Relations Between Israel and the South Cyprus Greek Administration: A New Alignment in the Eastern Mediterranean?

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Abstract

Important changes have shaped the Eastern Mediterranean since the discovery of energy resources and the disintegration of Turkish-Israeli relations. The widening divergence in interests between Turkey and Israel provided the geopolitical impetus for the development of a rapprochement between Israel and the South Cyprus Greek Administration (SCGA). Shortly after the 2010 Gaza-bound Freedom Flotilla, Israel began forming ties with the SCGA. In particular, the relations between Israel and the SCGA have blossomed over mutual concerns about the energy resources in the Eastern Mediterranean, while at the same time political, military and economic cooperation among Israel, Greece and the SCGA have significantly increased. Moreover, regional instability prompted by the Arab Spring left the Jewish state with little choice but to form alternative friends among the states close to its geographical vicinity. In many ways, Israel’s developing relations with the SCGA seem to constitute a precursor of broader political and military cooperation, and an alignment of interests.

Key Words

Israel, South Cyprus Greek Administration, Greece, Gas, Foreign Policy.

Introduction

The Eastern Mediterranean region has a special place in the politics of the Middle East and the whole Mediterranean area. Today, conflicting issues in the region are central to strategic debates, and security concerns have had a prominent place on the policy agendas of the related countries for some time. The Arab Spring and the discovery of gas in the region have shaped the geopolitical dynamics, the effect of which is especially clear in the region, and the changes in the geopolitical environment of the Eastern Mediterranean have pronounced implications for the types of challenges that the related countries confront as well as the opportunities they face. In this regard, over the last few years, the Eastern Mediterranean has been increasingly fraught with growing competition between regional players, most notably Turkey, the South Cyprus...
The Arab Spring has created a new and challenging environment for Israel in the Middle East, and changes in the regional balance of power in the post-Arab Spring period have affected Israeli foreign policy. From the outset, the Arab Spring took the world by storm, enveloped the region in uncertainty, and changed Israel’s geopolitical environment. Israel was astounded when protests initially broke out, and has responded to the shifting regional realities with a mix of hope and hesitance. When protests first broke out in Tunisia, Israel took a wait-and-see approach, and tried to see how developments would progress. When the regime in Tunisia fell, Prime Minister Benjamin Netanyahu expressed his concern for the increased volatility of the Middle East.\(^3\) In addition to the threat to regional stability, there was growing skepticism over the Arab Spring’s potential to lead to a true democratization process. As Israel has been always sensitive to its security, it has examined the developments with considerable concern, and even fear.

The Arab Spring might have far-reaching consequences for Israel, which may carry with them various types of opportunities or problems. While the opportunities that are brought by the change may help improve Israel’s relations with some of its neighbours, there are also the threats coming from...
the rise in uncertainty. Thus, Israel has developed an overall risk-adverse and minimalist policy with respect to the Arab Spring. For now, Israel’s most important policy dilemma is how to deal with the Syrian crisis. Syria has been thrown into a destructive civil war and has become the battleground of a proxy war between regional and international rivals. As the conflict in Syria has continued and escalated, the civil war not only produced new threats for Israel, such as ISIS, but also turned into a regional crisis, drawing other neighbouring countries, such as Iran, into it.

In recent years ISIS has managed to position itself as the most significant threat to regional stability in the Middle East. It captured tremendous international attention by swiftly conquering large swaths of land. In Israel, concern has increased as ISIS has neared Israeli borders, particularly on the Golan Heights and in the Sinai. Although ISIS has declared its intentions to attack Israel,4 Israel has not been a top priority for ISIS.5 In this regard, it has not been in Israel’s interest to initiate military action. For this reason Israel has avoided initiating premature military measures, and has instead taken defensive action by strengthening its borders. At the same time, Israel has also continued to be preoccupied with Iran. Israel’s current state of relations with Iran is one of extreme animosity and fear. Iran’s nuclear program is accepted as an existential threat by many people in Israel and there have been many Israeli leaders across the political spectrum who have emphasized the grave danger posed by Iran.6 The deal reached with Iran in July 2015 over its nuclear program was condemned by Israeli leaders, amid claims that it would “free Iran to pursue nuclear weapons.”7 Moreover, the Arab Spring opened new opportunities for Iranian-Syrian cooperation, which the Iranians were quick to seize. As long as the civil war in Syria continues, it can be expected that Iran will play an active role in the struggle and will be able to threaten Israel from Syria together with anti-Israel proxies.

