THE SCRAMBLE FOR THE EASTERN MEDITERRANEAN
Energy and Geopolitics

edited by **Valeria Talbot**
introduction by **Paolo Magri**

ISPI

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Via Antonio Boselli, 10 – 20136 Milan – Italy
www.ledizioni.it
info@ledizioni.it

The scramble for the Eastern Mediterranean.
Energy and geopolitics
Edited by Valeria Talbot
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Introduction

These days, Italy often looks at the Central Mediterranean as its "Mediterranean proper". Social unrest on the Southern shores, historical and current economic and social connections, as well as the need to stymie irregular migration flows have often shaped Italy's foreign and development policies, relegating the Western and Eastern Mediterranean to second tier. Over the past decade, several developments have contributed to this trend, as the Eastern Mediterranean faded into the background: the Syrian civil war becoming an intractable problem for EU countries; souring relations between Turkey, on the one hand, and NATO and the EU on the other; and the Israeli-Palestinian conflict becoming less salient to the Italian political debate. Meanwhile, turmoil during the endless Tunisian democratic transition and Libya's rapid descent into chaos forced Italy to channel most of its foreign policy efforts toward its nearest (Southern) neighbours.

Of course, the Eastern Mediterranean never disappeared from view. Italy's longstanding view that stability in the broader Mediterranean depends on stability anywhere played a large part in this. But a number of events also contributed to push up the Eastern Mediterranean region on Western policymakers' agendas, as well as encouraging them to acknowledge the need to understand and tackle challenges arising from the area together. At first, this was due in large part to events happening onshore, in the Middle East. Among many, the rise and fall of the Islamic State in Syria and Iraq after 2013, the attempted coup in Turkey

in 2016 coupled with the crackdown that followed, and the recent Lebanese and Israel-Palestine crises. However, more and more frequently, the Eastern Mediterranean has become a field requiring foreign policy attention in its own right, due to what was happening at sea.

The first evidence of this were the over one million irregular migrants crossing from Turkey to Greece in 2015-2016. At the time, this unprecedented event called for a swift foreign policy response from the EU as a whole. As irregular migration jumped at the top of the agenda for most or all EU member states, and not just Italy (which had been experiencing a rise in migration flows from Libya since late 2013), the fact that migration flows from the Eastern Mediterranean could elicit a response (in terms of relocations among EU member states, or aid from Brussels to countries of first arrival in Europe) that concerned migration along the Central Mediterranean showed how interconnected the two areas of the Mediterranean actually are.

The second evidence is more recent and has to do with escalating tensions due to historical disputes on who holds the legitimate rights to exploration and use of marine resources in the Eastern Mediterranean, as well as on the correct way to demarcate territorial waters and exclusive economic zones (in particular between Greece, Turkey, and Cyprus). Once again, this dispute intersected the Central Mediterranean in many ways. Regardless of how the resources will ultimately be apportioned among the contenders, European (including Italian) energy companies are involved in exploration activities, and there has been recurrent interest on a so-called EastMed pipeline that would bring natural gas to Europe, following a number of potential routes. Most recently, the 2019 Libya-Turkey maritime deal has linked the two parts of the sea explicitly and ever so tightly, also in light of Turkey's concurrent military intervention in the Libyan conflict.

As the Eastern Mediterranean has become a "sea of troubles" on its own right, this Report is an attempt to shed light on the many issues that make the region a crucial and integral part of

the foreign policies of neighbour and faraway countries. This Report aims to explore how riparian and non-riparian countries in the Middle East, North Africa and beyond look at this portion of the Mediterranean, how they design their foreign policy stances and how they respond to the actions of others. By "touring" the Eastern Mediterranean region (and beyond), this Report also serves as a call to European policymakers not to lose sight of the region, even as the dynamics of the pandemic and the urgency of the economic recovery diverts most of the attention and resources elsewhere.

In the first chapter, Gabriel Mitchell argues that pragmatism is at the core of Israeli foreign policy in the Eastern Mediterranean. According to Mitchell, Tel Aviv is pursuing a proactive attitude in the Eastern Mediterranean, a reaction also related to the American reduced military engagement in the MENA region. This approach perfectly fits in the Israeli need to find viable hydrocarbon export routes as a consequence of the gas deposits discovery off of its coast more than ten years ago. In this context, Israel's strengthened cooperation with Greece, Cyprus and Egypt is instrumental to Tel Aviv's energy strategy, while at the same time contributes to balance strained bilateral ties with Ankara. After decades of relative isolation in the region, through its membership in the Eastern Mediterranean Gas Forum (EMGF) today Israel is benefiting from integration and cooperation with its neighbours.

Even Greece and Cyprus, as explained by Zenonas Tziarras, are important parts of this new network of energy cooperation in the Eastern Mediterranean. Not only energy interests but also factors such as the pursuit of a new international role, survival, security, stability and development are the main drivers of these countries' policies in the Eastern Mediterranean. Here, counterbalancing and containing Turkey is a longstanding priority for both Athens and Nicosia. The author analyses in details the interests and strategies of both countries, showing that they share many security concerns in the Eastern Mediterranean, where they are part of a new security architecture. In particular,

the chapter considers the recent history of Greek foreign policy, describing a path that started with relative isolation during the 2009 economic crisis and developed into a renewed strategy in the Eastern Mediterranean. Similarly, recent developments in the area resulted in an evolution of Cyprus's foreign policy, enhancing its orientation towards its Western allies.

Mitat Çelikpala then moves to analyse the reasons and motives behind Ankara's active policy in the Eastern Mediterranean, where strengthened cooperation among Greece, Cyprus, Israel, and Egypt has excluded Turkey from the shared management of energy resources in the region and increased its sense of isolation. In addition, from the Turkish perspective, new energy agreements among its neighbours also threatened Turkey's ambition to become a regional energy hub. However, for Turkey, energy is not the only interest in the Eastern Mediterranean: there are also several maritime issues that pit it against its neighbouring countries (mainly Greece), along with the unresolved Cyprus dispute. In this context, the Blue Homeland or *Mavi Vatan* doctrine, coined in 2006, has acquired greater importance among Turkish political elites and contributes to explain Turkey's strategy in the seas surrounding the Anatolian peninsula, including the Eastern Mediterranean, by defining, safeguarding and developing Turkey's maritime rights and national interests. Thus, natural gas issues and sensitive political and geopolitical matters are closely intertwined in the Turkish strategy.

In chapter four, Nael Shama provides an insightful overview of Egyptian foreign policy towards the Eastern Mediterranean. Through an in-depth analysis of Cairo's main international dossiers (namely, Egypt's strategy in the Libyan conflict, the strained relation with Turkey, and the diplomatic activism in the regional natural gas dossier), the author underlines the pragmatism of al-Sisi's regional policy. According to Shama, this approach may lead Cairo to relevant shifts in its strategies towards the region, foregrounding Egypt's economic growth and strengthening its role as a key player in the Eastern Mediterranean.

Broadening the perspective beyond riparian countries, Naser Al-Tamimi puts the spotlight on the role of the Gulf monarchies in the Eastern Mediterranean, explaining their interests and interactions with regional players. Here, like elsewhere, the six monarchies of the Gulf Cooperation Council (GCC) are far from acting as a monolithic bloc: on one side there are Saudi Arabia, the United Arab Emirates and Bahrain; on the other Qatar, being the strongest Turkish regional partner; in the middle, there are Kuwait and Oman, keen to preserve their traditional mediation role. While the GCC countries' involvement in the Eastern Mediterranean has further complicated the geopolitical dynamics in the region, in some cases fuelling tensions and political polarisation, the author concludes indicating factors that may contribute to defusing tensions and opening doors for cooperation.

Besides GCC monarchies, other global powers have played a crucial role in the Eastern Mediterranean region, such as Russia and China. Ruslan Mamedov examines the motives and state of play of Russia's presence in the region, focusing on Russian energy projects in the Eastern Mediterranean and the factors that can originate more cooperation at a regional level. In the energy sector, Russia has mainly three strategic interests: ensuring the stabilisation of prices, the nuclear energy exports and the inclusion in the most promising exploration activities in the region. On the security front, the military presence of Moscow in the region pushes the Kremlin to build relations with regional countries. In addition, the deterioration of relations with NATO (especially with the United States) underscored a need to demonstrate Russian capabilities. Overall, in front of a highly competitive environment, Russia has opted for a more flexible strategy that, so far, seems to have been successful.

In her chapter, Camille Lons analyses the regional interests of China, a discreet player that prefers not to be involved in local rivalries and maintains good economic relations with all regional players, along with a flexible approach. Although it is not clear if China has a long-term strategy for the Eastern

Mediterranean, in spite of media reports and political statements that tend to overstate China's economic footprint, Beijing's regional influence remains minimal. Nevertheless, the Eastern Mediterranean represents a crucial crossroads of key global maritime and land trade routes in the framework of the Chinese Belt and Road Initiative. This explains the active role of Chinese companies – sponsored by national banks – in carrying out a number of infrastructure projects, such as ports and highways. However, disputes in the Eastern Mediterranean appear so far to have discouraged China to increase its influence in the region. Indeed, Beijing is not keen to challenging the existing security architecture, still dominated by Western actors, and maintains its focus on Asia-Pacific priorities.

Finally, Valeria Talbot analyses the role of the European Union in the Eastern Mediterranean, where energy and security interests are at stake. As regional dynamics affect both the EU and its member states, the area has transformed into a testing ground for the EU's external action. However, divisions among member states have often prevented the adoption of common positions and policies, harming the effectiveness of EU actions in the region, if any. For this reason, the author argues that redefining relations with Turkey is pivotal in order to improve the EU's prospects in the Eastern Mediterranean. In addition, a newfound convergence with the Biden administration could usher in a new period of enhanced Transatlantic cooperation in both the Eastern and broader Mediterranean regions.

Paolo Magri
Executive Vice President, ISPI

1. Israel's Quest for Regional Belonging in the Eastern Mediterranean

Gabriel Mitchell

Overlooked for decades, the Eastern Mediterranean has become a focal point of Israeli national interests. The region bridges Europe, Africa, and the Middle East, with Israel an increasingly active partner in multilateral initiatives between these geopolitical spaces. Several factors contributed to this evolution in Israeli strategic thinking. First, the American pivot away from the Middle East reduced its military presence in the Mediterranean, demanding a more proactive set of policies from Jerusalem that could compensate for the lost strategic depth. Second, the deterioration of bilateral relations with Turkey forced Israeli policymakers to seek new partners who held common strategic interests. At the same time, Turkey's pivot during the Arab Spring helped facilitate greater communication between Israel and other regional actors. Finally, the discovery of offshore hydrocarbons in the Eastern Mediterranean generated a need for Israel to find viable export routes and establish cooperative ties with its neighbours. In the decade since the discovery of natural gas, Israel has strengthened relations with Greece and Cyprus, signed export contracts with Jordan and Egypt, and was an integral force in establishing the Eastern Mediterranean Gas Forum (EMGF), the region's first international organisation. Following decades of relative isolation in the region, Israel is now reaping the benefits of integration and cooperation with its neighbours.

A Brief Historical Background

For most of Israel's history, the prevailing attitude by policymakers was that the country was surrounded by hostile states and therefore needed to seek partnerships beyond its immediate neighbourhood. Relationships fostered with countries like Iran and Turkey were transactional in nature, serving only a finite set of common interests. When regional dynamics changed, the roots of these relationships were not strong enough to prevent the termination of bilateral ties. Even though Israel operated as a virtual island – dependent on distant allies and importing goods from the sea – the maritime space was largely an afterthought and the national security budget did not prioritise the navy.[1] For most of Israel's history there was no strategic threat from the sea, and the presence of the US 6th Fleet in the Mediterranean offered a security blanket that allowed Israel to largely ignore the maritime space. In the 1990s a strategic shift occurred, as the Oslo Peace Process between Israel and the Palestinians generated opportunities to cultivate ties with neighbouring states. In the three decades that followed, Israeli policy transitioned from a mindset that accepted the limitations of regional isolation to one that increasingly pursued regional integration. And the discovery of offshore hydrocarbons in the Eastern Mediterranean played a key part in that evolution.

Offshore natural gas fields in Israel's waters were first discovered in 1999. However, the quantities were not large enough to sustain Israel's domestic energy needs let alone to be exported. It was only after the discovery of the Tamar field (280 bcm) in 2009 and the Leviathan field (605 bcm) by Noble Energy and Delek Group in 2010, that Israel's energy policy was truly transformed. Almost overnight, Israel came into possession of natural gas in quantities that could supply its domestic needs

[1] Y. Teff-Seker, A. Rubin, and E. Eiran, "Israel's 'turn to the sea' and its effect on Israeli regional policy", *Israel Affairs*, vol. 25, no. 2, 2019, pp. 234-255.

for decades and be exported abroad. Israel could no longer operate like an energy island. Instead, it had to adopt the strategies of an energy producer seeking integrative, cooperative relationships with potential consumer states. This shift required interministerial cooperation to formulate a cohesive strategy towards the Eastern Mediterranean region that would secure Israel's commercial, diplomatic, and security interests both in the short- and long-term. In 2016, a framework agreement with the developers was reached that marked up to 60% of Israel's natural gas reserves for export. In parallel, Jerusalem expanded the naval budget to protect its new offshore infrastructure. By the decade's end, Israel had secured deals to export its gas to the Palestinian Authority, Jordan, and Egypt. It also reached preliminary agreements with the governments of Cyprus and Greece to test the feasibility of an undersea pipeline delivering Israeli gas to Europe.

In the following years, additional natural gas discoveries were made in the waters of Cyprus and Egypt, further incentivising offshore exploration and multilateral cooperation. As a result, there has been an uptick in regional activity by Israel and its neighbours and an emphasis on the Eastern Mediterranean as an important geopolitical space at both a regional and international level.[2]

COVID-19 and the Eastern Mediterranean

Much like the global market, the Eastern Mediterranean's energy future was unexpectedly disrupted by the coronavirus pandemic. In response to these aftershocks, many international oil and gas companies froze or suspended operations indefinitely.[3]

[2] N. Goren (Ed.), *The Eastern Mediterranean: New Dynamics and Potential for Cooperation*, European Institute for the Mediterranean, Euromesco, 2018; A. Rubin and E. Eiran, "Regional maritime security in the Eastern Mediterranean: expectations and realities", *International Affairs*, vol. 95, no. 5, 2019, pp. 979-997.

[3] G. Mitchell, "Covid-19 Put the Eastern Mediterranean's Hydrocarbon Dreams

From an Israeli perspective, three interesting developments took place during the COVID era. First, one of the dominant energy developers – Noble Energy – was bought out by energy giant Chevron. The American multinational energy corporation inherited 25% and 39.66% of Israel's two largest fields, Tamar and Leviathan, respectively, a 35% stake in Cyprus' Aphrodite field, and within several months approved the expansion of the pipelines currently delivering Israel's gas to Egypt. Chevron's arrival was not only a commercial success for Israel; it also foreshadowed the coming normalisation between Israel and the Gulf states and delivered some hope that that supermajor would support future regional energy projects.[4]

Another dramatic development during the pandemic was the signing of agreements between Israel and four Arab states – United Arab Emirates, Bahrain, Sudan, and Morocco. New diplomatic partners in the Middle East and North Africa opened a host of new commercial and strategic opportunities for Israel. Suddenly, doors once inaccessible were now open, and this has prompted many in Israel to rethink previously held assumptions about what kind of partnerships the Jewish state can foster at the regional level.[5]

The pandemic also gave policymakers in Jerusalem the opportunity to stop, breathe, and reassess Israel's energy policy. One of the visible consequences of this reset has been the Ministry of Energy's adoption of new renewable energy goals which reflect an awareness that Israel needs to catch up with the United States and European Union.[6]

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on Hold", *War on the Rocks*, Commentary, 15 June 2020; and C. Ellinas, *East Med Gas: The Impact of Global Gas Markets and Prices*, Istituto Affari Internazionali (IAI), February 2019.

[4] V. Talbot (Ed.), *Navigating the Pandemic: The challenge of stability and prosperity in the Mediterranean*, ISPI, 2020.

[5] A. Barkat and D. Zaken, "UAE fund to invest $100m in clean energy in Israel", *Globes*, 21 January 2021.

[6] S. Surkes, "Cabinet greenlights target of 30% renewable energy by 2030", *The Times of Israel*, 25 October 2020.

These factors have convinced officials that Israel no longer has to place all of its energy eggs in the same basket. Prior to the outbreak of COVID-19, Israel was resolute in its public commitment to the EastMed pipeline, an ambitious 1,900-kilometre undersea pipeline project that would theoretically carry Israeli and Cypriot natural gas to Greece and Italy and onwards to Europe. Today, all options are on the table, and in all directions. This does not mean that Israel is less committed to regional processes in the Eastern Mediterranean – indeed, environmental issues and renewable energy should be welcomed into the broader mission of the EMGF – however, the pandemic presented an opportunity to formulate a new strategic outlook and establish greater cohesion between various ministries in order to fulfil Israel's national energy interests.

Israel's Interests in the Eastern Mediterranean

The Eastern Mediterranean is in the midst of a transitionary period. Therefore, understanding the interests of regional actors will help contextualise what the future could possibly look like. For Israel, the Eastern Mediterranean contains both immediate and long-term opportunities that currently influence its policies.

Israel's goals in the Eastern Mediterranean are to contribute to the establishment of a framework for regional integration that addresses the commercial and geopolitical benefits of offshore hydrocarbon exploration; find multilateral solutions to adapt to the US withdrawal from the region; establish a norms-based framework for maritime issues; tackle climate change; manage relations with Turkey; and utilise the Eastern Mediterranean's regional processes to create opportunities for interregional cooperation.

Pursuing Regional Belonging

In the past, Israel was wary of participating in international forums because there was always a risk that – in an effort to appease Arab interests – such spaces would turn hostile towards Israel. Israel wants to be a part of regional organisations that grant it a degree of legitimacy and offer it a platform for multilateral cooperation. The Eastern Mediterranean is a comparatively welcoming space for Israel as the region combines both European and Middle Eastern actors, prioritising common interests and setting aside the cultural or values-based differences that frequently barred Israeli participation in traditional geopolitical frameworks in the past. As a result, the establishment of new strategic partnerships around offshore hydrocarbons was a welcome opportunity for a country seeking regional integration.

Pursuing this regional agenda demanded a coordinated and comprehensive diplomatic approach. Since 2011, there have been a combined 73 meetings between senior Israeli ministers and their counterparts in the region, including several dozen official visits to Eastern Mediterranean states like Greece, Cyprus, and Italy.[7] Notably, Israel's relationship with Greece and Cyprus has experienced a dramatic warming.[8] In 2011, Prime Minister Benjamin Netanyahu visited Cyprus, the first ever visit by an Israeli head of state. This gesture was soon matched by Greece. In 2013, the three countries signed an energy memorandum of understanding and in subsequent years expanded their trilateral partnership to include regular summits on issues ranging from tourism to economics, cyber

[7] This statistic is based on official trips by Israeli heads of state, as well as ministers of energy, defense, and foreign affairs to Eastern Mediterranean states during this period as well as official visits by their counterparts to Israel.

[8] Z. Tziarras, "Israel-Cyprus-Greece: a 'Comfortable' Quasi-Alliance", *Mediterranean Politics*, vol. 21, no. 3, 2016, pp. 407-427; and Z. Tziarras (Ed.), *The New Geopolitics of the Eastern Mediterranean: Trilateral Partnerships and Regional Security*, PRIO-Friedrich-Ebert-Stiftung, Report 3, 2019.

security, and maritime cooperation. Joint military exercises have become a frequent occurrence. Trilateral meetings often focused on the EastMed pipeline. While industry experts doubt the pipeline's feasibility, Israel, Greece, and Cyprus may succeed in constructing an undersea cable along the same route that connects their electrical grids to Europe.[9]

Israel's relationship with Egypt has also experienced a renaissance. Since President Abdel Fattah al-Sisi came to power in 2013, security cooperation between Jerusalem and Cairo has reached unprecedented levels. But energy is now an equally important pillar to the relationship. Once the two parties settled a pre-existing energy dispute, the door was open for Israel to export its natural gas to Egypt's LNG terminals in Idku and Damietta. Today, the Israel-Egypt partnership is the foundation of the EMGF, the region's first international organisation committed to advancing energy development and cooperation initiatives.[10] Based in Cairo and including Cyprus, Egypt, France, Greece, Israel, Italy, Jordan, and the Palestinian Authority, the forum reflects the network of political and economic relationships that Israel has been able to cultivate over the past decade and is a testament to Israel's ability to integrate into an evolving regional structure. Informally launched in January 2019, the founding members signed the EMGF's charter in September 2020 and committed to it in person in March 2021.[11]

The EMGF is the first formal regional organisation in the Eastern Mediterranean but it is not the only mechanism for cooperation. Israel has also been engaged in the EU's Barcelona

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[9] G. Mitchell, *Supercharged: The EuroAsia Interconnector and Israel's Pursuit of Energy Interdependence*, MITVIM, February 2021; and N. Tsafos, *Can the East Med Pipeline Work?*, CSIS, 2019.

[10] G. Mitchell, *Lessons from Israel and Egypt's lukewarm peace*, Atlantic Council, 20 April 2021.

[11] G. Mitchell, *The Eastern Mediterranean Gas Forum: Cooperation in the Shadow of Competition*, MITVIM, September 2020; O. Winter and G. Lindenstrauss, *Beyond Energy: The Significance of the Eastern Mediterranean Gas Forum*, INSS Insight No. 1133, The Institute for National Security Studies, 3 February 2019.

Process, the Union for the Mediterranean (UfM) process, the European Union's Neighbourhood Policy, and NATO's Mediterranean Dialogue. While the UfM does not address the region's core foreign and security questions, it remains an important vehicle for economic development and will continue to serve as an umbrella for environmental cooperation. Israel has also been an active participant in NATO's Mediterranean Dialogue since 1994 and was the first member of the dialogue group to establish a diplomatic mission to the organisation. Participation in these organisations has enabled Israel to cultivate intimate relationships with NATO members like the US, Germany, France, Italy, and Greece, and prior to normalisation, engage with security officials from the Arab world. Israel hopes that as Eastern Mediterranean organisations like the EMGF evolve, new partnerships will also be fostered.

Adapting to the Post-American Era

The decision by the United States to gradually reduce its presence in the Middle East continues to have a profound effect on Israel. The reduction of the US 6th fleet created a void in the Eastern Mediterranean that the Russian and Iranian navies were happy to fill. The US withdrawal was not coordinated sufficiently with its regional allies, and today the dialogue between Washington and many of its traditional partners is fragmented. Over the past decade, Turkey, Egypt, and Israel have each expanded their naval capacity. European actors invested in the Eastern Mediterranean – such as France – have also ramped up their activities in the region.

It is premature to give Washington a final grade on its strategic withdrawal. The absence of a dominant power pushed Israel to seek out partnerships that could help mitigate the impact of its ally's departure, a positive development that has encouraged multilateral cooperation. The US has not disappeared. It remains a major soft power actor in the Eastern Mediterranean, supporting regional processes – like the EMGF – that benefit Israel in the short- and long-term. Concurrently, the lack of a

third-party "referee" has made the Eastern Mediterranean more competitive, which raises questions about how Israel should adapt to these changing circumstances. Given the special relationship between Washington and Jerusalem, there remain expectations about how allies like Israel relate to America's competitors. And nowhere are these contrasting interests more at play than in Israel's relationship with Russia and China.

All Eastern Mediterranean states must engage with Russia, which has taken advantage of the US withdrawal and reasserted itself in the region. Russia is heavily invested in the Assad regime and, as a reward for its support, Moscow will maintain a base of operations along the Syrian coast.[12] At the moment, regional initiatives like the EMGF do not threaten Russian interests, however, if that day arrives, the Kremlin knows how to exert its leverage on regional actors. Israel understands this, which explains why former Prime Minister Netanyahu had maintained an open line of communication with Russian President Vladimir Putin. If Israel had a choice, however, it would prefer Russia out of the Eastern Mediterranean.[13]

Israel must also tread lightly with China. As much as Israel is enticed by the prospect of Chinese commercial investments, deepening its cooperation with Beijing would potentially come at the cost of upsetting its most important strategic ally. In the past, Washington was critical of Israel's decision to allow Chinese companies to manage Haifa and Ashdod ports where US and other NATO vessels dock.[14] And in 2020, US Secretary of State Mike Pompeo visited Israel during the pandemic in

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[12] Russian gas companies have reportedly been given a tender to explore in Syria's coastal waters.

[13] E. Pinko, "Russia's Eastern Med Presence Complicates Israeli Naval Operations", *The Maritime Executive*, 14 March 2021; and A. Legucka, *Russia's Eastern Mediterranean Policy*, no. 111, Bulletin, The Polish Institute of International Studies, 22 May 2020.

[14] "Israel said to tell US it'll reassess China-linked firm's desalination plant bid", *The Times of Israel*, 12 May 2020; G. Lavi and S. Efron, *Foreign Involvement in Strategic Infrastructures Requires Clear Guidelines*, INSS Insight No. 1333, The Institute for National Security Studies, 11 June 2020.

order to voice frustration over Israel's consideration of a bid by China-linked firm Hutchison Water International to construct a desalination plant.[15] This is a quandary for Israel: Chinese companies usually offer better rates than their competitors, but is cooperation with China worth the risk? Navigating the middle ground between the US and its rivals will be a major challenge to Israel's regional policy in the coming decade.

While the US withdrawal has presented challenges to Israel's policies in the Eastern Mediterranean, it has also generated ample opportunities for Jerusalem to solidify its partnership with European states. The Eastern Mediterranean is Europe's backyard, a vital artery for international maritime traffic as well as a bridge to Africa and the Middle East. Maintaining Mediterranean security is a goal the EU can pursue only in cooperation with neighbouring states who share common interests and values. EU policy on the Israeli-Palestinian conflict may continue to be a sensitive subject for both sides, but that should not obstruct cooperation on regional initiatives, via UfM, the European Union Neighbourhood Policy, or joint security initiatives.[16] As the US exits the region, closer cooperation between Israel and Europe is logical consequence.

Establishing a Norms-Based Framework for Maritime Boundary Demarcation

The discovery of offshore hydrocarbons in the Eastern Mediterranean triggered a series of maritime boundary disputes between the region's actors, including Israel. Presently, Israel is at loggerheads with Lebanon over their maritime boundary.[17]

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[15] "Israel said to tell US it'll reassess China-linked firm's desalination plant bid…, cit.
[16] N. Kamel, "Union for Mediterranean scorecard? - 'must do better'", *EuObserver*, 27 May 2021; and R. Kibrik, *Israel and the Mediterranean A New Space for Regional Belonging Meeting Summaries from a Research and Policy Group*, MITVIM, May 2021.
[17] S. Henderson, *Lines in the Sea: The Israel-Lebanon Maritime Border Dispute*, PolicyWatch 3480, The Washington Institute for Near East Policy, 3 May 2021.

The Palestinian Authority takes issue with Israel's blockade on the Gaza Strip, arguing that it prevents the development of the Gaza Marine gas field.[18] And despite their close partnership, Israel and Cyprus have yet to reach a unionisation agreement that would regulate profit sharing from two adjacent fields that lie along their agreed exclusive economic zone (EEZ).[19] Resolving these disputes would reduce regional tensions and eliminate a reason for international companies to operate elsewhere.

Israel is not a signatory to the United Nations Convention on the Law of the Sea (UNCLOS) but does view it as international customary law. In 2010 it reached an EEZ agreement in Cyprus, and in the past has discussed settling its boundary with Egypt. Recent US-led mediation efforts between Israel and Lebanon have come up short, but publicly Israeli officials have maintained their interest in finding a solution.

Israel was successful in attracting foreign companies to explore its waters despite its outstanding disputes with neighbouring countries. But other Eastern Mediterranean states have not been so fortunate. The ongoing tensions between Turkey, Greece, and Cyprus threaten not only future investment in those maritime spaces, but regional projects as well. Israel would prefer to not involve itself in its neighbour's affairs, however, the accelerating interconnectedness of Eastern Mediterranean interests means that issues plaguing one actor often impact its neighbours. For this reason, pursuing a norms-based framework for maritime boundary demarcation is a crucial step in the region's future.

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[18] Improving the energy security of the Gaza Strip is a significant policy issue for the Palestinian Authority and Israel. Separate initiatives by Qatar and Egypt may address these questions in the future. But as May 2021 clash between Israel and Hamas demonstrates, without a political solution to the conflict Gaza's isolation from the rest of the region will likely continue into the foreseeable future. For more: A. Boxerman, "PA and Egypt agree to develop natural gas field off Gaza", *The Times of Israel*, 21 February 2021; and J. Khoury, "Qatar: Deal Reached to Supply Israeli Natural Gas to Gaza Power Plant", *Haaretz*, 14 February 2021.

[19] "Minister Steinitz and his Cypriot counterpart reach agreement on the Aphrodite-Yishai's dispute", Ministry of Energy, 9 March 2021.

There are other reasons for Israel to pursue this agenda. The Israeli navy was not a major component of Israel's national security strategy, but for decades it enjoyed freedom of movement in the Eastern Mediterranean. With the diminution of the US 6th fleet, this is now changing. Russia's naval presence in the region has expanded, and Egypt and Turkey have made significant upgrades to their naval capacity. Israel feels obligated to address Iran's smuggling of arms and oil to Syria and Hezbollah.[20] In order to maintain its qualitative edge over the sea as it does over land and air, Israel's military budget will need to reflect its changing perception of regional security issues. But pursuing a regional framework for cooperation on maritime security could help reduce tensions and the urge to securitise every maritime issue.

There is a potential role for Europe here. As a norms-based entity, the EU could assist in maritime boundary delimitation efforts – such as those between Israel and Lebanon, or between Israel and the Palestinian Authority – as well as incentivise processes (both direct and Track II) that prioritise the norms of international maritime law as articulated by UNCLOS.

