will be in global competition for capital investment and buyers. Bradshaw adds that whether regional oil and gas projects proceed will be down to economics more than geopolitics.⁴⁰ Moreover, with no major gas export infrastructure of their own, states such as Israel and the Republic of Cyprus have had to partner with Egypt's coastal liquefaction facilities and its pipeline infrastructure to ship their volumes abroad as LNG.

With this in mind, however, it is not too late for Turkey and Israel to agree to route surplus Israeli gas production to Europe via the Turkish coast. While this approach would not be straightforward, there are reasons why it could work. Turkey's geography presents it with the most commercially feasible path, along with the existence of add-on pipelines, to transport Israeli gas. Turkey has already developed an expansive infrastructure and networks, including the \$40 billion Southern Gas Corridor, which will carry Azeri gas from the Shah Deniz-2 field to Europe through the Trans-Anatolian Natural Gas Pipeline (TANAP). The pipeline is projected to initially transport 16 bcm annually and to reduce dependency on Russian gas. It connects to the Trans Adriatic Pipeline at the Turkey-Greece border. The main obstacle is that the Leviathan field lies inside 860 square kilometres of an area unilaterally claimed by Israel (a non-signatory to the UN Convention on the Law of the Sea) and is disputed by

³⁸ Personal interview, senior Turkish diplomatic officials, 1 and 6 September 2022.

³⁹ "Europe studying Israel-Turkey pipeline as alternative to Russian sourcing", *OffShore Technology*, 30 March 2022, <https://www.offshore-technology.com/news/europe-israel-turkey-pipeline-russia/>.

⁴⁰ Michael Bradshaw, personal interview via email, 30 August 2022.

Lebanon. This could potentially be resolved by making transit fee payments to Lebanon for permitting the path of a pipeline. However, the 450-kilometre-long pipeline to Turkey's Ceyhan port would be the most commercially competitive and straightforward option if the political impasse could be navigated. Negotiating long-term rates for gas from Israel would also be more economical for Turkey than relying on LNG bought on the spot market from the US and Qatar. Turkey continues to strive to become a major energy hub in the region, although Egypt has increasingly emerged as an Eastern Mediterranean energy powerhouse in recent years.

With the EastMed pipeline plans now defunct, there is momentum once again behind the possibility that energy cooperation between Israel and Turkey could supply natural gas to European buyers. This would mean transporting gas from Israel's Leviathan field to Turkey, after which point the Israeli supply could be transported to Europe via the Southern Gas Corridor, a series of pipelines transporting natural gas from the South Caucasus to the Balkans. However, a gas pipeline from Israel to Turkey would necessarily have to pass through the maritime Exclusive Economic Zone (EEZ) claimed by Cyprus. With the Greek and Turkish Cypriots in disagreement over a comprehensive settlement to the island, involving Cyprus in an energy deal that includes Turkey would be difficult.

However, Mithat Rende, former Turkish ambassador to Qatar and former chair of the Organisation for Economic Co-operation and Development, argues that the frozen conflict over Cyprus need not remain an immovable barrier to transporting Israeli gas to Turkey: "If the US and the European Union strongly support a pipeline project to carry East Mediterranean gas to Turkey, there wouldn't have to be a comprehensive political settlement (in Cyprus)," he said, explaining that it could be developed through an ad hoc arrangement between the various states and private sector companies."⁴¹

According to an Israeli energy expert familiar with the matter, Israel and Turkey are now seriously considering the options for building a new pipeline. In this scenario, the United States and Britain could jointly exercise constructive diplomacy to persuade Cyprus, an EU member, that it is in the interests of Europe and its allies for this pipeline project to go ahead.⁴²

The other possible route that a pipeline could take from Israel to Turkey would run through Lebanese and Syrian waters. It is unclear whether any pipeline project could involve Syria given the ongoing situation of war. However, according to a diplomat familiar with Israel, Jerusalem anticipates a solution to the decade-long maritime demarcation dispute with Lebanon in the near future. On 31 August 2022, in his call with Israeli Prime Minister Yair Lapid, President Biden, "emphasized the importance" of resolving this dispute "in the coming week".⁴³

It is evident that a maritime agreement between Israel and Lebanon is supported by President Biden's administration and is in line with British interests. Should this materialise, Oğuzhan Akyener, the president of Turkey's Energy Strategies and Politics Research Center, argues that "A pipeline from Israel to Lebanon and from there to the Turkish Republic of Northern Cyprus [TRNC] and Turkey is economically viable. As long as the Greek Cypriot Administration agrees to a model in which the TRNC [Turkish Republic of North Cyprus] will be recognized, new steps can be taken there as well."⁴⁴

⁴¹ David O'Byrne, "Could Turkey-Israel rapprochement lead to gas agreement?", *Al Monitor*, 1 June 2022, <https://www.al-monitor.com/originals/2022/06/could-turkey-israel-rapprochement-lead-gas-agreement>.

