



The Eastern Mediterranean Gas Forum: Cooperation in the Shadow of Competition

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Established in January 2019, the Eastern Mediterranean Gas Forum (EMGF) is the most significant multinational organization in a geopolitical space often associated with conflict and competition. Currently comprised of Egypt, Greece, Cyprus, Israel, Italy, Jordan, Greece, Italy and the Palestinian Authority, the forum's purpose to advance opportunities for energy development and cooperation between Eastern Mediterranean states in order to maximize the commercial potential of the region's hydrocarbon reserves. This paper analyzes the diplomatic processes that resulted in the EMGF's formation, the current challenges the forum faces, and Israel's capacity to shape this nascent body's future. If the forum hopes to grow in the post-coronavirus era, then it must commit to seeking pathways towards economic cooperation, enhancing its scope to include renewable energy, while also prioritizing conflict resolution and the establishment of a new maritime order.

A. Introduction

Over the last decade, literature focusing on the Eastern Mediterranean tends to adopt one of two positions. The first suggests that offshore natural gas will encourage cooperation between states, the construction of pipelines connecting the region with Europe, and the establishment of multinational organizations. The second position cites the myriad reasons why the natural gas boom will only cause strife between regional actors. These two camps mirror a larger debate present within the academic and policy communities that analyze the role of energy in international relations. Both sides use the Eastern Mediterranean as a case study that supports their position; ironically, there are as many examples of energy triggering new cooperative initiatives in the region as there are conflicts.

The discovery of offshore hydrocarbons was one of the catalysts that altered the geopolitical landscape of the Eastern Mediterranean. Regional alliances have shifted and maritime disputes have intensified. Fearful that their claims will be challenged by others, many states have strengthened their naval capacity. But the energy sector also fosters dialogue and problem-solving between various state and non-state actors.

It is no surprise that the same catalyst for regional securitization also presented opportunities for dialogue and the establishment of a new regional framework for cooperation. In January 2019, energy ministers representing Egypt, Greece, Cyprus, Israel, Italy, Jordan, and the Palestinian Authority Greece, and Italy met in Cairo to establish the Eastern Mediterranean

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Gas Forum, or EMGF. The forum was envisioned as a vehicle for cooperation in the area of energy development. But nearly two years since its establishment, global and regional changes have slowed these processes. Many offshore projects froze during the coronavirus outbreak as international oil and gas companies cut back on spending during historic lows in natural gas prices and a global supply glut. And Turkey, one of the region's most important actors but not an EMGF member state, executed a series of aggressive moves that challenged the new order of regional partnerships and placed itself at the epicenter of the Eastern Mediterranean's knotty geopolitical picture.

Given the uncertainties surrounding the region's future, it may seem an odd time to survey the EMGF. However, with the member states scheduled to sign a charter on September 22, 2020 that will transform the forum into a recognized international body, this is precisely the moment that the current model of regional cooperation should be assessed. How did the EMGF come into existence? What has it managed to accomplish? What do its members hope to achieve by joining in the forum? Can the forum accomplish its goals without the participation of the entire region? And how has Covid-19 impacted the EMGF's short and long-term goals? From an Israeli perspective, the EMGF is an essential piece to a broader regional policy that seeks increased economic, diplomatic, and strategic cooperation with its European and Middle Eastern neighbors. Understanding where other regional actors share interest with Israel was an essential component to this piece and its assessment of the EMGF's successes and limitations.

This article focuses on five angles relating to the EMGF: the processes that led to its construction, its accomplishments between January 2019 and September 2020, the absence of regional actors and their responses to the EMGF, Israel's particular assessment of the forum and its potential, and how Covid-19 has disrupted some regional processes but accelerated others.

B. From Offshore Discoveries to Trilateral Agreements

The establishment of the EMGF should be seen as the culmination of separate but interconnected diplomatic and commercial processes over the course of the last decade that were encouraged, at least in part, by the discovery of offshore natural gas.

Meaningful offshore natural gas fields were first discovered in Israel's waters in 2009 and 2010, and shortly thereafter discoveries were also made in the waters of Cyprus (2011) and Egypt (2015). Estimations of the largest fields add up to approximately 122 trillion cubic feet of natural gas reserves. Neither Israel nor Cyprus possessed sufficient local demand for their natural gas discoveries, thus incentivizing cooperative initiatives that could help export these resources abroad. In 2010, Israel and Cyprus agreed to a delimitation agreement of their exclusive economic zone.¹ The following year, Prime Minister Netanyahu visited Cyprus, the first ever visit by an Israeli head of state, and bilateral relations began to blossom. Greece quickly joined the picture, and in 2013 the three countries signed an energy memorandum of understanding with the expectation of enhanced future cooperation.²

Indeed, relations between the three parties are warmer than ever. In January 2016, Israeli, Greek, and Cypriot heads of state met in the first trilateral summit to declare their shared

¹ [Agreement Between The Government of The State of Israel and The Government of The Republic of Cyprus on The Delimitation of the Exclusive Economic Zone](#), *The United Nations*, 2010.