Tackling Climate Change

Coincidentally, Israel's discovery of natural gas coincided with a growing public awareness of the risks of climate change and interest in protecting the marine environment. Civil society organisations and academic forums are placing a greater emphasis on protecting natural resources for the next generation. "Not In My Back Yard" is a common refrain in Israel, where the majority of the country's population lives along the coast and must share space with vital national infrastructure and industry. The conflict between energy developers and environmental

[20] M. Levitt, *Iran and Israel's Undeclared War at Sea (Part 1): IRGC-Hezbollah Financing Schemes*, PolicyWatch 3466, The Washington Institute for Near East Policy, 6 April 2021.

groups was front and centre when Noble Energy and Delek Group decided to construct the Leviathan offshore rig some 10 kilometres from the Israeli coastline. Several communities protested the decision, citing possible health risks of being so close to the rig.[21]

Addressing environmental protection and climate change will be at the core of Israel's Eastern Mediterranean policies in the coming decade.[22] While exploiting the sea's riches is an understandable priority, more should be done to create mechanisms of regional cooperation on environmental issues, such as monitoring maritime activity and climate change patterns, making multilateral commitments to reducing carbon emissions and establishing joint research on marine ecosystems. Israel is a hub for renewable energy technologies, so it is easy to imagine a scenario where Eastern Mediterranean states – perhaps through the EMGF – incentivise joint R&D initiatives on renewable technology that could help the region cope with the environmental challenges of climate change. More can also be done to connect electrical grids throughout the region in order to reduce waste and bolster energy security.

Regional cooperation on these issues will only grow in the coming decades, and Israel plans to be at the centre of the action. While it may benefit from technology that maintains a certain standard of human, food, and energy security, not all Eastern Mediterranean states have the same access. Israeli officials understand that the security and stability of other countries impacts its own security and are ready to find creative solutions that will address the security needs of its neighbours.

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[21] E. Rettig, *Claim What's Yours? The Impact of Natural Gas Discoveries on Israeli Politics, Socioeconomic Discourse, and Regional Perception*, Friedrich Ebert Stiftung, December 2016; N. Shpigel and Z. Rinat, "Fearing Pollution, Israelis Leave Homes as Offshore Gas Production Begins", *Haaretz*, 31 December 2019.

[22] C. Price, *Climate Change and Israel's National Security*, INSS Insight No. 1397, The Institute for National Security Studies, 29 October 2020.

Managing Turkey

Israel-Turkey relations experienced many diplomatic highs and lows over the decades, yet the strategic partnership was for many years a fixture in Israel's strategic paradigm. The ascendance of new political elites in the XXI century tested that partnership in unprecedented ways. Under the leadership of Recep Tayyip Erdoğan, Turkey pursued an independent foreign policy that was often at odds with the United States and her allies. During his early years in office, Erdoğan challenged Turkey's military establishment and, in the process, removed many of the traditional channels of communication with Israel. Consequently, the mechanisms for dialogue between the long-time allies were unable to prevent a total collapse in diplomatic relations. Ankara became increasingly sympathetic to Muslim Brotherhood affiliates – like Hamas – in the Middle East and North Africa, and diplomatic ties between Israel and Turkey were officially downgraded following the Gaza Flotilla affair in 2010. Despite efforts to reset relations in 2016 and negotiate a possible natural gas pipeline deal, the parties have failed to reach an accord.[23]

Israel is not alone in its frustration with Turkey. Erdoğan's policies have aggravated most Eastern Mediterranean states.[24] But Jerusalem appears committed to keeping the lines of communication open with Ankara. Turkey remains an important trade partner for Israel and the two countries continue to share intelligence information. Israeli officials have reiterated that the EMGF is not an anti-Turkish forum, and that the organisation remains open to all (though Turkish officials argue otherwise). But even if Jerusalem and Ankara find a way to normalise diplomatic ties, the relationship will still require heavy maintenance.[25]

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[23] G. Mitchell, *Welcome to the New Normal: Israel and Turkey's Turbulent Relations in the Post-Reconciliation Era*, MITVIM, October 2018.

[24] M. Tanchum, "Turkish Military Maneuvering Pushed Italy and France to Join Forces in the Mediterranean. Now What?", *Foreign Policy*, 23 September 2020.

[25] G. Mitchell, *The Biden administration can help mend ties between Turkey and Israel*,

Establishing a Bridge for Interregional Cooperation

Rather than view the Eastern Mediterranean as a self-contained regional space, Israel is trying to establish itself both as a central actor within the region as well as a bridge between different regional spaces. Participation in interregional activity between Europe, Africa, and the Middle East offers significant long-term benefits for Israel as a hub for commercial and strategic activity, but would not have been possible if it were not for the recent agreements with the UAE, Bahrain, Sudan, and Morocco. These processes, combined with a decade's worth of diplomatic activity in the Eastern Mediterranean, has allowed Israel to start linking conversations and interests stretching from Europe to the Gulf. This diversifies the set of partners Israel can potentially collaborate with and increases the possibility of other countries turning to Israel. For example, since the signing of its agreement with the UAE, Israel has been in discussions about utilising its advanced port facilities in the Mediterranean as an alternative transportation route to the Suez Canal.[26] There are also conversations about how to merge Eastern Mediterranean initiatives with the larger Mediterranean, including the European Union's Neighbourhood Policy and NATO's Mediterranean Dialogue. As Israel's commitment to developing a regional framework for cooperation grows, so will its efforts to expand the number of actors seeking to collaborate in and across that space.

The Future of the Eastern Mediterranean

The current realities of the East Mediterranean offer a unique opportunity for regional cooperation and interdependence. But in order to realise the region's potential, countries must try to find comprehensive solutions to many of the subjects addressed

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Atlantic Council, 10 February 2021.

[26] L. Vax, "Israel: From lonely island to major Middle East hub", *Globes*, 7 December 2020.

in this piece. How can you effectively develop a regional strategy that copes with the departure of the US and the emergent presence of Russia and China? Is there a way to resolve regional maritime boundary disputes so that more of an emphasis can be placed on cooperative initiatives that try to address the issues of climate change, energy security, and human security? Is there a way of incorporating Turkey, Lebanon (and maybe, one day, Syria,) into regional processes? And how can Eastern Mediterranean states maximise their strategic location between other geopolitical spaces to the benefit of the region as a whole?

These are not far-fetched ideas. If Israel's experience has any lessons to offer it is that there are more common interests between Eastern Mediterranean states than there are differences. The priority for the region's actors is to find the right balance between economic and strategic interests, and between high-level discussions and civil society engagement, for these processes to support the construction of a robust cooperative framework that can address the challenges of tomorrow.

2. The Stakes for Greece and Cyprus in the Eastern Mediterranean

Zenonas Tziarras

New Dynamics in the Eastern Mediterranean

The 2010s proved to be a particularly significant decade for the balances of power in the Eastern Mediterranean. On the one hand, Turkish foreign policy since the rise of the Justice and Development Party (AKP) to power in 2002 emerged as more assertive and, later, revisionist.[1] The new rhetoric articulated by Ankara and its new mentality on strategic and security matters eventually put it at loggerheads with a number of states in the region, starting with Israel and later Syria and Egypt (also Iraq, Saudi Arabia, the United Arab Emirates, and France). New tensions arose between Greece and Turkey as well, though the two are NATO allies, while Cyprus has no relations with Turkey at all since the latter occupied the island's north since 1974 and refuses to recognise the Republic of Cyprus. In the early 2010s, these patterns of enmity and amity brought with them a new set of threat perceptions and, by extension, incentives and needs for new types of cooperation particularly among the states that

[1] Ş. Kardaş, "Revisionism and Resecuritization of Turkey's Middle East Policy: A Neoclassical Realist Explanation", *Journal of Balkan and Near Eastern Studies*, vol. 23, no. 3, 2021, pp. 490-501.

faced problematic relations with Turkey.[2] On the other hand, the discovery of hydrocarbons off Israel and later off Cyprus and Egypt provided additional reasons for cooperation, eventually strengthening newly developed relations.[3] By the mid to late 2010s, a bipolar – if fragile – geopolitical order emerged in the Eastern Mediterranean with Turkey as one of the poles and the cooperating states (Cyprus, Greece, Israel, Egypt, etc.) as the other.

Greece and Cyprus are important parts of this new security architecture and network of cooperation in the Eastern Mediterranean for three main reasons: a) they both have traditionally troubled relations with Turkey, b) they have a traditionally close relationship and partnership between themselves, and c) the new state of affairs is beneficial to them and serves the management of their traditional insecurities. In addition, Cyprus, as one of the states with natural gas reserves, could potentially participate in energy projects as a transit and/or a producing country.

Against this background, this chapter focuses on the various interests and strategies of Greece and Cyprus respectively, within the new geopolitical order of the Eastern Mediterranean. It argues that factors such as the pursuit of a new international role, survival, security, stability and development drive strategies which, depending on the country concerned, range from deterrence and balancing to cooperation and diplomacy in bilateral and multilateral settings. The chapter concludes with comments on the future of the international politics of the Eastern Mediterranean.

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[2] Z. Tziarras, "Israel-Cyprus-Greece: A 'Comfortable' Quasi-Alliance", *Mediterranean Politics*, vol. 21, no. 3, 2016, pp. 407-427.

[3] F. Proedrou, "A Geopolitical Account of the Eastern Mediterranean Conundrum: Sovereignty, Balance of Power and Energy Security Considerations", *Cambridge Review of International Affairs*, 2021; Z. Tziarras, *The Eastern Mediterranean: Between Power Struggles and Regionalist Aspirations*, Nicosia, PRIO Cyprus Centre, 2018.

Greece: Old Problems and the Search for a New Identity

Since its establishment, the Greek state "has sought an identity that would reconcile its competing ties to its Western heritage and its oriental experience".[4] In the years that followed, the country's weakness rendered it vulnerable to and dependent on foreign powers. As a result, Greece could hardly develop a fully independent foreign policy. During the Cold War, Greece, a NATO member since 1952, drew closer to its western identity and maintained a largely pro-western orientation. In 1974, after a seven year long military Junta, democracy was restored and Athens sought to reinforce its western orientation by entering the European Communities (1981), although it did withdraw from the NATO military command between 1974 and 1980 in protest at the 1974 Turkish military invasion of Cyprus. Its decision to join the European Community was "shrouded in terms of belonging – Greece belonged to the West and, therefore, it belonged to the European Commission".[5] During the same period and while maintaining its western orientation, Greece also tried to expand its foreign policy horizons towards the Arab world, the Balkans and the Third World.[6] However, Greek foreign policy remained isolationist in principle and,[7] despite its potential as a key state in its region and a western ally, it appeared reluctant to play a more central and leading regional role – even during the first post-Cold War decade.[8]

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[4] Van Coufoudakis, "Greek Foreign Policy since 1974: Quest for Independence," *Journal of Modern Greek Studies*, vol. 6, no. 1, 1988, p. 56.

[5] D. Triantaphyllou, "The Priorities of Greek Foreign Policy Today", *Southeast European and Black Sea Studies*, vol. 5, no. 3, 2005, p. 328.

[6] H. Tzimitras, "Alternative Forms of Nationalism: Superiority through Law in Greek Foreign Policy", in A. Aktar, N. Kızılyürek, and U. Özkırımlı (Eds.), *Nationalism in the Troubled Triangle: Cyprus, Greece and Turkey*, London, Palgrave Macmillan, 2010, pp. 131-132.

[7] A. Kazamias, "The Quest for Modernization in Greek Foreign Policy and Its Limitations", *Mediterranean Politics*, vol. 2, no. 2, 1997, p. 72.

[8] P. Tsakonas, "Introduction: Contemporary Greek Foreign Policy [in Greek]",

Towards the end of the 1990s, due to international systemic changes and different perceptions at the leadership level domestically, Greece pursued a more outward foreign policy, normalising relations with neighbouring states and enhancing its European Union (EU) and US ties.[9] At around the same time, the Europeanisation of Greek foreign policy entered the picture as well, with the EU and its various institutions emerging as transformative factors for Greek foreign policy.[10] At the dawn of the XXI century, Greece's conception of the Eastern Mediterranean seemed to change as well. Athens increasingly understood it as a space where two clusters of conflicting states meet: a) the actors related to the Arab-Israeli conflict, and b) the Greece-Cyprus-Turkey triangle.[11] In the context of growing interdependence between the states of the region, Greece started to see the Arab-Israeli conflict through the lens of Greek-Turkish relations while the Cyprus problem became more involved in the Middle East. It believed that better relations with the Arab world and a constructive contribution to the Palestinian issue would support the endeavours of Athens and Nicosia in their dealings with Turkey.[12]

However, by 2010, an economic and debt crisis knocked on Greece's door with tremendous repercussions for the country's social fabric and political-economic capabilities. It impacted Greek foreign policy as well though not as severely as initially feared, not least because of the capabilities that Greek participation in western institutions and organisations offered.[13] It is true, however,

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in P. Tsakonas (Ed.), *Contemporary Greek Foreign Policy [in Greek]*, Athens, I. Sideris, 2003, pp. 17-18.

[9] Ibid., 19.

[10] C. Tsardanidis and S. Stavridis, "The Europeanisation of Greek Foreign Policy: A Critical Appraisal", *European Integration*, vol. 27, no. 2, 2005, p. 226.

[11] Y.A. Stivachtis, "Greece and the Eastern Mediterranean: Security Considerations, the Cyprus Imperative and the Eu Option", in T. Diez (Ed.), *The European Union and the Cyprus Conflict: Modern Conflict, Postmodern Union*, New York, Manchester University Press, 2002, pp. 35-36.

[12] Ibid., pp. 36-37.

[13] A. Tziampiris, "Greek Foreign Policy in the Shadow of the Debt Crisis: Continuity

that Greece had until that point in time approached the Eastern Mediterranean as a country foreign to the region and particularly on the basis of its connections with the Middle East.[14] The country was thus essentially absent from the broader neighbourhood. Greek-Turkish relations and their extensions were its primary concern. As Thanos Dokos put it, "an inward-looking and passive foreign policy mentality led to very few foreign policy initiatives and no exploitation of opportunities for multilateral initiatives or the establishment of tactical and strategic alliances".[15]

Yet the 2010s saw Greece making a gradual shift towards a new role, one more integral to the Eastern Mediterranean. The international power vacuum, the growing number of threats stemming from regional instability, the shift in Turkish foreign policy, its own domestic challenges, Greek leadership beliefs, and new geopolitical opportunities prompted Greece to become somewhat more assertive.[16] This allowed Athens to pursue a more independent foreign policy as well. The greatest opportunity presented itself at the beginning of the decade and came in twofold form. On the one hand, Turkish-Israeli relations broke down and Israel was left looking for partners while, on the other hand, Cyprus made an important natural gas discovery (the Aphrodite gas field) increasing Greece's prospects for hydrocarbon discoveries of its own and possibilities for regional cooperation. Greek-Israeli relations were the first to improve, in parallel with warming in Cyprus-Israel relations.[17]

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and New Directions", in P. Sklias and N. Tzifakis (Eds.), *Greece's Horizons: Reflecting on the Country's Assets and Capabilities*, London, Springer, 2013, p. 28.

[14] I.N. Grigoriadis, "Seeking Opportunities in Crisis Times: Greek Foreign Policy in the Middle East", *ELIAMEP Thesis*, 1/2012, 2012, p. 1.

[15] T. Dokos, "Energy Geopolitics in the Eastern Mediterranean: The Role of Greece", in A. Giannakopoulos (Ed.), *Energy Cooperation and Security in the Eastern Mediterranean: A Seismic Shift Towards Peace or Conflict?*, Tel Aviv, The S. Daniel Abraham Center, 2016, p. 37.

[16] C. Tsardanidis, "Greece's Changing Role in the Eastern Mediterranean", in Z. Tziarras (Ed.), *The New Geopolitics of the Eastern Mediterranean: Trilateral Partnerships and Regional Security*, Nicosia, PRIO Cyprus Centre, 2019; T. Dokos (2016).

[17] A. Tziampiris, *The Emergence of Israeli-Greek Cooperation*, London, Springer,

Interests

Greece's "rediscovery" of the Eastern Mediterranean of course included the dimension of Greek-Turkish relations and the need for security, but this time it encompassed a number of other interests as well. For example, Athens wanted to participate in dynamics that would shape the region's new security architecture in terms of power balances, regional development, and networks of cooperation. It appeared willing to become an agenda-setter. In fact, a new foreign policy role and identity seemed to become more and more an objective. Beyond the changes in the regional patterns of enmity and amity, American-Turkish relations had started to deteriorate as well. In the context of its traditional western orientation Greece was now able to play a more independent role as an Eastern Mediterranean state and acquire a more important place in the plans of the US, EU, and NATO. This way, Athens could right the wrongs and lost opportunities of the past. Moreover, the expectation was that Greece could potentially replace Turkey as the foremost western ally in South-eastern Europe given that Turkey was drifting away from its western allies, creating a growing divergence between Turkish and western interests.[18]

For the same reasons, Greece became even more fearful of Turkish revisionism[19] and concerned about its sovereignty and territorial integrity, especially regarding the issue of maritime zones.[20] The mounting rhetoric from Turkish officials about their intention to revise or upgrade the Treaty of Lausanne,[21]

2015, pp. 55-91.

[18] "Greece Poised to Replace Turkey as Nato Air Power in East Mediterranean", *The National Herald*, 27 December 2020.

[19] Z. Tziarras and J. Harchaoui, "What Erdogan Really Wants in the Eastern Mediterranean", *Foreign Policy* , 19 January 2021.

[20] See, N.A. Ioannides, *Maritime Claims and Boundary Delimitation: Tensions and Trends in the Eastern Mediterranean*, New York, Routledge, 2021; A. Gürel, F. Mullen, and H. Tzimitras, *The Cyprus Hydrocarbons Issue: Context, Positions and Future Scenarios*, Nicosia, PRIO Cyprus Centre, 2013.

[21] "There Are Certain Details of the Treaty of Lausanne Which Remain

the country's new *Mavi Vatan* (Blue Homeland)[22] naval doctrine that extends from the Black Sea to the Aegean and the Eastern Mediterranean, and a number of naval and military operations, had Greece (and other regional states) worried. As Turkish President, Recep Tayyip Erdoğan, mentioned in one of his speeches in 2016, soon after Turkey's first intervention in Syria, "our physical boundaries are different from the boundaries of our heart… we cannot draw boundaries to our heart, nor do we allow it".[23] It was not long before maps of the Blue Homeland started circulating in Turkish media as well.[24] Based on this doctrine, in 2019 Turkey conducted two of the largest naval drills in its history called "Blue Homeland" and "Seawolf" respectively.[25] Part of this doctrine was also Turkey's arbitrary exclusive economic zone (EEZ) agreement with Libya that disregards Greece's sovereign rights.[26] Faced with this new expanded form of claims and maritime assertiveness, traditional concerns about national security and survival not only continued to exist in the 2010s for Greece but were also inflamed. Any new foreign policy identity had to incorporate these insecurities and threat perceptions as well.

Lastly, the economy is also a persistent issue that Greece needs to address and take into account when making foreign policy decisions. The economy might be faring better now than in the early 2010s. However, the country is still in crisis and facing issues like growing public debt, high unemployment rates and low global competitiveness. In this sense, Greece's contribution

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Unclear", Presidency of the Republic of Turkey, 7 December 2017.

[22] See chapter 3 in this volume, pp. 52-53.

[23] "We Are Present in the History of Mosul", Presidency of the Republic of Turkey, 15 October 2016.

[24] B. Yinanç, "Blue Homeland 'Shows Turkey Has Become a Maritime Power'", *Hürriyet Daily News*, 4 March 2019, accessed 5 April 2020.

[25] C. Kasapoglu, "'The Blue Homeland': Turkey's Largest Naval Drill", *Anadolu Agency*, 27 February 2019.

[26] S. Nordhov Fredriksen and Z. Tziarras, *The Libya Conflict and Its Security Implications for the Broader Region*, Re-Imagining the Eastern Mediterranean Series: PCC Report, 4/2020, Nicosia, PRIO Cyprus Centre, 2020, pp. 21-26.

to the new regional networks of cooperation is not only related to efforts for regional stability and development, but also to the country's need for economic projects, investments, and opportunities for bilateral and multilateral economic cooperation.

Strategies

To safeguard these and other interests, Greece has employed various strategies in recent years, such as:

- the pursuit of multidimensional bilateral relations (diplomatic, economic, security, etc.) with states such as Cyprus, Israel, Egypt, France, and the United Arab Emirates (UAE);
- multilateral schemes of cooperation, most notably the trilateral partnerships with Cyprus, Israel, and Egypt, and the Eastern Mediterranean Gas Forum (EMGF), which are also seen as external balancing acts (i.e., multiplying national power through international partnerships);
- efforts at internal balancing (investing in national power components) such as the procurement of arms, including fighter aircraft, warships, and advanced weapons;[27]
- the signing of maritime deals with neighbouring countries, specifically with Italy and Egypt on continental shelves and EEZs, to safeguard its sovereign rights against the claims of Turkey;
- involvement in current or prospective energy projects.

Most of these strategies have the Eastern Mediterranean at their epicentre while at the same time utilising Greece's EU membership and participation in western security institutions and structures. Indeed, Greece and Cyprus have proven important partners diplomatically as they advocate for both Israel and Egypt within EU institutions. The trilateral

[27] E. Petrou, "Greece Announces Procurement Plans", *Janes*, 15 September 2020.

partnerships (Cyprus-Greece-Israel and Cyprus-Egypt-Greece) are the cornerstone of Athens' search for a new regional identity and strategy as well as part of a broader pro-western security architecture in the area. They were built on improved bilateral relations, and thereafter expanded to trilateral relations and eventually to multilateral relations and institutions.[28]

On the one hand, the EMGF, established as an international organisation in 2020,[29] has only a niche policy focus on energy. On the other hand, trilateral partnerships assumed extended forms and occasionally led to multilateral meetings (e.g., Cyprus, Greece, Egypt, France, UAE).[30] Within the framework of these relations, Greece pursued enhanced military, economic and energy cooperation. For example, it signed a defence pact with the UAE, a defence deal with Israel, and conducted naval drills with Egypt, the UAE, and Cyprus.[31] It also boosted its economic relations with Egypt and the UAE[32] and has been part of the discussions and negotiations about the EastMed pipeline planned to transfer gas from Israel to Europe through Cyprus and Greece. In 2020, Israel, Cyprus and Greece signed a political agreement on the said pipeline. In 2021 it was reported that Greece and Egypt have been discussing an alternative route for the pipeline that would bypass Cyprus and run through Egypt to Greece instead.[33] The prospects of the

[28] T. Dokos (2016), pp. 45-46.

[29] The foundational states are Egypt, Greece, Cyprus, Italy, Israel, Jordan, and the Palestinian Authority.

[30] B. Özkan, *From the Abode of Islam to the Turkish Vatan: The Making of a National Homeland in Turkey*, New Haven and London, Yale University Press, 2012.

[31] S. Mathews, "UAE Joins Greek, Egyptian Naval Exercise in Eastern Mediterranean", *Al-Monitor*, 1 December 2020; A. Carassava, "Greece, Israel Seal $1.6 Billion Defense Deal", *Voice of America*, 8 January 2021; P. Iddon, "Greece-UAE Defense Pact Could Benefit the Hellenic Air Force", *Forbes*, 17 December 2020.

[32] N. Efstathiou, "Top Egyptian Investor Calls for Action Plan to Bolster Greek-Egyptian Cooperation", *eKathimerini*, 30 December 2020; A. Athanasopoulos, "How UAE, Greece Came Closer Together", *Arab News*, 25 February 2021.

[33] "Athens and Cairo Mull Changing the Route of Eastmed Pipeline", *Euractiv*,

EastMed pipeline remain uncertain. Likewise, the EMGF has not demonstrated any substantive initiatives so far. However, both projects have a significant diplomatic-political weight that contributes to the sustainability, future, and enhancement of regional relations. In addition, they contribute to Greece's efforts to become integrated into the Eastern Mediterranean and deal with its traditional security concerns.

Cyprus: Between Pro-Activity and (In)Security

After its establishment in 1960, instead of joining one of the two camps of the Cold War, the Republic of Cyprus (RoC) tried to maintain an independent, "non-aligned" international position. It immediately joined the Non-Alignment Movement (NAM), a community of over 120 nations from all over the world, especially from the Third World and Global South. In the context of the NAM, the RoC developed largely positive relations with many states of the Arab world, particularly those sharing the waters of the Eastern Mediterranean. The NAM became a necessary and useful forum – though largely unsuccessful – in the RoC's efforts to manage tensions with Turkey and, after 1974, the Turkish occupation of the island's north. In fact, the NAM maintained a Contact Group to assist efforts for the resolution of the Cyprus problem, and its declarations contained "all the vital elements" needed to that end.[34] Cyprus withdrew from the NAM in 2004 when it joined the EU.

This background encapsulates in a nutshell the constants and continuities in the foreign policy of the RoC since its establishment. Only three years after the foundation of the Republic, ethnic strife broke out between Greek Cypriots and Turkish Cypriots, plunging the island into cycles of violence and leading to the Turkish invasion of 1974. The RoC never

4 March 2021.

[34] Cyprus PIO, *About Cyprus*, Nicosia, Republic of Cyprus, 2001, no. 125.

had the time to grow and mature in its foreign affairs as a normal state. It became a state of exception on various levels including its constitution and government, which after 1964 was controlled only by the Greek-Cypriots, and its de facto severed territorial sovereignty.[35] As such, the foreign policy of the RoC was for decades focused on and consumed by efforts to address its political problem and an existential security threat that is still synonymous with Turkey.[36] Its participation and activity in international organisations and fora always included this dimension. Likewise, Nicosia saw its accession to the EU as a development that would be catalytic for the resolution of the Cyprus problem in its favour, given the interconnection of the conflict with Turkey's own EU accession process.[37]

The RoC's expectations regarding the role of the EU proved unrealistic. However, the country's EU membership contributed to the Europeanisation of its political system, judiciary, economy, domestic policies, and foreign policy.[38] The RoC entered into a period of greater pro-Western orientation, institutional maturity and diplomatic pro-activity, and began exploring a new regional and international identity.[39] During the 2000s the RoC delimited its EEZ with Egypt (2003), Lebanon (2007), and Israel (2010), and launched the first licensing round for hydrocarbon explorations. This was the beginning of a new geopolitical perspective on the Eastern

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[35] C.M. Constantinou, "On the Cypriot States of Exception", *International Political Sociology*, vol. 2, no. 2, 2008.

[36] M. Kontos, "The Strategic Security and Survival Planning of the Republic of Cyprus: Past Choices and Future Prospects [in Greek]" in C. Ioannou, D.P. Sotiropoulos, and A.K. Emilianides (Eds.), *Cyprus in an New Era: Geostrategic Parameters, Economy, Foreign Policy*, Nicosia, Hippasus, 2014.

[37] Turkey was accepted as a candidate member state in 1999 and negotiations for its accession to the European Union started in 2005.

[38] A. Sepos, *The Europeanization of Cyprus: Polity, Policies and Politics*, New York, Palgrave Macmillan, 2008.

[39] See, M. Papaioakeim, "The Rise of the Republic of Cyprus' Defence Diplomacy in Its Neighbourhood", *Cyprus Review*, vol. 30, no. 1, 2018; A. Sepos (2008), pp. 122-134.

Mediterranean. In 2011 it discovered its first natural gas reserve in the Aphrodite field of Block 12. The same systemic conditions that informed Greek foreign policy and created a permissive regional environment for a more outgoing approach by Athens influenced the RoC's perceptions and policies as well.[40] The regional power vacuum due to the partial retreat of American hegemony and, most importantly, Turkey's severed ties with Israel and Egypt provided the RoC with more space to manoeuvre and created the opportunity for a new security architecture.[41] Within this environment, the RoC was quick to develop deeper relations with Israel and Egypt as well as other regional states, including Lebanon, Jordan and, later, France and the UAE. Like Greece, the RoC was one of the initiators of trilateral partnership diplomacy; it contributed to the establishment of the EMGF, and overall, to the emergence of a different geopolitical setting.

Interests

Despite its new regional role and foreign policy identity, the RoC has been unable to break free from the imperatives of the Cyprus problem and its traditional security threat perceptions. In 2020, RoC Foreign Minister Nikos Christodoulides wrote that "the Cyprus problem continues to be the foremost priority, at the heart of our foreign policy, utilising all political and diplomatic tools at our disposal".[42] From this perspective, the most important interest at stake for the RoC is national security and survival. This relates not only to the need for a "just, viable, and functioning" solution

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[40] M. Tanchum, *A New Equilibrium: The Republic of Cyprus, Israel and Turkey in the Eastern Mediterranean Strategic Architecture*, PRIO Cyprus Centre Occasional Paper Series 1, 2015.

[41] Z. Tziarras, "Cyprus's Foreign Policy in the Eastern Mediterranean and the Trilateral Partnerships: A Neoclassical Realist Approach", in Z. Tziarras (Ed.), *The New Geopolitics of the Eastern Mediterranean: Trilateral Partnerships and Regional Security*.., cit.

[42] N. Christodoulides, "Cyprus Foreign Policy - the Way Forward", *In Depth*, vol. 17, no. 6, 2020, p. 2.

to the conflict (and the beginning of a normalisation process), but also to the perception of the Turkish threat more broadly within the RoC. Turkey's domestic economic and political uncertainty and transformation towards authoritarianism,[43] especially since the attempted coup of 2016, together with its revisionist geopolitical agenda abroad (including illegal maritime operations within the RoC's EEZ), has exacerbated Greek-Cypriot fears and threat perceptions *vis-à-vis* Turkey that were already present because of the latter's role in Cyprus.[44]

The RoC's needs in the economic sector are related to security and survival as well. Although, after the 2013 financial crisis and the shock of the "bail-in", the economy managed to recover to some extent, important issues are still aggravated by the COVID-19 pandemic. Public debt is almost at 100% of GDP, unemployment rates are among the highest in the EU, and the nation's economic model is heavily based on services and tourism.[45] Therefore, expanding international economic cooperation and participating in energy and other projects is in the best interest of the RoC as a small state with limited resources.