⁴² Personal interview, anonymous, 5 September 2022.

⁴³ Barak Ravid, "Biden 'emphasized importance' of resolving Lebanon-Israel maritime dispute in Lapid call", *Axios*, 31 August 2022, <https://www.axios.com/2022/08/31/resolving-lebanon-israel-maritime-dispute-a-key-priority-us-says>.

⁴⁴ Murat Temizer, "East Med energy could be key to improving Turkey-Israel relations", *Anadolu Agency*, 13 July 2021, <https://www.aa.com.tr/en/economy/east-med-energy-could-be-key-to-improving-turkey-israel-relations/2303041>.

At the current juncture, there are a number of unknown factors and hypothetical scenarios with respect to the future of Eastern Mediterranean gas geopolitics. However, at a time of global crisis in the energy market, there are indications that relevant parties are expressing a higher degree of willingness to make compromises in the interest of energy security and stability. While newly announced energy deals are unlikely to have an immediate impact on Britain's energy supplies, they could benefit Europe and the Eastern Mediterranean region as they will promote diversification and security of supply, which the UK supports. In the long run, that will help to promote stability and may present opportunities for UK companies in the energy and associated sectors.

In the immediate term, Britain would be well placed to support closer cooperation in the field of energy between Israel and Turkey, two allies with which Britain has reliable and strategic relations in an otherwise challenging neighbourhood. Reaching an agreement to transport Israeli gas to Europe via existing pipeline infrastructure through Turkey could provide a win-win solution. Britain could use its levers of influence to facilitate such an agreement between its allies, which would amplify its role in the Eastern Mediterranean region and the wider Middle East, resonating also with countries like Egypt and Lebanon.

4. Britain and Turkey: Opportunity for a strategic partnership?

In the post-Brexit context, Turkey has made frequent diplomatic gestures towards building a closer relationship with the UK Government. While trading relations were previously governed by the EU-Turkey Customs Union, since the UK left the EU, relations are now organised according to a traditional free trade agreement. Following the signing of a tariff-free trading arrangement in late December 2020, which supported a trading relationship that had been worth £18.6 billion in 2019, then International Trade Secretary Liz Truss said, “Today’s deal covers trade worth more than £18 billion, delivers vital certainty for business and supports thousands of jobs across the UK in the manufacturing, automotive and steel industries. It paves the way for a new, more ambitious deal with Turkey in the near future, and is part of our plan to put the UK at the centre of a network of modern agreements with dynamic economies.”⁴⁵

While foreign relations with Turkey are often contentious in the domestic political arena of other European states like Germany and France, owing to their sizable Turkish diaspora communities and factors relating to conflicting foreign policy interests vis-à-vis Turkey, the same cannot be said for Turkey’s relations with the UK. According to Ahmet Erdi Öztürk at the London Metropolitan University, relations with Turkey are not a polarising dynamic in British politics and there are few negative preconceptions among the British public when it comes to Turkey. This makes it likely that Britain can be seen as a constructive arbiter in facilitating dialogue between Greece and Turkey over disputes in the Eastern Mediterranean. Öztürk adds that the UK holds a “historically more important role than Germany, which is trying to play the role of mediator in this dispute”.⁴⁶ Put differently, the UK has historical experience, memory and a pre-existing role in the region.⁴⁷ And the UK has naturally assumed the position of the relatively impartial third party, contrary to the European Union, which is an indirect party to the dispute because of Greece’s membership. From Ankara’s perspective, the EU cannot serve as a neutral facilitator because both Greece and the Republic of Cyprus are member states.

According to senior diplomatic sources in Turkey, the exclusion of Turkey and the TRNC from regional cooperation mechanisms, such as the Eastern Mediterranean Gas Forum, is a significant obstacle to meeting Europe’s energy security needs. Securing supply of Eastern Mediterranean gas and transport routes to Europe in the most expedient manner possible has become a priority. To this end, Turkish foreign policymakers advocate two proposals. First, since 2020, Turkey has lobbied for an East Mediterranean Conference to include all relevant states and commercial stakeholders, including international energy firms and the TRNC. This proposal has not been pursued seriously by relevant EU parties. Second, the TRNC has raised a number of proposals that can serve as a starting point for resuming talks that began with Greece and Cyprus in 2011, 2012, 2019 and most recently in June 2022.⁴⁸ These proposals include the creation of a joint committee with seats for an equal number of Greek and Turkish Cypriots, under the auspices of the United Nations, and representatives of oil companies authorised by both sides, with the EU taking part as an observer.⁴⁹ Turkey supports these proposals and is prepared to back up plans for formal talks with Greece and Cyprus.

