

ECONOMIC DIPLOMACY AT THE SERVICE OF THE ENERGY SECTOR: THE CASES OF LEBANON AND CYPRUS

Economic diplomacy is a largely neglected concept in Lebanon, although the Minister of Foreign Affairs, Gebran Bassil, has made it one of his focus themes since his appointment in February 2014, with regular emphasis on promoting investments in the emerging oil and gas sector.

Back in April 2013, MESP made the following observation and recommended boosting the capacities of Lebanon's diplomatic corps to promote the country's economic and commercial attractiveness:

Lebanon – Diplomatic missions:

Embassies and consulates are a vital element in the promotion of a country's economic and commercial attractiveness. Lebanon's modest-sized economy and industry may explain why Lebanon never really developed what some refer to as "economic diplomacy". Lebanese representations abroad rarely engage in promoting bilateral trade and investments. Their programs include, at best, holding seasonal expositions displaying some of the country's export products. There is no vision, nor a pre-defined strategy of how to promote Lebanon as an attractive destination for foreign investments. Perhaps the potentially large deposits of oil and gas off the Lebanese coast would provide an opportunity for officials to reevaluate their policies and the responsibilities of their diplomatic representations abroad. The Ministry of Energy and Water and the Petroleum Administration are doing a decent job promoting the country abroad. But their resources are limited. It is impossible, for example, to engage with the business community and local authorities in different countries around the world and to attend every oil and gas conference. A comprehensive job cannot be done unless it is backed by the economic or trade sections in Lebanese embassies and consulates.

The first months of 2015 have seen considerable diplomatic activity by Lebanese officials, led by the Ministry of Foreign Affairs, with missions in Brussels, and a Latin American tour intended to reconnect with the Lebanese diaspora. Strengthening energy cooperation and promoting investments in the oil and gas sector featured high on the agenda.

The past few weeks have also seen a surge in diplomatic activity by Cypriot officials, largely focusing on energy. President Nicos Anastasiades visited Russia, Egypt and Bahrain. His visit to Bahrain is the latest in a series of visit to GCC countries. Strengthening cooperation with GCC countries has been the distinct feature of his presidency. Energy Minister Giorgos Lakkotrypis has just concluded a one-week visit to the United States on what appeared to resemble a lobbying mission.

A year after introducing the concept of economic diplomacy, MESP looks back at the results of these efforts, with a focus on the oil and gas sector, and draws a parallel with Cypriot efforts to promote the island's oil and gas sector.