² Asher Zeiger, "[Israel, Greece, Cyprus sign energy and water deal](#)," *The Times of Israel*, August 8, 2013.

commitment to “stability, security, prosperity and peace” in the region.³ Six subsequent meetings produced trilateral agreements in the areas of tourism, economics, communication, cyber technology, military cooperation, and of course, energy. The most ambitious project that has been proposed by this budding tripartite alliance is the “EastMed pipeline”, a 1,900-kilometer undersea pipeline that would carry Israeli and Cypriot gas to Greece and Italy and onwards to Europe. The EastMed pipeline’s feasibility has always been doubted by industry experts, but this has not stopped the political enthusiasm around the project and it remains one of the central discursive tools used by Israeli, Greek, and Cypriot politicians when discussing their shared future.

A similar timeline can be developed when observing Egypt’s relationship with Greece and Cyprus over the last decade. While Egypt and Cyprus ratified their EEZ agreement in 2003, it was not until the discovery of the Aphrodite field in 2011 that the relationship expanded. Egypt, in need of natural gas imports, was another logical export option for the region’s gas. The existence of liquified natural gas (LNG) facilities in Idku and Damietta that could convert natural gas for the global market made the Egyptian option an instant frontrunner. The first trilateral meeting between Egypt, Greece, and Cyprus was held in Cairo in November 2014, with pledges on energy cooperation, maritime boundary negotiations, and regional security.⁴ Much like the Israel-Greece-Cyprus trilateral relationship, Egyptian, Greek, and Cypriot heads of state have met on a regular basis since the initial summit.

Egypt saw these developments as both an economic and strategic boon. Directing Eastern Mediterranean energy towards Egypt would establish the country as a regional gas hub, create jobs, increase its own energy security, and present President Abdel Fattah al-Sisi an opportunity to be seen as a regional leader.⁵

Israel, Egypt, Cyprus, and Greece sought to maximize the economic benefits of offshore hydrocarbon development. But this was not the only variable that drove them into a cooperative partnership with one another. In addition to the opportunity for energy cooperation, other factors were changing the geostrategic landscape. American deterrence was fading and the US Sixth Fleet’s presence significantly reduced. Russia and Iran’s support for Bashar al-Assad indirectly assisted them in establishing a new base of operations in the Eastern Mediterranean. And Turkey, a NATO member, was increasingly at odds with the transatlantic alliance and other American partners like Israel and Egypt. In both the Israeli and Egyptian cases, Turkey’s support for Muslim Brotherhood affiliates planted the seeds of future distrust.

Diplomatic ties between Israel and Turkey collapsed in 2010 following the Gaza Flotilla affair. Despite efforts to rekindle relations in 2016 and negotiate a possible pipeline deal, Israel and Turkey remain at loggerheads. Cairo and Ankara broke off relations after President Mohammad Morsi was removed from office in 2013. Arguably the most important economic and strategic actor in the region, Turkey was impossible to replace, but Egypt and Israel sought to mitigate the damage by strengthening one other as well as bolstering ties with Greece and Cyprus.⁶ In February 2018, Israel and Egypt agreed to a gas export deal

³ [“Trilateral meeting between Israel, Greece and Cyprus,”](#) *Israel Ministry of Foreign Affairs*, January 28, 2016.

⁴ [“Egypt, Greece, Cyprus pledge to boost energy cooperation,”](#) *Reuters*, November 8, 2014.

⁵ Amr Emam, [“Eastern Mediterranean Gas Forum a powerful new global player,”](#) *The Arab Weekly*, January 20, 2019.

⁶ Gabriel Mitchell, [“Israel, Energy, and the Eastern Mediterranean: Shaping a New Regional Foreign Policy,”](#) *Mitvim Institute*, January 2020.

worth an estimated 15 billion USD over ten years.⁷ When the deal was consummated in December 2019, Israeli Energy Minister Yuval Steinitz said, “The export of gas to Egypt, from Leviathan and Tamar, is the most significant economic cooperation between Israel and Egypt since the signing of the peace treaty between the countries.”⁸ The deal anchored Israel’s burgeoning strategic partnership with the Sisi regime but also established a bridge between the two, interconnected trilateral relationships.

Both the energy developers, the European Union, and the United States supported these partnerships. Energy companies operating in Eastern Mediterranean – such as Colorado-based Noble Energy, French and Italian supermajors Total and Eni, Energean, and Israel’s Delek Group – encouraged any and all political processes that would facilitate the sale of their product. Officials in Brussels hoped that the speedy delivery of Eastern Mediterranean gas would help alleviate dependency on Russia, but they – like their American counterparts – also saw the long-term potential in these partnerships. France and Italy, who both share outsized commercial and geopolitical interests in the region, often led the European effort to support regional cooperation. With the United States pivoting towards Asia, many argued, Western allies in the Eastern Mediterranean could theoretically play a role in mitigating the influence of Russia, Iran, and China in the region. The only question was whether the region’s actors could develop a multinational forum that encouraged cooperation.