⁴⁵ Elizabeth Truss, “UK and Turkey sign trade deal”, Department for International Trade, 29 December 2020, <https://www.gov.uk/government/news/uk-and-turkey-sign-trade-deal>.

⁴⁶ A. Erdi Öztürk and Hamdi Fırat Büyük, “Should Britain Play a Role in the East Mediterranean Crisis Before It’s Too Late?”, *Feniks Politik*, 3 November 2020, <https://fenikspolitik.org/should-britain-play-a-role-in-the-east-mediterranean-crisis-before-its-too-late/>.

⁴⁷ Ahmet Erdi Öztürk personal interview via video call, 22 August 2022.

⁴⁸ Personal interview via email, anonymous source, senior Turkish diplomatic official, 1 and 6 September 2022.

⁴⁹ Özcelik, “Are Greece and Turkey Locked in a Mediterranean Forever War?”.

Britain has played a major role in supporting Ukraine's war effort in the face of Russian aggression. This form of engagement has heightened Britain's visibility and enlivened the framework of 'Global Britain'. Such pragmatic and constructive diplomatic engagement can be extended to British engagement in the Eastern Mediterranean, a region with which it has longstanding historic ties, shared values, and trade and commercial interests. Turkey, in turn, will need a face-saving option to de-escalate gunboat diplomacy tactics and avoid international isolation while still pursuing its claims through diplomatic channels and pro-active foreign policy. Ultimately, consensus-seeking dialogue that includes all of the key players is the only way to achieve regional stability.

5. Conclusion and Recommendations: A case for British (re)engagement in the Eastern Mediterranean

Britain maintains longstanding diplomatic networks globally and holds levers of influence in the areas of public opinion, diplomacy and media, and instruments of ‘soft power’ which can be used to facilitate dialogue, promote commercial interests in the region and help to diversify energy supply and a green transition in the local and regional energy markets. While tentative, given the state of flux in the Eastern Mediterranean, several recommendations can be made with respect to harnessing Britain’s influence to exercise a peaceful resolution of regional disputes and advance energy cooperation, with implications for European energy security and US interests and priorities for the region.

These recommendations are based on in-depth interviews conducted with diplomatic, academic and commercial sources in Britain and its Eastern Mediterranean allies, as well as being informed by the Global Britain integrated review (2021).

1. The UK should work to promote a flexible format of multilateral dialogue under its auspices to include all relevant parties, including Greece, Israel, Cyprus, Turkey, Egypt, Libya, the Palestinian Authority and Lebanon. Such action will position and consolidate the UK Government as an influential actor in the policy arena of the Eastern Mediterranean without overwhelming its other foreign and national security policy concerns. In addition to this, as a guarantor state, the UK remains a key actor working towards the resolution of the Cyprus dispute and the pursuit of wider NATO priorities in the Mediterranean. At a juncture when the conflict over the division of the island appears regrettably intractable, Britain should engage in confidence-building measures to revive the possibility of formal talks, in line with US and UN interests and goals, and continue to urge sides to adopt creative solutions within the existing parameters. One consideration should be to develop initiatives that will end isolation of the Turkish Cypriots and engage the TRNC in meaningful dialogue over political disputes, as well as commercial and energy-related investments.
2. Britain should leverage its expertise in creative economic policymaking and its longstanding legal tradition and diplomacy-driven approach to promote the participation of Greece and the Republic of Cyprus in dialogue that could result in a commercially attractive pipeline deal that would involve Israel and Turkey. While this alone will not suffice to meet Europe’s energy security needs, such initiatives are in the interests of European states as they seek to diversify energy sources. The US and Turkey are supportive of a maritime deal that will resolve the decade-long dispute between Israel and Lebanon. Helping relevant parties build upon its success, both diplomatically and commercially, should be on the UK’s foreign policy agenda.
3. As Turkey enters a high-stakes year ahead of parliamentary and presidential elections to be held in June 2023, the potential for escalation with neighbouring Greece is evident as foreign and domestic political disputes intersect. The UK’s commitment to European partners includes Turkey, and the development of a “set of interests where we can find common cause, such as values, free trade and a commitment to transatlanticism”.⁵⁰ This objective can serve as the pillar of diplomacy to bring Turkey and Greece together on the path to improved bilateral relations, which is in the strategic interest of NATO and the United Kingdom.