Furthermore, the RoC seems interested in playing a key regional role that would be beneficial for other international actors and organisations, and in promoting "a vision of cooperation, peace, stability and prosperity", in contrast to Turkey's destabilising and revisionist actions.[46] In fact, the RoC Foreign Minister argues that "the cooperation developed in the region has also created a dynamic that could lead to the creation of a regional Organisation for Security and Cooperation when the political conditions permit".[47] The RoC's interest in regional stability, cooperation

[43] O. Bakıner, "How Did We Get Here? Turkey's Slow Shift to Authoritarianism", in B. Başer and A.E. Öztürk (Eds.), *Authoritarian Politics in Turkey: Elections, Resistance and the AKP*, London and New York, I.B. Tauris, 2017.

[44] See Z. Tziarras, "Turkish Foreign Policy and Security in Cyprus: The Aspect of Greek-Cypriot Security Perception", PRIO Cyprus Centre Report, no. 2, 2019.

[45] See, "Cyprus Profile: Growth on the Horizon", December 2020; "Cyprus: Unemployment rate from 1999 to 2020", March 2021.

[46] N. Christodoulides (2020), p. 4.

[47] Ibid.

and development is also linked to its own need for security and prosperity. It has evidently come to see itself as an integral part of and a (pro)active EU actor in the Eastern Mediterranean, both in terms of security (threats) and cooperation/development. The RoC's Eastern Mediterranean strategy is therefore influenced by how it perceives its new role as well as the new regional balances.

Strategy

In light of the above, Nicosia's new regional approach is twofold: firstly, it strives to contribute to a regional balance of power that will assist in the alleviation of its traditional security threats and, secondly, it continuously renews its efforts for a resolution to the Cyprus problem domestically. The latter would ideally have positive implications for regional relations as well, but it remains a very difficult and complex undertaking. One of the challenges the RoC has faced in recent years is in establishing an effective "linkage" between its foreign policy and its efforts to resolve the conflict. Ideally, the former would assist the latter, but this has not been possible given that regional polarisation has deepened. Otherwise, the RoC has generally followed strategies similar to those of Greece:

- it pursues a strategy of external balancing through enhanced and expanding international partnerships;
- it wants to achieve security, regional stability and development through the integration and institutionalisation of regional networks of cooperation – in other words it promotes a kind of regionalism in the Eastern Mediterranean;[48]
- it engages international oil companies (IOC) for hydrocarbon exploration and operations within the Cypriot EEZ, hoping that it will also receive the political backing of the countries behind the IOCs;
- it aspires to participate in key energy projects, such as the Cyprus-Egypt and the EastMed pipelines.

[48] See S. Tziarras, "Cyprus's Foreign Policy in the Eastern Mediterranean"…, cit.

To be sure, the RoC is in a more fragile position than Greece when it comes to balances of power in the Eastern Mediterranean. It remains the region's weakest state in terms of power and the only one that is actually occupied by a foreign country. Therefore, for the RoC, the stakes are higher and the available means more restricted. For these reasons, the success of its foreign policy attempts is not guaranteed and, to a certain extent, remains conditional on favourable systemic factors such as negative relations between Turkey-Israel and Turkey-Egypt. From this perspective, the RoC also remains exposed to its traditional security threats, and especially Turkey's coercive policies, insofar as established networks of cooperation and partnerships are unable to defend Cypriot interests practically. For a country like Greece which, despite its problems, is still strong militarily, international partnerships function as power multipliers. For Cyprus, for the time being, they only achieve a "soft balancing" effect and have not so far been able to deter or render ineffective the threatening actions of Turkey.

Conclusions: Convergences and the Pandemic Factor

Overall, Greece and Cyprus share many security concerns and interests in the Eastern Mediterranean, although the severity of their perception of security concerns may differ. They also follow similar strategies, often in coordination with each other (see Table 2.1). They both contributed to and are part of the new Eastern Mediterranean security architecture. Of course, the Eastern Mediterranean bipolar geopolitical order remains unstable due to the constantly shifting dynamics within it and the imbalances of power. The global COVID-19 pandemic has made things worse by impacting economic, social, and political stability in Cyprus and Greece – as in much of the rest of the world. With regard to the external environment, it also increased the severity and imminence of the Turkish threat and affected the prospects of regional energy cooperation.

Tab. 2.1 - The Interests and Strategies of Greece and the RoC

Interests		Strategies	
Greece	**Republic of Cyprus**	**Greece**	**Republic of Cyprus**
Security	Survival	Internal balancing	External balancing
Regional stability & development	Security	External balancing	Engagement of IOCs
Economic development & growth	Resolution of Cyprus problem	Participation in (prospective) energy projects	Participation in (prospective) energy projects
Agenda-setting role	Regional stability & development	Delimitation of maritime zones	Peace negotiations
Improved international position	Economic development		Pursuit of regionalism
Enhanced role for NATO & EU	Enhanced role for EU & international actors		

Despite facing the same issues, Turkey has not abandoned it geopolitical plans for the region. At the height of the pandemic, in 2020, major oil and gas companies that operated in the Cypriot EEZ (e.g., Total, ENI, Exxon Mobil) suspended their operations – as in many other cases around the globe – until 2021 or 2022. Turkey seized this opportunity to do the exact opposite. In the absence of these companies from the area, Ankara once again sent its Yavuz drillship to drill in the RoC's EEZ bloc 6, that was licensed to ENI and Total. Such Turkish activity, in contrast with the trends of the pandemic, was facilitated not only by the power vacuum in the area but also by the fact the Turkish political system has in recent years became authoritarian and leader-centric. Such decisions are taken by a very small circle of people close to President Erdoğan. It seems

that Erdoğan has prioritised his international image as a strong and unmovable leader along with geostrategic objectives such as those in Syria, Libya and the Eastern Mediterranean, where Turkish operations have never ceased.

To a large extent this prioritisation took place at the expense of public health in Turkey. Ankara clearly thought that exploiting the juncture of the pandemic would further its objectives regarding the emerging energy architecture, and the Cyprus problem. The outcomes of Turkish activity and foreign policy will, more broadly in future, depend on Turkey's drilling success, on the effectiveness of the RoC, Greece and their partners in balancing and deterring Turkish actions, and on whether Turkey will be forced to moderate its foreign policy due to domestic problems or the growing cost of external operations. In any case, it is unlikely that the storm of regional competition will weaken any time soon.

Lastly, it should be noted that the pandemic had a significant impact on global energy markets as well. It slowed down energy demand and led to the collapse of oil and natural gas prices. By extension, this had an impact on the calculations and prospects of new energy projects. In conjunction with global, and more importantly European attempts at de-carbonisation, it rendered projects like the EastMed pipeline less feasible financially and the natural gas to be exported through it less competitive. These energy and financial dynamics can raise important obstacles to efforts towards further energy cooperation among the states of the Eastern Mediterranean and, therefore, hinder attempts to integrate regional cooperation. Given this, Greece and the RoC are looking to sustain and improve these relations independently from prospects of energy cooperation. It will not be difficult to maintain good political relations, but the scenario of improved Turkey-Israel and Turkey-Egypt relations can bring about significant changes in the security architecture and power balance of the Eastern Mediterranean.

3. Turkey in the Eastern Mediterranean: Between Energy and Geopolitics

Mitat Çelikpala

As one of the main players in the region, Turkey has been closely monitoring developments in the East Mediterranean basin, including the bilateral and trilateral energy agreements signed by Cyprus, Israel and Egypt for a liquefied natural gas (LNG) project, the military cooperation that supports these agreements, and the Eastern Mediterranean Gas Forum (EMGF). These developments left Turkey feeling excluded and threatened by the new regional groupings. Growing competition and these new energy agreements also threatened to overturn Turkey's energy policy, which was primarily focused on maintaining Turkey's position as an energy hub between the east-west and north-south corridors. Turkey's absence in all these new equations is a major concern for the region because of Turkey's overlapping maritime claims, vast domestic market, and potential as a transit route for Eastern Mediterranean gas exports. Compounded by other regional and global effects, this has caused Ankara to feel isolated. Turkey's relations with Israel have deteriorated, links with Egypt have been severed and relations with Syria and Iraq have been reduced to the fight against terrorism. At the same time, disagreements are souring ties with the EU and the United States. Despite some signs of change in Turkish foreign policy of late, there is a long way to go for all the players involved. This chapter analyses Turkey's changing interests and policies in the Eastern Mediterranean.

A Starting Point for Turkey: Energy Dependency and Being an Energy Hub

Turkey is an energy-dependent country, and this has created a very significant challenge for Turkish policymakers since the late 1980s. Turkey currently imports around 75% of its primary energy supplies, mainly oil and natural gas. Turkey's import dependency on oil was more than 90%, while this figure was almost 99% for natural gas in 2020. For crude oil, Turkey's imports come mainly from Russia, Iraq, Kazakhstan, Saudi Arabia, and Kuwait. Natural gas imports are significant for Turkey's energy security as consumption has increased almost tenfold in the last three decades. In 2020, Turkey purchased around 45 billion cubic metres of natural gas from other countries, representing a nearly 50% increase in 10 years.[1] In 2019, Turkey imported roughly 34% of its natural gas from Russia (compared to 52% in 2016), 21% from Azerbaijan and 17% from Iran, using various pipelines:[2] Russia-Turkey Pipeline (Western Route), Blue Stream Pipeline, and TurkStream from Russia, Iran-Turkey or Eastern Anatolian Pipeline, TANAP (Trans-Anatolian Pipeline) and the Baku-Tbilisi-Erzurum (BTE) pipeline from Azerbaijan. Turkey's remaining natural gas consumption relies on LNG imports, mainly from Algeria, Qatar, Nigeria and, very recently, the US.

This fragile state of affairs influences Turkey's energy priorities and, consequently, its policies. Turkey's main energy objectives are to reduce its dependence on imported energy sources, secure its energy supply, and improve energy efficiency. Those objectives are also among the EU's defined goals. Some

[1] See "Total inflow to Turkish gas system up 6.38% in 2020", *Anadolu Agency*, 5 January 2021.

[2] For comparison see P. İpek, "The Role of Energy Security in Turkish Foreign Policy (2004-2016)", in P. Gözen Ercan (Ed.), *Turkish Foreign Policy: International Relations, Legality and Global Reach*, Cham, Springer, 2017, pp. 173-194; and N.E. Kaya, "Turkey's gas imports from Russia and Iran fall sharply", *Anadolu Agency*, 24 August 2020.

geopolitical power projections mark Turkey's approach to energy in the international arena. Turkey's main objective is to become an energy transit hub between Europe and Asia. As most official documents state, "Turkey aims to strengthen its position between the East-West and South-North energy corridors".[3] The belief is that this aim will ensure uninterrupted supply to sustain robust economic growth targets.

This strategic goal also indicates that Turkey's geographical position already allows it to play an essential role in connecting energy consumers in Europe with energy suppliers in the Middle East, Russia, and the Caspian and Eastern Mediterranean regions. It is estimated that 73% of proven oil reserves and 72% of the proven gas reserves in the world are located in Turkey's neighbourhood. This location makes Turkey a critical energy corridor for the European market. As defined in the joint declaration of the Turkey-EU High-Level Energy Dialogue meeting in 2015, Turkey is "a natural energy bridge and an energy hub between energy sources in the Middle Eastern and Caspian Regions and European Union (EU) energy markets".[4]

Concerning energy policy preferences, the pipelines mentioned above are the concrete results of Turkey's implementation of long-running cooperation schemes with producers and consumers, dating back to the late 1980s. Thus, concepts like bridge, hub, centre, transit, and corridor have frequently been used interchangeably since the early 1990s. Eastern Mediterranean natural gas is seen as a part of "the successful operation of natural gas and oil pipelines that run in various directions through Turkish territory".[5] Perhaps this

[3] See Turkish Ministry of Foreign Affairs' webpage "Turkey's International Energy Strategy"; Ministry of Energy and Natural Resources, 2019-2023 Strategic Plan.

[4] European Commission, "Turkey-EU High Level Energy Dialogue EU-Turkey Strategic Energy Cooperation", Joint Declaration, Ankara, Turkey, 16 March 2015.

[5] E. Erşen and M. Çelikpala, "Turkey and the Changing Energy Geopolitics of Eurasia", *Energy Policy*, no. 128, 2019, pp. 584-592.

was best represented by then Turkish Energy Minister Taner Yıldız when he wrote "Turkey can be more than a bridge; it has the potential to become a regional centre between Asia and Europe. The core of Turkey's energy policy is circular, and the diameter of this circle is equal to the world's diameter".[6] Eastern Mediterranean natural gas is an integral part of Turkey's circular approach.

A Brief Historical Look at the Eastern Mediterranean

Turkey has been closely and calmly watching the developments in the Eastern Mediterranean region since 2010, when a report prepared by the US Geological Survey estimated the region contained a mean of 122 trillion cubic feet (around 3,400 bcm) of natural gas in the maritime areas of Cyprus and Israel.[7]

During the early years of the 2010s, Turkish policymakers still considered Eastern Mediterranean natural gas as a facilitator of regional cooperation, and a pipeline to be constructed from Israel via Cyprus to Turkey would be considerably shorter and cheaper, which would also help Ankara achieve its targets of diversifying its natural gas resources and becoming a hub. Nevertheless, Ankara's unresolved problems with Tel Aviv and Nicosia have so far prevented an agreement on this issue.

The failure of all diplomatic efforts to find a solution to the Cyprus issue is the greatest obstacle. Ankara argues the island's natural resources belong to both the Turkish and Greek Cypriot communities. Therefore, Nicosia does not have the right to exercise sole control over the offshore hydrocarbon resources.

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[6] T. Yıldız, "Turkey's energy policy, regional role and future energy vision", *Insight Turkey*, vol. 12, no. 3, 2010, pp. 33-38.

[7] S. Vogler and E.V. Thompson, *Gas Discoveries in the Eastern Mediterranean: Implications for Regional Maritime Security*, Policy Brief, GMF Foreign and Security Policy Program, The German Marshall Fund, 5 March 2015; U.S. Geological Survey, "Assessment of Undiscovered Oil and Gas Resources of the Levant Basin Province, Eastern Mediterranean", *Fact Sheet 2010-2014*, March 2010.

In 2011, the Turkish government made a continental shelf delimitation agreement with the self-declared Turkish Republic of Northern Cyprus (TRNC) in response to Nicosia's steps to find natural gas in its offshore blocks. Three years later, tensions between Ankara and Nicosia escalated once again when Turkish warships escorted a research vessel searching for hydrocarbons in the disputed waters. Importantly, the Greek Cypriot government has been blocking six chapters – including the energy chapter – in Turkey's EU accession negotiations, which further weakens the efforts to mend ties between Ankara and Nicosia.

Until they decided to restore diplomatic ties with each other in June 2016, Turkish-Israeli relations were also in crisis due to the *Mavi Marmara* incident of 2010, when Israeli military forces intervened and killed several Turkish nationals on board a ship carrying aid to the Gaza Strip. One of the main factors that facilitated the reconciliation process between Ankara and Tel Aviv was the possibility of a gas pipeline from the Leviathan gas field to Turkey. In 2014, two Turkish companies took part in a tender to construct a pipeline to Turkey. However, economic relations between Ankara and Tel Aviv have been overshadowed by their disagreements on the Israeli-Palestinian dispute and the Trump administration's decision to move the US embassy to Jerusalem.

The discovery of the Zohr field in the Egyptian zone of the Mediterranean Sea in 2015, the largest natural gas deposit in the Mediterranean, has radically changed the energy picture in the region and set Turkey in motion. This discovery has raised the stakes in the Eastern Mediterranean energy game through the involvement of French and Italian energy companies and energy cooperation with Israel and Cyprus, but with Turkey being excluded, which has angered the country. Italy's ENI, which undertakes the exploration and production of Egyptian resources off the coast of Cyprus, combined Egyptian, Greek Cypriot, and Israeli gas to reduce costs and transport it as LNG to international markets via Egypt. French energy giant

Total also entered the equation jointly with ENI in 2018 in projects off the coast of Cyprus. In response, Cyprus, Israel, and Egypt signed new energy agreements for the LNG project, the military cooperation that supports these, and the EMGF, which left Turkey feeling excluded and threatened by the new regional groupings. Turkey's relations with Israel have deteriorated, and links with Egypt have been severed, while relations with Syria and Iraq have been reduced to the fight against terrorism. At the same time, these disagreements are souring ties with the EU and the United States.

The Eastern Mediterranean and Turkey: Energy or Geopolitics?

For Turkey, the Eastern Mediterranean has never been only about energy or gas. It is related to several maritime issues with its Eastern Mediterranean neighbours, including Greece, and especially the unresolved nature of the Cyprus issue. The primary problem or source of conflict in the region has always been the limits of the maritime zone. Turkey, which has the longest continental coastline in the Eastern Mediterranean, has rejected maritime boundary claims made by Greece and the Greek Cypriot administration, stressing that these excessive claims violate the sovereign rights of both Turkey and the TRNC. To this, one should add the disagreements over the boundaries of Greek territorial waters and the ownership of particular islands or isles in the Aegean Sea. In addition to these matters, Turkey also argues that several other related issues, such as the sovereignty or demilitarised status of certain Greek islands, remains unresolved and needs to be addressed. Beyond that, how the exclusive economic zones (EEZs) in the Eastern Mediterranean are defined is also on the table. For Turkey, its sovereign rights to its continental shelf and safeguarding the equal rights of Turkish Cypriots are at stake.

This perspective brings us to the concept of Blue Homeland or *Mavi Vatan*. *Mavi Vatan* is a motto that defines Ankara's

current maritime strategy, especially for the Mediterranean Sea, that emerged in 2006. Coined initially and defined by Admiral Cem Gürdeniz, the Blue Homeland is "a concept, a symbol, and also a doctrine".[8] Admiral Gürdeniz considered it as a concept because "its scope consists of all maritime jurisdiction zones (inland waters, territorial waters, continental shelf, exclusive economic zone), declared or undeclared, as well as rivers and lakes". From this perspective, the Blue Homeland becomes "an extension at sea and seabed of Turkey's homeland located between 26-45 East longitudes and 36-42 North latitudes. The Blue Homeland is the name of our zone of interest and jurisdiction over salty and fresh waters located between 25-45 East longitudes and 33-43 North latitudes".

It symbolises Turkey's maritimisation as its grand strategic goal for the State and its people in the XXI century. "It symbolises redirection of the land-based mentality in Turkey to seas and thereby to achieve the maritimisation of its people". As a doctrine, "it is a roadmap aimed to protect rights and interests in the seas surrounding Anatolia as well as seas and oceans beyond its periphery".[9]

Additionally, *Mavi Vatan* served as a secondary doctrine for such aspects as the deployment of the navy, the development of the defence industry, the use of seismic research vessels and drilling rights, the development of support bases for national and foreign fleets, and legal instruments and arguments for signing boundary agreements with other states it shares sea borders with.

Thus Blue Homeland, in the current competitive Eastern Mediterranean, turned out to be a strategy that rests on the pillars to define, safeguard and develop Turkey's maritime rights and national interests in the XXI century regarding the areas of maritime jurisdiction, including the territorial waters, the continental shelf, and the EEZ.

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[8] C. Gürdeniz, "What is the Blue Homeland in the 21st century?", *Turkey Sea News: International Shipping Magazine*, 18 August 2020.

[9] Ibid.

The Blue Homeland is defined and considered by many other players, especially by rivals, as Turkey's ambitious plan for geopolitical supremacy in the Eastern Mediterranean. However, it is welcomed by Turkish policymakers as a kind of "illuminating roadmap" that defines Turkey's axis of geopolitical zones of influence and defence. Notably, the establishment of the East Med Gas Forum is seen as the emergence of a local "anti-Turkey club" in the region, and this forced Turkish decision-makers to add gunboat diplomacy to their agenda. With strong public backing, the Turkish government has long suffered from a chronic siege mentality, believing itself to be surrounded by hostile forces that threaten its core interests. The current dramatic political transformation in Turkey's immediate neighbourhood was also a catalyst. Turkey's elite perceived rising security challenges as a threat to Turkey's sovereignty and territorial integrity. Existing problems became more acute as new variables entered the equation, like discovering further hydrocarbon reserves or the civil war in Syria. The formation of the EMGF appears to be a concrete sign justifying such concerns. Increased cooperation between Greece, Cyprus, Israel, and Egypt and key energy companies from Italy and France has grown to encompass Italy itself, Jordan, and Palestine, with the creation of the EMGF. Noticeably absent is Turkey.

The same developments have also negatively affected Turkey's energy policy, which has been an integral part and even a determinant of Turkish foreign and security policies. The developing energy alliance in the Eastern Mediterranean has threatened to upend Turkey's energy policy. The primary goal has been to maintain Turkey's position as an energy hub between the east-west and north-south corridors. Turkey's belief that there was no alternative to the Turkish route in transporting Eastern Mediterranean gas by pipeline to the European market is under threat. Further, this reality sets back a solution in Cyprus and the fundamental rights and interests of the TRNC, forcing Turkish decision-makers out of their complacency. However, by this point, Turkey had already been removed from

the equation, and the Greek Cyprus-Egypt-Israel-Greece front left Turkey behind diplomatically. Even though Turkey upped its rhetoric after this stage, the minor players in the region, with the support of France and Italy and the US, joined the front perceived to be against Turkey, albeit with different motivations. Turkey's absence is a major concern to the region because of Turkey's overlapping maritime claims, vast domestic market, and potential as a transit route for Eastern Mediterranean gas exports. This forum has received the backing of the US, and the EU, whose relationship with Turkey remains strained due to divergences on a growing number of issues. As a result, Turkish foreign policy, which tried relying more on soft power in the 2000s, radically shifted to a more aggressive position, including sending troops to Syria and Libya and muscle-flexing through gunboat diplomacy in the Mediterranean.

Defining the Western Borders of the Eastern Mediterranean

Ankara and the internationally recognised Libyan government signed a partnership agreement on a maritime boundary on 27 November 2019, creating an exclusive economic zone (EEZ) that cuts across Greek and Greek Cypriot interests and expands Turkey's Eastern Mediterranean border westward. Through this move, Turkish policymakers ensured that Ankara increased the global visibility of its maritime grievances. The question is how much this visibility and activity have helped resolve Eastern Mediterranean disputes.

It is true to say that this move linked Eastern Mediterranean energy issues to much broader geopolitical issues and brought Turkish-Greek competition together with Cyprus-related topics, as well as drawing the Libyan and Syrian conflicts closer. The Turkish military and navy deployed to the eastern and western borders of a designated area in the Mediterranean, giving Turkey the ability to cement its position in the Mediterranean.

Greece was the first country to react the Turkey-Libya agreement quickly designed more coherent political strategy together with its European partners. Appealing to EU solidarity, which is tricky to achieve as the EU states bordering the Mediterranean seldom agree, Greece found a willing ally in France's aggressive lobbying. Although Ankara claims that France is using Greece as a springboard to pursue Paris' own objectives in the region, the EU's actions meet Athens' expectations, at least in the short-term.

Turkish decision-makers interpret this as Greece acting unilaterally and trying to internationalise the issue by arguing it is an EU issue. The Greeks are expecting, given the absence of Turkey from the internal decision-making processes in the EU, the EU will take a stricter stance against Turkey in line with Greek expectations. Greek Foreign Minister Nikos Dendias has even suggested that "the escalation of Turkish aggression" is directed at the EU.[10] Macron's France is the leading supporter of this approach in the EU, and President Erdoğan has been highly critical of this position as non-constructive. In Ankara's view, France is incapable of neutrally arbitrating the dispute and so Paris' efforts and Greece's heated rhetoric designed to compel Turkey will fall short of causing any actual change to Turkey's current stance. When this crisis broke about, numerous people noted that the EU lost its leverage over Turkey long ago, and Athens' attempts were doomed to be fruitless. The EU's attitude to the failed coup and the divergence of its strategic interests from those of Ankara in Syria and elsewhere in Turkey's near abroad resulted in a sea change in Ankara's view of EU-Turkey relations. The Turkish government no longer regards the European Union as a sincere partner, and thus the EU has lost any leverage it once had over Turkey. This is one of the main factors that played a vital role in the recent development of Turkey's relations with Russia.

[10] "Greece, Cyprus seek tougher EU stand on East Med dispute", *France 24*, 18 August 2020.

Throughout the summer of 2020, Turkey and Greece took steps to increase tensions rather than calm things down. Turkey's successive NAVTEX declarations to Greece and its deployment of warships, leading Greece to mobilise its warships, further escalated the situation. German mediation ended with a declaration from Cairo on 6 August that Greece and Egypt had signed an EEZ Agreement. Turkey continued to conduct exploration activities in a broad area across much of the Eastern Mediterranean. Turkey maintained that these activities are justified as its Mediterranean coast is longer than the US-Mexico border and it argues that any action taken in the Eastern Mediterranean without consulting Turkey and without considering the rights and interests of Turkey and the Turkish Cypriot community would be ethically and legally invalid.

Finally, Turkey was extremely dissatisfied after the statement by German Chancellor Angela Merkel, who Turkey thought would play a constructive role during Germany's presidency of the Council of the EU, that "all European Union countries are obliged to support Greece on the Eastern Mediterranean issue", stating after that she had "dealt with the issue in-depth" with French President Macron.[11] Ankara previously thought Berlin understood the sensitivity of the issue as during German Minister of Foreign Affairs Heiko Maas' visits to Athens and Ankara, he saw the dispute as playing with fire and that the slightest spark would result in a major disaster.

This quarrel, centred on Greece and Turkey, is also a real concern for NATO as both are members of the military alliance. Turkey especially has leverage in NATO's safety and security mechanisms, despite doubts about NATO and Western security cooperation mechanisms. Fears of a confrontation between NATO members have been growing. The possibility of any conflict is seen by many as the beginning of the end of NATO. Macron's continued reiteration of his criticism aimed

[11] "Merkel: All EU countries have an obligation to support Greece", *Ekathimerini*, 28 August 2020.

at the United States and Turkey at the end of 2019, in relation to Syria, that "we are experiencing the brain death of NATO"[12] following the developments in the Eastern Mediterranean, keeps collective security and the Eastern Mediterranean on the agenda. The United States' combativeness with NATO coupled with the possibility of a Greece-Turkey conflict could at the very least lead to significant structural changes within the security alliance. Thus, NATO Secretary-General Jens Stoltenberg mediated with Greek and Turkish leaders, encouraging the two allies to enter into technical talks through NATO to establish mechanisms for de-escalation in the Eastern Mediterranean.[13]

De-escalation Under the Threat of Sanctions

Despite all the claims the EU has limited influence over Turkey, increased US and EU pressure with a threat to impose sanctions on Turkey, especially during the EU leaders' summit on 10-11 December 2020, contributed to de-escalation. While France, Greece, and the Greek Cypriot administration have been the most prominent advocates of taking a hard line against Turkey, other EU states led by economic powerhouse Germany have leaned toward a more diplomatic approach so far. Financial hardship as a result of the COVID-19 pandemic also forced Ankara to change its policies and contributed to de-escalation.

The most concrete sign of de-escalation was the relaunch of Turkish-Greek exploratory talks in early March 2021, ahead of an EU summit on 25 March. Even though the meeting in Istanbul was the 61st round of long-lasting meetings and lasted only a few hours, it was considered as the first positive, constructive development after a nearly five-year hiatus. Between 2002 and 2016, dozens of rounds of talks were held to

[12] "Emmanuel Macron warns Europe: NATO is becoming brain-dead", *The Economist*, 7 November 2019.
[13] "NATO chief says talks with Greece, Turkey for 'deconflicting mechanism' taking place", *Ekathimerini*, 4 September 2020.

lay the foundation for complete negotiations over many bilateral issues, including the maritime limits. Nevertheless, until 2016 talks were regularly halted due to political speculation and the Greek side's reluctance to sit down at the negotiating table.

The resumption of bilateral talks is a good sign and has contributed to the de-escalation in the Eastern Mediterranean, increasing what each side is willing to discuss. Athens would only like to address the demarcation of maritime zones in the Aegean and the Eastern Mediterranean. At the same time, Ankara argues that both parties should tackle all of the issues between the two sides, including air space and the status of certain Greek islands. As the Turkish Minister of Defence Hulusi Akar said, Turkey is eager to remedy the problems between the countries and "hopes to maintain dialogue and find political, peaceful solutions to the problems between Turkey and Greece".[14]

Since then, the hostile rhetoric has subsided dramatically with rhetoric now based on the desire to "turn a new page". Turkish authorities very recently started to reiterate that Turkey is part of Europe and Ankara sees its future in and with the EU, adding that it will continue to work toward full membership. Turkish officials have also said they hope for progress in 2021 and expect the bloc to take definitive action to this end. In response, the EU decided to hold off potentially imposing sanctions on Turkey, thanks to positive developments made during a meeting with foreign ministers. Turkish leaders have repeatedly stressed that Ankara favours resolving outstanding problems in the region through international law, good neighbourly relations, dialogue, and negotiations.

[14] "Turkey hopes to find solutions in talks with Greece", *Anadolu Agency*, 23 January 2021.

Conclusion

Geopolitical problems, souring Turkey-EU relations, and domestic developments in Turkey became significant roadblocks in the way of the realisation of Turkey's energy plans. It is not possible to separate natural gas issues from sensitive political and geopolitical matters. This is particularly true for a potential energy hub, considering that the wars, terrorism, and conflict zones in its immediate neighbourhood could all negatively influence the energy projects that run through the country.

The current dramatic political transformation in Turkey's regional periphery has been a catalyst in EU-Turkey relations. Turkey's political elite perceive rising security challenges in the country's near abroad as a threat to Turkey's sovereignty and territorial integrity. Existing problems have become more acute as new variables have entered the equation, including discovering further hydrocarbon reserves in the Eastern Mediterranean, the Arab Spring, and the civil war in Syria.

