

East Med tensions simmer over gas riches

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BEIRUT, Lebanon, June 22 (UPI) -- BEIRUT, Lebanon, June 22 (UPI) -- The natural gas bonanza in the eastern Mediterranean just keeps getting bigger and so do the geopolitical headaches.

Israel, whose exploration is the most advanced, is making new strikes. Cyprus is on the cusp of energy riches and Lebanon is hustling to get its act together to launch exploration of its waters.

All this has stirred political tensions in the region, exacerbating old rivalries between Israel and Lebanon and between Turkey and Greece, with Syria, Egypt and the Palestinians in the Gaza Strip likely to get dragged in somewhere down the line.

Now Russia, seemingly determined to rival Turkish ambitions of regional influence, is getting involved.

In May, Turkey, a former strategic ally of Israel and now one of his most fervent critics, warned off major international companies seeking exploration licenses from the Greek Cypriot government, Israel's new ally, in disputed waters.

Ankara has also warned it will stop Israel from unilaterally exploiting gas resources in the eastern Mediterranean.

And that, observes Simon Henderson of the Washington Institute for Near East Policy, "poses a direct challenge to U.S. policy ... Washington has a strong interest in eastern Mediterranean countries finding and exploiting offshore reserves."

Henderson, an expert on the energy politics of the Middle East, says that the long-running issue of war-divided Cyprus between Turkey and Greece "is the real key to understanding Turkey's squabbles with Israel.

Cyprus has been split between Greek and Turkish zones since the Turks invaded in 1974 and seized the northern one-third of the island.

"The recent discoveries of natural gas ... have seemingly prompted Ankara to renew its diplomatic campaign on behalf of Turkish Cypriots" in the so-called Turkish Republic of Northern Cyprus that Ankara established in 1974 and which only it recognizes.

Turkey has launched its own exploration in and around Cyprus and any major strikes it may make will only fuel the simmering crisis.

Israel announced in March it had found new fields off Tel Aviv that contain 1.8 trillion cubic feet of gas, plus 232.3 million barrels of oil.

But the next big boom is firmly centered on Cyprus.

Tensions have been heightened by the internationally recognized Greek Cypriot government in Nicosia driving to open up its Aphrodite field off the southern coast that's likely to match the Israelis' biggest field, Leviathan.

That contains an estimated 22 trillion cubic feet of gas and sizeable oil deposits as well.

"Turkey will not allow any activity in these fields," the Turkish Foreign Ministry declared May 19.

But this hasn't stopped 15 companies and consortiums, including Russia's Novatec, Eni of Italy, France's Total and Petronas of Malaysia, from seeking licenses to drill in Aphrodite and 11 other exploration blocks off southern Cyprus.

Aphrodite, the southernmost Cypriot block, is believed to be an extension of Leviathan, which means it could be a whopper.

Nobel Energy of Houston, which hit pay dirt off Israel and is drilling in Aphrodite, says it's found 6.3-10 tcf of gas -- enough to supply the island for 200 years.

Israel and Cyprus plan to funnel their gas through a joint pipeline through Greece to Western Europe, which is striving to reduce its dependence on Russia for most of its gas.

Cyprus says it's going to build an \$8 billion gas liquefaction terminal to handle the exported gas.

Ankara, determined to restore Turkey's historical influence across the Middle East and Central Asia, is driving to transform the resource-poor country into the key energy hub between east and the west.

That increases the stakes in the eastern Mediterranean, with Russia, one of the world's top oil and gas powers, trying to getting in on the boom.

But in doing so, it's bringing a lot of political baggage to a complex and highly volatile situation.

Moscow's alarmed at Turkey's ambitious regional plans. Russian President Vladimir Putin wants to restore Moscow's Cold War influence in the region.

The two countries are on opposite sides in the Syrian imbroglio. Moscow backs the Damascus regime, a longtime client; Ankara supports the rebels.

Moscow has strong Orthodox Church links with the Greek Cypriots but its offers to help Cyprus is motivated in part by the prospect of losing Russia's naval base at the Syrian port of Tartus, it's only toehold in the Mediterranean if the Syrian regime falls. So it's seeking an alternative base for its Black Sea Fleet in Cyprus.

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