C. Fostering Cooperation and Dialogue

The EMGF represents the culmination of a decade-long process between four states: Israel, Egypt, Greece, and Cyprus. There is no available oral history recounting the story of its formation, however the dominant narrative is that Egypt – and in particular Egypt’s Minister of Petroleum and Mineral Resources, Tarek El Molla – was the driving force behind the forum’s establishment. Egypt sought to become a regional gas hub, and therefore had an added incentive to develop a multinational framework for cooperation. Israeli and Cypriot struggles to find export options further promoted the Egyptian option, and compared to other regional actors, Egypt’s energy industry boasted both experience and operational capacity.⁹

El Molla, who spent most of his career in the energy industry, was the ideal advocate for regional energy cooperation. A former Chevron employee and CEO of the Egyptian General Petroleum Corporation, El Molla’s reputation as a reliable, proactive, and progressive voice helped bring in Jordan, the Palestinian Authority, and Italy as full partners at the EMGF’s inaugural meeting on January 14, 2019.

Some see Jordanian and Palestinian participation as a symbolic measure, neutralizing criticism of Israel’s presence in the forum.¹⁰ Nevertheless, both actors’ energy interests are interwoven with the regional energy landscape. Jordanian companies are parties in two separate contracts to purchase natural gas from Israel’s main offshore fields.¹¹ And in 2019, Egypt and the Hashemite Kingdom signed a Memorandum of Understanding (MoU) to

⁷ Tova Cohen and Ari Rabinovitch, “[Egyptian firm to buy \\$15 billion of Israeli natural gas](#),” *Reuters*, February 19, 2018.

⁸ “[In milestone, Israel starts exporting natural gas to Egypt](#),” *Times of Israel*, January 15, 2020.

⁹ Conversation with Dr. Charles Ellinas, Senior Fellow at The Atlantic Council, August 10, 2020.

¹⁰ Joe Macaron, “[The Eastern Mediterranean Gas Forum Reinforces Current Regional Dynamics](#),” *Arab Center Washington DC*, January 25, 2019.

¹¹ Steven Scheer, “[UPDATE 2-Israel’s Tamar gas field in \\$500 mln Jordanian export deal](#),” *Reuters*, February 19, 2014 and “[Israel consortium signs ‘historic’ 15-year, \\$10b gas deal with Jordan](#),” *Times of Israel*, September 26, 2016.

resume energy ties.¹² In comparison, the Palestinian Authority is completely dependent on Israel for its energy supply. Despite on-again, off-again negotiations with Israel for the better part of two decades, the Palestinian Authority does not have access to its gas reserves off the coast of the Gaza Strip.¹³ Enhancing Palestinian energy security should be a regional priority and the EMGF at least offers a platform for that conversation to take place. Italy was also a logical choice, both because of its role in the European Union – a potential consumer of Eastern Mediterranean gas – and Italian supermajor Eni's outsized presence in exploring the region's waters. In sum, the EMGF possesses a fairly balanced representation of 3 European participants (Cyprus, Greece, and Italy), 3 Arab participants (Egypt, Jordan, and the Palestinian Authority), and Israel.

Following its inaugural session, the EMGF hosted three additional ministerial meetings. While the content of those discussions has not been widely reported, the available information allows for a more nuanced understanding of the forum's intentions.¹⁴ During the first meeting in January 2019, the ministers publicly acknowledged the relationship between energy development and regional security and cooperation. The nascent forum would “foster cooperation and initiate a structured and systematic policy dialogue on natural gas” that could facilitate the development of a future regional gas market.¹⁵ The second meeting, on July 25, 2019, concretized the initial members: Israel, Egypt, Greece, Cyprus, Jordan, Italy, and the Palestinian Authority. The ministers also agreed that Cairo should be the home of the EMGF. Consideration was given to the forum's status and whether it should become a formal international organization. The second EMGF ministerial meeting also approved the establishment of the Gas Industry Advisory Committee, composed of private sector investors and developers.¹⁶ This meeting included non-member participation, including US Secretary of Energy Rick Perry and Assistant Secretary of State for Energy Resources Frank Fannon, European Commissioner for Energy and Climate Action Miguel Arias Cañete, as well as French and World Bank representatives.¹⁷

The third meeting was held on January 16, 2020, just two weeks after Israel, Greece, and Cyprus signed an agreement on the EastMed pipeline.¹⁸ During the meeting, the EMGF's member states affirmed their commitment to respect the maritime rights of one another in accordance with international law. In addition, the EMGF submitted its initial statute to the European Commission for review. Once the commission approves the statute, the member states will officially sign the agreement to concretize the EMGF.¹⁹ Since the inaugural

¹² Fatmah El-Bakry, “[Egyptian natural gas to Jordan to be resumed](#),” *Egypt Today*, April 5, 2019.

