

# Iran's Proxy War Imperils Eastern Mediterranean

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Israel-Hezbollah tensions have dramatically escalated following Hezbollah's July 29 rocket attack, which killed 12 children in the Golan Heights, and Israel's retaliatory targeted airstrike on Beirut, which killed Hezbollah's seniormost military commander. The growing likelihood of full-scale war between Hezbollah and Israel threatens to put the eastern Mediterranean Sea in Hezbollah's crosshairs. Hezbollah leader Hassan Nasrallah has threatened both Israel—including with specific threats to attack its Karish and Leviathan gas fields in the Eastern Mediterranean—and Cyprus, a European Union (EU) member state that has increasingly tightened its relations with Israel.

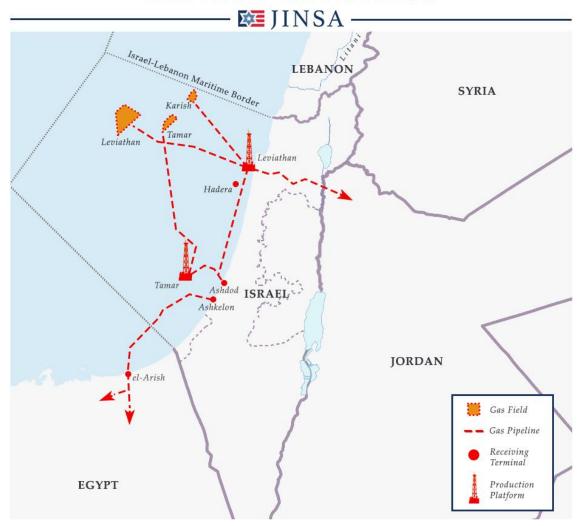
A Hezbollah attack on any target in the Eastern Mediterranean would have far-reaching implications beyond Israel, including potentially for Egypt and Jordan as well as the EU and United States. Just as it has in the Red Sea, the United States needs to take a leading role in protecting this key global waterway—namely deploying naval and air assets to the region—by signaling to Hezbollah and Iran that provoking a full-scale war against Israel will result in an overwhelming and immediate response.

### What Happened?

- On June 22, Hezbollah <u>released</u> aerial footage of a natural gas field in the Mediterranean Sea, likely Israel's offshore Karish gas field. The video also <u>displayed</u> the attendant coordinates of the gas field's location, as well as footage of Israel's offshore Leviathan gas field.
- On June 19, Hezbollah leader Hassan Nasrallah <u>threatened</u> Cyprus with strikes after he accused the Mediterranean country of aiding Israel in its war against Hamas in Gaza.
- On July 12, the USS Theodore Roosevelt's carrier strike group arrived in the Red Sea to respond to regional threats. Carrier Strike Group 9 has one of the <u>strongest missile defense</u> <u>networks</u> in the Navy, containing a cruiser and several destroyers operating the AEGIS ballistic missile defense system.

#### ISRAELI NATURAL GAS INFRASTRUCTURE

in the Eastern Mediterranean Sea



## Why Is It Important?

- Hezbollah's increasing threats to use its extensive projectile arsenals against Israel's
  offshore gas fields, its threats to attack U.S. forces and Israeli partner Cyprus, and the
  omnipresent threat of Hezbollah adopting the Iran-backed Houthis' modus operandi of
  attacking global shipping in a key waterway all threaten to destabilize the Eastern
  Mediterranean, a critical region for U.S. partners' energy and water needs.
- Hezbollah has the capabilities, supplied by Iran, to target shipping and gas platforms in the
  Eastern Mediterranean, as well as reaching landforms like Cyprus. Recognizing the Houthis'
  success in impacting the global sea trade, the Lebanon-based terrorist group may be
  looking to have a similar strategic effect in the Mediterranean, should a full-scale war with
  Israel break out.
  - » Hezbollah possesses at least 85 anti-ship missiles, according to JINSA data.
  - » Hezbollah has already <u>threatened</u> to attack the Leviathan field in the case of a war with Israel, and in July 2022, the terror group <u>launched</u> three drones at the Karish gas field, all of which were intercepted by Israel's defenses.