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Against this backdrop, lately, Israel and the SCGA have entered a new phase in their relations. The proximity of the resource-rich area to the Cypriot-Israeli maritime border and
the souring Turkey-Israeli relations led to a rapprochement between Israel and the SCGA, as well as to a strengthening cooperation between Israel, the SCGA and Greece. Good relations with Turkey was a way for Israel to break free from regional isolation and to reduce the religious dimension of the Arab-Israeli conflict. The Israeli-Turkish relationship has been a crucial piece in the puzzle not only of the Middle East, but also of the Eastern Mediterranean. However, starting from the Operation Cast Lead in 2008, this has changed and Israel's relations with Turkey have deteriorated gradually. The Mavi Marmara flotilla incident in May 2010 instigated a phase in which bilateral relations fell to an historical low. Following the flotilla incident, in which nine Turkish citizens were killed onboard the Mavi Marmara vessel, both countries suspended defense contracts. Turkey recalled its ambassador from Tel Aviv, blocked Israel initiatives in NATO, supported legal procedures against Israeli decision-makers and soldiers who were involved in the incident, and cancelled joint military exercises. Turkey conditioned the renormalization of relations on an Israeli apology for the killing of Turkish citizens, monetary compensation to the victims’ families and the removal of the blockade off the Gaza Strip.

Another important factor for the improvement of the relations between Israel and the SCGA has been the excavation and the exploitation of natural gas. In recent years, Israel and the SCGA have increasingly sought independent sources of energy on their Mediterranean marine shelves, and the discovery of natural gas off the shores of Israel and the SCGA has brought them closer. As a result, in December 2010, they signed a maritime agreement delineating both sides’ Exclusive Economic Zones (EEZ). When Benjamin Netanyahu became the first Israeli Prime Minister to visit the SCGA, the two sides signed a military agreement in February 2012 allowing the Israeli Air Force to use the airspace and territorial waters of the SCGA to protect energy resources. At the same time, the oil and gas company Noble Energy (a US company) has been leading the exploration and exploitation efforts in the Israeli and Greek Cypriot Exclusive Economic Zone (EEZ) since 2009. Shares in the US company are held by the Greek Cypriot Energy Regulatory Authority, the SCGA’s national energy company, and by Israel’s Delek Drilling LP and Avner Oil Exploration LLP. Most probably, Greece is to assist the exploitation efforts, as it is a channel of transportation of natural gas to European countries.

Even though there have been important improvements in the relations between the two sides, these
relations were never as good and close as they have become recently, and this was mainly due to the close relations and military cooperation between Turkey and Israel since the mid-1990s. Since the establishment of diplomatic ties, the relations between Israel and the SCGA have steadily progressed. The SCGA is represented in Israel through its embassy in Tel Aviv, which was established in 1994, and Israel is represented in the SCGA through its embassy in Nicosia, which was established in 1961. Leaders of both sides have exchanged visits, which have played a crucial role in enhancing mutual understanding and trust through deepening cooperation and coordination. In light of the recent developments in the Eastern Mediterranean, improving relations between Israel and the SCGA seem to have potential significant regional effects in the future. Even though Israel does not have good relations with its old periphery of Turkey, Iran and Ethiopia, it now has Greece and Azerbaijan instead, and in addition to these countries, the SCGA. In this regard, the main purpose of this article is to describe the developing relations between Israel and the SCGA. While it begins with giving a brief summary of the developments in the Eastern Mediterranean and in the Middle East, this article explains the nature of the relations between the two states, and tries to explore the prospective developments and possible cooperation areas together with the effect of Greece and energy issues on the improved relations. In light of the deepening ties between Israel and the SCGA, it seems that the Israel-SCGA relationship constitutes a precursor of broader political and military cooperation, and an alignment of interests.