¹³ For more information about natural gas and the Gaza Strip: Tareq Baconi, “[A flammable peace: Why gas deals won't end conflict in the Middle East](#),” *European Council on Foreign Relations*, December 21, 2017; Simon Henderson, “[Natural Gas in the Palestinian Authority: The Potential of the Gaza Marine Offshore Field](#),” *German Marshall Fund*, March 2014; Ahmed Melhem, “[Will Israel go through with plan to develop Gaza gas field](#),” *Al-Monitor*, January 31, 2020.

¹⁴ The majority of open-source information in English relating to EMGF meetings is available on The Egyptian Ministry of Petroleum & Natural Resources [website](#).

¹⁵ “[Cairo Declaration Establishing the East Mediterranean Gas Forum](#),” *Ministry of Petroleum & Mineral Resources, Arab Republic of Egypt*, January 14, 2019.

¹⁶ [The Gas Industry Advisory Committee's first meeting](#) was held in November 2019, during the EMGF's second ministerial meeting, and is described as a “a permanent dialogue platform within the EMGF, between Government representatives and industry players; including state owned entities, regulatory authorities, gas business enterprises, industry entities and international financial institutions.”

¹⁷ Ahmed Kotb, “[The EMGF: More than gas](#),” *Ahram Online*, July 31, 2019.

¹⁸ Angeliki Koutantou, “[Greece, Israel, Cyprus sign EastMed gas pipeline deal](#),” *Reuters*, January 2, 2020.

¹⁹ “[The 3rd Ministerial Meeting of the East Mediterranean Gas Forum \(EMGF\)](#),” *Ministry of Petroleum & Mineral Resources, Arab Republic of Egypt*, January 16, 2020.

meeting, EMGF members also held sessions for its high-level working group as well as the Gas Industry Advisory Committee and virtual dialogue during the coronavirus pandemic.²⁰

There are varying opinions about the EMGF and its capacity to foster regional cooperation. No one wants to take away from the forum's accomplishments at such an early stage, but at present it is a step below a formal organization that demands meaningful commitments from its members. One energy expert said that beyond offering a space for conversation, the forum "is not developing anything concrete on the ground."²¹ Put differently, is there follow through between the official meetings? Is the EMGF fostering a common language for cooperation and shared interests that can serve as the building block for years to come? And will the signing of a charter change the current level of commitment?

There are also questions about the EMGF's operational model. Should the forum continue to be a space for energy ministers, or should it also include the participation of senior diplomats? The answer largely depends on the country. Cyprus' regional policy is formulated by the Ministry of Foreign Affairs and Foreign Minister Nikos Christodoulides, who has the government's confidence. In contrast, Israel has operated over most of the last five years without a foreign minister, so Energy Minister Yuval Steinitz has functioned as the frontman of Israel's regional energy policies. This is not bureaucratic minutiae. Differences in personnel and ministries could ultimately determine the EMGF's future trajectory. Lastly, there are questions about the forum's current composition and whether it should expand its membership. Since its formation, France has made a formal request to join the EMGF, and the United States has requested to hold permanent observer status.²² How would the presence of these two countries contribute to the forum's current goals? What kind of commitment would non-regional actors bring to the table? And what about those regional actors who have yet to take a part in the forum?

D. On the Outside, Looking In

At the time of the EMGF's inauguration, it was understood that Syria, Lebanon, and Turkey would not join the forum. Although member states often reiterate that the forum is not an exclusive club, it would have been difficult to imagine a pathway for their participation. The Assad regime is occupied by its ongoing civil war and would reject the notion of normalizing ties with Israel. Lebanese interest is similarly constrained because of its conflict with Israel. In addition to their decades of mutual distrust, Israel and Lebanon also disagree on the angle of the demarcation line between their maritime waters. This quarrel has produced in an 850 square kilometer area of disputed territory. As a result, commercial interest in exploring Lebanon's waters has been comparatively limited to other Eastern Mediterranean actors. American and United Nations efforts to persuade the sides to enter direct negotiations have repeatedly failed. Isolationist voices in Lebanon argue that the EMGF is intentionally excluding their country, and therefore Lebanon should team up with Turkey and Syria (with Russian support) to develop a counter-forum. According to a report by Middle East Strategic Perspectives, a Beirut-based risk consultancy service, future Lebanese participation in the EMGF is possible so long as a loophole could be found that prevented direct interactions

²⁰ ["EMGF The 3rd Meeting of the Consulting Committee of Gas Industry via Video Conference," Ministry of Petroleum & Mineral Resources, Arab Republic of Egypt, May 18, 2020](#) and ["High-Level Working Group Holds its 6th Meeting of the East Mediterranean Gas Forum \(EMGF\) Via Video Conference," Ministry of Petroleum & Mineral Resources, Arab Republic of Egypt, May 20, 2020](#) and ["Secretary Brouillette Promotes Energy Security And Innovation With Eastern Mediterranean Leaders," U.S. Department of Energy, March 6, 2020.](#)

²¹ Conversation with Dr. Charles Ellinas, Senior Fellow at The Atlantic Council, May 4, 2020.