Since 2016, and as the situation in the Eastern Mediterranean started to evolve, the EU's attitude and considerations *vis-à-vis* Turkey and its role in Europe's energy security and the region, in general, have changed. The rapid escalation of tensions between Turkey and other key states in the energy equation of the Eastern Mediterranean, such as Israel, Cyprus, Greece, and Egypt, has had a significant impact on the region's upcoming energy projects. Turkey, which was part of nearly every energy project in the region, is now conspicuously excluded. So, Turkey is now considered more as a potential client rather than a transit state.

Turkey believes the developing energy alliance in the Eastern Mediterranean is threatening to upend its energy policy. The primary goal has been to maintain Turkey's position as an energy hub between the east-west and north-south corridors. So far, Turkey has been removed from the equation with the establishment of the EMGF. The Cyprus-Egypt-Israel-Greece front has left Ankara diplomatically isolated and has threatened

its interests in the region. Even though Turkey protested this developing synergy and escalated its rhetoric against it, the other regional players, with the support of France, Italy, and the US, continued to pursue the strengthening and institutionalisation of their cooperative relations. The EMGF has received the backing of the US and the EU, whose relationships with Turkey remain strained due to divergences on a growing number of issues. Turkey's marginalisation, which is more a result of its poor ties with Greece, Israel and Egypt, constitutes a serious concern, not only because of Turkey's significant potential contribution to the project as a vast energy market and as a possible transit route for Eastern Mediterranean gas exports, but also because of its ability to utilise its overlapping maritime claims, its role in Cyprus and its significant military power to disrupt ongoing developments in the region.

EU officials and member states have consistently expressed their concerns over Turkey's commitment to its European future and its credibility and reliability as a partner for the Union. The European Union today no longer has the appetite to include Turkey in every single project, as it is reluctant to put all its eggs in the same basket, realising that such a move, given Turkey's behavioural shift, might add unnecessary risks to former interests. Turkey is now seen as a hesitant partner for the EU and NATO with its disruptive actions, a development that furthers scepticism as to Ankara's ability to act as a lasting solution the EU can fully rely on.

4. Egypt: Threats and Interests in the Eastern Mediterranean

Nael Shama

After many years of being the Middle East's backyard, the Eastern Mediterranean region has become its tinderbox. Many of the major developments that occurred in the Middle East in recent years have taken place either in the Mediterranean Sea or on its shores. Huge natural gas discoveries worth billions, mass political uprisings (in Egypt, Tunisia, Libya and Syria), and an accelerating wave of social change and mounting regional disorder have coalesced to alter the character of the region, which now includes an array of civil wars, political conflicts, border disputes and energy competitions, and to increase its weight in regional and international politics.

The ramifications of these developments are still playing out across the region: Libya and Syria are even now torn by wars and wars within wars; the second wave of the so-called Arab Spring has sown instability in Lebanon and Algeria; and Egypt has not stopped struggling with the repercussions of its uprisings in 2011 and 2013 and their economic aftermath. In parallel, while a number of new non-state actors have arisen, state-to-state relations have experienced new dynamics, the ascent of fresh (real or perceived) threats, and the formation of new multi-party alliances (including some of a military nature). In short, the calm Mediterranean Sea has become awash with geopolitical and geoeconomic rivalries that have turned it into a conflict-prone region.

Egypt is the Mediterranean's most populous country and a major political actor in the region. This chapter focuses on Egypt's foreign policy in the Eastern Mediterranean in recent years. It attempts to answer the following pertinent questions: How has Egypt perceived the recent political and economic changes in the region and their potential impact on its national security? What are the main objectives its leadership has sought to achieve in the region? And what methods has it employed to achieve these objectives? The chapter begins with a brief overview of Egypt's foreign policy in the post-2011 period. It then proceeds with an analysis of Egypt's policy towards the conflict in Libya, its feud with Turkey and its stance towards Eastern Mediterranean energy competition, three areas that together define Egypt's overall strategy in the region. A concluding section summarises the chapter's main arguments.

The Contours of Egyptian Foreign Policy Post-2011

The Tahrir uprising in 2011 was a veritable watershed in the history of modern Egypt, contributing to deep changes in perceptions, worldviews and policies. The irony, however, is not only that the revolution failed to bring about a revolutionary foreign policy, but also that the change witnessed in the country's foreign policy was bigger in the time of authoritarian consolidation (post-2013) than in the initial "revolutionary" phase (2011-2013). Under the 18-month transition period spearheaded by the Supreme Council of the Armed Forces (SCAF) (February 2011-June 2012) and the one-year rule by the Islamist President Mohamed Morsi (June 2012-July 2013), Egypt's foreign policy did not aspire to achieve greater independence from foreign powers nor restore the country's erstwhile leadership in the Arab world.[1] Rather, it followed, on the whole, the same lines of action adopted in the reign

[1] R. Hinnebusch, *The International Politics of the Middle East*, Second Edition, Manchester University Press, 2015, p. 282.

of former President Hosni Mubarak (1981-2011) who was unceremoniously ousted by the revolution: strategic relations with the United States, Europe and oil-rich Gulf states (especially Saudi Arabia), security coordination with Israel and strained ties with Iran, Hamas and Hezbollah. Although some gestures in foreign affairs were made between 2011 and 2013, they were symbolic and limited in scope and effect. Aside from rhetoric aimed at domestic consumption, these included attempts by Egypt's first post-revolution Foreign Minister Nabil al-Araby to effect a rapprochement with Iran; President Morsi's first overseas itinerary (where visits to China and Iran came second and third, respectively),[2] and Morsi's abrupt severance of diplomatic ties with the Syrian regime in June 2013 as a display of support for the Syrian revolution.

Two main factors account for this foreign policy continuity: the persistence of economic constraints and the influence of entrenched regime interests. On the one hand, the turbulence experienced in the rocky post-uprising transition process exacerbated Egypt's economic woes, thus increasing its dependence on external sources of funding, such as Western powers, Gulf states and international financial institutions. On the other hand, as the revolutionary euphoria dwindled, it became clear that while Mubarak had resigned, the institutions, networks and allies of his regime remained entrenched and influential. For instance, al-Araby's short-lived endeavours to mend fences with the Islamic Republic of Iran failed on the rock of opposition from the SCAF leaders who bluntly asked him to "drop the matter"[3] and, a few months later, were more than satisfied with his leaving the foreign ministry upon his appointment as secretary-general of the League of Arab States.

In contrast, more substantive change in the conduct of Egypt's foreign policy surfaced after 2013. For Egyptian

[2] N. Khoury, "The Arab Cold War Revisited: The Regional Impact of the Arab Uprising", *Middle East Policy*, vol. 20, no. 2, 2013, p. 78.

[3] G. Selim, "Egyptian Foreign Policy after the 2011 Revolution: The Dynamics of Continuity and Change", *British Journal of Middle Eastern Studies*, April 2020, p. 9.

policymakers, the events of the Arab Spring had engendered numerous lessons, perceptions and reassessments. Fear of instability and revolutionary sentiments spilling over from neighbouring countries led to greater emphasis on domestic stability, unbounded support for the sovereignty of nation-states, and visceral animosity towards Islamist movements, especially militia groups that had pulled the rugs from underneath the peaceful protests and waged jihad against Arab regimes. Additionally, the Obama administration's tacit embrace of Mubarak's removal from office soured Egypt's longstanding relations with the United States. This prompted Cairo to attempt to lessen its dependence on Washington by pursuing closer political, military and economic ties with two great powers that had, not so long ago, begun an aggressive foray into the Middle East: Russia and China. Contemporaneously, a convergence of interests took place between Egypt's new leadership and the oil-rich Gulf states, especially Saudi Arabia and the United Arab Emirates (UAE).[4]

Many of Egypt's foreign policy moves in the Middle East after 2013 were taken in concert with the leadership of these two Gulf partners. At a broader level, meanwhile, the struggle for power in the region stirred up a new phase of the so-called Arab Cold War[5] between Egypt, Saudi Arabia and the UAE on one hand and Turkey, Qatar and Islamist movements on the other. A large part of Egypt's foreign policy under President Abdel Fattah al-Sisi can be better understood through the prism of these sets of alliances and confrontations.

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[4] B.A. Piazza, "The Foreign Policy of Post-Mubarak Egypt and the Strengthening of Relations with Saudi Arabia: Balancing between Economic Vulnerability and Regional and Regime Security", *The Journal of North African Studies*, vol. 24, no. 3, 2019, p. 405.

[5] The American scholar Malcolm Kerr coined the term "Arab Cold War" in the 1960s to describe the inter-Arab rivalry between progressive, socialist regimes, led by Nasser's Egypt, and pro-Western, conservative regimes. It has since been used to refer to the power struggle between different alignments in the region. See M. Kerr, *The Arab Cold War, 1958-1967: A Study of Ideology in Politics*, Oxford, Oxford University Press, 1967.

For their part, recent successive developments in the Eastern Mediterranean have posed a number of security risks, ideological threats and economic opportunities for the Egyptian leadership. It may well be argued that its response to these threats and opportunities has been intrinsically influenced by the main features of its adjusted post-2013 policy, namely regional alignment with Gulf states, antipathy to Islamist parties and mounting economic troubles at home. This notwithstanding, the interrelationship between these determinants has been dynamic; while at times security concerns have taken precedence over economic considerations, they have remained on the back seat at other times. Egypt's attitude towards Libya and Turkey represents two cases in point.

Egypt's Strategy in Libya

Egypt's strategy *vis-à-vis* the Libyan conflict has been shaped by a dynamic package of security threats, economic opportunities and ideological considerations. Evidently, since its revolution in 2011, Libya has constituted a direct security threat to Egypt. Soon after the country plunged into a ferocious civil war, the porous 1,115-kilometre-Egypt-Libya border turned into a hub for smuggling arms, drugs and people (including militants).[6] It is believed that some of the weapons smuggled through the border have found their way to Egypt's Sinai Peninsula, where an insurgency by militant Islamists has raged for years. Indeed, a surface-to-air missile that, in all likelihood, originated from Gaddafi's arsenal was used to shoot down an Egyptian military helicopter in Sinai in January 2014, killing five soldiers.[7] As

[6] K. Westenberger, "Egypt's Security Paradox in Libya", *E-International Relations*, 8 April 2019. For more information on the forms of smuggling in the borderland of Egypt and Libya, see T. Hüsken, "The Practice and Culture of Smuggling in the Borderland of Egypt and Libya", *International Affairs*, vol. 93, no. 4, 2017, pp. 897-915.

[7] D. Kirkpatrick, "Militants Down Egyptian Helicopter, Killing 5 Soldiers", *The New York Times*, 26 January 2014.

Libya descended further into bloodshed and chaos, several incidents of clashes between militants or smugglers and security servicemen took place along or near the vast Egypt-Libya border, including a bloody attack in 2014 on a border post in Egypt's Western desert that killed 22 Egyptian military personnel.[8] Egyptians living in Libya were also caught in harm's way. The kidnapping and gruesome beheading of 21 Egyptian Copts in the Libyan coastal town of Sirte in February 2015 prompted an immediate retaliation by Egypt's air force against ISIS targets in eastern Libya. With border security becoming a real concern, President al-Sisi warned that Libya had become "a danger that threatens all of us", blaming Western countries for not "finishing the job" after having helped the revolutionaries in overthrowing Gaddafi's regime.[9] He added that if no government took control of Libya, then this would create "a vacuum where extremists can prosper".[10]

A coincidence of events contributed to the shaping of Egypt's response to the Libyan crisis. Seven months after the ouster of Morsi in Egypt, a Libyan military commander, Khalifa Haftar, declared in a televised announcement that parliament was suspended and that the troops under his command, the self-styled Libyan National Army (LNA), would take over and devise a new roadmap for the country's future. Since then, Libya has effectively been divided between two bodies contesting for legitimacy: the UN-recognised, Tripoli-based Government of National Accord (GNA) and the government in Tobruk supported by the forces of Haftar. It is indisputable that Haftar's positions and rhetoric have nurtured speculation that he was emulating what President al-Sisi had done in Egypt

[8] A. Nader, "Egypt Mourns Death of 22 Soldiers Following Militant Attack", *Daily News Egypt*, 20 July 2014; and "Smugglers 'Kill Six Egyptian Guards' Near Libya Border", *Reuters*, 1 June 2014.

[9] C. Coughlin, "Egyptian President Sisi Tells UK: Finish Job in Libya to Stop Another Syria", *The Telegraph*, 3 November 2015.

[10] Ibid.

months earlier.[11] Whether or not this is an oversimplified view, Egypt soon threw its lot behind Haftar, supplying his troops with weapons and intelligence and garnering international support (particularly from Russia and France) for his military campaign.[12] Further, in coordination with the UAE, Egypt reportedly launched several airstrikes against positions of Islamist militias in Tripoli.[13] This support was primarily motivated by security and ideological considerations. As a consequence of the civil war, eastern Libya had become a hotbed for scores of Islamist extremists, including a number of fighters who were on the Egyptian government's most wanted list of fugitives. Among those who took refuge in Libya was Hisham Ashmawy, a retired Egyptian army officer who had orchestrated several attacks against security targets in Egypt. By putting the eastern part of Libya under his firm grip, Haftar seemed capable of securing the border with Egypt, the porosity of which had turned into a real source of nuisance for Egypt since 2011. More generally, Egypt's foreign policy "seem[ed] to be an extension of its domestic one",[14] especially with regard to three features: 1) the predominance of security approaches to political challenges; 2) open hostility to Islamist groups of all stripes and colours; and 3) the deep-seated view that the military is better-equipped to lead the process of nation-building. Egypt's embrace of Haftar corresponded perfectly to all three elements.

More broadly, the Egyptian approach to Libya since 2011 has oscillated between support for diplomacy and warfare. It initially sought a political solution to the simmering divisions in post-Gaddafi Libya. After the rise in violence, and with Egypt's

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[11] M. Elmenshawy, *Bad Neighbor, Good Neighbor: Libya-Egypt Relations*, Middle East Institute, 21 March 2014.

[12] E. Wenig, *Egypt's Security and the Libyan Civil war*, Fikra Forum, the Washington Institute for Near East Policy, 17 April 2016; G. Cafiero and E. Torjusen, "Understanding Egypt's Role in Libya's Civil War", *LobeLog*, 9 September 2019.

[13] D. Kirkpatrick and E. Schmitt, "Arab Nations Strike in Libya, Surprising U.S.", *The New York Times*, 25 August 2014.

[14] G. Dentice, "Shifting Priorities: The Evolution of Egypt's Foreign Policy", ISPI Commentary, ISPI, 24 September 2020..

Libya policy dominated by security agencies, eclipsing the role of the foreign ministry, Cairo leaned towards pursuing a military solution. And so it backed Haftar's successive military efforts, including his massive April 2019 campaign to seize Tripoli. Yet, after years of intense fighting, the military balance on the ground clearly indicated that this was nearly impossible to achieve (not to mention that Haftar was not suited for this task), and that a political compromise was inevitable. Therefore, by around mid-2020, Egypt began to shift its posture from being a direct party in the conflict to assuming the role of mediator. Therefore, it gradually distanced itself from Haftar's bullish behaviour and sent overtures to the western-based GNA. In September 2020, for example, the Egyptian city of Hurghada played host to a round of talks between Libya's factions, and in December, a high-ranking delegation, led by the deputy head of Egypt's General Intelligence Service, visited Tripoli, marking the first top-level visit from Egypt since 2014. In essence, Egypt's piecemeal repositioning on the Libyan stage led to "a gradual rapprochement" with the GNA, which in turn bolstered the precarious truce and helped launch a political dialogue between the country's different warring factions.[15]

As Egypt's strategy in Libya alternated in 2020 and 2021 between backing warfare and negotiation, its moves also combined several methods driven by the desire to achieve markedly different objectives. For instance, when the military support provided by the Turkish government for the GNA helped its forces gain ground, inching closer to oil-rich regions in central Libya, Egypt decisively drew a line in the sand. Obviously, Egypt could not tolerate a situation in which neighbouring Libya was dominated by Islamist militias, let alone those who are proxies for its Mediterranean arch-rival, Turkey. To deter the forces of the GNA from further advancing into the east, President al-Sisi sternly warned that the town of

[15] K. Al-Anani, *Egypt's Changing Policy in Libya: Opportunities and Challenges*, Arab Center Washington DC, 21 January 2021.

Sirte and the inland Jufra air base constituted a red line for Egypt, and that Egypt's army was ready to intervene directly on Libyan soil if that line was crossed.[16] When tension dissipated, however, Egypt embarked on diplomatic efforts to reach a cease-fire between the belligerent factions and then to support a comprehensive political settlement of the conflict.

In addition to purely military assessments, it could be argued that long-term strategic and economic considerations contributed to this shift. A protracted civil war next door carries the risk of spilling over into Egypt, and therefore runs counter to Cairo's strategic interests. From an economic point of view, Egypt could massively benefit from a post-war status in which Libya is stable and prospering. It is likely that Egypt would receive a sizeable share of Libya's post-war reconstruction contracts. Moreover, after returning to normality, Libya's labour market could absorb, according to some estimates, around 3-4 million Egyptian workers. For perspective, this amounts to double the Egyptian workforce in Libya before the outbreak of the conflict and more than double the size of the Egyptian workforce in Kuwait, Bahrain, Qatar, the UAE and Oman combined.[17] Significantly, the remittances sent to Egypt by these expatriates may well reach US$10 billion annually,[18] a weighty hard currency contribution to Egypt's economy.

Strained Relations with Turkey

All the ingredients were present for a protracted enmity between Egypt and Turkey in 2013 and the following years. The Turkish government took a hostile attitude towards the new leadership in Cairo right after the removal of Morsi, a fellow Islamist who had developed during his single year in power an amicable relationship with President Recep Tayyip Erdoğan.

[16] S. Magdy and A. Wilks, "Egyptian President Says Libyan City Sirte A 'Red Line'", *AP*, 20 June 2020.
[17] O. Khalaf, "Egyptian Foreign Policy in Libya: Dilemmas and Likely Review", *Egyptian Institute for Studies*, 29 June 2020, p. 5.
[18] Ibid.

Senior Turkish officials, including Erdoğan, described Morsi's ousting from office as a blatant coup d'état, mincing no words in their denunciation of Egypt's new regime and its leader, al-Sisi. Turkey's overall support for Islamist groups in the region, including Egypt's Muslim Brotherhood, added insult to injury. Turkey has hosted a number of Egyptian opposition satellite channels that broadcast a steady diet of harsh criticism against al-Sisi and the Egyptian government. This was perceived by Cairo as a flagrant act of meddling in its internal affairs, something that could not be tolerated at a time when Egypt was heavily engaged in what its leaders believed to be an existential battle against an Islamist menace. Furthermore, in an atmosphere dominated by deep mistrust, Turkey's activist regional policy and its foray with hard and soft power tools into the region's hot spots, such as Syria, Libya and the Horn of Africa, were seen as clear evidence of its neo-Ottoman ambitions. Turkish foreign policy moves and initiatives were thus received with concern in Egypt. For instance, Cairo was particularly worried when Sudan leased its Red Sea island of Suakin to Turkey in 2018.[19] As a consequence of these reasons, Turkish-Egyptian relations between 2013 and 2020 were ceaselessly marred by a great deal of misgiving manifested in diplomatic rows, media incitements and expulsions of ambassadors.[20]

To balance Turkey in the Eastern Mediterranean, Egypt forged closer political, economic and military ties with Greece and Cyprus, Turkey's long-time adversaries. Trilateral summits between the leaders of the three countries have become an annual event since 2014. The main pillars and goals of this trilateral relationship were expressed in two political documents: the Cairo Declaration and the Nicosia Declaration, issued in November 2014 and November 2015 respectively. Cairo, Athens and Nicosia also signed a memorandum of

[19] M. Abdel Maguid, "Why Egypt is Concerned over Sudan-Turkey's Suakin Deal", *Egypt Today*, 6 January 2018.

[20] Egypt expelled the Turkish ambassador and downgraded diplomatic ties with Turkey in November 2013. Turkey reciprocated by taking similar measures.

understanding in the fields of maritime transport and tourism for the purpose of enhancing maritime cooperation between the three countries. There is little doubt that the military aspect of the cooperation between Egypt, Greece and Cyprus is aimed at their common rival, Turkey. As part of this cooperation, Egypt carried out several military drills with Greece between 2014 and 2020, one of which took place just twelve miles from the coast of Turkey. Cyprus has been participating in these training exercises since 2018.[21]

As with its Libya policy, Egypt's stance towards Turkey has not been rigid or dismissive of pragmatic considerations. Indeed, low-level communications took place between Cairo and Ankara over the years, and by the early months of 2021, an understanding of sorts was reached between the two governments. In March, Turkey's Foreign Minister Mevlut Çavuşoğlu announced that Ankara has resumed contacts with Cairo, adding that these talks are at the "intelligence and foreign ministry levels" and saying that the two countries "could agree on a boundary marking their respective claims" in the Mediterranean.[22] While Egypt initially downgraded the importance of these talks, stressing that "any country that needs to establish normal relations with it should … stop attempts to interfere" in its internal affairs,[23] the fact that Turkish authorities instructed the Istanbul-based Egyptian channels to tone down their critical coverage of Egypt indicates Turkey's willingness to mitigate Egyptian concerns, which in turn might pave the way for a rapprochement between the two countries.[24] The visit made by a Turkish delegation, led by the country's deputy

[21] M. Farouk, "Egypt Conducts Joint Drills with Greece, Cyprus amid Turkey Tensions", *Al-Monitor*, 18 November 2019.

[22] C. Koc, "Turkey Resumes Egypt Ties as It Seeks Reboot with Arab World", *Bloomberg*, 12 March 2021.

[23] "Egypt Foreign Ministry Issues Statement on Its Relations with Turkey", *Egypt Today*, 12 March 2021.

[24] Turkey Asks Brotherhood TV Channels to Dim Criticism of Egypt", *VOA News*, 19 March 2021.

foreign minister, to Cairo in May confirmed both countries' interest in repairing their strained ties.

The Energy Game in the East Mediterranean

Against the backdrop of civil wars and geopolitical rivalries, an intense competition for energy resources in the Eastern Mediterranean has taken place in the region since the discovery of these resources around a decade ago. States participating in this competition have wrestled over contested maritime borders, rival transportation routes and institutional frameworks governing the processes of energy production and trade.

Egypt has been a main player in this race. The discovery in 2015 of the giant Zohr natural gas field off Egypt's Mediterranean shores and the rise in its overall natural gas production to seven billion cubic feet per day in September 2019 (compared to 4.5 billion in 2016-17)[25] whetted Egypt's appetite to become a regional energy hub for the distribution of the Eastern Mediterranean's natural gas reserves. Supported by Egypt's pivotal geographic location and its ownership of two liquefied natural gas plants, located in the Mediterranean cities of Idku and Damietta, this plan is congruent with Egypt's overall energy strategy, which includes massive investments in solar, wind and nuclear power projects.[26] To that end, Egypt signed a maritime demarcation agreement with Greece, and augmented its energy cooperation with Cyprus and Israel. Additionally, Egypt joined efforts with six Mediterranean states (Cyprus, Greece, Israel, Italy, Jordan, and the Palestinian Authority) seeking to give institutional shape to their energy strategies by establishing the East Mediterranean Gas Forum (EMGF). In their initial declaration, the signatories affirmed that the forum would help member states "monetize their reserves, utilize their

[25] A. Kotb, "Egypt: Towards an Energy Hub", *Ahram Online*, 3 January 2020.
[26] M. Tanchum, "Egypt's Prospects as An Energy Export Hub across Three Continents", ISPI Commentary ISPI, 24 September 2020.

existing infrastructure, and build new ones as necessary for the benefit and welfare of their people".[27] Inter-member energy cooperation had already been deepened prior to the creation of the forum. Energy collaboration between Egypt and Israel, for instance, has reached new heights in recent years. Natural gas from the Israeli fields of Tamar and Leviathan began flowing to Egypt in early 2020, as part of a US$15 billion deal signed in 2018 and later enlarged to the tune of a whopping US$19.5 billion.[28] As might be expected, Turkey was not invited to join the EMGF. The fact that, a bit later, the UAE, a non-Mediterranean country that is at odds with Turkey, asked to join the forum as an observer confirmed the "impression that it is an anti-Turkish body."[29]

At political loggerheads with Turkey, Egypt logically opposed Ankara's economic interests in the east Mediterranean. When Ankara signed an agreement on maritime borders with Libya's GNA in November 2019, giving Turkey a vast area of the Eastern Mediterranean, Cairo vehemently rejected the deal. A joint statement by the foreign ministries of Egypt, France, Greece and Cyprus considered the deal "null and void." In the statement, the four ministers said that the Turkey-Libya deal "infringes upon the sovereign rights of third states, does not comply with the law of the sea," and lacks legal enforceability.[30] In order to empty this deal of any significance, Egypt fast-tracked its negotiations with Greece, which culminated in signing a maritime agreement that delineates the sea boundary between the two states and defines each state's exclusive economic zone. Emphasising that the deal primarily eyes the utilisation of the

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[27] "Cairo Declaration Establishing the East Mediterranean Gas Forum", EMGF Declaration Final, 14 January 2019.

[28] A. Rabinobitch and T. Cohen, "Israel to Increase Gas Exports to Egypt, Companies Say", *Reuters*, 2 October 2019.

[29] M. Colombo, *Mutual Reassurance: Why Europe Should Support Talks between Egypt and Turkey*, European Council on Foreign Relations, 14 January 2021.

[30] "Turkey-Libya Deals 'Void': Egypt, France, Greece, Cyprus", *France24*, 8 January 2020.

Mediterranean's energy resources, Egypt's Foreign Minister Sameh Shoukry said that it will allow both countries "to move ahead with maximising their benefits from resources available in this exclusive economic zone, namely promising oil and gas reserves".[31]

To protect its energy assets and bolster its overall presence in the Eastern Mediterranean, Egypt has made strenuous efforts to develop its naval forces in the last few years. In this regard, Egypt has been vigorously backed by major European powers, which are deeply concerned about the dual spectres of terrorism and illegal immigration. As one analyst put it, European states consider Cairo to be "the only southern Mediterranean state that can help police the region and secure Europe's southern border".[32] To attain this objective, Paris, Berlin and London have ramped up their arms sales to Egypt. Since al-Sisi became president in 2014, Egypt has received helicopter carrier warships, corvettes, amphibious assault ships and a reconnaissance satellite from France; submarines from Germany; frigates, patrol boats and jets from Italy; and armoured vehicles and components for aircraft from the UK. In the meantime, Egypt's armed forces have conducted several joint military and counter-terrorism exercises with France and the UK.

In the same vein, in 2017, Egypt established two military bases in the Mediterranean: the Barrani Base, near its porous border with conflict-ridden Libya, and the Mohamed Naguib base west of Alexandria, proclaimed to be the largest military base in the Middle East. Egypt's establishment of a central military command for the Mediterranean reflects the prime importance it attaches to securing its Mediterranean gas fields. Indeed, its military spokesperson has on several occasions posted photos on his social media accounts of navy ship formations stationed close to the Zohr field. As a consequence of these investments,

[31] N. Elhennawy, "Egypt, Greece Sign Maritime Deal to Counter Libya-Turkey One", *AP*, 6 August 2020.

[32] M. Soliman, "Why Europe is Floating Egypt's Navy: The Promise and Pitfalls of Arms Deals with Cairo", *Foreign Affairs*, 24 March 2017.

it would be reasonable to assume that Egypt has become a major military player in the Mediterranean region.[33] In fact, Egypt has now the seventh most powerful navy in the world.[34] Interestingly, al-Sisi has stated that he has not purchased such large quantities of arms and military equipment for defence purposes, but to project Egypt's power in the region. In April 2017, he said: "Nobody will invade you from the outside. So why do we own these [military] capabilities? We own them because a huge vacuum has happened in our region ... in Syria, Libya, Yemen and Iraq … this vacuum has to be filled, filled with these capabilities".[35]

Conclusion

By virtue of geographic realities, demographic weight and political deeds, Egypt has arguably been a major player in the contested Eastern Mediterranean in recent years. It has asserted its presence in the region using political, economic and military means. Its actions include taking part in an anti-Turkey regional bloc (with Greece and Cyprus), setting up a regional institution for energy cooperation (EMGF), shoring up the power of Khalifa Haftar in Libya and building up a potent naval presence along its Mediterranean shores. However, with the future of the region still highly uncertain, Egypt's efforts are far from being considered fully successful.

The components of Egypt's policy in the Eastern Mediterranean are consistent with one another. Supporting Libya's Haftar and countering Turkey's ambitions in the region are part and parcel of its overall opposition to Islamist

[33] N. Shama, "Egypt's Power Game: Why Cairo is Boosting its Military Power", *Jadaliyya*, Arab Studies Institute, 6 September 2017.

[34] Global Firepower, "Navy Fleet Strength by Country (2021)".

[35] Quoted in N. Shama, "Egypt's Middle Power Aspirations under el-Sisi", in A. Saouli (Ed.), *Unfulfilled Aspirations: Middle Power Politics in the Middle East*, Hurst & Company, 2020, p. 105.

groups and currents at home and in the Middle East at large. Yet, remarkably, ideology is not the sole determinant of Egypt's regional policy. Domestic economic troubles created a situation where business considerations were too important to be disregarded in the management of foreign affairs. These considerations lie at the heart of its endeavours to become a regional energy hub in the Eastern Mediterranean. They are also not dissociated from Egypt's readiness to patch up its differences with Libya's GNA and to attempt conciliation with Erdoğan's Turkey.