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The Developing Relations

Since the SCGA sent its ambassador to Israel in 1994, relations between these two parties began to improve, and they signed a series of economic and cultural agreements in the 1990s. In the 1980s and 1990s, the SCGA had concerns over Israel’s then close relationship with Turkey, especially their military cooperation; however, that did not stop it from pursuing ties
Economic relations have formed the basis for SCGA-Israel ties. In 1998 the two sides signed a bilateral investment treaty, and that same year the Greek Cypriot government decided “to initiate provision of special benefits to Israelis investing in high-tech.” Israeli companies began investments, and with the cooperation of both the Cypriot and Israeli governments, the SCGA-Israel Business Association was founded in 2000. It is “working closely with the Embassy of Israel in Cyprus,” and “is actively involved towards the expansion and promotion of business between the two countries.” Since the 1990s, a number of bilateral agreements have been signed and many official visits have taken place, including an official state visit by the President of Israel and a reciprocal visit by the President of the SCGA. When Christofias visited Israel in March 2011 he thanked his counterpart for his invitation to visit Israel, and stated that he was “looking forward to having a useful and constructive visit, which will further deepen our multifaceted relations and will open new avenues of mutually beneficial co-operation between our countries and peoples.” In the same vein, Peres stressed the visit as the “beginning of a new and important relation between the two countries.” Soon afterwards, Peres visited the SCGA in November 2011, and during the visit both parties signed agreements on “development and search fields, renewable sources of energy, archaeology, and telecommunication.” Leaders from both parties have been enthusiastic to advance the emerging cooperation (economic and strategic) and to anchor it in formal agreements.

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In addition to economics, tourism and culture are the two aspects that are helping to develop relations between Israel and the SCGA. For instance, the SCGA has become a destination for civil marriage ceremonies for Israeli citizens. Israeli couples who for whatever reason are unable or unwilling to have a religious marriage ceremony are increasingly opting to get married in the SCGA, given that civil, interfaith and same-sex marriages entered into abroad are recognised in Israel. The SCGA is ranked as either the first or second destination, along with Prague, for Israeli civil weddings. “The proximity to Israel, the lack of bureaucratic difficulties and the fact that the Israeli Interior Ministry recognizes the Cypriot marriage certificate have all turned Cyprus into a particularly popular destination for those who can’t or don’t want to wed in a religious ceremony in Israel.” Moreover, in September 2013, President of the Greek Cypriot House of Representatives, Yannakis Omirou, and the Knesset Speaker, Yuli-Yoel Edelstein, signed a protocol of cooperation between their countries’ parliaments, which included the exchanging of “information and delegations in the fields of culture, economics and natural resources.”

Against this background, Israel and the SCGA have also stepped up their cooperation on military issues, such as engaging in joint exercises. In October 2011 it was reported that an exercise between Israel and the SCGA units was conducted that included “mid-air refuelling of fighter jets and quick touchdown landings by Israeli Air Force combat helicopters” at the Andreas Papandreou airbase in the SCGA. Also in 2011, Israel reportedly asked the Greek Cypriot government for permission to station military jets at the Andreas Papandreou airbase, thus
creating the first Israeli military station outside of the Jewish state. It was unclear if Israel’s plans included setting up a permanent military presence on the island, with a fulltime deployment of airmen. As of 2016, it is still unknown whether the SCGA has given the permission to Israel to use the airbase.

On 9 April 2013, the SCGA Minister of Defence, Fotis Fotiou, met at his office with the Ambassador of Israel, Michael Harari. Both sides expressed their desire to strengthen and deepen their relations in all areas, with Fotiou saying they “...asserted the friendly and constructive relations between Cyprus and Israel...while discuss[ing] defence related matters between Cyprus and Israel and ways to further develop this cooperation.” Fotiou also visited Israel in May 2013 and in January 2014. In both visits he met with Israeli Defence Minister Moshe Ya’alon. Expanding the cooperation on energy security issues and conducting joint military exercises were the main agenda items. During the May 2013 visit, Moshe Ya’alon stressed the importance of the strategic relationship between Israel and the SCGA, and explained Israel’s intention “to improve the preparedness of its navy in the Mediterranean to protect the gas facilities.” Ya’alon made a reciprocal visit to the SCGA in February 2014. In the same month, Israel and the SCGA held a joint military exercise named as “Onisilos-Gideon.” The exercise included simulated firing at targets on land and sea. In a press conference during the exercise, Fotiou stated that “the relations between Cyprus and Israel are entering a new phase. I am confident that the strategic dialogue that began several months ago will benefit both countries and will continue in all areas, including energy security.” In October 2014 the two sides conducted the second Onisilos-Gideon joint military exercise, which included aerial maneuvers by Israeli Air Force fighter jets in Greek Cypriot airspace, while another part of the drill took place in the waters off the island of Crete.

