

# Inflammable Waters: Turkey's Strategic Objectives in the Eastern Mediterranean and the East Med Gas Pipeline

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The decision of President Erdogan to deploy the *Fatih* drilling ship to perform exploratory drilling inside the undemarcated Continental Shelf (CS) of the Republic of Cyprus in May 2019 constituted a major turning point in Turkey's strategy for the eastern Mediterranean, exponentially increasing the region's political volatility. TPAO, the state-owned Turkish Petroleum Company, leads these efforts, operating, often against all economic logic, as an instrument of Turkey's revisionist foreign policy. How else could one explain Turkey's decision to conduct illegal exploratory drilling in Blocks 6 and 7 of the Cypriot EEZ at a time (April 2020) when all other exploration plans in the region have been frozen and with the price of oil at its lowest point since 2002?<sup>1</sup>

The deployment of the *Fatih* and, after July 2019, *Yavuz* drilling ships in Cyprus' EEZ has been the culminating point of a strategy to build assets, which has been developing since at least 2014. Prior to 2019, Turkey threatened to drill in the contested maritime zones of the eastern Mediterranean, which infringe upon the Exclusive Economic Zone (EEZ) of the Republic of Cyprus and the yet to be demarcated CS of Greece, but did not acquire the means to perform such drilling before it

bought and upgraded the *Fatih* (2017) and *Yavuz* (2018) drilling platforms. In February 2020, despite increasing backlash from the EU, which included the imposition of financial and travel sanctions on two senior TPAO executives, Ankara decided to purchase its third drilling ship, *Sertao*, from Wales, for \$37.5 million.<sup>2</sup>

Turkey has also tried to follow the same strategy vis-à-vis Greece, with far more limited results since Turkish exploratory vessels have been thwarted from conducting systematic seismic surveys inside the yet to be demarcated Greek CS, in the maritime area of the eastern Mediterranean, between Rhodes and the point where the Greek CS touches upon the Cypriot EEZ, close to the Greek island of Kastellorizo. Attempts by Turkey to conduct such surveys in the Aegean Sea in 1976 and 1987 brought the two nominal NATO allies to the brink of all out war, which was avoided, inter alia, by a joint decision to freeze all exploration activities in the Aegean Sea, an agreement reached in Davos back in 1988. Turkey has been trying to violate this agreement in the waters around Kastellorizo.

According to a former senior petroleum geologist in Hellenic Petroleum (HELPE), the partly state-owned Greek oil & gas group, Turkey's TPAO has tried – successfully on at least two occasions (2012 and 2015) – to conduct illegal exploration surveys around Kastellorizo inside Greece's CS. These data have not been sufficient to allow TPAO to identify targets that its drilling platforms could attempt to explore.<sup>3</sup> Turkey has repeatedly threatened that it

<sup>1</sup> "COVID19: Cyprus slams 'Turkish piracy' during pandemic," *Financial Mirror*, 21/04/2020, [www.financialmirror.com/2020/04/21/covid19-cyprus-slams-turkish-piracy-during-pandemic/](http://www.financialmirror.com/2020/04/21/covid19-cyprus-slams-turkish-piracy-during-pandemic/)

<sup>2</sup> "Turkey acquires 3rd drillship for \$37.5 million as East Med tensions boil," *Daily Sabah*, 09/02/2020, [www.dailysabah.com/energy/2020/02/09/turkey-acquires-3rd-drillship-for-375-million-as-east-med-tensions-boil](http://www.dailysabah.com/energy/2020/02/09/turkey-acquires-3rd-drillship-for-375-million-as-east-med-tensions-boil)

<sup>3</sup> NEDOS, Vassilis, "Turkey Eying Control of East Med," *Kathimerini*, 05/08/2019, [www.ekathimerini.com/243289/article/ekathimerini/news/turkey-eyeing-control-of-east-med](http://www.ekathimerini.com/243289/article/ekathimerini/news/turkey-eyeing-control-of-east-med)

would drill in that area even before the Sarraj-Erdogan MoU on EEZ demarcation, a threat which could lead to another very serious military showdown between the two Mediterranean countries, the likes of which we have not seen since the Imia crisis of 1996. The new government of Greece under Kyriakos Mitsotakis has repeatedly vowed to impede any further illegal exploration inside the Greek CS.

To many outside observers Turkey's actions may appear as irrational given the high cost of offshore exploration, very low oil prices, which would normally dissuade such activities, and the unavoidable counter-coalitions Turkey's behaviour has generated, which have led to its isolation from energy developments in the eastern Mediterranean. There are two primary explanations put forward to explain this seemingly unstoppable wave of Turkish assertiveness: an energy-centric explanation, which claims that Turkey's behaviour is economically driven by the need to secure its own gas resources (and those of the TRNC), so that it is not left out of the East Med gas "bonanza"; and a strategy-centric interpretation, which claims Turkey's behaviour is geopolitically driven and constitutes an organized expression of an all too familiar model of revisionist expansionism, which aspires to regional hegemony.