²² ["France asks to join Eastern Mediterranean Gas Forum," Reuters, January 16, 2020.](#)

with Israeli officials.²³ At the very least, it should not deter the Lebanese government from strengthening bilateral ties with its Eastern Mediterranean neighbors. Given Lebanon's current economic crisis, future governments are likely to continue to pursue offshore explorations and therefore the question of participation in the EMGF will remain relevant.

In comparison to Syria and Lebanon's lack of representation, Turkey's absence from the EMGF is a challenge to the forum's legitimacy. Turkey is a NATO member, possesses one of the region's most diverse militaries and one of the world's largest economies, and has a growing need for affordable energy. A decade ago, Turkish participation in the EMGF would have been more feasible. But like Israel and Lebanon, Turkey has a long history of mutual grievances over maritime rights with Greece and Cyprus. Although prospect of energy cooperation briefly brought Israel and Turkey back together in 2016, the parties could not agree on a price, or overcome the geopolitical challenges posed by the Cyprus conflict and the Turkish-Cypriot dispute of maritime rights. In the end, disagreements over Israel's policy in Gaza and the Trump administration's decision to relocate the US embassy to Jerusalem drove a wedge between them once more.²⁴ Erdoğan's support for former Egyptian president Morsi resulted in a downgrading of bilateral relations between Ankara and Cairo in 2013. So even under the best of circumstances, it would be difficult to imagine how Turkey could participate in the EMGF without brokering a deal with the primary member states.

Political and military elites in Ankara viewed the establishment of a regional forum as a deliberate attempt to strategically contain Turkey. In response, Turkey executed an assertive regional policy, positioning naval warships and exploration vessels at strategic locations in the Eastern Mediterranean that would stake out its maritime claims and challenge the sovereignty of Greece and Cyprus. Turkish officials increasingly reference *mavi vatan* or "blue homeland" – a strategic doctrine that calls for the defense of Turkey's continental shelf and territorial waters – that has been popularized in recent months by a collection of former military leaders.²⁵ According to Turkish analysts, these vessels are not merely serving a political purpose. Turkey is committed to diversifying its supply and reducing dependency on Russian gas. Future discoveries will likely be exploited.²⁶ But in the same way that Turkey perceived the EMGF as a political maneuver, most of the region's actors view Ankara's position as politically driven. Cyprus, Greece, and the European Union have all condemned Turkey's actions.²⁷

In line with this new regional strategy, Turkey also deepened its support for the UN-backed Government of National Accord (GNA) and its overall commitments in the Libyan civil war. In late November 2019, Ankara signed an MoU with the GNA that demarcated the maritime boundaries between Turkey and Libya.²⁸ The accord further muddled the regional picture, challenging Greece's maritime boundaries, and pitting Turkish interests in Libya against those of Egypt, France, Russia, and the United Arab Emirates.²⁹ Regional actors once again condemned Turkey.

²³ ["The Eastern Mediterranean Gas Forum: A Lebanese Perspective,"](#) *Middle East Strategic Perspectives*, February 6, 2019.

²⁴ Nicole Gaouette and Michelle Kosinski, ["Turkey recalls envoys to US, Israel over embassy move,"](#) *CNN*, May 15, 2018.

²⁵ Ryan Gingeras, ["Blue Homeland: The Heated Politics Behind Turkey's New Maritime Strategy,"](#) *War On The Rocks*, June 2, 2020.

²⁶ Conversation with Dr. Pinar Ipek, TOBB University of Economics and Technology, May 8, 2020.

²⁷ ["EU agrees sanctions on Turkey over Cyprus drilling, to add names later,"](#) *Reuters*, November 11, 2019.

²⁸ ["Turkey and Libya sign deal on maritime zones in the Mediterranean,"](#) *Reuters*, November 28, 2019.

²⁹ France is not currently an EMGF member, but is deeply invested in regional developments and seeks EMGF membership.

However, Turkey's "blue homeland" policies met stiff opposition from Greece in the summer of 2020. On two separate occasions, Turkish naval vessels escorted the *Oruç Reis*, a seismic research vessel into Greek territorial waters near the island of Kastellorizo. In the first incident, German intervention prevented further escalation between the parties.³⁰ During the mediation efforts, however, Greece and Egypt announced that they had reached a maritime boundary delimitation agreement of their own.³¹ Although Turkey was not surprised that Athens and Cairo would seek to fortify their legal position, the timing of the announcement during the German-led mediation was interpreted by Ankara as an affront. Once again, the *Oruç Reis* set off into Greek waters.³² With the ante raised and the Greek military on high alert, the international community's attention pivoted to the Eastern Mediterranean. Israel issued an unprecedented statement in support of Greece. France deployed military resources to conduct drills with the Greek navy. Absent up until this point, the United States dispatched Secretary of State Mike Pompeo to reduce tensions between the parties.³³