As was declared during the Onisilos-Gideon exercise, security cooperation between Israel and the SCGA has also focused on hydrocarbon issues.
and in January 2012, Israel and the SCGA signed two important bilateral military agreements permitting the Israeli Air Force to utilize airspace and territorial waters around the island to safeguard and protect crucial energy resources and exchange of classified information. Moreover, it was reported that in April 2013 Israel was to send warships to the Eastern Mediterranean for a joint military exercise with the SCGA. Greek Cypriot Defence Minister Fotiou confirmed the exercise, and also noted that the SCGA’s focus would be “on the security of the eastern Mediterranean region and that of gas companies.”

**Energy Resources and Greece**

A new variable has been inserted into the political equation of the Eastern Mediterranean. The importance of energy as a geostrategic dimension adds more perspectives to the relationship between Israel and the SCGA. The natural gas discovered in the Eastern Mediterranean off the coasts of Israel and the SCGA is providing opportunities and incentives for increased military and economic cooperation between Israel and the SCGA. The gas discoveries have positive strategic impacts in the region and the best example is the growing relations between Israel and the SCGA. Both countries have an interest to cooperate in developing the gas fields in order to attract investors, maximize profits and share infrastructure.

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The rapprochement between Israel and the SCGA on energy resources was put into practice with the maritime agreement of December 2010. The agreement delineated the sea border between Israel and the SCGA. When Netanyahu visited the SCGA in February 2012, he met with the Greek Cypriot President Christofias. They discussed a new pipeline connecting the gas fields, export options and cooperation for the security of the gas fields, and signed a cooperation agreement for the protection of natural gas platforms. The deal is supposed to allow Israel to use SCGA air space and territorial waters for aerial and naval search and rescue drills. Additionally, it has been reported that Israel discussed the option of using Greek Cypriot airfields, which could provide strategic depth necessary in case of escalation.
with Iran, and that Israel has given security guarantees and might take part in protecting the Greek Cypriot gas fields. Netanyahu’s office said that the deal was inked as part of the two sides’ efforts to “strengthen the improving ties between the two nations,” as well as “to boost the cooperation in the fields of energy, agriculture, health and maritime research.”44 Netanyahu said at the signing that the gas could be liquefied in either the SCGA or Israel, and subsequently exported either to Europe through the SCGA or to Asia through Israel. Moreover, Landau met his counterpart in Jerusalem in January 2012 to discuss “possible bilateral cooperation in the field of energy,”45 and when in April 2012 Israeli Foreign Minister Lieberman made a three-day visit to the SCGA, he discussed the gas-sharing agreement to exploit reserves that fall on the maritime boundary between Israel and the SCGA.46

During a trip to Israel in April 2013, Energy, Commerce, Industry and Tourism Minister, Yiorgos Lakkotrypis, told a seminar of Israeli and Greek Cypriot business leaders and government officials that “a close collaboration with Israel” will enable the SCGA “to be a major player in the world energy market.”47 In August 2013, Israeli Minister of Energy and Water Resources, Silvan Shalom, traveled to the SCGA to meet with Lakkotrypis.48 Talks between Israeli

