

Russia Enters Easily the Eastern Mediterranean Gas Fields

02 Mar, 2015

Russia will likely play a significant role in Mideast politics through its energy deals for at least the next quarter-century -- or at least as long as Europe & USA will be far from Gas exploitation in the East Mediterranean region.

MoU with Cyprus

Moscow will be present in the eastern Mediterranean in various scenarios, which are manifestly linked with geo-strategic plans in the region present. Cypriots President Anastasiades & Russian President Vladimir Putin signed last week 8 agreements in different levels.

The two countries signed eight bilateral agreements in total, along with a Memorandum of Understanding between the Cyprus Securities and Exchange Commission and the Central Bank of the Russian Federation. The signing of the updated MoU aims to further strengthen ties and enhance cooperation between the two supervisory authorities, aiming specifically to facilitate the exchange of information and the more effective investigation of potential violations of the legislation governing the securities market. The two countries also agreed to cooperate in matters of combating terrorism through information and experience exchange. An agreement on combating drugs and other illegal substances was also signed, and an agreement on cooperation in matters of technology and research.

Also, the Protocol of the 8th Cyprus-Russia Intergovernmental Committee for Economic Cooperation was signed and mainly in Energy sector; the Russian side is already making a master plan to buy shares from companies that are already active in Cyprus blocks EEZ. The first scenario of Russia is to use Gazprom to buy shares of the companies in Cyprus EEZ.

MoU with Syria

Russia has undertaken another geo-strategic gambit in the Eastern Mediterranean by boldly claiming a stake in a huge oil and gas field off Syria's shores. Last year, a Russian state-controlled energy group, Soyuzneftegaz, struck a deal with the Syrian regime for rights to develop and produce oil and gas off Syria's coast. Under terms of that deal, Soyuzneftegaz will be permitted to perform offshore drilling, development and production activities in Syria's territorial waters. The agreement covers 2,190 square kilometers in the Mediterranean waters, at an initial cost of some \$90 million, all assumed by Soyuzneftegaz. The contract will extend for 25 years.

MoU with Lebanon

In October 2013, Russia and Lebanon have announced closer ties as four of Russia's biggest energy companies jostle for deals to develop Lebanese gas fields in the eastern Mediterranean, which could draw them into a long-running territorial dispute with Israel.

Oil giant Rosneft, state-owned gas giant Gazprom, and privately-owned Novatek and Lukoil have all expressed interest in 10 hydrocarbon-rich blocks off the Lebanese coast, for which Beirut is expected to award much-delayed licenses in early 2014.

Like Syria and Egypt, Lebanon had signed a memorandum of understanding (MoU) on cooperation in the energy sphere with Russia.

During his last month visit to Moscow, Lebanese Foreign Minister Gebran Bassil has marked new horizons in the mutually beneficial cooperation with Russia when he expected again that Russian companies will have an important role in developing oil and gas reserves on the sea shelf.

MoU with Egypt

Russian President Vladimir Putin announced this month the agreement between Egypt and Russia on cooperation to establish a nuclear power station. The joint project includes the construction of a station, personnel training and provision of equipment to generate electricity.

Also, a bilateral agreements between Egypt and Russia have been signed in the fields of energy, investment and gas. In addition to this, a Memorandum of Understanding has been signed to establish the Dabaa nuclear power station.

Putin added that there are currently over 400 Russian companies operating in Egypt for investment purposes also, all Russian O&G companies will join the list to find the energy opportunities.

Russian interests in the Eastern Mediterranean have been highlighted both by the country's diplomatic and naval activity in the region as well as by its stance on economic and energy issues in Cyprus, Syria, Lebanon and Egypt; in addition, his strong cooperation with Turkey and Israel made Moscow a key player in the east Mediterranean zone.

Currently Russia is new Eastern Mediterranean energy game player, he aims to safeguard its gas monopoly and to sustain its ongoing domination on European gas market from this region.

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