President Erdoğan may be choreographing this high sea drama in part to distract the Turkish public from the country's deepening economic woes, but he is also keenly aware that in the Eastern Mediterranean – despite the flurry of diplomatic activity – neither the European Union, nor the Transatlantic Alliance, speak with one voice. He also knows that Turkey's myriad disputes with the EMGF's primary four members make future Turkish participation in the forum unrealistic.³⁴ Turkey does not seek EMGF membership, and in some respects the argument can be made that it seeks the forum's dissolution. The longer Turkey exerts pressure on the EMGF, the more likely the forum loses momentum and individual member states negotiate with Ankara.³⁵ Relative to its Eastern Mediterranean neighbors, Turkey's maritime space is small. But the game of brinkmanship that Ankara is currently playing – behaving like it has nothing to lose – has hardened the positions of its neighbors and increased the possibility of conflict.

The EMGF has proven to be ill-equipped to respond to Turkey's challenge. This comes at a heavy price; the securitization of Eastern Mediterranean energy politics could scare away future international investment. Rather than execute independent policies towards Turkey, EMGF member states – in consultation with the European Union and the United States – should cultivate a balanced diplomatic approach that offers the opportunity for dialogue and greater regional integration in exchange for a cessation of hostilities across the region. And few countries in the region are better positioned to advocate for a more pragmatic approach than Israel.

E. Israel and the EMGF

Since its foundation, Israel has always prioritized establishing regional partnerships. It is not surprising that Israel is, therefore, a constructive and influential player in Eastern Mediterranean politics. From its pursuit of a trilateral partnership with Greece and Cyprus to

³⁰ ["Turkey and Greece avoid coming to blows, for now,"](#) *The Economist*, July 30, 2020.

³¹ ["Egypt and Greece sign agreement on exclusive economic zone,"](#) *Reuters*, August 6, 2020.

³² ["Oruç Reis sails back into Greek waters,"](#) *Ekathimerini*, August 13, 2020.

³³ ["US Secretary of State Pompeo to meet Turkey's Cavusoglu,"](#) *Ekathimerini*, August 14, 2020.

³⁴ Conversation with Dr. Charles Ellinas, Senior Fellow at The Atlantic Council, May 4, 2020.

³⁵ Şaban Kardaş, ["Understanding Turkey's Coercive Diplomacy,"](#) *German Marshall Fund*, August 13, 2020 and John V. Bowlus, ["Pulling Back the Curtain on Turkey's Natural Gas Strategy,"](#) *War On The Rocks*, August 26, 2020.

the signing of export deals with Jordan and Egypt to maintaining a channel of dialogue with Turkey, it is impossible to recount the story of the region's evolution that does not include Israel. Part of this is circumstantial; the first major natural gas findings were discovered in Israel's waters. However, Israel's government also promoted a particular set of policies that encouraged exporting the country's natural gas and pursuing of regional partnerships premised on energy cooperation.³⁶ Israel encouraged Egyptian leadership in the EMGF's formation; Cairo is a friendly setting that affords Israel the opportunity to engage in positive dialogue with Jordanian and Palestinian representatives in an Arab capital. It also strengthens President Sisi, shifting the center of regional developments towards a strategic partner Israel actively supports.

For the better part of the last decade, the Prime Minister's Office and the Israel's Ministry of Energy were two of the most visible government bodies shaping the country's regional energy policy. However, since the first EMGF meeting in Cairo the regional landscape has shifted dramatically and it would better serve Israel's interests if there was greater cooperation between government ministries. Specifically, the coronavirus outbreak and the Turkish challenge in the Eastern Mediterranean have put Israel's policies to the test. Solving the region's complex geopolitical puzzle will require a diplomat's touch, an admiral's intuition, and an economist's foresight. Though it is often said Israel suffers from an overabundance of government ministries, the formulation and execution of a regional strategy demands greater inter-ministerial cooperation. Minor adjustments should still allow Israel to play a leadership role in the forum's future.

The coronavirus outbreak triggered a collapse in global gas prices so steep that most of the Eastern Mediterranean's ambitious energy plans are no longer commercially viable. This comes at a painful economic cost for Israel; while Israel's export contracts to Jordan and Egypt may endure, Israelis are trapped in unfavorable contracts with developers Noble Energy and Delek, paying more for their energy than any other OECD member. Scheduled prices cuts are expected in 2021, and Chevron's recent declaration that it would be buying Noble Energy could provide relief in the future. However, in order to endure the economic crisis, Israel should renew its commitment to diversifying domestic energy infrastructure and encouraging other Eastern Mediterranean states to adopt gas friendly policies. Israel should also push the EMGF to broaden its mission to include cooperation in renewable energy technology.³⁷

The other pressing issue is maritime boundary delimitation and the Turkish challenge. Since the beginning of the 2020, Turkey has been dictating the terms of engagement in the region. But while other EMGF member states are outspoken in their condemnation of Turkey's actions, Israel has adopted a more nuanced approach, criticizing the MoU with Libya in December 2019 while keeping a door open for dialogue.³⁸ Neither Turkey nor Israel seek an escalation with one another. Turkey wants to keep Israel at arm's length for fear of drawing American interference. Israel understands that Turkey's actions require a unified response but historically has avoided taking strong positions on international affairs that do not directly impact its interests. Israeli officials also recognize that the region's most

³⁶ Mitchell, 2020.

