

U.S. Must Support East Med Energy Security

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The Biden administration's abrupt decision in January to withdraw support for the EastMed Pipeline, which would deliver Israeli and Cypriot natural gas to Europe via Greece upon completion in 2025, has been proven misguided by momentous events following Putin's illegal invasion of Ukraine. With the Eastern Mediterranean's abundant offshore energy resources becoming increasingly important economically and geopolitically as America's European allies work to lessen their hydrocarbon dependence on Russia, the administration should reverse its January decision, commit itself to studying the most effective means to transport Eastern Mediterranean energy to Europe, and make clear its support for the region's peaceful energy development more broadly as a critical pillar of European and transatlantic security, including through greater U.S. involvement in regional diplomatic and economic frameworks like the East Mediterranean Gas Forum and Greco-Cypriot "trilaterals" with Israel and Egypt.

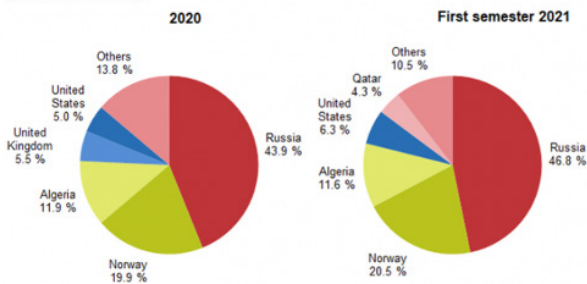
What Happened?

- In early January 2022, the State Department [informed](#) Greece unofficially that it was withdrawing U.S. support for the EastMed Pipeline ("EastMed"), which would bring Israeli and Cypriot offshore natural gas to the European Union (EU) via Greece and Italy.
 - » The end of U.S. support did not affect any financial backing for the project, which [awaits](#) a final investment decision, due later this year, by Greece, Cyprus and Israel.
 - » Greek government sources [claimed](#) the rationales for the U.S. decision were environmental concerns, lack of commercial viability and tensions with Turkey.
 - » Spokespeople for U.S. embassies in [Athens](#) and [Jerusalem](#) explained that the United States was shifting focus to "promoting clean energy technologies."
 - » In response, Turkish President Recep Tayyip Erdogan [declared](#) that bringing Eastern Mediterranean gas to Europe requires Turkey's assistance, and that he would be willing to work with Israel under the proper conditions.
- In the wake of Russia's invasion of Ukraine, the EU and member states enacted sanctions and other measures to reduce their heavy dependence on Russian energy imports.

Why Is It Important?

- Even before Russia’s invasion of Ukraine, the Eastern Mediterranean was becoming an increasingly important [strategic region](#) for the United States, due to 1) sizable recent offshore energy discoveries, 2) rising Turkish aggression and 3) the return of great power competition with Russia’s expansion into Syria and Libya, as well as China’s Belt and Road initiatives into the Middle East and Europe.
- In light of the Ukraine conflict and the EU’s newfound emphasis on alternatives to Russian natural gas imports, the Biden administration’s decision to end U.S. backing for EastMed directly undermines European energy security, particularly the EU’s now-accelerated goal of achieving energy independence from Russia.
 - » The feasibility of what would be the world’s longest (1,150 miles) and deepest undersea energy pipeline was questionable prior to the Ukraine conflict, due to its [projected](#) cost of \$6-7 billion and uncertain future EU demand for its supplies.
 - » However, given that the EU depended on Russia for [40-45 percent](#) of total natural gas consumption in 2021, the planned EastMed Pipeline’s potential [capacity](#) to deliver up to 20 billion cubic meters per year (bcm/yr) to Europe – offsetting roughly 12-15 percent of the EU’s annual natural gas [imports](#) from Russia – has now taken on new geostrategic and economic importance in light of key steps by EU members to reduce energy imports from Russia:
 - On February 23, Germany announced it would [halt](#) certification of the Nord Stream 2 pipeline that would deliver natural gas from Russia, and on February 27 Berlin said it would [build](#) terminals to import liquefied natural gas (LNG) as an alternative.
 - On March 8, EU officials [debuted](#) a plan to cut imports of Russian natural gas by fully two-thirds in 2022, and to achieve energy independence from Russia “well before 2030.”
 - At the same time, the International Energy Agency (IEA) issued a plan to reduce EU [reliance](#) on Russian natural gas, including by boosting other pipeline and LNG imports.
 - In 2020, the IEA [projected](#) Europe would remain dependent on Russia to supply 30-40 percent of its natural gas needs through at least 2025.

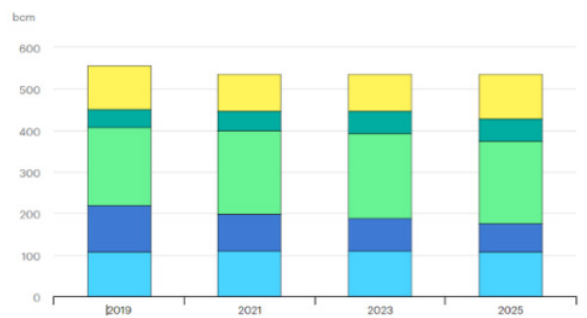
Extra EU imports of natural gas from main trading partners, 2020 and first semester 2021
(share (%) of trade in value)