and Greek Cypriot officials focused on the hydrocarbon issues and the possible linking of Israel, the SCGA and Greece through underwater cables. Public sector economic cooperation reached a new level in April 2014, when Israel’s Ambassador in Nicosia, Michael Harari, and deputy permanent secretary of the Greek Cypriot Foreign Ministry, Ambassador Tasos Tzionis, signed “an agreement on the exchange and protection of confidential information on hydrocarbons discovered in Block 12 in the SCGA’s EEZ and in the adjacent Ishai offshore licence within Israel’s EEZ.”49 At the same time, private sector actors have also begun cooperating to take advantage of natural gas-related opportunities. The Israeli energy firm Delek has sought to work with the SCGA on natural gas exploration and extraction near the Leviathan gas field off the Israeli coast, where Delek is already active.50 As a result, Israeli companies Delek and Avner signed an agreement in February 2013 “to acquire a 30 % stake in exploration rights for gas and oil off the Greek Cyprus’ southern shore.”51

Gas explorations in the Eastern Mediterranean and Israel’s cooperation with the SCGA have not been without controversy. Turkey has been concerned with the SCGA’s decision to start offshore drilling activities in the south of Cyprus, and wanted the Greek Cypriots to stop unilateral drilling and
exploration activities. Turkey claimed that the Greek Cypriot government in the southern part of the island did not have the authority to sign deals with Israel.\textsuperscript{52} Turkey criticized these moves on the grounds that they disregarded the rights and jurisdiction of Turkish Cypriots on the island,\textsuperscript{53} and wanted Greek Cypriots to start cooperating with the Turkish Republic of Northern Cyprus under UN supervision. Ankara has thus opposed closer cooperation between Israel and the SCGA in the development of the resources, arguing that Turkey and Turkish Cypriots will do everything to protect their rights stemming from international law.

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In both Israel and the SCGA, there is great interest in the possibility of further developing cooperation in the production and marketing of offshore gas. Since the Eastern Mediterranean region has quantities of gas that far exceed the needs of the related parties, a significant amount of natural gas is expected to be exported. Naturally, Israel and the SCGA have been cooperating to ensure the secure exploitation and successful distribution of these resources. The issues and joint projects discussed between the SCGA and Israel are about how to optimally produce, extract, and transfer the reserves found in Israel’s “Leviathan” and “Tamar” plots and in the SCGA’s “Aphrodite” plot.\textsuperscript{54} There are various options, none of which has yet been selected: The natural gas could be exported either by connecting subsea pipelines or by the construction of liquefaction plants. Another scheme, which favors the use of the excess gas supplies, is to generate electricity that would be exported to Europe by an undersea cable.\textsuperscript{55}

The gas could also be transferred to Greece via a pipeline. This pipeline would enable the export of natural gas to the European market; however, the execution of such a plan requires the cooperation of the European Union to secure both the investments needed and the demand for the gas. In addition, European governments may prefer to import natural gas without the involvement of transit countries due to the obligatory dependence that may result. At the same time, a pipeline connecting the gas fields to Greece through the Greek island of Crete would be the longest and deepest in the world and hence would be very expensive.\textsuperscript{56} Though the pipeline option
is more secure, it is less energy efficient. If constructing pipelines turns out not to be economically viable, liquefying the gas may be a more realistic option. Once the gas is in liquid form it can be more efficiently transported. As a result, the second possibility to export great volumes of gas is the construction of liquefaction plants. Such an infrastructure would transport large quantities of gas to European and global markets. That's why discussions between the Greek Cypriot, Greek, and Israeli governments have focused on the economic and technical feasibility of such a project. The Israeli government has laid down the condition that, for national security reasons, “export facilities should be located in Israeli territory”; if not, they should be built “in the framework of bilateral agreements between countries.” Another project that can further improve ties is a proposed undersea electric power line between Israel, the SCGA and Greece. The plan is projected to increase the energy security of the related parties and also fits in with the EU’s plan of having an interconnected energy market. The undersea electric power line, termed as the “EuroAsia InterConnector”, may be the longest undersea power cable in the world.