- One of the drones was <u>intercepted</u> by an F-15 fighter jet, and the two others were intercepted by Barak missiles fired from Israel's Sa'ar corvettes.
- A full-scale war in which Hezbollah targeted commercial shipping in the Mediterranean Sea, unlike the Houthis' attacks on shipping in the Red Sea and Gulf of Aden, would have devastating consequences for the Israeli economy and its ability to import vital goods.
  - » Although 25 percent of Israeli imports come from Asia, only 7 percent of these goods enter the port of Eilat on the Red Sea, with the vast majority going to its Mediterranean ports in Ashdod and Haifa. In a January JINSA webinar, JINSA Distinguished Fellow IDF MG (ret.) Yaakov Amidror stated, "the influence of [Houthi attacks] on the Israeli economy is very, very low ... yes, it's a problem for Israel, but not a big one."
- However, just as the impact of the Houthi attacks in the Red Sea is borne by countries other than Israel, so too would any Hezbollah aggression in the Eastern Mediterranean reverberate more widely. In particular, Egypt and Jordan could suffer tremendously from any attacks on Israeli infrastructure in and along the Eastern Mediterranean seaboard. Both are largely dependent on Israeli gas exports and water supply, which would also be at risk in the event of an all-out Hezbollah attack.
  - » Egypt and Jordan are increasingly reliant on Israel for natural gas. In 2023, Israel's Leviathan field produced 6.29 billion cubic meters for Egypt and 2.71 billion cubic meters for Jordan, and the Tamar field exported a total of 2.56 billion cubic meters mostly destined for Egypt—marking a 25 percent increase in Israeli gas exports to the two Arab states from the previous year.
    - Israeli gas exports account for over <u>75 percent</u> of Jordan's total gas consumption and at least <u>7 percent</u> of Egypt's. However, Israel's total gas exports continue to rise following the expansion of its production capacity, and total Israeli gas exports to Egypt <u>nearly doubled</u> in 2023 and are expected to continue rising throughout 2024.
  - » Egypt faces a widespread energy shortage and has relied on Israeli natural gas to manage its consumption concerns. In May, Egypt <u>announced</u> daily rolling blackouts amid high temperatures and a severe natural gas shortage.
    - Egypt has been forced to impose <u>blackouts</u> amid high temperatures for the second straight year, as its own gas production has <u>collapsed</u> due to mismanagement of its Zohr gas field.
  - » On May 16, Israel extended a deal with Jordan to transfer <u>drinking water</u> to the kingdom as it continues to face an unprecedented <u>water crisis</u>. Israel now transfers 200 million cubic meters of freshwater annually to Jordan, constituting nearly <u>20 percent</u> of the country's supply.
    - Israel maintains a network of desalination plants along the Mediterranean coast, all
      of which are in range of Hezbollah's arsenal.
- Additionally, <u>Hezbollah's threats</u> against Cyprus, a European Union member and close regional partner of Israel's, risk broadening what has thus far been a limited conflict. If Iran and its proxies were able to target an EU member with impunity, it would set a dangerous precedent and further embolden the regime in Tehran.
  - » Cyprus and Israel <u>closely cooperate</u> on a range of energy affairs, and U.S. energy giant Chevron has a license deal to <u>develop</u> natural gas reserves off Cyprus's coast.
  - » The British Royal Air Force maintains a base in the south of Cyprus, RAF Akrotiri, which has been used in regional operations against Iranian proxies such as the joint U.S.-U.K. <a href="strikes">strikes</a> against the Houthis in February 2024. Failing to deter Hezbollah from striking Cyprus not only puts an EU member at risk, but also a NATO ally in the United Kingdom.

- Cyprus provides Israel with strategic defense benefits, including by participating in bilateral Israeli-Cypriot drills in 2022 and 2023, enabling Israel to train in terrain similar to what the IDF would face in Lebanon during a major conflict with Hezbollah.
- The United States conducts military exercises with Cyprus, including an April multilateral exercise that Cyprus hosted, and the United States conducted strategic dialogues with Cyprus in June on "defense, security, energy, crisis management and the fight against terrorism," according to a readout.
- U.S. naval presence in the Eastern Mediterranean has tactical significance for countering long-range Iranian attacks, which may be replicated in the event of a full-scale war between Israel and Hezbollah.
  - Two AEGIS-equipped destroyers, the USS Carney and USS Arleigh Burke, shot down between four and six incoming Iranian ballistic missiles during the April 13-14 attack.

#### What Should the United States Do Next?

- The United States must unequivocally warn Iran and its proxy Hezbollah that the United States will respond to any large-scale assault against Israel, including targets in the Eastern Mediterranean, with military force against Hezbollah and potentially Iran itself.
- The United States should consider stationing AEGIS-equipped destroyers in the Eastern Mediterranean to aid in the defense of crucial Israeli infrastructure.
- The United States should work to incentivize Jordan and Egypt to help Israel respond to a Hezbollah attack, similar to Jordan's support of Israel during Iran's drone and missile barrage on April 13-14.
- Similar to joint Israeli-Cypriot exercises <u>Blue Sun</u> and <u>Beyond the Horizon</u>, the United States should join its Mediterranean partners Cyprus and Israel in a trilateral exercise, demonstrating their ability to not only coordinate their defenses against an air attack, but capacity to strike deep inside Lebanon.
- The United States should quickly provide Israel with the Advanced Precision Kill Weapon System (APKWS), a cheap and effective guided missile platform that converts unguided 70mm Hydra rockets into guided missiles.
  - The APKWS has been tested against UAVs, and the United States has supplied APKWS to Ukraine for use against Iranian-made Russian drones.
  - The APKWS easily mounts onto the Apache attack helicopter platform and, at just over a \$22,000 unit price, is a cheap alternative to the AIM-9X Sidewinder or AMRAAM air-toair missiles. Using this system to target Iranian-made drones in the incident of a Hezbollah attack would preserve Israel's Iron Dome interceptor stocks from being dangerously depleted.
  - Israel already utilizes its Apache helicopters to combat the threat of Iranian-made drones, such as the 2018 shootdown of an Iranian Shahed-191. As JINSA's Assistant Director of Foreign Policy Ari Cicurel and JINSA Policy Analyst Yoni Tobin have previously noted, "combat helicopters have reportedly proven to be Israel's best tool for intercepting drones because of their maneuverability."
  - The United States maintains a large inventory of the missile conversion kits and can quickly expedite deliveries to Israel.

- The United States should work with Germany to facilitate the sale to Israel of German-made Sa'ar 6 corvettes, a key platform that enables Israel to defend its maritime energy assets like the Karish gas field with sea-based missiles.
  - » In 2020, then-Commander of the Israeli Navy MG (ret.) Eli Sharvit <u>said</u> that the "best protection method of Israel's [offshore assets] ... is by ships, and the Sa'ar 6 corvettes fulfill that operational need in a precise and excellent way."
- As JINSA has <u>previously advocated</u> for, the United States should allocate greater sums toward the Department of Defense's tactical missile expenditures in future defense budgets.
  - » Increasing expenditures on tactical missiles, particularly SM-6 missiles, would help offset any future SM-class stockpile depletions caused by potential Hezbollah missile and drone attacks, and bolster military readiness and credible deterrence against both state and non-state actors.