Source: Eurostat database (Comext) and Eurostat estimates

eurostat

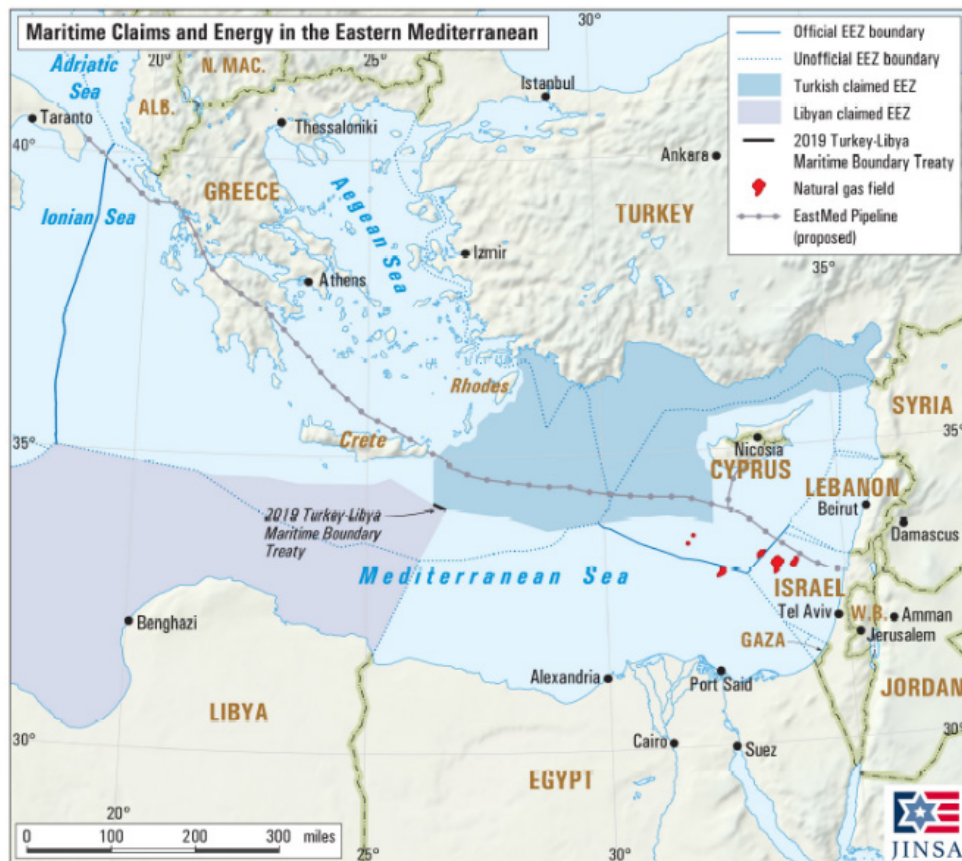
Evolution of European natural gas supply, 2019-2025



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Domestic production - Norway Domestic production - other Pipeline imports - Russia Pipeline imports - other LNG imports

- One of the Biden administration’s explicit justifications for dropping support for EastMed, namely its [stated desire](#) to “turn to renewables,” has been proven misguided by geopolitical necessity and the immediate energy security needs of its NATO allies.
 - » In response to Russia’s invasion of Ukraine, Germany – the continent’s largest energy consumer – and other European countries are now [re-emphasizing](#) non-renewable alternatives to Russian energy – not just natural gas (including LNG) but also extending the life of coal and nuclear plants
 - » This narrow emphasis on renewables also risks undermining future prospects for other natural gas development in the Eastern Mediterranean.
 - Specifically, Cyprus, Egypt and Israel are concurrently exploring options, not mutually exclusive with EastMed, to build or expand LNG sites to ship the region’s natural gas to the EU, including possibly by piping more Israeli natural gas to Egypt in order to [then enable](#) Cairo to export more LNG.
- By encouraging Turkey to believe that a vital Eastern Mediterranean energy role has now fallen into its lap, the end of U.S. support for EastMed also exacerbates regional insecurity driven by Ankara’s aggressive interference in peaceful energy development.
 - » In 2019, [Turkey concluded](#) an illegal maritime demarcation deal with Libya that intentionally violates the exclusive economic zones (EEZ) of Greece and Cyprus – whose boundaries are based on the U.N. Convention on the Law of the Sea – and cuts directly across EastMed’s proposed route (see map).
 - » Both before and since then, Turkey has used [gunboat diplomacy](#) and other forms of harassment to threaten energy exploration in Greek and Cypriot territorial waters.



What Should the United States Do Next?

- The Biden administration should not foreclose any option for exporting Eastern Mediterranean natural gas and instead allow the markets to drive the most feasible solution.
- The administration should explicitly commit to support peaceful Eastern Mediterranean natural gas development as a critical pillar of both regional and European security in light of the resurgence of long-term strategic competition with Russia.
 - » This includes backing potential development of the EastMed Pipeline, but also LNG options involving Egypt that could bring Israeli and Cypriot gas to Europe.
 - The United States should consider supporting Israeli-Egyptian efforts toward a new natural gas [pipeline](#) linking Israel’s offshore fields directly to Egyptian LNG export facilities.
 - » The administration also should support Greece’s development as a critical EU import and distribution hub for natural gas, including helping fast-track the new LNG facility at the northern Greek port of Alexandroupoli, which currently is [projected](#) to be completed at the end of next year.
 - Once completed, the Alexandroupoli terminal will move natural gas through a network of pipelines connecting Greece with NATO allies North Macedonia, Bulgaria and Romania, and even with Moldova and Ukraine. Greece’s pipeline network could also supply natural gas to Italy and the Western Balkans.
- Through existing regional frameworks like the East Mediterranean Gas Forum (EMGF) and the Greek-Cypriot “trilaterals” with Israel and Egypt, the United States should enhance its diplomatic involvement in promoting cooperative energy development between U.S. regional partners and its NATO allies in Europe.
 - » Like it has done already on Iran, Yemen and climate change, among other issues, this could include appointing a Special Envoy for the Eastern Mediterranean to signal the administration’s prioritization of bringing the region’s valuable energy supplies online as effectively and expeditiously as possible.