### The Case of Cyprus and the Role of the Turkish Cypriots

Although many see a strong economic motivation behind Turkey's actions in the eastern Mediterranean, Ankara's policies point to an entirely different interpretation. With regards to the Cypriot EEZ, Turkey is following a two-pronged strategy. On the one hand, it refuses to acknowledge the Republic of Cyprus as the sole legal entity on the island, thereby *avoiding even considering any talks* on the

delimitation of the maritime zones between Turkey and the RoC via the Hague-based International Court of Justice (ICJ). This allows it to preclude a development that would *have facilitated* not only *offshore drilling*, but the resolution of the entire Cyprus problem.<sup>4</sup>

### TPAO, the state-owned Turkish Petroleum Company operates as an instrument of Turkey's revisionist foreign policy

To the contrary, in September 2011, three years before Turkey deployed *Barbarossa*, and eight years before it deployed *Fatih*, it signed a CS delimitation "agreement" with the self-proclaimed secessionist entity called the Turkish "Republic" of Northern Cyprus (TRNC), which Ankara established on the occupied territories of Cyprus in 1983. Through that agreement, signed on 21 September 2011,<sup>5</sup> it claimed a very large part of the Cypriot CS to the north of both the free and occupied zones of the RoC. More importantly Ankara used its "treaty" with the "TRNC" as a pretext to demarcate offshore blocks on the day of the agreement and award them to TPAO the very next day, even in maritime areas to the south of the dividing line on the island where the "TRNC" has no coastline.<sup>6</sup> The justification for that was the invocation of the 1960 Constitution that gave veto powers to the Turkish Cypriots in all major foreign policy decisions of the RoC.

Obviously, such invocation is hypocritical given the continued occupation of the northern part of the island since 1974 and the emergence of a secessionist entity in these territories in 1983, which violate

<sup>4</sup> In December 2019, the RoC decided to file a letter of unilateral recourse to the ICJ over its dispute with Turkey, [www.reuters.com/article/us-cyprus-turkey-hague/cyprus-petitions-the-hague-to-safeguard-offshore-rights-idUSKBN1Y90TA](https://www.reuters.com/article/us-cyprus-turkey-hague/cyprus-petitions-the-hague-to-safeguard-offshore-rights-idUSKBN1Y90TA), after sending a letter to the Turkish embassy in Athens that formally invited Turkey to negotiate a demarcation agreement. Turkish authorities refused to accept the letter, Lana Guggenheim, "Cyprus Takes Turkey to Court Over Maritime Violations," 24/12/2019, <https://southeusummit.com/europe/cyprus/cyprus-takes-turkey-to-court-over-maritime-violations/>

<sup>5</sup> [www.mfa.gov.tr/no\\_-216\\_-21-september-2011\\_-press-statement-on-the-continental-shelf-delimitation-agreement-signed-between-turkey-and-the-trnc.en.mfa](http://www.mfa.gov.tr/no_-216_-21-september-2011_-press-statement-on-the-continental-shelf-delimitation-agreement-signed-between-turkey-and-the-trnc.en.mfa)

<sup>6</sup> Çağatay ERCİYES, Maritime Delimitation & Offshore Activities in the Eastern Mediterranean: Legal and Political Perspectives, paper presented at the TUROGE (Turkish Oil & Gas Exhibition) 2012, (Ankara: 21/03/2012), [www.mfa.gov.tr/site\\_media/html/maritime\\_delimitation.pdf](http://www.mfa.gov.tr/site_media/html/maritime_delimitation.pdf), slides 26.

somewhat the letter and the spirit of the 1960 Constitution. On 27 September 2011, TPAO even started to conduct its first illegal seismic survey in parts of the demarcated EEZ of Cyprus opposite Israel and Lebanon.<sup>7</sup> All this happened *before* Cyprus awarded any of these blocks to international oil companies (2012) and *before* the Aphrodite discovery was made by Noble in December 2011.

Such actions do not indicate a policy aspiring to discover hydrocarbons, but rather a strategy to try to preempt the exercise of the sovereign rights of a country Turkey considers defunct since at least 1974. Such preemption aims to deny the RoC the opportunity to establish itself as a prospective supplier of natural gas to the EU, a development that would increase the geostrategic value of Cyprus vis-à-vis its EU partners, thereby making the road of Turkey's EU accession even more difficult (from a 2011 perspective). The fact that the monetization of the Aphrodite discovery would involve a US oil company, Noble, that was also heavily invested in Israel at a time of severe stress in Turkish-Israeli relations following the *Mavi Marmara* incident, meant that Cyprus could be placed at the centre of a coalition that could potentially resist Turkey's hegemonic ambitions.