³⁷ Sue Serkes, "[Greenish new deal: Energy Ministry pushes NIS 25b in projects to reboot economy](#)," *The Times of Israel*, April 28, 2020.

³⁸ "[Israel opposes Turkey-Libya maritime border accord](#)," *Reuters*, December 23, 2019; Roey Gilad, "[Türkiye ve İsrail'in İdlib ve Covid-19 Dahil Ortak Çıkarları](#)," May 21, 2020.

influential European actors – France, Germany, and Italy – are not on the same page.³⁹ The American position is similarly confusing, with sharp distinctions between the reportedly warm relationship between President Trump and President Erdoğan and Congressional efforts to sanction Turkey. For these reasons, Israel was reluctant to take a strong position during the first iteration of the Kastellorizo episode in late July 2020.

However, the second iteration in mid-August did prompt an organized Israeli response: on August 12, 2020 the Ministry of Foreign Affairs released a statement in support of Greece, Israel's ambassador in Athens met with Greek Foreign Minister Nikos Dendias the same morning, and the following day Dendias flew to Jerusalem and met with Israeli counterpart Gabi Ashkenazi and Prime Minister Netanyahu.⁴⁰

Israel's preference is to not entangle itself in the affairs of other states, so the decision to take sides in the Kastellorizo incident needs to be viewed through at least two lenses. For months, Greek and Cypriot officials have been lobbying Israel to take a stronger position against Turkey's activities. Israel correctly assessed that a second incident near Kastellorizo would prompt a stronger international response, and therefore proactively joined the chorus of nations demanding an end to hostilities. But Israel is concerned about Turkey. The Turkish government continues to support Hamas, and uses of the future liberation of al-Aqsa mosque as rhetorical tool to galvanize Erdoğan's political base.⁴¹ Turkey's unabashed criticism of normalization efforts between Israel and the United Arab Emirates was both hypocritical and counterproductive. No wonder Mossad chief Yossi Cohen recently referred to Turkey as a regional threat.⁴²

And yet despite all these issues, Israel appears committed to keep the lines of communication open with Ankara. Turkey remains an important trade partner for Israel and the two countries still share some strategic interests. Therefore, Israel should advocate both the next US administration, the European Union, and NATO to remain actively involved in mediating the region's maritime disputes. From the Israeli perspective, Washington is the preferred mediator for the region's many conflicts and there exists a rare bipartisan consensus there on supporting the EMGF and regional energy cooperation.⁴³ Increased American engagement would not only help mediate grievances between Eastern Mediterranean states, it would also dissuade outside actors like Russia, China, and Iran from further muddying the region's waters. Given the current engagement of European actors like Germany and France, Israel should encourage the parties to coordinate their efforts. If these individual actors cannot bridge the gap, then perhaps NATO would be the optimal venue for such discussions.

In a similar vein, Israel should test whether its fellow EMGF member states have the capacity or interest in formulating a common strategy towards Turkey. Until now, EMGF member states have not operated in one voice – but to what degree does that harm the forum's mission? The forum was designed to tackle regional energy questions; do the current

³⁹ Italy and Turkey shared a growing number of regional interests, both in trade and in their support of the UN-backed Libyan Government of National Accord. A full EMGF member state, Italy's positioning on regional issues deserves greater attention.

⁴⁰ Noa Landau, "[In Surprise Visit, Greece Tries to Enlist Israel in Its Gas War with Turkey](#)," *Ha'aretz*, August 13, 2020.

⁴¹ "[Turkey: Erdogan links conversion of Hagia Sophia into mosque to 'liberation of Al-Aqsa'](#)," *I24news*, July 11, 2020.

⁴² Roger Boyes, "[Mossad thinks Turkey is a bigger menace than Iran](#)," *The Times*, August 18, 2020.

⁴³ Michael Wilner, "[Trump team is adopting a pipeline plan to wean Europe off Russian fuel](#)," *McClatchy DC*, June 5, 2019.

circumstances permit the broadening of its mission? Should various Eastern Mediterranean issues (Libya, maritime claims, energy cooperation) be delinked from one another or are they intertwined? Beyond the grand statements, will EMGF members support one another in the event of a violent escalation in the region? These questions should be aired within the friendlier confines of the forum so – both collectively and independently – EMGF member states can develop a strategy that assesses potential best- and worst-case outcomes. Is there an incentive package – including future EMGF membership – that would deescalate regional tensions, or must the priority be placed on defining red lines that Ankara will accept? Israel senses (and it may already have) that the EMGF cannot operate in this capacity, it should seek other recourse in order to adapt to the changing realities in the region.