⁵⁰ HM Government, “Global Britain in a Competitive Age”.

4. Alongside this, the 2021 Global Britain integrated review sets out the goal of supporting the UK's Overseas Territories and Crown Dependencies in deterring and defending against state and non-state threats. In line with this, it is expected that "Significant investment in the Sovereign Base Areas in Cyprus will assure our ability to contribute to security, with allies, in the Eastern Mediterranean."⁵¹ It is vital that the UK Government continues activities to promote stability and peace in the region and leverage its influence in Cyprus to facilitate the best interests of the inhabitants of the island. This requires public outreach to build trust and understanding about the UK's continued strategic presence in Cyprus.
5. The fact of the matter is that recent years have shown that what happens in the Eastern Mediterranean - near military confrontation and standoffs between NATO allies - cannot be ignored by Europe. European states have diverged in their policy approach to the risk of military escalation and a potentially deadly stand-off between Greece and Turkey in the Eastern Mediterranean. While Germany has pursued a more conciliatory approach, France has favoured a more hard-line, confrontational stance against Turkey's actions in the Eastern Mediterranean. The differing views of Germany and France have limited the EU's ability to respond effectively to fast-paced and emerging challenges. The UK Government has an opportunity to show leadership and resolve in addressing the main challenges facing allies in the Eastern Mediterranean.
6. The foreign and defence policy of France seeks to strengthen its status in the Eastern Mediterranean and has focused on building closer ties with Greece and the Greek Cypriots. There is a risk that France may orient its strategy to overtake British influence and status in Cyprus. This would threaten Britain's longstanding national interests in Cyprus, and the access and manoeuvrability in the Middle East that this close association brings. The UK Government should explain to the British public that Britain is uniquely positioned as a guarantor over Cyprus and that promoting regional stability in the Eastern Mediterranean renders it an influential power vis-à-vis EU states, as well as strengthening its reach in the Middle East.
7. The UK should take on a leadership role in the facilitation of low-carbon hydrocarbon exports from the Eastern Mediterranean, which are an important component of British and European decarbonisation targets. Domestically, driving the growth of low carbon hydrogen is part of Britain's long-term plan to achieve energy security. Britain can harness this commitment in its energy policies abroad, leading the way in partnering with regional states to promote green energy technology transitions in the Eastern Mediterranean and wider Middle East. The Eastern Mediterranean is increasingly viewed as a significant emerging supplier of low-carbon hydrogen, with its geographical proximity to Europe, substantial natural gas resources, and its renewable energy potential. Pursuing creative foreign policies in the area of low-carbon hydrocarbon energy can situate Britain as a powerhouse for energy security at home and in key regions abroad.
8. By focusing on commercial interests amidst the urgency of securing energy supply, the UK should propose a framework whereby regional actors consider alternative, creative approaches that promote shared interests in the area of energy partnerships, whilst maintaining a related diplomatic track open to discussing longstanding political obstacles. As Michael Bradshaw notes, there must be a sound business case for investments, and diplomatic gestures alone are not enough. Major export ventures

⁵¹ HM Government, "Global Britain in a Competitive Age", p.71.

have proven difficult (such as the EastMed pipeline project), mainly owing to cost and technical feasibility considerations, in addition to requiring substantial cooperation among regional states. However, Europe currently faces an unprecedented challenge in securing the supply of natural gas. Projects that allow gas to be profitably monetised to boost supply in the wider Eastern Mediterranean region will likely be attractive for investors and the private sector, which are objectives that the UK supports.

9. The UK should continue to promote the security of supply and demand, as well as sustainable, efficient and climate-conscious policies in the development, transport and storage of natural gas resources. In the current juncture, it is important that the UK Government is part of conversations about the peaceful resolution of disputes in the Eastern Mediterranean. While the UK has welcomed the positive developments between Israel and Turkey, it is not expected that newly announced energy deals are likely to have an immediate impact on Britain's energy supplies, but they could benefit Europe and the Eastern Mediterranean region as they will promote diversification and security of supply, which the UK supports. In the long run, that will help to promote stability and may present opportunities for UK companies in the energy and associated sectors.

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Title: "NAVIGATING A NEW DIRECTION
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By Dr Burcu Özçelik

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