5. The GCC in the Eastern Mediterranean: Growing Significance, Competing Agendas

Naser Al-Tamimi

Over the last several years, the Eastern Mediterranean has increasingly become a hotspot for the Gulf states of the United Arab Emirates (UAE), Saudi Arabia, and Qatar. This chapter attempts to assess the Gulf states' involvement in the Eastern Mediterranean, as well as their motives and their rivalry with other regional powers in the region, mainly Turkey. The first section provides an analysis of the geopolitical, security, and economic interests of the Gulf states in the Eastern Mediterranean. The chapter then sheds light on the interactions of the Gulf states with the main players in the region (Egypt, Libya, Syria, Israel, Cyprus, and Greece) and their implications in the broader regional security context. The final part presents factors that may contribute to defusing tensions and opening doors for cooperation.

Although the Eastern Mediterranean region is a remote theatre for the Gulf states, their involvement in it has complicated the geopolitics of the area and contributed to fuelling regional tensions and political polarisation. The six Arab states of the Gulf Cooperation Council (GCC), Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the UAE are conducting contradictory foreign policies in the Eastern Mediterranean. Two camps are currently competing for influence, backed by opposing regional powers. The first comprises Saudi Arabia, the UAE,

and Bahrain, while the second consists solely of Qatar. Oman stands neutral on most issues, while Kuwait is trying to present itself as an honest broker to resolve disputes.

GCC Interests in the Eastern Mediterranean

Since the so-called Arab Spring of 2011, Saudi Arabia and the UAE, backed by Bahrain, have been pursuing an active foreign policy aimed at leveraging the changes in the Arab world in their favour. Riyadh and Abu Dhabi intervened militarily in Bahrain in March 2011 to crush what they perceived as an Iranian plot to overthrow the regime in Manama. With Kuwait's economic aid, in 2013 they then supported the coup d'état of the Egyptian military led by General Abdel Fattah al-Sisi against democratically elected President Mohamed Morsi.

Two years later, in the spring of 2015, Saudi Arabia and the UAE launched a devastating war against the Houthi rebels in Yemen. The crack within the Gulf Cooperation Council hit a climax in June 2017, when three GCC states, namely Saudi Arabia, the UAE, and Bahrain, supported by Egypt, announced the imposition of a blockade on Qatar. The UAE also intervened militarily in Libya to support General Khalifa Haftar against what Abu Dhabi viewed as the rising influence of so-called political Islam and Turkish expansionist ambitions in North Africa and the Eastern Mediterranean.

Meanwhile, Ankara's increasingly assertive foreign policy has led Saudi Arabia and the UAE to pursue more aggressive strategies towards Turkey. These include lending support to the Kurds in Syria,[1] and standing by Egypt, Greece and Cyprus against what they perceive as Turkish aggression in the Eastern Mediterranean and the broader Middle East region. More importantly, the UAE has begun a process of political

[1] See C. Bianco, *Gulf monarchies and the Eastern Mediterranean: Growing ambitions*, European Council on Foreign Relations (ECFR), 26 May 2020; and S. Ramani, "UAE steps up anti-Turkey efforts in Syria", *Al-Monitor*, 25 February 2019.

rapprochement with Damascus and established full diplomatic ties with Israel.

The UAE's motives for rehabilitating the Assad regime may be summed up under four main headings. Firstly, Abu Dhabi hopes to tie the Turkish army up in a costly war in north-western Syria to distract Ankara from the Libyan conflict.[2] Secondly, the UAE still sees the Assad regime as an important ally against Islamist movements.[3] Thirdly, Abu Dhabi's rapprochement with Damascus reflects the presence of future opportunities for Emirati investors.[4] Finally, restoring diplomatic relations with Syria may lead to the strengthening of political communications between the UAE, Russia, China, and perhaps even Iran.

Diplomatic ties with Israel are likely to bring strategic benefits from the Emirati point of view. Such benefits include improved relations with Washington, the supply of advanced weapons, and help to diversify the economy away from oil, especially through cooperation in the high-tech and financial sectors, renewable energy and efficient desalination projects. Military and intelligence cooperation against common adversaries like Iran, Turkey and Islamist movements are additional benefits, of course.[5]

In the opposite camp, Qatar has been working closely with Turkey and with opposition movements and parties, especially groups affiliated with the Muslim Brotherhood (MB) chiefly in Egypt, Libya, Syria and Tunisia, though also in Palestine, and has mobilised its soft power and effective media to shape events in its favour.

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[2] See D. Hearst, "EXCLUSIVE: Mohammed bin Zayed pushed Assad to break Idlib ceasefire", *Middle East Eye*, 8 April 2020; and H. Almustafa and J. Fenton-Harvey, "Why the UAE aims to leverage Assad", *Middle East Eye*, 10 April 2020.

[3] Ibid.

[4] A. Occhiuto and A. Chisholm, "The Eastern Mediterranean: The UAE's New Frontier", *Gulf International Forum*, 14 December 2020.

[5] "The Abraham Accords: Israel-Gulf Arab Normalisation", *Strategic Comments*, 30 November 2020, vol. 26, no. 8, pp. iv-v; and "The Abraham Accords: what now for Israel-UAE investment?", *Freshfields Bruckhaus Deringer LLP*, 22 December 2020.

These conflicting agendas of the Arab Gulf states can be explained by four main factors. Firstly, while Saudi Arabia and the UAE support the status quo, particularly in Egypt, Qatar believes that the status quo is not sustainable and a recipe for long-term instability particularly if active societal and political forces, including the MB, are excluded.[6] Secondly, the GCC states have different views on Turkey. Saudi Arabia, the UAE, and Bahrain have adopted anti-Turkish policies in almost all Middle Eastern crises, while Qatar is allied with Turkey.[7] Kuwait and Oman likewise have good political, economic and even military relations with Turkey. Thirdly, Iran is another dividing factor among GCC states. Saudi Arabia (and to a lesser extent the UAE) perceives Iran as top regional threat. Qatar and Oman, (and even Dubai and Kuwait) continue to enjoy good diplomatic and economic relations with Tehran.[8] Finally, there is an overriding perception in the Gulf that the United States is on its way out of the region. This explains to a large extent the assertive foreign policies that Saudi Arabia and the UAE have recently adopted in the region.

Saudi Arabia

In this context, Riyadh perceives three main security threats: Iranian expansionist policies in the Arab world, which are encouraged by growing instability in the region, along with two interrelated factors, namely the ideological challenge posed by the "forces of political Islam", led by the MB, the largest and probably most widespread and organised movement in the Arab world, and intensifying strategic rivalry with Turkey for political leadership in the Muslim world.[9]

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[6] M. Ataman, "Political crisis in the Gulf: Pro-status quo states vs powers of change", *Daily Sabah*, 14 March 2018.

[7] Ibid.

[8] Ibid.

[9] A.A. Ghafar, *Between Geopolitics and Geoeconomics: The Growing Role of Gulf States in the Eastern Mediterranean*, Istituto Affari Internazionali (IAI), 21 February 2021.

The current Saudi calculations are driven mainly by deep suspicion of expanding Iranian influence. Certainly, for many years the Saudi leadership has seen all regional security issues through the prism of their concerns about growing Iranian expansionism. The Saudis still see Tehran's activities as dangerously provocative, not only in Yemen, but also in Iraq, Syria, Lebanon, Palestine, Bahrain, Africa and even some South Asian countries.

Meanwhile, Saudi Arabia considers itself in a position to claim the leadership of the Islamic and Arab worlds, given the presence within its territory of the holiest sites in Islam (the Kaaba in Mecca and Al-Masjid an-Nabawi in Medina) and the fact that it is the largest economy in the region, and the largest oil exporter in the world. It sees Turkey, with its geostrategic location, Islamist orientation, political model, and military power, as a direct threat to this leadership. Indeed, a Turkish source recently told *Al-Monitor* that "Saudi Arabia is the Arab country most disturbed by Erdogan's neo-Ottoman ambitions. There is a perception that Turkish Islamism is on the rise … Saudi Arabia, as it is in the position of the Islamic world, is highly sensitive about this. They are disturbed [by Turkey's] soft power policies".[10]

To be sure, Turkish foreign policy under the leadership of President Erdoğan has become more assertive in recent years and Ankara's activism in the Middle East and North Africa (MENA), the Horn of Africa, and the Eastern Mediterranean region accelerated following the Arab Spring as Turkey sensed opportunities to expand its influence.[11] From the Saudi perspective, Turkey's military base in Qatar, persistent attempts to weaken the regime in Egypt, ongoing support for the Muslim Brotherhood, and military presences in Libya, Syria, Iraq, and Somalia are among many issues that raise doubts and concerns

[10] F. Tastekin, "Turkey's good words not worth much to Saudi Arabia", *Al-Monitor*, 5 May 2021.

[11] Md. M. Quamar, "Turkey and the Regional Flashpoint in Libya", *Strategic Analysis*, 2020, vol. 44, no. 6, p. 597.

about Ankara's real motives.[12] Riyadh perceives these activities as part of a Turkish plan to encircle Saudi Arabia and possibly threaten its interests.[13]

On top of all this, the killing of Saudi journalist Jamal Khashoggi in October 2018 inside the Saudi consulate in Istanbul dealt a devastating blow to Saudi-Turkish relations,[14] and caused a deterioration to levels not seen in decades.

United Arab Emirates

Since the so-called Arab Spring in 2011, the UAE has been pursuing an increasingly active foreign and security policy in the Middle East, the Red Sea and the Eastern Mediterranean. The UAE's growing strategic interest in the Eastern Mediterranean is motivated by three primary aims. Firstly, the UAE is fighting a zero-sum game against so-called political Islam in the region, especially the MB. Abu Dhabi perceives the MB as a serious threat to the regime's stability and is fighting the organisation and its affiliated groups throughout the Arab countries, Egypt, and Libya in particular.[15]

Secondly the UAE hopes to increase Ankara's regional isolation and contain Turkey's growing influence in the Arab world, Africa, and the Eastern Mediterranean, especially in countries like Syria, Egypt, and Libya. The UAE believes that Ankara is using its support for the MB to undermine the al-Sisi regime in Egypt and increase Turkey's influence in North Africa and the broader Eastern Mediterranean region. Finally, the UAE is also looking to take advantage of economic, trade, and investment opportunities in the Eastern Mediterranean region, including new hydrocarbon projects.[16]

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[12] F. Tastekin (2021).

[13] "Riyadh forges alliance with Greece to face Turkish muscle-flexing, Iran threat", *The Arab Weekly*, 22 April 2021.

[14] "Turkey seeks to reset relations with Saudi Arabia", *Economist Intelligence Unit (EIU),* 4 May 2021.

[15] G. Steinberg, *Regional Power United Arab Emirates*, Stiftung Wissenschaft und Politik, 8 July 2020.

[16] S. Henderson, *UAE Wealth Fund to Buy Share of Israeli Gas Field*, The Washington

Abu Dhabi's main strategic investment vehicle, the Mubadala Investment Company, has focused increasingly on areas of geostrategic importance to the UAE such as diversification, the digital economy (blockchain and IoT – the Internet of Things), artificial intelligence, medical technologies, robotics, automation, and life sciences, and on broader regional strategic interests.[17] The UAE has adopted many smart city initiatives over the last few years to position its market as a global tech hub for connected infrastructure.

Since the UAE and Israel formalised ties last September, around 25 economic co-operation agreements, joint ventures, commercial deals and investment bids are already being made by various UAE enterprises in more than 15 sectors. These include but are not limited to financial services, the tech sector, healthcare, renewable energy production and particularly solar power, efficient desalination, oil, and gas.[18] The state-owned Israeli pipeline company EAPC and the UAE-based joint venture MED-RED Land Bridge have also signed a deal to export oil from the UAE to Europe via a pipeline connecting the Mediterranean port of Ashkelon and the Red Sea city of Eilat.[19]

Other UAE state-owned enterprises are focused on broader strategic concerns: Abu Dhabi's Masdar – an Emirati-owned renewable energy-focused entity – recently announced its first major investment in the Greek renewables sector.[20] Masdar and Taaleri Energia, which invests in utility-scale wind and solar assets, have agreed to develop a 65-megawatt (MW) photovoltaic (PV) project in Greece.[21]

Institute, 27 April 2021.

[17] "Abu Dhabi's investment fund widens its net", *Economist Intelligence Unit (EIU)*, 20 May 2021.

[18] Ibid; and A. Batrawy and M. Harb, "Israelis, Emiratis meet in Dubai to discuss investments", *AP*, 2 June 2021.

[19] A. Rabinovitch and T. Cohen, "Israeli pipeline company signs deal to bring UAE oil to Europe", *Reuters*, 20 October 2020.

[20] Ibid.

[21] D. Saadi, "Masdar makes first investment in Greece by developing solar plant with Taaleri Energia", *The Emirates News Agency, WAM,* 6 May 2021.

Beyond energy, the normalisation of ties is expected to boost annual trade between Israel and the United Arab Emirates from the current US$354 million to US$4 billion within three to five years.[22] Meanwhile, the UAE ranks third (after Russia and China) among countries investing in Egypt, with a cumulative total investment balance of US$16.1 billion over the period January 2005 to December 2019. Abu Dhabi plans to inject even more cash into the Egyptian market according to a recent report by the Arab Investment & Export Credit Guarantee Corporation.[23] Emirati companies are also looking to win sizable shares of the future reconstruction pie in Syria and Libya, which may be worth hundreds of billions over the next few decades.

More importantly, the UAE aspires to become the region's main gateway for China's Belt and Road Initiative (BRI). An estimated 60% of China's European and African trade passes through the UAE.[24] As Michael Stephens puts it, "DP World's operation of port terminals stretch from Berbera in the Horn of Africa to Jeddah's South Container Terminal, to Sokhna in Egypt, Limassol in Cyprus, and Yarimca in Turkey, forming a chain of logistic hubs that broadly maps that of Beijing's".[25]

At the geopolitical level, the UAE has followed a two-pronged strategy aimed at curbing Turkish activities in the Middle East and North Africa. On the one hand, Abu Dhabi has sought to strengthen its relations with European powers like France, who oppose Turkey's increasingly assertive foreign policy, and to deepen cooperation with Ankara's regional foes in the Eastern Mediterranean, namely Greece and Cyprus, in an attempt to weaken Turkey's political position regionally and internationally

[22] A. Occhiuto and A. Chisholm (2020).

[23] "Country FDI Profile 2020 - Egypt", *The Arab Investment & Export Credit Guarantee Corporation*, https://bit.ly/3g8wLYR

[24] C. Lons, J. Fulton, D. Sun, and N. Al-Tamimi, "China's great game in the Middle East", Policy Brief, European Council on Foreign Relations (ECFR), 21 October 2019.

[25] M. Stephens, "The GCC in the Eastern Med: balancing economic and security interests", *Azal Advisors*, 18 March 2021.

by deepening its diplomatic isolation while increasing the UAE's strategic importance to the European Union (EU).[26] On the other hand, the UAE agreed last year to sign a normalisation agreement with Israel (the Abraham Accords Peace Agreement).[27] Abu Dhabi's prime goal in signing this deal was to assure that the UAE's standing improves across the political divide in Washington and beyond, allowing it to campaign in Western capitals against Turkish policies in the region.[28] In this context, Jeffrey Goldberg (American journalist and editor-in-chief of The Atlantic magazine) recently noted that "Bin Zayed ... realises that the UAE is deeply unpopular with Democrats ... and so understands that he needs to make his country look helpful and constructive to Joe Biden, just in case".[29] The UAE is particularly concerned about securing US arms supplies, including F-35 stealth fighters and advanced drones.[30]

On top of this, "the UAE invests extensively in developing a diplomatic toolkit aimed at garnering soft power influence and personal connections with major security partners such as the US",[31] France, and the UK. Turkey's tense relations with the United States and the European Union may well have worked in Abu Dhabi's favour, or as James Dorsey summed it up, "the UAE is banking on the fact that Turkey's traditional ties to its NATO allies, Europe, and the US, are strained over a host of issues, including Turkey's military intervention in Libya, the fate of millions of refugees hosted by Turkey, and Turkey's acquisition of an S-400 Russian anti-missile defence system".[32]

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[26] A. Occhiuto and A. Chisholm (2020.

[27] The deal initially agreed to in a joint statement by the United States, Israel, and UAE on 13 August 2020.The deal initially agreed to in a joint statement by the United States, Israel, and UAE on August 13, 2020.

[28] "UAE vs Turkey: the regional rivalries pitting MBZ against Erdogan", *Financial Times*, 26 October 2020.

[29] J. Goldberg, "Iran and the Palestinians Lose Out in the Abraham Accords", *The Atlantic*, 16 September 2020.

[30] "The Abraham Accords: Israel-Gulf Arab Normalisation", *Strategic Comments*, vol. 26, no. 8, 30 November 2020, pp. iv-v.

[31] A.A. Ghafar (2021).

[32] J.M. Dorsey, "UAE Targets Turkey and Qatar in the Mediterranean", *Modern*

Qatar

One of the most interesting developments during and after the Arab Spring in 2011 was the emergence of a strong alignment between Turkey and Qatar. The two countries joined forces on several regional fronts, including their support for the MB and its affiliated groups across the Middle East and North Africa (Egypt, Syria, and Libya).[33] Perhaps the most prominent of these events was the conclusion of an agreement between Ankara and Doha in December 2014 permitting the deployment of Turkish forces in Qatar.[34]

In this context, the two countries became the main backers of the MB-affiliated President Mohamed Morsi of Egypt until he was deposed in July 2013, and both have remained critical of the military regime in Egypt ever since.[35] While Turkey saw sponsorship of the MB as an opportunity to extend its regional influence, Qatar considered it a way to counterbalance the regional hegemonic policies of Saudi Arabia and the UAE.[36] Although Qatar, the UAE, and Saudi Arabia were among the countries that supported the rebels in their fight to topple the regimes of Muammar Gaddafi and Bashar Al-Assad in Syria and Libya, the parties backed ideologically different groups.[37]

The embargo imposed on Doha by Saudi Arabia, the UAE, Bahrain, and Egypt in 2017 brought Qatar even closer to Turkey.[38] Indeed, Turkey fast-tracked the deployment of troops

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Diplomacy, 15 June 2020.

[33] Mediterranean countries hold 'Friendship Forum' without Turkey", *Ahval*, 11 February 2021.

[34] M. Tanchum, "The Geopolitics of The Eastern Mediterranean Crisis: A Regional System Perspective on the Mediterranean's New Great Game", in M. Tanchu (Ed.), *Eastern Mediterranean: Perspectives on Emerging Geopolitical Realities*, Konrad-Adenauer-Stiftung, 2021, p. 19.

[35] N. Yeşilyurt, "Whither Inter-Sunni Relations in the Middle East? Turkey and the Gulf Cooperation Council", *Mediterranean Quarterly*, vol. 29, no. 1, March 2018, p. 28.

[36] Ibid.

[37] Ibid.

[38] A.A. Ghafar (2021).

to a Qatari base in a muscular display of support for Doha days after Abu Dhabi and Riyadh led a regional blockade against their Gulf neighbour.[39] Meanwhile, Qatar has become the second-largest investor in Turkey and has shown a commitment to further investment. The total value of Qatari FDI stock in Turkey reached US$22 billion in December 2019.[40]

Geopolitical and Economic Interaction

Recent developments in the Eastern Mediterranean along with GCC rivalries are increasingly fuelling regional competition and pitting Greece, Cyprus, Israel, Egypt, the UAE, France, and even Saudi Arabia against Turkey's Mediterranean ambitions. In this regard, and given the strategic importance of the Eastern Mediterranean, there are at least five main players shaping current Arab Gulf states competition.

Egypt

The UAE and Saudi Arabia have been major allies of Egypt in pushing back against the MB and its key backers, Turkey and Qatar.[41] Egypt has also emerged as a regional lynchpin in countering Turkish assertiveness in the Eastern Mediterranean, especially in Libya.[42] Cairo has taken a hostile approach toward Turkey and has even initiated a platform[43] that aims to exclude

[39] "UAE vs Turkey: the regional rivalries pitting MBZ against Erdogan"…, cit.

[40] The State of Qatar & The Republic of Turkey, Report on Bilateral Trade & Foreign Direct Investment, *Unlocking sustainable investment opportunities across the economic spectrum*.

[41] "Turkey Unites Rival East Med Players as Regional 'Gas Forum' Expands Ambitions", *MEES*, vol. 63, no. 39, 25 September 2020.

[42] M. Tanchum, "Turkey Advances in Africa against Franco-Emirati-Egyptian Entente", *Turkey Analyst*, 25 August 2020.

[43] In January 2019, energy ministers from Italy, the Republic of Cyprus, Greece, Israel, Egypt, Jordan, and the Palestinian Authority launched the Eastern Mediterranean Gas Forum (EMGF), which aims to create a regional gas market.

Ankara from regional developments.[44] Riyadh and Abu Dhabi consider their economic and political backing for Egypt as strategic leverage and a hedging policy against unexpected developments.[45]

Nevertheless, the conflicting political agendas of the Gulf states towards Egypt could have several negative repercussions. Firstly, they could disrupt important political and economic reforms essential to Egypt's long-term stability. Secondly, persistent political repression of the MB and other opposition groups may fuel popular discontent beneath the surface and raise the potential for widespread protests or instability in the years ahead, especially if economic conditions do not improve significantly.[46]

Finally, rising tensions in the Eastern Mediterranean and the deterioration in relations between Turkey, Greece, Cyprus, and Israel, mean that Egypt could be drawn into regional conflicts at a time when the country is facing growing economic and social difficulties as a result of COVID-19, instability in Sinai, and escalating regional tensions over the Ethiopian dam. Neighbouring Libya too, despite a recent UN-brokered agreement, remains highly unstable and the situation there could easily deteriorate, increasing pressure on Egypt to intervene.[47]

Libya

Libya is another arena in which intervention by the Gulf states has shaped dynamics and outcomes.[48] Turkey and Qatar backed the Tripoli-based, UN-recognised Government of National

[44] I.N. Telci, "Turkey's Quest for Influence in the Mediterranean in the Post-Arab Uprisings Era", in R. Mason (Ed.), *Transnational Security Cooperation in the Mediterranean*, London, Palgrave Macmillan, 2021, p. 167.
[45] A.A. Ghafar (2021).
[46] Fitch Solutions, "Egypt Country Risk Q1 2021", Fitch Solutions Group, London, 2021, p. 7.
[47] Ibid.
[48] "Middle East and North Africa", *Strategic Survey*, vol. 120, no. 1, 2020, p. 272.

Accord (GNA) against the Libyan National Army (LNA) who received support from Russia, Egypt, UAE, Saudi Arabia, and even France.[49] The Gulf states' involvement in Libya's civil war effectively prolonged the conflict and prompted further political disintegration in the country.[50] It also increased instability in the Eastern Mediterranean region at large, since the situation in Libya is linked to the ongoing conflict in Syria.

In early 2019, the LNA captured oil-rich areas and the Fezzan region, and in April 2019 began laying siege to the capital Tripoli, where the GNA and various militias, some "Islamist-leaning", operated.[51] The UAE bolstered its military support for General Khalifa Haftar's LNA Forces in 2020,[52] seeking to bring down the government of Tripoli, which Abu Dhabi considered pro-MB.

However, Turkey's intervention in 2020 led to a string of defeats for the LNA, shifting the balance of the conflict in favour of the GNA, ending the bid to topple the Tripoli government and forcing LNA fighters into a hasty retreat.[53] This severely dented Abu Dhabi's ambitions in Libya as the conflict triggered fears of a broader regional conflagration in the Southern Mediterranean and direct military confrontation between Turkey and Egypt.[54]

UN-brokered negotiations produced a new Government of National Unity (GNU), supported by the previous GNA and most international actors. In this context, Saudi Arabia, the UAE, and Qatar[55] joined a host of countries and international

[49] "What is at stake in the Eastern Mediterranean crisis?", *Financial Times*, 8 September 2020.

[50] A.A. Ghafar (2021).

[51] "Middle East and North Africa"…, cit.

[52] "Middle East and North Africa", *The Military Balance*, vol. 121, no. 1, February 2021, p. 316.

[53] "Germany and Malta urge talks to avert escalation of Mediterranean tensions", *Financial Times*, 25 August 2020.

[54] "UAE vs Turkey: the regional rivalries pitting MBZ against Erdogan"…, cit.

[55] See O. Al-Othmani, "Arab states welcome approval of new Libyan government", *Anadolu Agency*, 11 March 2021; "Mohamed bin Zayed pledges

organisations in welcoming the Libyan parliament's vote[56] of confidence in the new government of Prime Minister Abdul Hamid Dbeibeh and pledged their support for the UN-sponsored political process. That said, the new interim Government of National Unity faces an uncertain future since it must navigate between rival groups, organise elections in December 2021, maintain a fragile ceasefire in the country's long-running civil war, and deal with the conflicting agendas of Russia, Turkey, and other foreign actors.[57]

Syria

It is no secret that Saudi Arabia and the UAE are concerned about Iranian and Turkish interventions in Syria. The country's location makes it a strategic means for Iran to project power in the East Mediterranean, whilst increasing Turkish influence in the north of the country has aroused many suspicions in the region.

In this context, Saudi Arabia and the UAE are positioning themselves to counterbalance growing Turkish and Iranian influence on several fronts. The first involves strengthening their ties with Russia, making future participation in Syria's reconstruction conditional on curbing Iranian and Turkish dominance. Riyadh and Abu Dhabi have also recently increased their engagement with Turkey's main rivals in northern Syria, and with Kurdish forces in particular.[58] Finally, there has been a gradual thaw between the UAE and the Syrian government in recent years, leading to the reopening of the UAE's embassy in

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UAE support for the new government in Libya", *BBC Arabic*, 8 April 2021; "Qatar reiterates support for Libya's UN-backed political process", *Al Jazeera*, 23 May 2021.

[56] On 10 March 2021, Libya's parliament approved a new interim government of National Unity (GNU)On 10 March 2021, Libya's parliament approved a new interim government of National Unity (GNU).

[57] "The prospects for Libya's interim government", *Strategic Comments*, vol. 27, no. 2, 13 April 2021, pp. iv-vi.

[58] C. Bianco (2020).

Damascus in 2018.[59]

This rapprochement between Damascus and Abu Dhabi (and possibly Riyadh later) can be explained by three factors. Firstly, the UAE believes that providing diplomatic recognition to Assad could convince Syria to scale back its alliance with Iran. Secondly, Damascus and Abu Dhabi share opposition to Ankara's military intervention in northern Syria.[60] Finally, the two countries have similar views towards regional developments, including the need to confront the MB, maintain strong relations with the al-Sisi regime in Egypt, and support General Haftar in Libya. How successful the UAE strategy in Syria will be remains to be seen.

Israel

In August 2020, the UAE announced it would normalise relations with Israel. From Abu Dhabi's point of view, this agreement brings several crucial benefits, not only economic but also in terms of obtaining advanced American military hardware, intelligence and security cooperation against shared threat perceptions, including Iran, Turkey, and so-called political Islam.[61]

At the geopolitical level, by signing the "Abraham Accords" with Israel, the UAE aims to solidify its foothold in the Mediterranean and broaden its regional alliances amid increasing Turkish and Iranian interventions and a growing perception that America is disentangling itself from the Middle East.[62] Economically, the normalisation agreement with Israel may also offer many new opportunities for cooperation in strategic areas as mentioned above.

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[59] A. Occhiuto and A. Chisholm (2020).

[60] S. Ramani, *Foreign policy and commercial interests drive closer UAE-Syria ties*, Middle East Institute, 21 January 2020.

[61] A.A. Ghafar (2021).

[62] N. Ateşoğlu Güney and V. Korkmaz, "A New Alliance Axis in the Eastern Mediterranean Cold War", *Insight Turkey*, vol. 23, no. 1, 2021, p. 73.

The UAE has been increasingly keen to cultivate commercial and trade relations with Israel since the formal signing of the normalisation agreement in September 2020, and ties are developing rapidly.[63] Abu Dhabi Ports, via the Khalifa Industrial Zone (Kizad) and ZonesCorp, has opened its free zone and industrial cluster to Israeli companies, providing them with enhanced access to Abu Dhabi's leading supply chain and logistics operations. DP World has also put in a joint bid, with Israel Shipyards, for a stake in Israel's largest port in the northern city of Haifa.[64]

In March 2021, the UAE announced it was setting up a US$10 billion fund to invest in Israeli energy and other strategic sectors,[65] and an Abu Dhabi state firm is on the verge of concluding a deal with the Israeli firm Delek Drilling to buy a stake in the Tamar gas field.[66] Last April, the UAE's Mubadala Petroleum reached a provisional agreement to invest in Tamar assets for a reported US$1.1 billion.[67] This would be by far the largest deal yet between the two sides (if it goes through), and shows that the UAE is fully committed to normal relations with Israel.[68] Its importance lies in its potential to enhance the UAE's diplomatic profile in the Mediterranean.[69]

Against this strategic backdrop, the Palestinian conflict continues to pose a security risk to offshore Israeli operations. The Tamar acquisition could be a political gamble in the current situation and this could potentially scare Mubadala away from the deal.[70] That said, the *Economist Intelligence Unit*

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[63] "UAE logistics industry faces up to post-pandemic challenges", *Economist Intelligence Unit (EIU),* 7 May 2021.
[64] Ibid.
[65] S. Henderson (2021).
[66] "UAE on the Spot As Israeli-Palestinian Conflict Escalates", *MEES*, 19 May 2021.
[67] Ibid.
[68] "Abu Dhabi Supercharges Israel Relations with Mubadala's Planned Tamar Purchase", *MEES*, vol. 64, no. 17, 30 April 2021.
[69] S. Henderson (2021).
[70] "Israel/Gaza Attacks: Oil & Gas Facilities Under Threat", *MEES*, vol. 64, no.

