

Eastern Mediterranean hydrocarbon competition intensifies amid rising Turkish activity

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A renewed international focus on exploring the hydrocarbon potential of the Eastern Mediterranean has multiple security implications for Cyprus and its relations with Turkey. *Chris Deliso* examines how the current spike in tensions is likely to play out

Key Points

- Turkish drillship activity in disputed waters around Cyprus is increasing regional tensions and drawing in Greece, Russia, the European Union, and the United States ahead of planned new hydrocarbon exploration activities in late 2019 and early 2020.
- Open military conflict between Turkey and other states remains a highly unlikely scenario, but any failure of future status negotiations between the two Cypriot communities will risk an escalation in tensions and provocations.
- Turkey will almost certainly continue its policy of increased domestic defence industry production and export through to 2023, regardless of its exclusion from Western-backed regional military and energy projects.

With the ethnically divided island of Cyprus at the centre, tensions in the geostrategically important Eastern Mediterranean region are rising amid a complex interplay of great power rivalry, energy resource wealth, and militarisation. On 22 August, Turkish President Recep Tayyip Erdoğan reiterated that Turkey was determined to continue hydrocarbon exploration activities in the region: “No [oil or gas development] project can be realised if Turkey and the Turkish Republic of Northern Cyprus are not involved.” French President Emmanuel Macron rebuffed Erdoğan’s comments on the same day, stating that the EU rejected Turkey’s “illegal actions” within Cyprus’s exclusive economic zone (EEZ).

Macron was referring to a crisis that started on 3 May, when the Turkish drillship *Fatih* began to drill in waters claimed by the Cypriot government as part of its EEZ. The drillship’s arrival prompted formal protests from Cyprus, Greece, and the EU. Cypriot President Nicos Anastasiades has compared the Turkish bid to drill for natural gas in waters off the island to a “second invasion”, a reference to Turkey’s 20 July 1974 invasion and subsequent occupation of the northern third of Cyprus.

In addition, the EU announced aid sanctions against Turkey on 15 July 2019, one week after the arrival of a second Turkish drillship, the *Yavuz*. In early August, a third vessel

arrived, the research survey vessel *Barbaros Hayreddin Paşa*. On 19 August, Cypriot media quoted Turkish Minister of Foreign Affairs Mevlüt Çavuşoğlu as saying that the research survey vessel *Oruç Reis* was also travelling to the region, although automatic identification system data consulted by *Jane's* on 4 September showed that the vessel had not moved from Port Akdeniz, Antalya.



Turkish drillship Yavuz operates in waters to the east of Cyprus, in the eastern Mediterranean Sea, on 7 August 2019. At the time of writing, two Turkish drillships were operating in the region. (Celal Gunes/Anadolu Agency via Getty Images)

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Although the EU has called these Turkish activities “totally unacceptable”, Turkish officials have publicly dismissed the sanctions. Meanwhile, Turkish military strategists appear to be increasingly alarmed by other Eastern Mediterranean hydrocarbon exploration efforts.

Sources consulted by *Jane's* for this article agreed that EU threats would not affect Turkey's continued interest in the so-called ‘energy triangle’ – a maritime area between Cyprus, Egypt, and Israel. Regional hydrocarbon exploration has resulted in discoveries such as Israel's Leviathan gas field in 2010 and Egypt's Zohr gas field in 2015, as well as the Cypriot gas fields Aphrodite in 2011, Calypso in 2018, and Glaucus in 2019. Continuing exploration by oil and gas majors indicates that there are hopes that further resources may be discovered.

Strategic context

Cyprus is a key player in Eastern Mediterranean hydrocarbon activities, but Turkey does not recognise Cypriot EEZ claims. Feeling excluded from the region's resource wealth, Ankara has proceeded to act unilaterally, as exemplified by its drillship presence in the disputed waters.

Turkish leaders have claimed that they are defending the interests of Turkish Cypriots in the internationally unrecognised Turkish Republic of Northern Cyprus (TRNC) and their right to benefit from future hydrocarbon profits. The Cypriot government's establishment of a Sovereign Wealth Fund might hypothetically enable revenues to be shared across the island, although this is currently unlikely. Beyond the wellbeing of Turkish Cypriots, Ankara's main concern is to retain its power projection even if the longstanding status impasse between the two halves of the island is resolved diplomatically. Ankara also wants to avoid being excluded from future windfalls, and retains an interest in establishing itself as a transit corridor for Cypriot hydrocarbons.

Greece judges that Turkey has a role behind initiatives such as an 11 June proposal for a joint commission on hydrocarbon profit-sharing made by TRNC President Mustafa Akıncı. Meanwhile, Turkey's state oil and gas company, the Turkish Petroleum Corporation (Türkiye Petrolleri Anonim Ortaklığı: TPAO), has received licences to drill from the TRNC and will therefore continue to do so in the disputed areas. It claims that this effort is geared towards protecting the rights of Northern Cypriots to benefit from the resource wealth of the island in the absence of a revenue-sharing agreement. The Turkish navy may also attempt to deter exploration by oil and gas majors licensed by Cyprus, as it did with a drillship belonging to Italian multinational hydrocarbon company Eni in 2018.

However, in the wider strategic context, Turkey's energy manoeuvres are primarily meant to justify its diplomatic and military ambitions, most sources interviewed for this article told *Jane's*. With Russian assistance, Turkey is planning for arms production self-sufficiency by 2023, the centennial anniversary of the Turkish Republic's founding. Turkey's July 2019 acquisition of the Russian-made S-400 air defence system prompted Washington to exclude Turkey from the Lockheed Martin F-35 Lightning II multirole fighter programme.

Concurrently – driven partly by pro-Greece congressional legislators – the US is pursuing a new regional security and energy architecture that would exclude Turkey. The main challenge weighing on US-Turkey relations has been the US military's support in Syria for the Syrian Democratic Forces (SDF), which are largely composed of Kurdish People's Protection Units (Yekîneyên Parastina Gel: YPG). Turkey considers the YPG to be a terrorist group related to the Kurdistan Workers' Party (Partiya Karkerên Kurdistan: PKK), against which it has long fought in southeastern Turkey and northern Iraq.

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