Nine years later, the geopolitical challenge that Turkey is facing, and is attempting to neutralize through its illegal programme of drilling inside the Cypriot EEZ, is far more severe if one considers that the emergence of Cyprus as a potential EU gas exporter by 2025 now involves a US-Israeli led consortium that aspires to monetize a partially common Cypriot-Israeli field (Aphrodite/Ishai) by constructing a 400-km pipeline to Egypt's largest LNG export facility in Idku. More importantly, Cyprus' role has been further boosted by the discovery of a second gas field (Glafkos) in March 2019 by the world's largest IOC (Exxon Mobil), which could be monetized and exported to Europe via the East Med Gas Pipeline, a project that establishes a strategic nexus between Israel and Europe.

The preemptive target of Turkey's strategy, which remains at the core of its tactics nine years later,<sup>8</sup> lies in its proposal for the immediate cessation of all of

its exploration and drilling activities inside the Cypriot EEZ, if the RoC accepts the imposition of a moratorium on the activities of the IOC, which holds licenses to explore and exploit its potential hydrocarbon reserves. *You do not usually suggest a moratorium in exploration if your strategy is driven by the need to find hydrocarbons and monetize them for your economic benefit or the benefit of Turkish Cypriots.* Alternatively, Turkey would also cease to intervene in the Cypriot EEZ, provided, as Ambassador Çağatay Erciyes had put it as early as 2012, "both sides determine jointly the future course of offshore oil/gas activities, including revenue sharing and funding of a possible settlement."<sup>9</sup>

*Apart from the fact that this moratorium would only apply in the TRNC-demarcated blocks and not the Cypriot maritime zones claimed by Turkey as part of its own CS, the core of the Turkish proposal constitutes a poisoned chalice no Cypriot government could in its right mind consider accepting without de facto recognizing the TRNC.* Such recognition would result from surrendering to the secessionist entity veto powers over the licensing, permitting and contractual sovereign rights of the RoC, not to mention the establishment of a revenue sharing mechanism that can only be decided within the context of a general settlement of the Cyprus problem. If a revenue sharing mechanism is set up and activated prior to the solution, what substantial financial incentive would the Turkish Cypriots have for negotiating a viable solution? What benefit would that bring to the Greek Cypriots and the RoC, if Turkish claims over the majority of its maritime waters are not included in this agreement?

### **The Case of Greece and the Turkish-Libyan "EEZ"**

In March 2012, taking advantage of the fact that Athens had not demarcated its CS in the eastern Mediterranean, east of Crete, Turkey significantly extended its zone of arrogations. As a result, since 2012, it has claimed the entire northern half of the

<sup>7</sup> Ibid, slide 27

<sup>8</sup> Nick KAMPOURIS, "Turkey Proposes Halt to All Drilling Activities on Cyprus Until Island's Reunification," 30/01/2020, <https://greece.greekreporter.com/2020/01/30/turkey-proposes-halt-to-all-drilling-activities-on-cyprus-until-islands-reunification/>

<sup>9</sup> ERCIYES, (2012), ibid, slide 29.

eastern Mediterranean, located between the 32nd and 28th parallels, as an extension of its CS. It is thus aspiring to block any possible EMGP route. The November 2019 MoU with Sarraj claims the remaining Greek CS to the west of the 28<sup>th</sup> parallel, extending its arrogations to as close as six nautical miles from the eastern coast of Crete, which is not entitled, according to the Turkish rationale, to any maritime zones beyond the existing territorial waters of Greece. Turkey made the same claim in 2012 for the Greek inhabited islands of Kastellorizo, Rhodes, Kasos and Karpathos.

Is this move motivated by Turkey's attempts to discover and monetize the region's gas reserves and stop Greece from monetizing them first? Not likely. First, because Greece has never attempted to explore the maritime area claimed by Turkey, and second because that area is probably the most unexplored offshore region in all of Europe. There has been no exploratory drilling whatsoever, which makes sense as seismographic data have not been collected for decades there. Why? Simply because no one has considered this area to be of any particular interest to the IOC, even at times of much higher oil prices than those experienced since 2014. Therefore, Turkey's expansionist claims cannot be explained as being motivated by energy interests when the potential energy assets "at stake" – contrary to the case of the Cypriot EEZ – simply do not exist.