(EIU) noted in a recent report that Abu Dhabi will prioritise maintaining its recently established ties with Israel, which it sees as central to its long-term strategic and economic goals, though it is seeking a role in the reconstruction of Gaza as part of its wider regional diplomatic outreach and to offset criticism over its ties to Israel.[71]

Greece and Cyprus

Over the past few years, Saudi Arabia and the UAE have continued to develop their relations with Greece and Cyprus not only in the economic and commercial realm but also in defence and security. Political meetings and consultations, security agreements, joint military exercises, and ongoing economic and trade delegations hint at the possible emergence of a new regional alignment.[72]

At the diplomatic level, Saudi Arabia and the UAE strongly oppose Ankara's policies in the Eastern Mediterranean and support the positions of Greece and Cyprus. The contested policies include Turkey's drilling for natural gas in Cyprus' economic exclusion zone (EEZ) and its agreement[73] with Libya's UN-recognised GNA,[74] which gives Ankara the right to veto any deal to develop hydrocarbon reserves in the Eastern Mediterranean.

19, 14 May 2021.

[71] "UAE is keen to see swift ceasefire in Israel-Gaza conflict", *Economist Intelligence Unit (EIU)*, 19 May 2021.

[72] Y. Guzansky and G. Lindenstrauss, "The Gulf and the Eastern Mediterranean: Is a Gulf-Hellenic Alignment in the Making?", *INSS Insight*, no. 1458, The Institute for National Security Studies, 25 April 2021.

[73] In November 2019, Turkey signed an agreement with Libya's Government of National Accord to create a maritime corridor stretching from southwest Turkey to northeast Libya, which would collide with the exclusive economic zones (EEZs) of Cyprus, Egypt, and Greece on top of blocking the path of the planned Eastern Mediterranean gas pipeline.

[74] P. Iddon, "UAE Dispatches Fighter Jets to Support Its Allies Against Turkey", *Forbes*, 26 August 2020.

The Turkey-Libya deal enables Ankara to secure continental shelf rights in the Mediterranean stretching to Libya, west of Cyprus, and south of Crete.[75] This complicates plans for a future pipeline from Cyprus to Greece, via Crete, for supplying gas to mainland Europe.[76] "Any project disregarding Turkey, which has the longest coastline in the Eastern Mediterranean and the Turkish Cypriots, who have equal rights over the natural resources of the Island of Cyprus, cannot succeed. We bring this fact once more to the attention of the international community", Turkey's Ministry of Foreign Affairs said in January 2020.[77]

Greece's military relations with the UAE and Saudi Arabia have also grown significantly over the past few years. Last March, F-15 fighter jets of the Royal Saudi Air Force along with their crews and supporting technicians arrived on the Greek island of Crete for exercises over the Mediterranean Sea (Eye of Falcon 1).[78] Following Houthi attacks on Saudi oil facilities in 2019, Greece deployed a Patriot missile system to Saudi Arabia along with 130 Greek soldiers,[79] affectively taking over one of the defence roles previously played by the United States.

Defence relations between Greece and the UAE have grown even closer. Amidst heightened tensions between Greece and Turkey last year over maritime boundaries and rights to offshore resources in the East Mediterranean, the UAE deployed four F-16s fighter jets to Crete.[80] For Saudi Arabia and the UAE,

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[75] O. Mehmet and V. Yorucu, *Modern Geopolitics of Eastern Mediterranean Hydrocarbons in an Age of Energy Transformation*, Berlin, Springer International Publishing, 2020, p. 65.

[76] "What is at stake in the Eastern Mediterranean crisis?"..., cit.

[77] "QA-1, 2 January 2020, Statement of the Spokesperson of the Ministry of Foreign Affairs, Mr. Hami Aksoy, in Response to a Question Regarding the Signature of the Agreement on the EastMed Project", Republic of Turkey Ministry of Foreign Affairs, 2 January 2020.

[78] P. Iddon (2020).

[79] J. Schanzer, "Diplomatic Arson in the Middle East: The Biden administration's torching of U.S.-Saudi relations", *Commentary Magazine*, May 2021.

[80] See A.A. Athanasopoulos, "How UAE, Greece came close together", *Arab*

the driving force behind these new relationships is not only the need to oppose Turkey's growing assertiveness and to increase Ankara's isolation, but also to advocate new alliances of like-minded states to reduce dependence on the US security umbrella and to strengthen relations with the European Union.[81]

Looking Ahead: Escalation or De-Escalation

Continued disputes over drilling rights in the Eastern Mediterranean, combined with limited progress on Cyprus reunification talks and increased military activity in the region will keep tensions high.[82] Furthermore, the issue of hydrocarbon rights is unlikely to be resolved soon, as it plays into a wider regional power struggle. In this complex situation, tensions within the Eastern Mediterranean region are expected to grow over coming years due to shifting regional alliances and increased militarisation.[83]

This situation is causing deep unease in the EU and the US. The International Crisis Group recently warned that "any conflict in the Eastern Mediterranean would come at a high cost: it would disrupt energy investment, undermine transatlantic security, and damage vital ties between Turkey and the EU".[84] This warning coincides with the Biden administration's emphasis on diplomacy as the principal tool of foreign engagement. Multilateral cooperation could indeed potentially result in a renewed and more coordinated international push for peaceful solutions to (or de-escalation of) the conflicts in Libya and the Eastern Mediterranean.[85]

News, 25 February 2021; and P. Iddon (2020).

[81] See "Bridging the Gulf: why Greece is making new friends in the Middle East", *The Times*, 26 April 2021; and Y. Guzansky and G. Lindenstrauss (2021).

[82] "Cyprus To Push Back Against Turkey-EU Rapprochement, But with Limitations", *Business Monitor Online*, 6 April 2021.

[83] Ibid.

[84] *How to Defuse Tensions in the Eastern Mediterranean*, The International Crisis Group, 22 September 2020.

[85] Fitch Solutions, "Saudi Arabia Country Risk Q1 2021", Fitch Solutions Group,

In the Gulf, US-Saudi relations are expected to cool under the Biden administration. If this situation persists, it could encourage a more pragmatic Saudi foreign policy in the near future.[86] Riyadh has already taken a series of more reconciliatory steps on key foreign policy challenges (Qatar, Yemen, and Iran) since January 2021.[87] A more conciliatory Turkish foreign policy towards Egypt, Saudi Arabia, and the UAE could also contribute to looser future ties between the Hellenic countries and the GCC nations.[88]

The new US administration's position on key Middle East issues, principally Iran, and the economic consequences of the COVID-19 pandemic, including the fall in the price of oil,[89] have made alternative policy choices more attractive. Indeed, signs of rapprochement are visible on several fronts. Firstly, an agreement signed at the 41st annual GCC summit in Saudi Arabia on 5 January 2021 officially marked the end of the GCC crisis, which had lasted three and a half years:[90] diplomatic ties between the Quartet states (Saudi Arabia, the UAE, Bahrain, and Egypt) and Qatar will soon be fully restored and the boycott against Qatar lifted.[91]

Overtures between Turkish and Egyptian officials and the peace deal in Libya followed. Ankara's relations with Riyadh are also thawing and both Saudi Arabia and Turkey are seeking to dial down foreign policy tensions and build new international

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London, 2021, p. 37.

[86] Fitch Solutions, "Cooling Of US-Saudi Relations to Prompt More Pragmatic Saudi Foreign Policy", *Business Monitor Online*, 4 May 2021.

[87] Ibid.

[88] See H. Ibish, *Competition for Mediterranean Natural Gas Deepens as Gulf, European States Join the Fray*, The Arab Gulf States Institute in Washington, 27 February 2020; and Y. Guzansky and G. Lindenstrauss (2021).

[89] Y. Guzansky, "Changes in United Arab Emirates Foreign Policy: Significance for Israel and the Region", *INSS Insight*, no. 1479, The Institute for National Security Studies, 1 June 2021.

[90] Fitch Solutions, "United Arab Emirates Country Risk Report, Q2 2021", Fitch Solutions Group, London, 2021, p. 27.

[91] Ibid.

bridges to counter perceived US hostility. Lastly, and perhaps most strikingly, Saudi diplomats have met their Iranian counterparts, and Turkey and Greece have returned to talks after many years of estrangement.[92] While these developments are broadly positive for perceptions of political stability and de-escalation, the underlying issues nevertheless remain unresolved, and the process of rebuilding trust between all players is likely to prove challenging.

As for Libya, unlike the UAE and Saudi Arabia, Egypt shares a border of over a thousand kilometres with the country, as well as social, economic, and cultural ties, and therefore stands to lose a great deal if this neighbour remains unstable and politically hostile.[93] Consequently, a deeper rapprochement between Turkey and Egypt could well determine the viability of the latest UN-brokered deal and presage its impact on Libya's internal dynamics.[94] This in turn would have a significant impact on the UAE's military activities there.

UAE military support alone cannot accomplish much in Libya because the UAE has no borders with the country, and its military capabilities remain limited. Without Egyptian support, Abu Dhabi would be in a difficult and complicated spot. As for Israel, despite the many differences, communication channels between Tel Aviv and Ankara are still open, and most importantly, Israel is still cautious about joining any anti-Turkish alliance.

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[92] See "Turkey seeks to reset relations with Saudi Arabia", *Economist Intelligence Unit (EIU),* 4 May 2021; "Egypt and Turkey seek to overhaul tense ties with frank talks on Libya", *Reuters*, 6 May 2021; "Turkey's foreign minister in Saudi Arabia for talks to mend ties", *Aljazeera*, 10 May 2021; *Libya Turns the Page*, The International Crisis Group, 21 May 2021; "Qatar's top diplomat visits Egypt amid improving ties", *Independent*, 25 May 2021; *Turkey-Greece: From Maritime Brinkmanship to Dialogue*, The International Crisis Group, 31 May 2021; R. Atwood, *Slivers of Hope in the Middle East*, The International Crisis Group, 2 June 2021.

[93] T. Köse and B. Öztürk, "A Sea Change in the MENA Region: External Interventions in Libya", *Insight Turkey*, vol. 22, no. 4, 27 November 2020.

[94] S. Feuer, "A Unified Government in Libya: Potential Regional Implications", *INSS Insight*, no. 1462, The Institute for National Security Studies, 3 May 2021.

Any future rapprochement between Turkey and Israel, or any strong American push for a peaceful settlement in the Eastern Mediterranean will directly affect the dynamics of gas pipeline politics. Certainly, the EastMed pipeline project[95] presents big challenges due to economic rationale, market conditions, technical limitations, legal issues, and geopolitical rivalry. The risks associated with the Turkey-Israel pipeline, on the other hand, are mostly political.[96]

To sum up, countries like Saudi Arabia, the UAE, and Qatar are operating in a theatre far from their geographical borders and do not possess the military capabilities to change the strategic balance in the Eastern Mediterranean region in their favour. They therefore need to cooperate with local, regional, and global powers whose interests are compatible with their own. For this reason, changes in the strategies of such powers could push the Gulf states to review their political and military calculations.

[95] For more information about the EastMed pipeline project see Eastern Mediterranean Pipeline Project, NS Energy; and EastMed Pipeline, Wikipedia.

[96] T. Demiryol, "Between security and prosperity: Turkey and the prospect of energy cooperation in the Eastern Mediterranean", *Turkish Studies*, vol. 20, no. 3, 2019, p. 450.

6. Russia: Towards a Balance of Interests in the Eastern Mediterranean

Ruslan Mamedov

Research interest in Russia's role in the Eastern Mediterranean region remains high. The increasing Russian presence in the Eastern Mediterranean is explained by energy and security issues. It is noted that Moscow has opted for a more balanced policy of maintaining non-aligned relations. This approach implies political risks, but it appears to be working in terms of the flexibility of Russian policy in the face of increasing pressure from other global actors, a competitive environment and the next round of transformation processes in the region. At the same time, this resilient approach of Russian policy includes and promotes ideas of inclusiveness, finding a balance of interests between global and regional powers, and the need to stabilise the region.

Russia's Energy Policies in the East Med

One of the key elements of Russian foreign policy in the Eastern Mediterranean subregion – and more broadly in the Middle East – is the desire to ensure stable interaction with major players in the energy market. From this perspective, Moscow's intensified attention to regional issues is linked to three factors: 1) the need to ensure stability in the oil market by creating coalition formats to regulate oil prices; 2) nuclear energy exports; and 3) surveillance of and partial inclusion in

the most promising energy exploration, production and export projects from the region. COVID-19 has forced adjustments to be made to these plans, but Moscow is successfully adapting to the new realities.

Energy price regulation

The intensification of Russian foreign policy in the Eastern Mediterranean has facilitated contacts with influential actors. Given the importance of the Eastern Mediterranean and the often-overlapping interests of regional powers in the Middle East, Russia and the Gulf monarchies have been able to advance both the bilateral agenda and key energy issues. The increase in official visits from Middle Eastern capitals to Moscow in the second half of the 2010s, like the historic visit by the king of Saudi Arabia, was a clear indication of Moscow's increased role in the region. Meanwhile, the effect of the OPEC+ deal to keep oil prices at an adequate level – in which Russia and Saudi Arabia were the key players – allowed Moscow to receive an additional US$100 billion (according to Russian officials) to its budget. The Syrian operation can thus be considered a springboard to the Persian Gulf, among other things.[1]

At the end of 2016, OPEC and several non-member states (OPEC Plus), including Russia, agreed to reduce oil production to stabilise prices. Thus, Moscow sought to develop systematic interaction with influential international organisations, whose key members are the energy exporting states of the Middle East and North Africa.[2] Joint monitoring of the oil market,

[1] "«Это дно, хуже быть не может»Десять лет сирийцы страдают от кровопролитной войны. За эти годы страна погрузилась в разруху и хаос" ("«Eto dno, khuzhe byt' ne mozhet» Desyat' let siriytsy stradayut ot krovoprolitnoy voyny. Za eti gody strana pogruzilas' v razrukhu i khaos") ("'This is the bottom, it couldn't be worse' For ten years the Syrians have been suffering from a bloody war. Over the years, the country plunged into devastation and chaos"), *Lenta.ru*., 15 March 2021.

[2] V. Katona and R. Mamedov, *Russia's Interests in the Arab Mashreq: Analyzing the Future of Oil and Gas in Iraq and Syria*, Working Paper, Russian International

production adjustments and other measures stabilised the situation. However, with the coronavirus crisis, the global oil market began to falter again and energy prices became volatile. Negotiations between OPEC Plus members became more difficult, partly due to the non-participation in the negotiations of the US, the third-largest oil producer after Russia and Saudi Arabia. Demand in the COVID-19 era began to fall sharply and additional cuts in oil production were required. However, oil players did not immediately manage to reach a compromise. In March an oil conflict broke out between Russia and Saudi Arabia when Russia did not agree to the terms proposed by OPEC. The result was a precipitous drop in oil prices, with Brent crude falling by 30% in March 2020. Saudi Arabia and many other players started to sharply increase production. Eventually the parties managed to reach an agreement again, not without the attention of the US. Russia and Saudi Arabia returned to dialogue, becoming the key guardians of order in OPEC Plus, leading to a relative stabilisation of the market.[3] However, price increases and rising demand only appeared in early 2021. A market recovery – in the optimistic scenario – is expected precisely at the end of 2021.

Nuclear power

Rapid population growth, urbanisation, and other factors have led a number of developing nations – including those in the Eastern Mediterranean region – to diversify their energy sources. In this context, the Russian state corporation Rosatom is creating a fundamentally new industry for its Eastern Mediterranean partners in the form of "peaceful atom". Moreover, Russia is the only global power building nuclear power plants (NPPs), in the north of the Eastern Mediterranean in Turkey and in the

Affairs Council (RIAC), 21 October 2019

[3] "Россия в ОПЕК+: от нарушителя до блюстителя порядка" "Rossiya v OPEK+: ot narushitelya do blyustitelya poryadka" ("Russia in OPEC +: from violator to guardian of order"), *DW Made for Minds.*

south in Egypt. Both the Akkuyu nuclear power plant in the Turkish province of Mersin and the planned Ad Dabaa nuclear power plant near the Egyptian city of El Alamein, 3.5 km from the Mediterranean Sea, are strategic to Russia's relations with the Eastern Mediterranean states. Such costly and long-term projects will help to strengthen the multifaceted relations between Moscow and its partners and take them to a new level.

The Akkuyu NPP project in Turkey is well underway and construction is at an advanced stage. Despite COVID-19, the parties have remained committed to the project, taken strict measures to protect the employees of the organisations involved in construction against the coronavirus, and managed to begin construction of Unit 3 on time. As Russian President Vladimir Putin noted in the video-conferenced ceremony marking the start of construction of Unit 3 of the Akkuyu NPP, "all of the construction works have been completed on the Akkuyu NPP site". A total of four power units with reactors providing a total capacity of 4,800 MW will be installed at the Akkuyu site, producing up to 37 billion kWh of electricity annually.[4] The construction is being carried out with the involvement of Turkish business, and more than a hundred nuclear engineers are being trained at Russian universities for Turkey. The first unit of Akkuyu NPP is due to be commissioned for the 100th anniversary of the Turkish Republic in 2023.

In Egypt, the start of construction of the Ad-Dabaa NPP, scheduled for 2020, has been delayed due to the coronavirus crisis. Nevertheless, the parties have worked hard and reached agreements on all aspects of the US$30 billion project. Most of this amount, about US$25 billion, will be financed by a Russian loan. The first of four units is expected to be

[4] "Путин и Эрдоган дали старт началу строительства третьего блока АЭС 'Аккую' в Турции" "Putin i Erdogan dali start nachalu stroitel'stva tret'yego bloka AES 'Akkuyu' v Turtsii" ("Putin and Erdogan launched the construction of the third block of the Akkuyu nuclear power plant in Turkey"), *TASS*, 10 March 2021.

operational in 2026.[5] Rosatom's projects in Turkey and Egypt are implemented under the Built-Operate-Own system.

Russia and Projects in the Eastern Mediterranean

Russian oil and gas companies had an interest in the Eastern Mediterranean even before the Russian military operation in Syria. Several contracts from Russian oil and gas and construction companies signed before 2011 were disrupted in Libya and Syria by wars, external interference, and US support for the policy of "overthrowing undesirable regimes". The discovery of new fields in the Eastern Mediterranean (Tamar, Leviathan, Zohr and others) raised the question of Russian companies' activism in a region already destabilised by social and political turmoil. Russia began to explore the possibility of joining the most promising projects for exploration, extraction and export of energy resources from countries in the region. The development of the Eastern Mediterranean projects themselves was hampered by long-standing conflicts, the absence of maritime border demarcation, the policies of regional powers (competition) and external interference. The US sees Eastern Mediterranean gas as a tool to reduce the role of Russian gas in the European market and subsequently to increase the share of American gas in Europe. As Sergey Lavrov said during the Rome MED 2020 – Mediterranean Dialogues international conference: "We are not against the implementation of energy projects aimed at diversifying gas supply routes to Europe, including in that region. At the same time, we refuse to accept political bias in cooperation in this sphere. The choice must be made by the consumer countries themselves based on the logic of free competition, economic expediency and benefit, rather

[5] "В Росатоме заявили, что пандемия не повлияла на график строительства АЭС 'Аккую'" "V Rosatome zayavili, chto pandemiya ne povliyala na grafik stroitel'stva AES 'Akkuyu'" ("Rosatom said the pandemic did not affect the construction schedule of the Akkuyu NPP", *TASS*, 10 March 2021.

than under the influence of ultimatums and threats made across the ocean".[6]

With their technological and organisational capabilities, as well as their vast experience in the energy sector, Russian oil and gas giants entered many new Eastern Mediterranean projects in the second half of the 2010s. Regional nations themselves have been receptive to Russian interest. Several contracts were signed between Russian companies and Eastern Mediterranean states, but Russian participation in the projects was generally rather restrained. Russia's Rosneft, which is looking to compete with Gazprom on the European gas market, has been most successful in Egypt. Egypt's largest project, Zohr, is being run as a concession by Italy's Eni S.p.A. (50%), Rosneft (30%), Britain's BP (10%) and Mubadala Petroleum (10%).[7]

Using Egyptian LNG capacity, Rosneft can achieve the coveted goal of supplying its own natural gas to the European market to compete with Gazprom. Gazprom itself also supplied LNG to Egypt until recently. However, the situation has changed in recent years. For the time being, only LNG from the Egyptian Damietta terminal has come online.[8] The key players here are not Russian, but US Chevron with 39.66% of the Leviathan project and 32.5% of the Tamar project, as well as the Israeli Delek Drilling and others. By linking the Israeli fields with Egyptian LNG terminals, all these players plan to take a share of the gas market. To do so, they are investing in improving the gas pipeline infrastructure to the Egyptian terminals, expanding their capacity. This will allow them to export up to 7 billion cubic meters of gas per year.

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[6] Ministry of Foreign Affairs of the Russian Federation, "Foreign Minister Sergey Lavrov's statement at the Rome Med 2020 – Mediterranean Dialogues international conference Moscow, December 4, 2020", World Map.

[7] "Проект «Роснефти» Zohr в Египте сократил добычу газа на 5,6% в 2020 году" ("Proyekt «Rosnefti» Zohr v Yegipte sokratil dobychu gaza na 5,6% v 2020 godu") ("Rosneft's Zohr project in Egypt cuts gas production by 5.6% in 2020"), *OilCapital.ru*, 5 March 2021.

[8] S. Elliott and P. De Wilde, "Egypt hails Damietta LNG return, but short-term impact likely muted", S&P Global Platts, 26 February 2021.

While this approach by Chevron and its partners could weaken the position of Russian companies, it also calls into question the need to build the EastMed pipeline (planned at 10 bcm/y) under an agreement between Israel, Cyprus and Greece.

In January 2019, an intergovernmental organisation, the Eastern Mediterranean Gas Forum (EMGF), was established to unlock the potential of the region's gas resources and monetise their reserves.[9] Many Eastern Mediterranean states (apart from Turkey and Syria) joined the organisation, along with European states with interests in the region (France and Italy are members) and even an external one, the US (as observer). The United Arab Emirates' (UAE) desire to join the EMGF in March 2021 was vetoed by one of the founding members, Palestine. Russia, on the other hand, is still absent from the organisation, and the reason may be that the Eastern Mediterranean Gas Forum is seen to compete with Russian plans. The Forum has also yet to prove its worth, both in terms of gas prices (which have been kept low for the last year, though this situation may not continue) and competition from US, Russian and Qatari gas. This is not to mention the competition between Turkey and Egypt for the role of main gas hub. Russia's energy policy in the subregion should also be seen in the context of current realities and security threats.

Security Is Key

Despite the importance of energy for Moscow, geopolitics and security issues have underpinned Russian foreign policy. Firstly, in the second half of the 2010s, the need to respond to terrorist threats from the Middle East became apparent. Secondly, the deterioration of relations between Russia and NATO, and especially the US, underscored a need to demonstrate Russian capabilities. Thirdly, Russian military presence required working relations and contacts with regional powers and the consolidation of Russia's position in the Eastern Mediterranean.

[9] "Cyprus to chair East Med Gas Forum", *FinancialMirror*, 10 March 2021.

The second half of the 2010s drew a line under the previous period of Moscow's absence from the Eastern Mediterranean. This was primarily due to the activation of Russian diplomacy and economic cooperation with the states of the region: Russia became an important trade and investment partner for a number of states (e.g. Cyprus). Secondly, it was a result of the Russian troop grouping in Syria in 2015, marking the start of the counter-terrorism operation in that country. At the beginning of the crisis in 2011, the US did not want to get actively involved in the Syrian question. It was simply not a priority, as the US was still to overcome the results of its activities in Iraq and Libya. However, while for many Russia filled the vacuum created by the US' desire to rebalance its policy from the Middle East to the Asia-Pacific, for Moscow itself, it was the threat of terrorism that was at the heart of the move. Thus, the first tasks of the Russian military in Syria, according to Defence Minister Sergei Shoigu, were "to eliminate terrorist groups in Syria and also to prevent fighters from coming back to Russia".[10] These were very practical issues requiring the attention of Russian decision makers. The outcome of the Russian operation showed that Moscow had succeeded in preventing the creation of a "terrorist safe heaven". As Chiara Lovotti says: "The Russian military intervention was furthermore fundamental in destroying the Islamic State: this is an unquestionable fact". It is worth recognising, however, that Moscow was also addressing geopolitical concerns along the way.

In Moscow's calculations, the issue of its own security from its southern borders was on the agenda. Following Russia's increased positioning in the Black Sea, access to the Mediterranean retained and intensified its importance. For Russia, access through the Bosphorus and Dardanelles straits is

[10] "Sergey SHOYGU, ministr oborony Rossiyskoy Federatsii Reshimost' na peredovoy bor'by s mirovym zlom" ("Sergey SHOYGU, Minister of Defense Russian Federation Determination at the forefront of the fight against the world's evil", *Krasnaya zvezda* (*Red Star*), 30 September 2020.

crucial, in the context of addressing issues of state development as well as its presence on the world's oceans. The latter is of strategic importance to Russia's response to the US policy of global dominance of the world's oceans. Given this and the history of Russian presence in the Eastern Mediterranean, Russia modernised its fleet and established a permanent Mediterranean navy taskforce in 2013. The prototype for the Russian Navy's permanent Mediterranean taskforce operating today is the former Soviet Navy's 5th Mediterranean Squadron, which was disbanded on 31 December 1992. In the Cold War period the 5th Soviet Squadron was considered a rival to the US Navy's 6th Fleet.[11]

According to doctrinal documents, Moscow also saw NATO's expansion closer to its borders as a threat. Within the framework of major external military risks, Russia's Military Doctrine noted a "build-up of the power potential of the North Atlantic Treaty Organization (NATO) and vesting NATO with global functions carried out in violation of the rules of international law, bringing the military infrastructure of NATO member countries near the borders of the Russian Federation, including by further expansion of the alliance". Nevertheless, within the context of its objectives of preventing and containing conflicts, in the same military doctrine Russia sees the necessity of "maintaining equal dialogue in European security with the European Union and NATO", among other things.[12]

For Russia, the actions of NATO's main policy driver, the US, are perceived as a key threat. Washington not only pressures Moscow with its actions and anti-Russian rhetoric, but also seeks to undermine Russia's relations with the Black Sea and Eastern Mediterranean states. Moreover, there has been a consistent US policy of supporting anti-Russian initiatives in

[11] "Black Sea Fleet sub to join Russian Navy's Mediterranean Squadron", *TASS Russian New Agency*, 19 March 2021.

[12] "Military Doctrine of the Russian Federation", Embassy of the Russian Federation in the Kingdom of Thailand.

the Eastern Mediterranean. These are expressed in the Eastern Mediterranean Security and Energy Partnership Act. The "Caesar Act", which establishes tough sanctions against Syria, is also a matter of concern for Moscow. But, as further analysis shows, there is no support for these US policies from regional states. Most of them prefer to maintain stable ties with Moscow because of their national interests. For instance, with regard to the Caesar Act, many states do not support the sanctions imposed by the US. The problem is that those sanctions are secondary and prevent Middle Eastern and European states from engaging with Damascus. Some of these states, including such American partners as the UAE, have openly criticised US policy and would like to see Syria back in the region.

Several NATO member states evidently disagree with Washington's assessment of Russia. This is confirmed by the position of one of NATO's largest forces, Turkey. Turkey prefers to engage with Moscow both in the Black Sea region and in the Mediterranean. Despite different positions on many issues, Russia and Turkey have managed to find complex answers to difficult questions through hard work together. For instance, despite taking opposite sides in the Syrian conflict, Moscow and Ankara managed to create de-escalation zones and to set up, together with Iran, the Astana talks, which went on to become a major negotiating tool. In 2017, Russia and Turkey also signed a US$2.5 billion deal to supply the S-400 Triumph air defence system, in the national interests of Turkey. The US, however, is pursuing a campaign against Turkey and trying to make it give up the Russian air defence systems. The media have reported that, during the meeting between the United States Secretary of State Antony Blinken and Turkish Foreign Minister Mevlut Çavuşoğlu, Blinken "urged" Turkey not to retain the Russian S-400 air defence system, while his Turkish counterpart answered that it is a "done deal".[13] Even in the

[13] "Purchase of Russian S-400 a 'done deal', Turkey tells US", *AlJazeera*, 24 March 2021

case of Libya, Turkey tried to engage with Moscow, and many observers began to say that Russia and Turkey were deciding the fate of states together. This was nevertheless not quite true.

Moscow's efforts at resolving the Syrian or other crises drew the attention of Western states (beginning with Russian activism in 2015). When Moscow sent its military contingent to Syria, the Russians wanted to work together with the US (Lavrov-Kerry format). Attempts to work with European powers also failed (Istanbul meeting of Russia, Germany, France and Turkey). Since then, Russia has been more active in working with regional powers, including the Gulf monarchies. Both Russian and European experts have nevertheless repeatedly discussed opportunities for interaction between Russia and Europe.[14]

In Libya, the Russian approach assumed a rather tactical nature with various players.[15] It was therefore not a problem for Russia to engage with Turkey when it needed to, or to support the Berlin process and the position of individual EU states on Libya. It is worth noting that "Russia certainly has the ability to influence the unfolding events in Libya, having diplomatic weight and even a military presence in the Eastern Mediterranean, as well as working and special relations with many regional sponsors of the Libyan conflict. Nevertheless, Moscow has already shown that in such matters it prefers to rely on regional players with real influence on the situation in crisis zones (as was demonstrated in the framework of the Astana format on the Syrian issue)".[16]

Of course, Turkish actions in the Eastern Mediterranean have been a source of considerable wariness. Though these were initially explained by Turkey's having been sidelined by regional

[14] A. Kortunov, A. Aksenenok, M. Asseburg, and V. Perthes, *Russia and the EU in Syria: Need for New Approaches?*, Working Paper, no. 57, 2020, Russian International Affairs Council (RIAC).

[15] R. Mamedov, Russia's *"Wait and See" Policies and the Libyan Settlement*, ISPI Commentary, ISPI, 20 December 2019

[16] Ibid.

states in various issues, Turkey decided to escalate its rhetoric. In December 2019, Turkish President Tayyip Erdoğan received the head of Libya's GNA, Fayez al-Sarraj, in Istanbul and signed a Turkish-Libyan agreement on military cooperation and a memorandum of understanding on the demarcation of maritime zones between the two countries. This did not please Turkey's Mediterranean neighbours. Nevertheless, this escalation also suggested that at some point the Turks would have to de-escalate and seek compromises, which is what eventually happened.