Based on previous developments regarding the energy issue, in August 2013, Greece, Israel and the SCGA signed the tripartite energy memorandum of understanding on the construction of an electricity cable between Israel, the SCGA, and Greece with a conduit on Crete. Silvan Shalom, Energy and Water Resources Minister of Israel, announced that the agreement was “historic.” He stated that the agreement to build a cable that would export electricity to the European energy market demonstrated the powerful relations between Israel, Greece and the SCGA. The underwater, EuroAsia Interconnector is supposed to have potential benefits, especially for Greece and the SCGA. While it may help remove the SCGA from its energy isolation, Greece, with cheaper electricity, might in the future become a major player in the European energy arena. As the political developments have shown, the new dynamic that has emerged since the discovery of Eastern Mediterranean hydrocarbons is trilateral security and economic relations among Israel, the SCGA and Greece, which have been labeled as the “Energy Triangle”, referring to the joint natural gas exploitation among the SCGA, Israel and Greece.

It would not be wrong to assume that new partnerships are emerging in the Eastern Mediterranean. The collapse of the Turkish-Israeli alliance and the signing of an agreement in December 2010 between the SCGA and Israel that delimitated their respective EEZs,
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encouraged Athens to pursue closer ties with Tel Aviv. It seems that the cooperation between Israel and the SCGA opened the way for Greece to fill the vacuum that Turkey left in Israel’s regional relations. On this background, relations between Israel and Greece have come a long way in many fields, and both countries have moved closer in an unprecedented political, military and energy relationship. For instance, recently, a trilateral summit was held in Nicosia on 28 January 2016 with Netanyahu, Anastasiades and Greek Prime Minister Alexis Tsipras. The leaders discussed areas of cooperation including energy, tourism, research and technology, the environment, water, immigration and the fight against terror. In addition to political ties, security cooperation has also bolstered relations, and both countries have conducted several joint air and naval exercises such as the annual Glorious Spartan, Minoas, Noble Dina, and Blue Flag exercises. While some of these exercises have merely replaced the ones that Israel lost when relations with Turkey soured, others have focused on simulating the defense of the offshore natural gas infrastructure. Greece’s relative value to Israel may be questionable, however, a careful examination of the recent developments in the Eastern Mediterranean and in the Middle East, and possibilities of a relationship between the two countries, show that the bilateral relationship has the potential to become even stronger in the future.

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Beyond the trilateral relations among Israel, the SCGA and Greece, Israel and the SCGA have also laid foundations for regional integration with Egypt. Recently, Egypt developed strong trilateral ties with the the SCGA and Greece in opposition to Turkey, with whom Egypt severed its diplomatic relations in 2013. Eyeing the possibility of selling natural gas to Egypt for its domestic market as well as for re-export via Egypt’s under-utilized Liquefied Natural Gas (LNG) plants, both Israel and the SCGA entered into economic understandings with Cairo. Given Egypt’s longstanding security cooperation with Israel, Israel’s relations seemed to form the linchpin of a new regional bloc in the Eastern Mediterranean consisting of Egypt, Israel, the SCGA, and Greece. Greece and the SCGA have started involving Egypt in regional planning to develop and exploit natural gas fields, and
Egypt’s LNG plants have become the leading contenders to receive gas from Cypriot and Israeli fields for export.\(^{68}\)

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**Conclusions**

The recent developments in the geopolitical environment of the Eastern Mediterranean and the Middle East have affected the security conditions and the political affairs of the regional states. In addition to already being burdened by longstanding and unresolved disputes such as the Cyprus problem, the Palestinian question, and the Arab-Israeli conflict, today, security in the Eastern Mediterranean is undermined by unpredictable violence, acts of terror, and mass migration. The danger arising from these threats and the instability caused by the Arab Spring have necessitated the development of new strategic approaches among neighbouring states with the intention of safeguarding their national interests.

In this context, the security situation for Israel has become more acute with the strategic gains made by Iranian proxies in the civil war in Syria. In addition to the impact of the Arab Spring and the emergence of new terrorist groups, Israel’s declining relations with Turkey have also affected the Israel’s security. Moreover, beyond the recognised conventional ballistic missile threat from Iran, as well as the threats posed by Hamas in Gaza and Hezbollah in Lebanon, Israel faces the strategic threat of Iran’s opaquely evolving nuclear program. In spite of Israel’s military superiority, the changing geopolitical landscape and the emergence of new strategic and unconventional threats against Israel prescribe the consideration of alternative security options. It is against the backdrop of these regional developments and Israel’s poor relations with Turkey that Israel has joined forces with the SCGA as well as with Greece. On the other hand, the presence of hydrocarbon resources in the East Mediterranean have also provided a great deal of opportunity for closer regional cooperation among Israel, the SCGA and Greece. The potentially energy-rich EEZs have turned Israel’s attention towards the Eastern Mediterranean and facilitated the development of this new axis.