Greece has categorically refused to accept Turkey's Libyan EEZ agreement with Sarraj, not only because this agreement has been characterized as illegitimate by the Libyan Parliament itself, but because this is an EEZ between two countries with no common maritime borders. Moreover, given TPAO's precedent with the TRNC, Athens estimates that if the EEZ agreement stands, Turkey would ask Sarraj to award TPAO offshore blocks even to the south of the island of Crete, where Greece has demarcated and partially awarded four blocks inside its CS since 2014 to an IOC consortium led by Exxon and Total. Since December 2019, Athens has redoubled its efforts to sign a partial EEZ delimitation agreement with Egypt and could always sign its own EEZ agreement with the government of Tobruk if a significant number of countries shift their recognition of the Libyan gov-

ernment from the GNA to the Benghazi-based Parliament. Greece has initiated efforts to establish a strategic dialogue with the UAE and Saudi Arabia, where it deployed one of its Patriot missile batteries in February 2020, and materially support the LNA, establishing strong channels of communication with Khalifa Haftar, who was hosted in Athens on 17 January 2020. More importantly, Greece has threatened to veto any EU decision on Libya that would disregard its demand, and the demand of the Tobruk-based Parliament, to abrogate the Sarraj-Erdogan delimitation agreement, and is playing a leading role in putting together an EU Naval mission, operation IRINI, which could seriously curtail Turkey's ability to resupply the GNA military, since it would mean a blatant violation of UN Security Council arms embargoes. Yet the most significant of its reactions to the Turkish-GNA MoU may be related with the energy geopolitics of the eastern Mediterranean.

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### **Containment Counter-Coalitions and the EMGP Project**

The signing of the intergovernmental agreement (IGA) on the EMGP project, on 3 January 2020, can be interpreted as one of the clearest manifestations of the formation of a regional counter-coalition to contain Turkey's revisionism. From a geopolitical point of view, the Zappeion Agreement constitutes the crowning achievement of the tripartite cooperation between Greece, Cyprus and Israel, initiated in 2010 in the wake of the Turkish-Israeli schism. The fact that article 7 of the IGA calls for the establishment of a trilateral security agreement to physically protect the pipeline is indicative of the strategic significance the three governments attribute to the project.<sup>10</sup>

<sup>10</sup> "East Med IGA: Security clauses and alliance activation," [www.sigmalive.com/news/energia/604818/eastmed-oi-ritres-asfaleias-kai-i-energopoiisi-symmaxion](http://www.sigmalive.com/news/energia/604818/eastmed-oi-ritres-asfaleias-kai-i-energopoiisi-symmaxion), 03/01/2020

The Zappeion Agreement picks up the gauntlet Mr. Erdogan threw down when he alluded that the signing of the EEZ Memorandum of Understanding (MoU) with Sarraj had foiled the plans of the EMGP partners to construct the pipeline.<sup>11</sup> The Zappeion Agreement and, above all, the effective promotion of the EastMed pipeline is the actual response of Greece, Cyprus and Israel to the neo-Ottoman “*Mavi-Vatan*” doctrine, which claims half of the Aegean to the east of the 25<sup>th</sup> parallel and the entire northern half of the eastern Mediterranean as extensions of Turkey’s CS.

The exclusion of Turkey from any association with or membership in the EMGF organization, the continuation of the RoC’s drilling schedule by Exxon, Total and ENI, the monetization of Aphrodite’s gas reserves through the construction of an export pipeline to Egypt’s Idku LNG terminal by 2025, the prevention of any illegal seismic surveys by TPAO in the Greek CS and the eventual completion of the EMGP by 2026, are and will remain concrete indications that the signatories of the Zappeion Agreement do not accept Turkey’s self-proclaimed role as the hegemon of the eastern Mediterranean.

The Zappeion Agreement does not guarantee the construction of the EMGP. The project still faces significant challenges given the technical and economic difficulties it would have to overcome since it would be the world’s longest and deepest offshore pipeline. Yet the technology does exist to build pipelines in depths far beyond the maximum depth of the pipeline’s route which reaches 2,900 m but only for a length of 10 km. The GALSI pipeline connecting Algeria with Italy via Sardinia will pass through depths of over 3200 m. Despite attestations to the contrary, there are significant existing reserves which can supply the EMGP available in the region, although at different phases of development. On 3 January 2020, DEPA and Energean signed a preliminary agreement to supply 25% of the pipeline’s initial capacity from Energean’s Israeli concessions. Leviathan’s Phase 2, which will be available in 2025/26, can also supply up to 9 bcm/y, not to mention the future supply from Glafkos and other potential discoveries in the region. The EMGP is difficult but not impossible to realize. Its realization though, along with the collapse of the Sarraj government, would strike a major blow to Erdogan’s revisionist plans, effectively containing his neo-Ottoman ambitions.

<sup>11</sup> “Turkey, Libya foil plot in the East Mediterranean, says Erdogan,” *Middle East Monitor*, 31/12/2019, [www.middleeastmonitor.com/20191231-turkey-libya-foil-plot-in-the-east-mediterranean-says-erdogan/](http://www.middleeastmonitor.com/20191231-turkey-libya-foil-plot-in-the-east-mediterranean-says-erdogan/)