What Room for Dialogue in the Eastern Mediterranean?

Changing regional dynamics in the Eastern Mediterranean have revealed the need to reshape the policies of regional and global powers. The normalisation of relations between Israel and several Arab states, most notably the UAE and Bahrain in 2021, could not fail to have an impact on the situation in the Eastern Mediterranean. The re-establishment of ties between the UAE, Saudi Arabia and Egypt on the one hand, and Qatar on the other also opened new opportunities for strengthening ties. These developments ran in parallel with Turkey's attempts to break out of the isolation it had fallen into in the Eastern Mediterranean. Rumours of rapprochement between Ankara and Cairo – the region's two most populous countries – were particularly prominent in February and March 2021, though more likely to come from the Turkish side. On May 5-6, the Turkish Deputy Foreign Minister Sedat Onal visited Cairo following consultations by the two states' special services. Despite the fact that even a meeting of the Egyptian and Turkish foreign ministers is expected,[17] progress in Egyptian-Turkish relations takes more time than one could expect. It is obvious

[17] "Egypt, Turkey to Exchange Ambassadors Soon", *Asharq Al-Awsat*, 11 June 2021.

that it is not easy for the parties to reach agreements on regional issues.[18] The start of dialogue between Turkey and Greece is also worth noting. After rounds of serious escalation, the sides are taking their first steps towards compromise.[19] Russia monitors these developments and supports de-escalation in the area while also maintaining relations with Turkey, Egypt and Greece. With reference to the latter, as Russian Prime Minister Mikhail Mishustin noted during his visit to Athens, on 24-25 March, to attend the celebrations marking the 200th anniversary of the Greek Revolution "The Russian-Greek relationship is based on special historical, cultural and spiritual closeness".[20] If we take Russia's attitude to the Eastern Mediterranean in general, there is also a sense of the need to support interfaith dialogue between Christian (Orthodox, especially important to Moscow), Muslim, and other communities. As for Egypt, it is worth noting that Russia maintains high contacts at the military-political level and conducts joint naval exercises (the last of which took place in the Black Sea).[21]

Both the US and the EU have agreed to work "hand-in-hand" on stabilisation in the Eastern Mediterranean. But how inclusive would this be on their part? The Americans are known for their policies of "isolationism" or "exceptionalism" when they do not

[18] Y. Aktay, "Why on earth is Egypt expecting Turkey to do the impossible?", *Yeni Şafak*, 22 giugno 2021.

[19] K. Loginova, "Битва за Средиземноморье: Турция и Греция решили наладить контакты Анкара хочет переманить на свою сторону Каир, который поддерживает Афины Ксения Логинова" ("Bitva za Sredizemnomor'ye: Turtsiya i Gretsiya reshili naladit' kontakty Ankara khochet peremanit' na svoyu storonu Kair, kotoryy podderzhivayet Afiny") ("Battle for the Mediterranean: Turkey and Greece decided to establish contacts. Ankara wants to win over Cairo, which supports Athens"), *IZ.ru*, 18 March 2021.

[20] "Russia, Greece have always helped each other through hard times, Russian PM says", *TASS Russian New Agency*, 24 March 2021.

[21] R. Mamedov, "Мост над Босфором. о том, как египетские корабли прошли мимо Турции ради военных учений с Россией" "Most nad Bosforom. o tom, kak yegipetskiye korabli proshli mimo Turtsii radi voyennykh ucheniy s Rossiyey" ("Bridge over the Bosphorus. About how Egyptian ships passed by Turkey for military exercises with Russia"), *Kommersant*, 17 November 2020.

like something. Europe, for its part, has shown that EU capitals can assume different positions on crises. When one of the European powers intervenes more actively, it does not always lead to a more effective outcome (as with France in Lebanon). At a joint meeting, European diplomacy chief Josep Borrell and Antony Blinken also declared that "... they are ready to engage with Russia on issues of common interest ...". It remains to be hoped that the Eastern Mediterranean will become an area for discussion rather than confrontation between the US, the EU and Russia. In the meantime, in March 2021, during a visit to China, Russian Minister of Foreign Affairs Sergey Lavrov said: "If and when the Europeans deem fit to eliminate these anomalies in contacts with their largest neighbour, of course we shall be ready to build up relations based on equality and balanced interests. In the meantime, there are no changes on the Western front, while in the East, in my opinion, we have a very intensive agenda, which is becoming more diverse every year". In 2021, Russia's aim is to "keep its finger on the pulse". This is due to the complex logic of transforming tactical alliances in the Middle East. With many changes in regional dynamics, regional and global powers should not go out of their way to ignore each other's interests. Doing so could lead to an escalation or to the activation of the proxy powers that all of the external and regional players possess.

Conclusion

Russia has yet to find its place in Eastern Mediterranean affairs, though joining the subregion's energy projects can be seen as a reasonable route towards Russian engagement. Given Russia's experience, and that energy can provide a basis for building a more stable Eastern Mediterranean, Moscow should be perceived as a constructive partner in this process. Several regional powers are interested in the stability of the subregion, but so are global powers, like Russia and the US (though with different visions). Cooperation is the key to establishing a stable

region. Russia's bilateral relations with Eastern Mediterranean countries were clearly quite successful by the start of the new decade. COVID-19 provided a further catalyst for regional dynamics. Russia became increasingly pragmatic and domestic policy issues took precedence over foreign policy issues by 2020 (and even more so during the pandemic). This can be seen clearly from Russia's policy in the Levant: the intensification of 2015-17 was superseded by greater moderation in 2018-20.

The treaties signed with the Syrian government consolidated Russia's position and presence in the Eastern Mediterranean. Understanding its limitations, however, Russia did not expand its presence in Syria or increase its influence in other parts of the region. Instead, Moscow opted for a more balanced policy of maintaining neutral-positive non-aligned relations. This approach implies political risks, but it is the most correct in terms of the flexibility of Russian policy in the face of increasing pressures, a competitive environment and the next round of regional transformations. At the same time, the resilience of Russian policy promotes inclusiveness, the establishment of a balance of interests between global and regional powers, and the need to stabilise the region.

7. China in the Eastern Mediterranean: A Discreet Player

Camille Lons

China is a discreet player in the Eastern Mediterranean. Careful to avoid entanglements in regional rivalries and to maintain relations with all regional players, it has gradually deepened not just its economic, but also its security presence over the past decade. Its emerging influence in a region traditionally dominated by the EU and the US, and its cooperation with Russia have raised questions about Beijing's long-term intentions in the region. However, evidence shows that its real influence remains minimal, and that Beijing prefers to eschew geopolitical entanglement in the Eastern Mediterranean.

China is not a complete newcomer to the Eastern Mediterranean. It built good relations in the 1950s and 1960s with Egypt, Syria, Libya and Palestine as part of the non-aligned movement and was an important arms provider to Cairo in the 1980s. In the 1980s and 1990s, it also initiated a security relationship with Israel. But its economic footprint in the region was minimal, and its reach was limited by the influence of Western powers.

A shift toward greater geoeconomic engagement occurred in the late 2000s, further accelerated by the Belt and Road Initiative (BRI) in 2013. Over the past decade, Chinese companies, often supported by loans from Chinese banks, have launched numerous infrastructure projects, including in key Mediterranean ports. Visits and exercises of People's Liberation

Army Navy warships in the Mediterranean have also become more frequent, although they remain quite low profile. As a result, regional and extra-regional players have pondered over Beijing's intentions and the long-term strategic ramifications of its economic influence.

From the Chinese perspective, the Eastern Mediterranean is important on several levels. It is located at the crossroads of key global maritime and land trade routes connecting Europe and North Africa, to the Middle East and Asia. It is a crucial door to Europe and European markets. The recent discoveries of LNG in the Eastern Mediterranean, while not a game-changer, could be of interest to China as it seeks to diversify its energy sources. The region also hosts protracted conflicts that could generate security spillovers of consequence for Beijing. In 2018, China's Special Envoy to Syria, Xie Xiaoyan, estimated at several thousands the number of Chinese Uyghurs fighting in Syria, many of them having passed through Turkey.[1]

As China's global ambitions grow, so does its interest in keeping a watchful eye on a region seen as an important geopolitical node. The Eastern Mediterranean is home to regional powers – Greece, Turkey, Israel and Egypt – that influence geopolitical dynamics in West Asia, the Gulf, Africa and Europe. Recent developments around gas discoveries have stirred tensions and drawn in external powers such as the Gulf states, the EU, the US and Russia.

Finally, the Eastern Mediterranean is the soft underbelly of Europe. Migration flows, terrorist threats and energy interests make it a region of strategic interest but also vulnerability for European countries. As Eastern Med countries grow increasingly defiant towards Brussels and Western influence, they also look for partners less critical of their human rights records – in the case of Egypt and Turkey – and of their economic governance – in the case of Greece.

[1] B. Blanchard, "China envoy says no accurate figure on Uighurs fighting in Syria", *Reuters*, 20 August 2018.

However, Beijing has not yet articulated a coherent vision towards the region and does not see it as an integrated strategic arena. Available Chinese-language academic and analysis articles defining the Eastern Mediterranean (**地中海**东部) as a geostrategic region in its own right are scarce.[2] In official press releases, statements and government websites in Chinese language, the term "Eastern Mediterranean" is rarely used. European and Middle Eastern countries fall between different departments within the PRC's Ministry of Foreign Affairs. The same applies to the various cooperation mechanisms that China uses to engage with the region's countries. While Greece and Albania fall into the 17+1 cooperation group established in 2012 between China and Central and Eastern European countries, Egypt, Libya, Lebanon, Palestine and Syria are grouped into the China-Arab States Cooperation Forum (CASCF) founded in 2004, and Egypt and Libya are also part of the Forum on China-Africa Cooperation (FOCAC) created in 2000.

The Eastern Mediterranean is seen as an interface between several countries and regions, each with its own special relevance: Egypt is valued for the Suez Canal chokepoint and connection to Africa, Greece for access to Europe, Israel for its technology and alliance with the US, Turkey for its strategic Eurasian location and NATO membership. But the region is not necessarily understood in Chinese literature and policymaking as a coherent arena with interconnected dynamics and a logic of its own.

China has been strikingly absent from recent debates around gas disputes in the Eastern Mediterranean. Chinese energy companies have not taken part in gas exploration projects in

[2] Search results from Chinese-language academic databases such as CNKI (https://kns.cnki.net/kns8/defaultresult/index) or on websites of China's main think tanks and university research centres such as the Chinese Academy of Social Sciences (CASS), the Chinese Institute for International Studies (CIIS), the Middle East Studies Institute (MESI) of Shanghai International Studies University (SISU), the China Institutes of Contemporary International Relations (CICIR), the Shanghai Institute for International Studies (SIIS), the Shanghai Academy of Social Sciences (SASS).

the region. Chinese Foreign Minister Wang Yi did not mention Eastern Mediterranean gas rivalries a single time during his March Middle East tour or during his bilateral meeting with Turkish President Erdoğan.[3]

However, as the Eastern Mediterranean grows in importance and attracts the interest of Beijing's partners and rivals, China is likely to look at it more comprehensively and with more attention. Questions remain on whether it would be ready to dedicate the resources needed to sustain more coherent economic and political engagement.

The Belt and Road Initiative: A Growing Chinese Economic Footprint in the Eastern Mediterranean

Despite the apparent lack of coherent strategic vision for the Eastern Mediterranean, China has emerged as an economic player there since the late 2000s. Chinese companies have become involved in a number of major infrastructure projects, including port infrastructures in Greece, Egypt, Turkey and Israel. This presence gained traction with the Belt and Road Initiative (BRI), launched by President Xi Jinping in 2013. The BRI was then conceived as a major global connectivity infrastructure project worth an estimated 3 trillion dollars, with the objective of positioning China at the centre of global trade routes and securing access to markets and resources.

Although the Eastern Mediterranean appeared at first peripheral to the BRI (whose key focus remains on South East, Central Asia and Europe), it lies at the western end of two major BRI corridors: the China-Central West Asia Economic Corridor (CCWAEC), which connects Central Asia to Turkey

[3]**土耳其**总统埃尔多安会见王毅 ("Turkish President Erdogan meets with Wang Yi"), Foreign Ministry of the People's Republic of China, 26 March 2021; "Wang Yi Proposes a Five-point Initiative on Achieving Security and Stability in the Middle East", Foreign Ministry of the People's Republic of China, 26 March 2021.

via land routes, and the Maritime Silk Road, which connects the Indian Ocean to the Mediterranean via the Red Sea.

Enticed by the BRI's potential economic opportunities, several Eastern Mediterranean leaders rapidly expressed interest. Turkey and Egypt signed BRI MoUs with China in 2015 and 2016. Greece's former Prime Minister Alexis Tsipras and Turkey's President Recep Tayyip Erdoğan attended in person the first Belt and Road Forum in Beijing in 2017, and Egypt's President al-Sisi attended the second Forum in 2019. Over the past ten years, Erdoğan has paid four visits to China, and al-Sisi six since his election in 2014. Countries in the Eastern Mediterranean have begun to see the BRI as a way to attract loans and investments and create economic ties with the world's second biggest economy. Infrastructure and investment promises have captured the headlines in countries struggling to attract traditional investments from Western countries.

In Greece, in 2009, the China Ocean Shipping Company (COSCO) obtained a 35-year concession to operate two piers at the Piraeus container terminal following Greece's financial crisis. It continued to invest in the port's development, then purchased a majority stake in 2016 and announced another US$660 million investment in November 2019. In 2019, a Chinese-Hungarian consortium won a US$2.1 billion tender to develop a high-speed rail connection from Piraeus to Budapest. COSCO also bought a 60% stake in the Greek railway company Piraeus Europe Asia Railway Logistics (PEARL). As stated by Chinese Premier Li Keqiang in 2014, Beijing sees its investment in Greek ports as a useful "gateway to Europe"[4] and the Balkans, where its economic footprint has increased greatly over the past decade.[5]

[4] R. Maltezou, "Greece seeks role as China's gateway to Europe", *Reuters*, 20 June 2014.

[5] N. Crawford, *Growing public debt isn't the only problem with Chinese lending to the Balkans*, Analysis, The International Institute for Strategic Studies, 18 March 2020.

In Israel, Chinese companies have undertaken a series of major infrastructure projects, including the construction of the Ashdod Port, the purchase of the Alon Tavor power plant, the construction of the Gilon and Carmel tunnels, and the development of the Tel Aviv light rail Red line. In 2015, the Shanghai International Port Group Co. signed a deal with Israel's Transportation Ministry to build up and run Haifa's commercial port.

In Egypt, Hutchison Ports operates the country's two main commercial ports, Alexandria and El-Dekheila, and signed an MoU in 2019 to establish a Mediterranean container terminal in Abu Qir. Chinese banks and companies have also heavily invested in the TEDA Suez Economic and Trade Cooperation Zone and in the construction of the new US$3 billion administrative capital. In 2018, the contracts awarded to Chinese companies amounted to about US$8 billion; about 4% of Egypt's total external debt was owned by China, way above that owned by Egypt's Western creditors like the US, France and the UK.[6]

In Turkey, a consortium of COSCO, China Merchants Holdings International and China Investment Corporation bought a 65% stake in the Kumport terminal in Istanbul in 2015 for US$920 million. Chinese companies and banks have also invested and extended loans for projects such as energy infrastructures, the third Bosphorus bridge and the new Istanbul airport. Chinese loans to Turkey amounted to US$1.9 billion in 2019.[7] Turkey sees China's BRI as complementary to its own "Middle Corridor" initiative to launch a rail and road network running from Turkey through the Caucasus and Central Asia to China, and the two countries agreed to integrate it into the BRI.

Beyond infrastructure projects, Chinese companies have also started diversifying their economic ties with the region and made headway in new sectors. In Israel, the bulk of Chinese investments lie in the sector of emerging technologies. After his

[6] International Debt Statistics Database, https://databank.worldbank.org/source/international-debt-statistics#

[7] Ibid.

visit to Beijing in 2013, Netanyahu declared that China was interested in "three things: Israeli technology, Israeli technology and Israeli technology".[8] Chinese telecom companies Huawei and ZTE have signed 4G or 5G cooperation agreements with operators in all of the region's countries – with the notable exception of Israel – as well as a series of smart city, data centre and surveillance technology projects. During the COVID-19 pandemic, Beijing also gained significant soft power by providing vaccines to Turkey, Egypt, Lebanon, Syria, Libya and Palestine, cooperating with Egypt on the Sinopharm vaccine trials and Sinovac manufacturing.

A Resurgent Chinese Security Presence in the Mediterranean?

In parallel, China has carefully increased its security involvement in the region. Beijing had good military relations with Egypt and Israel dating back to the 1980s. The two countries signed a security deal with China in 1975, and in the 1980s, China was the second biggest arms provider to Egypt behind the US, representing 16% of Egypt's total purchases.[9] More discreetly, Israel also developed security relations with China. During the 1980s and 1990s, military-technology transfers from Israel to China were estimated to range between US$1 billion and US$2 billion, with Israel selling or helping to upgrade aircraft, tanks, missiles and airborne early warning (AEW) systems for China.[10] Arms deals and defence cooperation with Turkey also started flourishing in the 2000s, with Ankara purchasing ballistic missiles and air defence systems from China.

[8] "Prime Minister Benjamin Netanyahu's Remarks at the Israeli Presidential Conference", The Prime Minister's Office, 20 June 2013.

[9] Arms Trade Database, SIPRI, https://armstrade.sipri.org/armstrade/page/values.php.

[10] Y. Evron, "Between Beijing and Washington: Israel's Technology Transfers to China", *Journal of East Asian Studies*, vol. 13, no. 3, 2013.

This military and security cooperation was, however, significantly curbed as Western partners started pressing Eastern Mediterranean countries to sever these relations. In the early 2000s, the US lobbied Israel to cancel two major security deals over fears about the transfer of sensitive military technology to China. These episodes – known as the Phalcon and Harpy incidents – led to a major severance of security relations between Israel and China.[11] Similarly, in 2013, following NATO pressure, Turkey also had to abandon a US$4 billion project with a Chinese company to develop a long-range air and missile defence system.

Today, China represents only about 2.5% of Egypt's arms imports, and no further deals have been recorded since the aforementioned disputes in Israel and Turkey. The only Chinese weapons and UAVs deployed on Eastern Mediterranean conflict theatres such as Syria and Libya have been imported by out-of-area actors like the UAE.

Such setbacks have, however, been compensated for through another, more low-key type of security involvement. For the past decade, People's Liberation Army (PLA) Navy warships have started passing through the Suez Canal almost every year, en route to Southern Europe and the Baltic Sea, making regular port calls in Egypt, Greece, Turkey and Italy. Beijing has gradually stepped up its naval presence, with its warships starting to conduct bilateral naval drills with Egypt and Russia in May and September 2015, live-fire drills in the Mediterranean in July 2017, and anti-piracy exercises with Egypt in August 2019.

While those drills are relatively basic maritime security exercises and do not signal strong military ambitions on China's side, they contribute to a low-key deepening of military relations in the region. They come a few years after China had to conduct important repatriation missions for its nationals in Lebanon in 2006 and Libya in 2011. Following these events,

[11] S. Efron, K. Schwindt, and E. Haskel, *Chinese investment in Israel technology and infrastructure*, RAND Corporation, 30 June 2020.

Beijing has taken more seriously the need to reinforce its security capabilities in regions where its economic interests are growing.

But beyond the simple concern of guaranteeing the security of its nationals and overseas investments, these naval drills have strategic ramifications. In July 2012, international observers interpreted the passing of a PLAN escort fleet through the Suez Canal just as Russia dispatched 11 warships to the Mediterranean, as a joint signal deterring Western intervention in the Syrian crisis.[12] Joint naval exercises between China and Russia in the Mediterranean in 2015 took place just as Russia was stepping up its military involvement in Syria and when China was backing Russia's vetoes of UNSC resolutions on Syria.

China has also slowly deepened its diplomatic involvement in some of the region's conflicts through mediation attempts and contributions to UN peacekeeping operations. In 2002 and 2016, it nominated two special envoys to Israel-Palestine and Syria respectively. It proposed a Four-Point Peace Plan for Israel-Palestine in 2013 and hosted talks in Beijing in 2017. In both Syria and Libya, it has engaged with the different domestic and regional parties of the conflicts. It also contributes more than 420 soldiers and police officers to UN peacekeeping missions in Lebanon and Israel-Palestine. In 2013, Chinese navy vessels escorted UN ships carrying chemical weapons out of Syria for destruction in Cyprus.

This emerging Chinese engagement in conflicts around the Eastern Mediterranean responds to several objectives. It allows greater political involvement in the region while minimising the risks of entanglement and respecting the principle of non-intervention. It also responds to Beijing's concerns about the possible return of foreign fighters from Syria. A few thousand ethnic Uyghurs are estimated to have joined al-Qaeda and ISIS in Syria. Since 2017, several reports claimed that China had dispatched limited military forces to Syria and provided military

[12] J.M. Cole, "China's Navy in the Mediterranean?", *The Diplomat*, 30 July 2012.

capacity-building to the Assad regime with the sole objective of preventing the return of Uyghur jihadists to China.[13]

In a broader sense, signalling a presence, however low-key, supports Beijing's ambition as a global power. It conveniently forces the US to keep an eye on and maintain resources in the Mediterranean just as Washington shifts its focus to containing China's ambitions in the Asia-Pacific. Such joint military exercises, as well as the deployment of the repatriation missions in Libya, the sending of Chinese military advisors to Syria, or the contribution of troops to UN peacekeeping missions, demonstrate China's ability to project power globally.

Strategic Implications

China's surging economic and security presence in the Eastern Mediterranean has triggered concerns and debates about China's long-term intentions, and most notably about whether such a presence could translate into political leverage.

The US was the first to voice alarm about the type of geostrategic leverage Chinese investments in port infrastructures and 5G networks could provide to Beijing in the Eastern Mediterranean and beyond. US experts and officials, for example, have raised concerns that in the event of an escalation, China could use its presence in strategic ports to hinder trade access to other countries like the US, or to collect sensitive information.[14] Israel's new Haifa port, which is to be built and operated by the Shanghai International Port Group, is adjacent to an Israeli naval base frequented by the US 6th fleet.

China's investments in emerging technologies and digital infrastructures across the region, through what Beijing calls the

[13] L L. Pauley and J. Marks, "Is China Increasing Its Military Presence in Syria?", *The Diplomat*, 20 August 2018.

[14] "Hearing: China's Maritime Silk Road Initiative: Implications for the global maritime supply chain", United States House of Representatives, 17 October 2019.

"Digital Silk Road", have also come under growing scrutiny.[15] The US – and increasingly the Europeans – fear that 5G networks provided by Huawei could be used for intelligence gathering purposes. In Israel, China's booming investments in high-tech start-ups raised concerns that critical dual-use technologies could be transferred to China.

Finally, concerns about a possible Chinese weaponisation of loans and financial influence to secure political gains remain strong. Beijing's obtaining of management and basing rights in strategic ports located in countries highly indebted towards China – the Hambanthota Port in Sri Lanka is the most famous case, but also Gwadar in Pakistan or Djibouti – have triggered lively debate about the strategic use of financial dependency.[16]

So far, the clearest instance of China using its economic leverage to obtain political support has been in the context of the Uyghur controversy. All Eastern Mediterranean countries have muted or curbed criticism of China's policy in Xinjiang – Turkey being the most notable case. Some of them have even actively supported China's control of its Uyghur population, signing a support letter to the UNSC in 2019 or deporting Uyghur residents at Beijing's demand.[17]

China's influence in the Eastern Mediterranean also risks undermining Western leverage, especially on issues related to governance and human rights. Most Eastern Mediterranean countries try to use their relationship with China to reduce their dependence on traditional Western partners and gain greater bargaining leverage: such was the case with Greece following the 2008 economic crisis, and with Egypt and Turkey as their human rights records came under Western criticism. Israel deepened its relations with China at a time when its relations

[15] M. Nouwens (ed.), *China's Digital Silk Road: integration into national IT infrastructure and wider implications for Western defence industries*, Research Papers, The International Institute for Strategic Studies, 11 February 2021.

[16] J. Calinoff and D. Gordon, "Port Investments in the Belt and Road Initiative: Is Beijing Grabbing Strategic Assets?", *Survival*, vol. 62, no. 4, 2020, pp. 59-80.

[17] D. Wood, "Egypt Loves China's Deep Pockets", *Foreign Policy*, 28 August 2018.

with the Obama administration were strained and when it was coming under greater scrutiny in the EU for its continued annexation of the West Bank.

As a result, the US and European countries have lobbied several Eastern Mediterranean partners to loosen their cooperation with China. Given its deep security relationship with the US, Israel has faced particular pressure. In early 2020, it declined a Chinese bid for a highly strategic desalination plant that was to be built near a military base, only days after a visit by then US Secretary of State Mike Pompeo.[18] Washington also convinced Israel in November 2019 to create a foreign investment screening system designed to give particular attention to Chinese investments.

The US also pressured the Greek government to join the "Clean Network Initiative" and ban Chinese vendors from its 5G networks. During a visit to Athens in September 2020, then Secretary of State Pompeo stated his support for Greece against Turkish ambitions in the Eastern Mediterranean and used American security support as a bargaining chip in convincing Greece to exclude Huawei from its 5G networks. The following month, Ericsson won a 5G contract with Greek operator Wind Hellas, a few months after inking a similar deal with Greece's largest telecom company Cosmote.

Contextualising China's Influence and Interest in the Eastern Mediterranean

Despite the large media coverage given to China's presence in the Eastern Mediterranean, Beijing's influence and interest in the region remain limited.

Media reports and political statements tend to exaggerate China's economic footprint, with regional leaders presenting China as a solution to their cash-strapped economies, and

[18] F. Schwartz, "Amid U.S. Pressure, Israel Rejects Chinese Bid for Major Infrastructure Project", *Wall Street Journal*, 26 May 2020-

Western reports making alarmist predictions about China's potential "debt trap diplomacy". In reality, Chinese FDIs and loans to the Eastern Mediterranean remain modest. Chinese loans represent less than 1% of the region's total external debt – Egypt being the only country owing around 4% of its total external debt to China.[19] Even in Turkey, whose external debt towards China reached US$1.9 billion in 2019 after it received a US$1 billion bailout package in June 2019, Chinese loans represented only 0.4% of its total external debt.[20] Chinese FDIs flow to the biggest and most stable economies of the region, with Israel alone attracting nearly half of them (US$3.8 billion of Chinese FDI stock in 2019, out of a total of US$8.3 billion for the East Med region, 1.9 billion for Turkey). But here again, Chinese FDIs to the East Med only represent 0.8% of total inward FDI stocks into the region.[21]

Highly unstable countries like Libya, Syria or Lebanon, which had hoped to attract much-needed Chinese funding, have seen nearly nothing materialising. In an interview in 2016, Bashar al-Assad stated that "reconstruction will depend on Russia, China and Iran"[22] and in 2017, China unveiled plans to invest US$2 billion in Syrian industries.[23] In Lebanon, rumours circulated that Chinese companies could invest in the port of Tripoli,[24]

[19] World Bank, International Debt Statistics Database…, cit

[20] Ibid.

[21] UNCTADstat trade database, United Nations Conference on Trade and Development.

[22] رأى أن سورية ليست مهيأة لـ«الفدرالية».. وإعادة الإعمار تعتمد على روسيا والصين وإيران.. ودعا خلال رسالة لبنان إلى تسريع "الحرب" الجماعية ضد الإرهاب... الرئيس الأسد: الحل بحكومة وحدة وطنية تهيئ لدستور جديد, "He saw that Syria is not ready for 'federalism'... and reconstruction depends on Russia, China and Iran. And he called, during Labban's message, to accelerate the 'collective war against terrorism'... President Assad: The solution is through a government of national unity that prepares for a new constitution", *Al Watan*, 31 March 2016, http://alwatan.sy/archives/47648

[23] H. Morris, "China extends helping hands to rebuild Syria", *China Daily*, 10 February 2018.

[24] "China interested in Lebanon's infrastructure projects", *Global Times*, 3 March 2019.

in the Beirut-Tripoli railway,[25] or in Lebanon's electricity grid. Very few such projects have materialised, however, as profit opportunities in those countries remain scarce.[26]

Given that most countries in the Eastern Mediterranean are not major energy or raw material exporters, Chinese imports from the region have been quite limited. Libya is the only exception, but exports have been strongly impacted by the conflict.

As expected, economic interests largely outweigh strategic calculations, and economic opportunities in the Eastern Mediterranean remain limited. Many of the countries in the region are going through severe economic and political crises. China's repatriation operation of 35,000 of its nationals from Libya in 2011 left a sour memory and serves as a reminder of the disadvantages of operating in highly unstable countries.

As for the gas discoveries in the Eastern Mediterranean, Beijing could stand as a potential future client as it seeks to diversify its energy sources. But technical difficulties and political complications have greatly challenged gas exploitation projects in the area, and energy supplies coming from this basin are likely to cost significantly more than the market price.

Finally, China has started recalibrating its approach to the BRI, mindful of the criticism it has attracted in recent years and the lack of sustainability of certain projects. For example, its involvement in Egypt's new administrative capital has attracted strong criticism as a "white elephant" project.[27] Investments might also be hit by the long-term ramifications of the COVID-19 pandemic. As China refocuses its resources on priority projects, questions abound about whether it will be able, or willing, to maintain the pace of its expansion in this region.

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[25] "Chinese delegation discusses plans to revive Lebanon's railway", *The Daily Star*, 24 May 2019.

[26] A. Ghiselli and M. Al Sudairi, *Syria's 'China Dream': Between the Narratives and Realities*, King Faisal Center for Research and Islamic Studies, 15 September 2019; C. Cornish and A. Zhang, "Lebanese port eyes China as it sells itself as hub for Syria", *Financial Times*, 3 January 2019.