Israel should also demonstrate a readiness to tackle its own maritime disputes with Lebanon and the Palestinian Authority. Resolving the maritime boundary dispute with Israel may not immediately convince international companies to explore in Lebanese waters, but an act of good faith after the Beirut blast would theoretically open the door to future Lebanese participation in the EMGF. Israel should request regional and international support in finding a solution to the energy issues plaguing the Gaza Strip. The EMGF could provide a space to discuss developing new infrastructure in Gaza that would enable Palestinians to achieve a relative degree of energy security while still protecting Israel's security interests. Without third party mediation, it is unlikely that the region's actors will successfully resolve their disputes. By presenting itself as a willing partner for negotiations, Israel could encourage others to do the same.

After a decade's worth of consistent advocacy for a multinational process that encourages regional cooperation, Israel has become one of the most influential Eastern Mediterranean states. Now it faces a stern test to its commitment to this process. Will Israel use the EMGF's platform to find regional solutions to pressing economic and political challenges, or will it seek other means to achieve its goals? How involved will it engage in the struggles of its neighbors? In other words, how committed is Israel to this process? The answer, at least in part, lies in the economic fallout of the coronavirus pandemic.

F. Covid-19 and the Future of the EMGF

The coronavirus pandemic altered the Eastern Mediterranean energy landscape: flattening of the global energy market, driving down natural gas prices, and freezing exploratory projects in the region. Israel, paying three times the global average for domestic natural gas, is now buying imported liquid natural gas at half the price of domestic supply.⁴⁴ Egypt is struggling to sell its LNG on the global market, has frozen operations at one of its LNG terminals, and cut production at Zohr field.⁴⁵ Greek, Cypriot, and Israeli parliamentarians may have signed off on the EastMed pipeline, but for all practical purposes the project, like so many others around the world, is comatose.

Low LNG prices could become the global norm. Some forecast that the current gas glut could last for nearly a decade as other major projects come onto the market. Projects that demand costly infrastructure will find it difficult to compete with existing LNG providers and a growing renewable energy industry.

⁴⁴ Amiram Barkat, "[IEC to sell cheap imported gas to Israeli industry](#)," *Globes*, June 1, 2020.

⁴⁵ Ed Reed, "[Zohr production drops in Q1](#)," *Energy Voice*, May 15, 2020 and "[No Egyptian LNG cargoes shipped March on low prices, coronavirus](#)," *Hellenic Shipping News*, May 21, 2020.

These new and unexpected developments could trigger serious political problems, as is often the case when high expectations meet a more sobering reality. Policymakers must rethink their assumptions about what is possible in the short and medium term. The coronavirus pandemic may have slowed the EMGF's progress, but it may have also saved Eastern Mediterranean states from making shortsighted investments. There is a rare opportunity to revisit the model for regional cooperation and explore options that previously did not appear feasible.

The first post-coronavirus strategy is to keep Eastern Mediterranean gas local.⁴⁶ Rather than prioritizing the European market, EMGF member states should diversify their domestic infrastructure and economies to be more gas friendly.⁴⁷ Developing a regional market will require serious discussions between the primary developers and EMGF member states to find the contractual language that benefits all of the invested parties. The EMGF could also diversify its mission to incorporate other energy sources – including the renewable energy industry – to help foster a regional market.

Organizing a regional market does not necessarily mean that all actors will benefit equally from it. Then again, the impact of the pandemic on global energy prices could promote a more realistic conversation between regional actors about their shared goals. Offshore hydrocarbons have been as much a cause for confrontation between Eastern Mediterranean states as they were an incentive for cooperation. If the region's actors accept that their offshore reserves will not provide instant financial windfalls, it may be easier to discuss other geopolitical issues. A united international effort to mediate between the aggrieved parties on the topic of maritime boundaries could diffuse regional tensions and create a more constructive environment for future negotiations.

Over the last decade, it was expected that energy would transform the Eastern Mediterranean. However, the pandemic's aftershocks have disrupted the prospects for regional cooperation. This will be the biggest test of the EMGF's resilience as a potential multinational body, as well as its member states' capacities to evolve with the changing nature of the global economy.

The EMGF's formation is worthy of praise; in a region better known for discord between neighboring states, this organization is a departure from the past. Yet, even with the signing of a charter, the forum's future potential remains uncertain. If Israel hopes to take advantage of the opportunities presented by the EMGF, it must also advocate for a dramatic pivot in the post-coronavirus era, one that maintains a commitment to seeking pathways towards economic cooperation but that also prioritizes conflict resolution and the establishment of a new maritime order. If the EMGF cannot adapt to these changing realities, it may cost Israel and its Eastern Mediterranean partners the opportunity to collectively shape the region's future.

⁴⁶ Charles Ellinas, "[East Med should focus on local markets](#)," *Cyprus Mail*, May 24, 2020.

⁴⁷ This is particularly relevant for Egypt, whose domestic demand will increase as its population grows.