It was against this geopolitical background that Israel’s cooperation
with the SCGA, as well as with Greece, emerged. There is a growing imperative for cooperation between Israel and the SCGA, for security reasons and for the effective exploitation of the hydrocarbon resources in the Eastern Mediterranean. Strategically, given Greece’s and the SCGA’s tensions with Turkey, Israel’s strengthening of ties with the SCGA and Greece creates a new geopolitical bloc, which has political, military and economic significance and stands as a counterweight to Turkey in the Eastern Mediterranean. In this regard, the regional conditions and the consequent convergence of interests comprise the foundation for the development of a viable cooperation, and this constitutes a major development in the politics of the Eastern Mediterranean.

In spite of Israel’s military superiority, the changing geopolitical landscape and the emergence of new strategic and unconventional threats against Israel prescribe the consideration of alternative security options.

It seems that both Israel and the SCGA have much to gain from this developing relationship. As for Israel, the SCGA, as a political and cultural passage to the West through Greece, might become Israel’s one of new political and economic friends. Good relations with EU member states Greece and the SCGA have the potential of bringing Israel closer to Europe, and can help alleviate any isolation that Israel may be feeling in the international community. On the other hand, there are also potential benefits that the SCGA may accrue by associating herself with the Jewish state. From their perspective, a possible motive behind Greece and the SCGA’s desire to have good relations with Israel might be their unresolved disputes with Turkey. Israel’s political backing might provide both of these states diplomatic flexibility and leverage in their relations with Turkey. The improved relations with Israel could counterbalance Turkey’s presence in the Eastern Mediterranean. Moreover, cooperation with Israel may also have positive political implications for Greece and the SCGA in the Middle East. As Greek and Greek Cypriot leaders have given importance to their historic ties with the Arab world, their good relations with Israel might allow them to strengthen their image as a regional peace negotiator. At the same time, involvement in the peace process can help bolster Greek and Greek Cypriot prestige even during the economic crisis and the resulting tension with the European Union.

In addition to the political and economic relations, these states are
cyprus might have the opportunity to buy various missile systems, valuable technological hardware, and homeland security capabilities from Israel, and the Israeli defence industry could upgrade and modernize Greek and Greek Cypriot defence systems.

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The discovery of hydrocarbons has also created an opportunity for increasing regional economic integration for Israel, which helps solidify its diplomatic ties with the SCGA and Greece. These states are cooperating since there are economic incentives for cooperation in the exploitation and mutual development of the gas fields in the Eastern Mediterranean. Israel possesses commercial and strategic imperatives to export natural gas to both Turkey and Europe. For many years, it was believed that Turkey was the most affordable route to the European market. However, the rapid deterioration of Israel's ties with Turkey has proven this alternative difficult to be realized, thus opening the door for cooperation based
on the exploitation of hydrocarbons among Israel, the SCGA and Greece. There are alternative plans to transport Israeli gas to Europe via the SCGA and Greece. However, Turkey regards both Israeli and Greek Cypriot gas and oil explorations in the Eastern Mediterranean as illegal, thus calling into question the demarcation of the EEZs between Israel and the SCGA. As the discovery of huge reserves of gas in the Eastern Mediterranean have changed Israel’s fortune and the geopolitical balance of power in the region, it has not only become an incentive for new partnerships, but has also created regional tensions. It seems that developing these resources shall require exceeding major challenges, which might have geopolitical implications.

As the discovery of huge reserves of gas in the Eastern Mediterranean have changed Israel’s fortune and the geopolitical balance of power in the region, it has not only become an incentive for new partnerships, but has also created regional tensions.