[27] "Egypt prepares to open its grand new capital", *The Economist*, 24 January 2019.

China Is Still Reluctant to Be a Geopolitical Player in the Eastern Mediterranean

From a geopolitical perspective, Beijing has shown little appetite so far to become a strategic player in the Eastern Mediterranean. The region appears too peripheral and too complex to Chinese policymakers to warrant any significant political and military investment. Elevating its profile would most likely come with strings attached and undesired entanglement in the region's protracted conflicts. Therefore, Beijing is careful to remain on the margins of political disputes in the Eastern Mediterranean. It has maintained good ties with all the powers at play and has not departed from its traditional non-interference position, calling for the respect of countries' sovereignty and of multilateral processes.

That said, Chinese official statements and expert analyses have expressed concerns over Turkey's foreign policy in the Eastern Mediterranean, perceived as destabilising, aggressive and violating the principle of non-interference.[28] Beijing criticised the 2019 Turkish offensive into North East Syria, calling for the respect of "Syria's sovereignty, independence and territorial integrity".[29] In January 2020, Chinese Foreign Minister Wang Yi condemned the Turkish military intervention in Libya, though it came in response to the UN-backed government request.[30] But despite these differences of opinion, Beijing has been careful to maintain good ties with Ankara throughout and has not gone beyond rhetorical criticism. For China, maintaining Ankara's support on the Uyghur issue remains fundamental.

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[28] X. Yi, "What does Turkey want by sending troops to Libya?", *China Military Online*, 31 December 2019; 言和又未成 利比亚问题陷"怪圈 ("The Libyan issue has not yet become a 'strange circle'"), *Xinhua News*, 9 June 2020

[29] "Foreign Ministry Spokesperson Geng Shuang's Regular Press Conference on October 10, 2019", Embassy of the People's Republic of China in the United States of America, 10 October 2019.

[30] "Full text of Wang Yi's written interview with Egyptian media", Forum on China-Africa Cooperation, 9 January 2020.

Beyond the above-mentioned statements, Beijing has remained very discreet on Eastern Mediterranean gas disputes. Minister Wang Yi did not mention rivalries in the Eastern Mediterranean a single time during his last Middle East tour in March 2021, including during his bilateral meeting with Turkish President Erdoğan.[31]

Rather than looking at the Eastern Mediterranean as a geopolitical arena of interconnected crises and dynamics, Beijing tends to treat the different conflicts of the region separately. In all these conflicts, China's footprint has remained minimal, and pragmatism has prevailed. While rhetorically supporting political solutions under UN auspices, it has been careful not to burn bridges with any of the parties involved, retaining flexibility in case of a shift in the status quo. The Israel-Palestine issue is the regional file on which China has been most vocal despite its warming relations with Israel. It has proposed several times to act as a mediator and reiterated its engagement during Wang Yi's visit to the Middle East in March 2021 and during the Hamas-Israeli clashes two months later. Its propositions have, however, always been met with relative indifference in the region, and China's economic interests in Israel have prevented it from backing its rhetorical support of the Palestinians with tough moves.

Alignments with Russia on Syria – including a series of vetoes at the UNSC and joint maritime exercises in the area – have raised questions about deeper cooperation between the two powers in the Eastern Mediterranean. But distrust and strategic differences between China and Russia still prevail and are likely to limit the deepening of their security cooperation in the region.

Finally, it seems that Eastern Mediterranean disputes have rather played against China's influence in the region. Turkey's ambitions have pushed regional countries like Greece to turn

[31] 土耳其总统埃尔多安会见王毅 ("Turkish President Erdoğan meets with Wang Yi")…, cit.; "Wang Yi Proposes a Five-point Initiative on Achieving Security and Stability in the Middle East"…, cit.

back to their traditional Western partners for political and military support. In September 2020, then US Secretary of State Pompeo visited Greece to state his support for Athens and announced the basing of a major US Navy ship in Greece. Some reports suggest that in return he demanded that Greece ban Huawei from its 5G networks.[32] In any case, if tensions flare up, meagre Chinese investments in the region will not carry much weight compared to hard security guarantees from the West.

Despite an economic and security presence in the Eastern Mediterranean that has not passed unnoticed, China's clout in the region remains minimal. Beijing has shown very little appetite for challenging the existing security architecture, still dominated by Western actors despite the rise of Russia, and remains focused on its Asia-Pacific priorities. China is, however, keen to feed perceptions of its power, and is cautiously positioning itself in the region, avoiding overcommitment while retaining maximum flexibility.

[32] G. Seferiadis, "Greece joins 'anti-Huawei camp' as US seals stronger ties", *Nikkei Asia*, 5 October 2020.

8. The Eastern Mediterranean: A Testing Ground for the European Union?

Valeria Talbot

Over the past years, the Eastern Mediterranean has emerged as one of the main regional hotspots and a testing ground for the European Union's external action. After significant gas reserves discoveries off the coasts of Israel, Cyprus, and Egypt in the last decade, the Eastern Mediterranean's strategic importance as a de facto geopolitical space has increased whilst remaining a closely intertwined with the geopolitical and geoeconomic dynamics of the broader Mediterranean, a region that has grown more fragmented, unstable, and confrontational since the 2011 Arab uprisings. In addition, growing competition among regional and international players has developed into one of the main features of this evolving regional environment. Competition over regional influence – which has raised in parallel with the US' reduced engagement in the area – has also affected the Eastern Mediterranean, where regional and international players' energy and security interests overlap with their respective geopolitical ambitions.

Although the European Union, unlike other actors, has not been an active player neither in this competition nor in regional crises afflicting the broader Mediterranean, dynamics in the region directly – and indirectly – affect the interests of both the EU and its member states. From the EU perspective, there are both energy and security interests at stake in the Eastern Mediterranean. In particular, the main issues relate to

the exploitation and commercialisation of energy resources, the containment of irregular migration flows through the Eastern Mediterranean corridor, the settlement of disputed maritime borders between riparian states, the unsolved Cyprus question, and not least Libya's stability. The Libyan crisis – especially after Turkey signed in November 2019 a contested Memorandum of Understanding (MoU) with the Libyan Government of National Accord (GNA) for the delimitation of respective maritime borders and exclusive economic zones (EEZs) – has become a critical part of the Eastern Mediterranean geopolitical and security context, though Brussels and the other EU capitals tend to separately address the Libyan issue.

Overall, identifying a common EU position on each of the above-mentioned matters has proved to be a challenging task. Although Brussels has a strategic interest in a stable and secure Eastern Mediterranean,[1] the EU member states' policies and agendas do not always converge and, as such, single member states' national interests at times prevent the adoption of a common foreign policy approach. Inevitably, internal divisions affect both the effectiveness and the credibility of the EU's external action in an area of great strategic importance wherein the Union is called to assume a greater and more active role, particularly in light of the United States' reduced engagement in a region that is no longer considered a priority for its national interest.

Looking for Energy Diversification

The discovery of natural gas reserves has increased the EU's focus *vis-à-vis* the Eastern Mediterranean. Since 2015, the EU has classified the Eastern Mediterranean as a key priority for its energy diversification strategy to ensure security of supply and reduce European dependence on Russian gas, especially after diplomatic tension following Russia's annexation of

[1] *Statement of the Members of the European Council*, Brussels, 25 March 2021.

Crimea in 2014.[2] As Russia remains the EU's main natural gas supplier (43.4%), followed by Norway (20.0%) and Algeria (12.0%),[3] the EU looks optimistically at the prospect of a new gas hub in its Mediterranean neighbourhood, which currently also represents a crucial route for energy resources' transit to Europe.[4] According to estimates by the 2010 US Geological Survey, natural gas reserves in the Eastern Mediterranean could amount to 3.4 billion cubic metres (bcm),[5] and the estimated prospect of sizeable natural gas reserves has attracted the interest of both regional and international actors and stakeholders over the years. To illustrate, after the first gas explorations and discoveries were carried out by the American Noble Energy company – in the Tamar and Leviathan gas fields off the coast of Israel, in 2009 and 2010 respectively, and in the Aphrodite field off the coast of the Republic of Cyprus in 2011 – European companies also started energy activities.[6] A greater number of foreign companies were granted exploration licenses and started to carry out activities in the waters around Cyprus and beyond. Today, Italy's ENI and France's Total are among the major energy companies in the area, though their local operations have been suspended at least up until the end of 2021 in the wake of the COVID-19 pandemic. Furthermore, Italy is one of the founding members of the East Mediterranean Gas Forum (EMGF), which was transformed into a regional

[2] T. Baconi, *Pipelines and Pipedreams: How the EU can Support a Regional Gas Hub in the Eastern Mediterranean*, European Council on Foreign Relations (ECFR), Policy Brief, April 2017.

[3] 2020 Data from Eurostat.

[4] A. Stergiou, '"Geopolitics and Energy Security in the Eastern Mediterranean': The Formation of New 'Energy Alliances"', in Z. Tziarras (Ed.), *The New Geopolitics of the Eastern Mediterranean: Trilateral Partnership and Regional Security*, PRIO and Fiedrich Ebert Stiftung, Report 3/2019.

[5] U.S. Geological Survey, *Assessment of Undiscovered Oil and Gas Resource of the Levant Basin Province, Eastern Mediterranean*, World Petroleum Resources Project, USGS Science for a Changing World, 2010.

[6] J.V. Bowlus, *Eastern Mediterranean gas: Testing the field*, European Council on Foreign Relations (ECFR), May 2020.

organisation in September 2020 with its headquarters in Cairo. France joined the organisation in March 2021 while the EU officially became an observer at the beginning of July,[7] joining the United States in the observers group.

Besides the suspension of energy activities, the global pandemic has led to a reduction in international investments, ultimately calling into question the viability of some ambitious energy projects, such as the EastMed pipeline. Although the EastMed became a project of mutual interest for the EU in 2015 as part of the Southern Gas Corridor framework,[8] the construction of this 1,900 km pipeline – which is estimated to transport between 10 and 16 billion cubic meters per year from Israel's Leviathan field to Greece and Italy through Cyprus and Crete – faced challenges in terms of technical feasibility, economic sustainability, and funding even before COVID-19 disrupted economic activities globally. In addition, the fact that this pipeline would have to pass through disputed waters add a further strategic risk to the project. Not least, the European Green Deal does not appear to leave room for new fossil-fuel projects and connections towards Europe.[9] Against this backdrop, using the existing LGN infrastructure in Egypt for the establishment of an Eastern Mediterranean gas market is considered by analysts as a more viable and flexible option for both the EU and regional gas producers.[10] In fact, as the path towards energy transition is still long, natural gas is likely to continue playing a significant role in the EU's energy mix for another while. As such, interest for Eastern Mediterranean's gas resources is unlikely to decrease in the EU's energy diversification strategy.

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[7] European Commission, *EU as observer in the East Mediterranean Gas Forum*, News, 8 July 2021.

[8] https://ec.europa.eu/inea/en/connecting-europe-facility/cef-energy/7.3.1-0023-cyel-s-m-17

[9] S. Tagliapietra, *Eastern Mediterranean Gas: What Prospects for the New Decade?*, ISPI Commentary, ISPI, 21 February 2020.

[10] Ibid.

Redefining relations with Turkey

Last year's escalation of tensions between Cyprus, Greece, and France on one side, and Turkey on the other, turned out to be a challenging testing ground for the EU's crisis management capacity in its courtyard. At the same time, it served as another test for Brussels' multifaceted relationship with Ankara. In fact, when it comes to the Eastern Mediterranean, Turkey is the main player the EU has to deal with for all regional issues. In recent years, the EU and Turkey have been at odds over different issues, and their bilateral ties have gradually deteriorated. From the EU perspective, reasons are related to Turkey's assertiveness in the Eastern Mediterranean and in regional conflicts (including Libya and Syria) – which in some ways challenges EU interests or violates some EU member states' rights – as well as to the deterioration of the domestic situation in Turkey, which has had a negative ripple effect on bilateral ties with Brussels and member states alike.[11]

Over the years, discoveries of natural gas reserves have contributed to fostering new regional alignments and cooperation whilst also exacerbating long-standing rivalries. Notably, while gas discoveries have deepened cooperation between Israel, Egypt, Greece, and Cyprus, energy activities off the coast of Cyprus caused friction between Ankara, on one side, and Nicosia and Athens on the other, with implications on the relations between the EU and Turkey. Indeed, Ankara's proactive policy in the Eastern Mediterranean also proved to be a contentious issue in relations with Brussels. Nevertheless, the EU's overt condemnation of Turkey came only after two Turkish vessels, *Fatih* and *Yavuz*, started explorations in waters west of Cyprus, in May and June 2019 respectively. After urging Ankara to stop its operations,[12] the European Council decided

[11] European Commission, High Representative of the Union For Foreign Affairs and Security Policy, *Joint Communication to the European Council, State of play of EU-Turkey political, economic and trade relations*, JOIN(2021) 8 final, 22 March 2021.

[12] A. Rettman, "Turkey drills for gas in Cyprus' waters, prompting EU outcry",

to impose restrictive measures on Turkey for its "continued and illegal drilling activities".[13] Nevertheless, these measures, which appeared more symbolic rather than effective, did not discourage Ankara from continuing exploration activities in contested waters.[14]

In the summer of 2020, the EU unanimously condemned as unacceptable Turkey's unilateral activities and the deployment of a seismic research vessel near Kastellorizo (a Greek island in the Aegean), violating the territorial sovereignty of two member states, Cyprus and Greece. While EU member states agreed that Turkey should not engage in unilateral actions and ought to solve its disputes with Greece and Cyprus through negotiations, they disagreed on how to approach the situation and persuade Turkey to adopt a more collaborative stance. Divisions among EU member states were evident at the eve of the European Council in October. On one side, Cyprus, France, and Greece supported a firm and assertive approach through the adoption of sanctions to push Ankara to refrain from unilateral actions and engage in negotiations with its neighbours.[15] On the other side, Germany, supported by Malta, Italy, and Spain, was in favour of a more cautious stance and the search for dialogue.[16] While unanimously condemning Turkey's unilateral activities, the European Council agreed to launch a positive political EU-Turkey agenda, leaving the door open to the possibility to "use all instruments and options at its disposal to defend its interests and those of its member states" in case of "renewed unilateral

Euobserver.com, 6 May 2019.

[13] European Council, Turkish drilling activities in the Eastern Mediterranean: Council adopts conclusions, Press release, 15 July 2019.

[14] See V. Talbot, "Turkey and the West in the Eastern Mediterranean", in G. Dalay, I. Lesser, V. Talbot, and K. Tastan, *Turkey and the West: Keep the Flame Burning,* GMFUS Policy Paper No. 6, June 2020.

[15] M. Hadjicostis, "France: EU sanctions on Turkey an option over gas standoff", *APNews*, 19 September 2020.

[16] M. Peel, "Germany and Malta urge talks to avert escalation of Mediterranean tensions", *Financial Times*, 25 August 2020.

actions or provocations in breach of international law".[17] Essentially, the EU decided to bide its time. At the European Council in December both options were on the table, and the EU postponed any decision to the following European Council in March 2021. Since the end of 2020, there has been intense diplomatic activity both at the EU and bilateral level to favour de-escalation in the Eastern Mediterranean and open a window of opportunity for dialogue. The halt of Turkey's drilling activities and the resumption of bilateral talks between Ankara and Athens over disputed maritime borders represented two major changes that charted the way forward for the EU to redefine its relationship with Ankara. Against this backdrop, at the European Council in March the EU presented a "positive agenda", which envisions a "stick and carrots" approach to relaunch cooperation with Turkey. The process of rapprochement, as detailed in the joint report by the European Commission and the EU High Representative for Foreign Policy, Josep Borrell, will be "gradual, proportional and reversible".[18] The adoption of restrictive measures is explicitly included in case Ankara does not engage in a "constructive partnership" and "derails" from the process.[19] As mistrust between the EU and Turkey remains high, it is likely to be a long and uneasy process.

Nonetheless, two main sectors have been identified for the renewed EU-Turkey cooperation: the management of migration flows through the Eastern Mediterranean corridor, based on the March 2016 Agreement, and stronger economic relations, pivoting towards the modernisation of the Customs Union. Along with these two sectors, which have been at the top of the bilateral agenda, the EU added the relaunch of high-level

[17] https://www.consilium.europa.eu/en/meetings/european-council/2020/10/01-02/

[18] European Commission, High Representative of the Union For Foreign Affairs and Security Policy, *Joint Communication to the European Council, State of play of EU-Turkey political, economic and trade relations*, cit.

[19] V. Talbot, *EU-Turkey: A Positive Agenda to Reset Relations?*, ISPI Commentary, ISPI, 27 May 2021.

bilateral dialogues on several issues along with increasing people-to-people contacts – especially Turkey's participation in EU programmes. On the migration front, in the absence of a common policy as well as of a reform of Common European Asylum System (CEAS), the EU intends to continue to rely on Turkey to stop illegal migration flows and provide Syrian refugees assistance, although Ankara has not hesitated to use migrants and refugees as a tool of political pressure vis-à-vis the EU.[20] Brussels, which has already allocated 6 billion euros (65% of which was already disbursed by the end of 2020), settled on an additional €585 million for a so-called "humanitarian bridge funding" for 2021,[21] while at the end of June EU leaders agreed to further provide Turkey with €3 billion to fund basic services, education, and healthcare for Syrian refugees (over 3.6 million) in the country.[22] Although this agreement has received criticism over the years, especially from the Turkish side, it is based on a pragmatic "compromise dictated by mutual interests: to stop irregular migration towards Europe, improve the living conditions of refugees in Turkey, and foster legal migration."[23]

On the economic front, though Turkey has extensively diversified its relations over the years, the European Union remains by far Ankara's first trading partner, with trade amounting to €125.5 billion in 2020 (36.8% of the total Turkish trade),[24] notwithstanding contraction of trade flows at the global level in the wake of the COVID-19 pandemic.

[20] N. Enria and S. Gerwens, Greek-Turkish border crisis: Refugees are paying the price for the EU's failure to reform its asylum system, LSE EUROPP Blog, 25 March 2020.

[21] European Commission, High Representative of the Union For Foreign Affairs and Security Policy, *Joint Communication to the European Council, State of play of EU-Turkey political, economic and trade relations*, cit.

[22] L. Cook and S. Fraser, 'EU greenlights major funding plan for refugees in Turkey', *APNews*, 25 June 2021.

[23] D. Albanese, *The Renewal of the EU-Turkey Migration Deal*, ISPI Commentary, ISPI, 27 May 2021.

[24] European Commission, Directorate General for Trade, *European union, Trade in goods with Turkey*.

For the EU, Turkey is by far the largest trade partner among Mediterranean countries, ranking sixth among the top trading partners worldwide. With 31 billion euros, Germany is Turkey's first trade partner, which may explain Berlin's more open and conciliatory attitude *vis-à-vis* Turkey. The same goes for Italy, its second trade partner within the EU, with trade amounting to 14 billion euros.[25] As for foreign direct investment (FDI), EU member states invested €53.5 billion in Turkey in 2019,[26] while European countries were major investors in 2020 as well, with Italy at the top of the list.[27]

Against this backdrop, pragmatism greatly affected considerations on the resumption of bilateral dialogue. As Turkey's EU negotiation process has been in a stalemate for years, a logic of compartmentalisation seems to have prevailed in the EU approach towards Ankara, which has proved to be a complex and often difficult partner for Brussels. The centrality of the ties with Turkey in the Eastern Mediterranean and the need to reset this relationship clearly emerged in the conclusions of the European Council in March 2021.[28] Nevertheless, the rule of law, compliance to fundamental rights, and democratic values remain critical aspects in the EU-Turkey relationship. On several occasions, Brussels has expressed concern around Turkey's estrangement from EU values, continued backsliding of the rule of law, and its crackdown on the opposition and the media.[29] Not surprisingly, last May the European Parliament's Report on Turkey called for the suspension of Turkey's EU accession negotiation unless Ankara's record on these matters

[25] Ministero degli Esteri e della Cooperazione internazionale, infoMercatiEsteri, *Turchia*.

[26] European Commission, Directorate General for Trade, *Turkey*.

[27] "Italy tops list as Turkey draws over $4.6B in foreign investment", *Daily Sabah*, 11 February 2021.

[28] European Commission, High Representative of the Union for Foreign Affairs and Security Policy, *Joint Communication to the European Council, State of play of EU-Turkey political, economic and trade relations*, cit.

[29] See the European Commission's annual reports on Turkey.

was not "urgently and consistently reversed".[30] Although the European Parliament's vote is not binding, it highlights the discrepancies between different EU institutions in dealing with Turkey: mainly a candidate country for the Parliament but a geopolitical actor for other institutions. While internal divisions do not benefit the EU and the effectiveness of its external action, it is unquestionable that Brussels has a reduced leverage over Turkey today. Nevertheless, in times of pandemic and economic fragility, Turkey is hardly in the position to turn its back to its main economic partner, especially considering that the EU's heavier economic sanctions are not an option Ankara can afford. At the same time, mending ties with Brussels and EU capitals could set the stage for a redefinition of relations with the new Biden administration, which has proved to be less conciliatory towards Turkey than its predecessor.

Engaging with the US in the Eastern Mediterranean?

The new US administration was warmly welcomed on the other side of the Atlantic after four years of strained relations with Donald Trump. Even before Joe Biden took office, the EU expressed its eagerness to work with the United States to address global challenges as well as promote peace and security.[31] In the framework of an expected relaunch of transatlantic relations, the situation in the Eastern Mediterranean – and matters relating to Turkey – were clearly identified as areas where the EU intends to coordinate with the US.[32] The quest for new convergence with Washington on crucial international and regional issues has been a priority since Biden entered the

[30] European Parliament, *Resolution of 19 May 2021 on the 2019-2020 Commission Reports on Turkey*, (2019/2176(INI)).
[31] European Council meeting (10 and 11 December 2020) – Conclusions, Brussels, 11 December 2020.
[32] Ibid.

White House. Although the broader Mediterranean region is not at the top of US foreign policy agenda, in line with previous administrations, it shares with the EU "a strategic interest in a stable and secure environment in the Eastern Mediterranean",[33] as both the US Secretary of State Antony Blinken and the EU High Representative Borrell stated during their meeting in Brussels, clarifying that stability in the area is a common point of the bilateral agenda.

In this turbulent regional environment, therefore, it is paramount for the EU to be on the same page with the US in defusing tensions and avoiding any risk of confrontation between two pivotal NATO members – Greece and Turkey – in the Eastern Mediterranean. This goes hand in hand with the need to reduce the risk of Turkey's assertive action in the area. Security remains a crucial dimension for both the EU and the US in their approach to the area as well as in relationship with Turkey. In this regard, however, while security issues are at the centre of bilateral ties for Washington, in spite of all the grievances over the years, European interests are wider and go well beyond security and defence, as described above. As a matter of fact, in contrast with the Trump administration, a renewed transatlantic converge has already emerged around values, as the Biden administration – like the EU – is focused on democracy, fundamental freedoms, and human rights, and is critical *vis-à-vis* Ankara for moving backwards in these issues.[34] For its part, Washington also has an interest in stable EU-Turkish relations, having always been "a stakeholder" in ties between Ankara and Brussels.[35]

Undoubtedly, the US still holds a key role and important leverage in the area, despite a widespread sense among regional

[33] *Joint Statement by the Secretary of State Blinken and EU High Representative*, 24 March 2021.

[34] See I. Lesser, "The Transatlantic Dimension", in K. Tastan (Ed.), *Defining New Modes, Models, and Agendas for EU-Turkish Relations*, German Marshall Fund (GMF), Policy Paper, June 2021.

[35] Ibid.

countries that Washington is disengaging from the region. As a matter of fact, over the past decade, Obama's pivot to Asia and his "leading from behind" in the Libyan crisis, followed by the Trump administration's inconsistent and unpredictable Middle Eastern policy have fed into this perception and triggered competition among regional and international players to fill the vacuum.

Overall, Biden has not changed the US foreign policy agenda's main orientation, keeping the containment of China at the top of his priorities. However, the Biden administration's advent, with its emphasis on "diplomacy first" in foreign policy, has indirectly opened the way for a new momentum for diplomacy that has made the Eastern Mediterranean the epicentre of an intense diplomatic activity over the past few months, especially as regards Turkey. While the outcomes of Ankara's attempts of rapprochement with its neighbours are yet to be seen, the return to diplomacy would provide the EU with an instrument it knows how to play. In this context, there is room for the EU to play a greater role in collaboration with the US, too. Indeed, the Eastern Mediterranean could be a crucial area for testing the renewed transatlantic partnership on different levels of cooperation, particularly considering other international players – China and Russia – have increased their interests and military presence the case of Moscow, or geoeconomic role, as for Beijing.

Convergence with the US in the Eastern Mediterranean – albeit fundamental – must not overshadow the fact that convergence must be reached within the EU first. Recent moves suggest there is growing awareness among member states that in order to be more effective and credible, challenges in the region can only be addressed once EU capitals overcome their divisions and agree upon a common approach. As a facilitator of dialogue and negotiations as well as an important economic actor, the EU has great potential to play a constructive role, defuse tensions, and lay the groundwork for cooperation efforts.

About the Authors

Naser Al-Tamimi is an independent UK-based political economist and ISPI Senior Associate Research Fellow focused on the Gulf/Middle East region with research interests in energy and Arab/GCC - Asia/China relations. He received his Ph.D. in International Relations from Durham University in the United Kingdom, where his thesis focused on China's relations with Saudi Arabia. His prior work concerns GCC and Middle Eastern economies, where he has worked almost two decades as a researcher and journalist for several leading Arab institutions in the United Kingdom and some Arab countries. Mr Al-Tamimi has written widely on matters concerning Saudi Arabia, Gulf, the Middle East, and China for both academic and popular publications. His writings also have been featured in several major international research centres. He is the author of *China-Saudi Arabia Relations, 1990-2012: Marriage of Convenience or Strategic Alliance* (2014).

Mitat Çelikpala is Professor of International Relations at Istanbul Kadir Has University (Turkey). He teaches courses on Eurasian security, energy, and critical infrastructure security/protection, Turkish foreign and domestic policy, and the Caucasus. He is the board member of the Centre for Economics and Foreign Policy Studies (EDAM), the International Relations Council of Turkey. He previously served as an academic adviser to NATO's Center of Excellence Defense Against Terrorism in Ankara (2009-12), especially on regional security and

critical infrastructure protection; and was the board member to the Strategic Research and Study Center (SAREM), Turkish General Staff (2005-11); and academic adviser to the Center for Strategic Research (SAM), Turkish Foreign Ministry (2002-10).

Camille Lons is a Research Associate at the International Institute for Strategic Studies (IISS) based in the Middle East office in Bahrain. She covers political and security developments in the Gulf region, as well as Middle East countries' economic and political relations with Asian powers, and more specifically China. She previously worked at the European Council on Foreign Relations (ECFR) where she edited the policy brief *China's great game in the Middle East* (2019).

Ruslan Mamedov graduated from the Asian and African Studies Department at the National Research University Higher School of Economics (NRU HSE, Russia) and the Moscow State Institute of International Relations (MGIMO) MFA of Russia. He holds a Ph.D. in History from MGIMO University. Currently holds a position of MENA Program Manager at the Russian International Affairs Council (RIAC). Mr Mamedov is an expert for the Valdai Discussion Club. He is a participant and speaker at a number of international conferences and workshops and regularly comments for the Russian and international media.

Gabriel Mitchell is the Director of External Relations at the Mitvim Institute and a Ph.D. candidate in Government and International Affairs at Virginia Tech University. His research focuses on the relationship between energy and geopolitics in the Eastern Mediterranean. Mr Mitchell has previously served as Mitvim's representative in Washington DC, he was Research Fellow at Hudson Institute and Shalem College, and was selected as a 2017-18 SAFE Energy Security Fellow.

Nael Shama, Ph.D., is an independent political researcher and writer. His research focuses on the international relations and comparative politics of the Middle East. He is the author of *Egyptian Foreign Policy from Mubarak to Morsi: Against the National Interest* (2013); *Egypt before Tahrir: Reflections on Politics, Culture and Society* (2014); and *The Stagnant River: The State, Society and Ikhwan in Egypt* (in Arabic, 2016). He has written papers and book chapters on foreign policy making in Egypt, civil-military relations in the Middle East and Islamist politics. His writings have appeared in *International Affairs*, *the Middle East Journal*, Al-Jazeera Center for Studies, Atlantic Council, Carnegie Middle East Center, Middle East Institute, ISPI, POMED, *Le Monde Diplomatique*, *Reuters Opinion*, *Foreign Policy*, *Jadaliyya*, *Al-Ahram*, *Al-Hayat*, and more.

Valeria Talbot is a Senior Research Fellow and joint Head in charge of Middle East Studies of ISPI's Middle East and North Africa Centre. She also is a lecturer in the Masters in Middle Eastern Studies in ASERI, Catholic University of Milan. She was a senior investigator on the Arab Transformations Project, an FP7-funded research project on political and social transformation in the Arab World after the Arab uprisings in 2010- 2011. Her main research areas are Euro-Mediterranean relations, Turkey's domestic-foreign policy, the Gulf monarchies and Middle East geopolitics. She is active as a scholar, contributing to research projects and publishing a number of papers, articles and books.

Zenonas Tziarras holds a Ph.D. in Politics and International Studies from the University of Warwick, UK. He completed a Post-Doctoral Fellowship at the University of Cyprus, and has collaborated with various institutions and universities in Cyprus and abroad. He holds a BA in Mediterranean Studies and International Relations from the University of the Aegean, Greece, and an MA in International Relations and Strategic Studies from the University of Birmingham, UK. Mr Tziarras

is a frequent media commentator and editorial board member for New Middle Eastern Studies. Among others, he authored *International Politics in the Eastern Mediterranean* (in Greek) and edited *The New Geopolitics of the Eastern Mediterranean*. He is a researcher at PRIO Cyprus Centre focusing on the geopolitics of the Eastern Mediterranean.