In light of the energy resources of the Eastern Mediterranean, it is highly likely that cooperation between Israel and the SCGA will be enhanced. A careful examination of the recent developments in the Eastern Mediterranean and in the Middle East, and relations among Israel, Greece and the SCGA, show that Israel’s bilateral relationship with the SCGA has the potential to be even stronger in the future. However, the SCGA’s relative value to Israel may be questionable. While improved relations with the SCGA could be considered as a significant foreign policy choice for Israel, it remains unclear whether a partnership with the SCGA is strategic. To be so, it would need to provide political and military effectiveness, a robust cooperation with tangible results on the ground, mutual civilian and military programs, and joint political objectives to effectively counter the threats and challenges. Military partnership between Israel and the SCGA or among Israel, Greece and the SCGA could easily escalate into regional instability as maritime tensions in the Eastern Mediterranean with Turkey could become inevitable. In case of such a regional tension, it is doubtful whether Israel, Greece and the SCGA would act together. It is clear that Turkey carries far greater weight in regional and global affairs on account of its strategic location and size. That’s why neither Greece, nor the SCGA have the capabilities to play a major role as
a strategic partner to Israel. Moreover, a fundamental shift in Turkish-Israeli relations would undoubtedly affect Israel’s partnership with the SCGA and with Greece as well. This does not mean that diplomatic relations would automatically deteriorate; however, in such an occasion, arguably the character of the partnership would probably change, especially if Israel decided to orientate its energy exports toward Turkey. In conclusion, it would not be wrong to assert that the deepening diplomatic, military and economic ties between Israel and the SCGA constitute a precursor of broader political and military cooperation, and an alignment of interests, rather than a strategic partnership.

There are alternative plans to transport Israeli gas to Europe via the SCGA and Greece.
Endnotes

1 The Republic of Cyprus was established in 1960 after gaining independence from Britain. In 1974, after there was a Greek sponsored coup d'état to unite the island of Cyprus with Greece, Turkey had no choice but to exercise its rights to protect the Turkish Cypriots. Consequently, the island and its capital (Nicosia in Greek, Lefkoşe in Turkish) were partitioned into two parts (Greek/Southern and Turkish/Northern) divided by a United Nations buffer zone. Unless otherwise stated, in this study, the term “South Cyprus Greek Administration” refers to the southern part of the island under Greek Cypriot rule.

2 It is widely accepted that, when surrounded by enemies, a state must align itself with a second circle of countries surrounding the first. In this respect, in the 1950s and 1960s, Israel sought to establish alliances with the countries of the Arab world’s periphery and tried to find sectarian and ethnic minorities as allies in the Arab countries. For more information on Israel’s periphery doctrine, see George E. Gruen, “Turkey’s Relations with Israel and its Arab Neighbors”, Middle East Review, Vol. 17, No. 3 (Spring 1985), pp. 33–43; Ofra Bengio, The Turkish-Israeli Relationship Changing Ties of Middle Eastern Outsiders, New York, Palgrave Macmillan, 2004, p. 34; Avi Shlaim, The Iron Wall Israel and the Arab World, London, Penguin Books, 2000, pp. 192-199.


13 Ibid.


15 As of 26 June 2016, Turkey and Israel have officially reached a reconciliation agreement, ending six years of animosity between them, and are beginning to normalize their relations. According to the agreement, Israel is supposed to pay $20 million in compensation to the families of the victims of the 2010 flotilla incident, and Turkey will once again be able to send aid and supplies to the Gaza. See Oren Liebermann and Elise Labott, “Israel, Turkey Strike Deal to Normalize Ties”, CNN, at http://edition.cnn.com/2016/06/26/middleeast/israel-turkey-relations/ (last visited 26 July 2016).


27 “President Peres Meets with Cypriot President Anastasiades”, *Israel Ministry of Foreign Affairs*, at http://mfa.gov.il/MFA/PressRoom/2013/Pages/Peres-meets-Cypriot-President-Anastasiades.aspx (last visited 17 September 2015).


52 Anshel Pfeffer, “Turkey to Deploy Warships Over Gas Dispute with Cyprus”, *Haaretz*, 25 September 2011.

63 Stavris, “The New Energy Triangle of Cyprus-Greece-Israel: Casting A Net for Turkey?”.


