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Energy Diplomacy

Int. law on Turkey's side in Cyprus energy row. experts

- Transporting natural gas via pipeline through Turkey is the cheapest way for east Mediterranean natural gas

Turkey is jurisdictionally correct according to international maritime law in the east Mediterranean zone conflict, according to political expert, Prof. Dr. Ata Atun of Near East University in Turkish Republic of North Cyprus.

Progressive maritime laws dating back from 1958 which govern continental shelves and economic zones on islands have been used both by the Turkish Cypriots and the Greek Cypriots to assert their economic zone rights on the island of Cyprus.

According to the first maritime law in 1958 and the second maritime law in 1960, the east Mediterranean area is an exclusive economic zone of Egypt and Turkey, and therefore the Greek Cypriot administration does not have rights for exploration in this region, Atun said.

The third maritime law in 1982, however, gives islands both continental shelves and exclusive economic zone rights. After the third maritime law, Greece declared its 12 mile continental shelf, and Turkey announced that the move would be "casus belli" (a cause of war), said Atun.

According to Turkish Foreign Ministry documents, the Aegean continental shelf constitutes a dispute between Turkey and Greece in the absence of a delimitation agreement between the two countries. The Continental Shelf dispute has a bearing on the overall equilibrium of rights

and interests in the Aegean. The dispute concerns the areas of continental shelf to be attributed to Turkey and Greece beyond the six mile territorial sea in the Aegean.

Turkey is not a signatory to the third maritime law because of the Aegean islands. The rule of maritime law stipulates that all guarantors involved need to be party to apply the law, but in the case of the island of Cyprus as Turkey is not a signatory, the law cannot be implemented, Atun maintains.

Suleyman Bosca, chairman of the Ankara-based Energy Law Research Institute, said that Greek Cyprus Administration's unilateral declaration of the Exclusive Economic Zone, EEZ, was made to possess the energy resources in the east Mediterranean.

Bosca added that the declaration of an EEZ has to be done fairly between concerned parties (countries) in accordance with international law. Therefore, the Greek Cypriot administration's unilateral declaration of an EEZ in the east Mediterranean is an infringement of international law and maxims and consequently, a border clash in the east Mediterranean was inevitable.

"Turkey did not declare an EEZ in the east Mediterranean but it does not mean that Turkey has no rights on the east Mediterranean resources. Due to the politically divided structure of the Cyprus Island, apportionment of natural gas around the island causes disputes," said Bosca.

According to Bosca, the Zurich and London agreements dating back from 1959, which defined the statutes of the island of Cyprus and assigned Greece, Turkey and the U.K. as guarantors of the island, along with the Cyprus agreement of 1960 are not ignorable and the resources around the island have to be shared by both Turkish and Greek sides of the island.

-Egypt's role in island of Cyprus

On September 29 2014, Greek Foreign Minister Evangelos Venizelos met in Nicosia with his Egyptian counterpart Sameh Shoukri and Ioannis Kasoulides, the foreign minister of the Greek Cypriot administration, to discuss energy and other issues in the region. Additionally, a meeting with the leader of the Greek Cypriot administration, Nicos Anastasiades is expected to be held in the very near future.

Atun also commented on the role of Egypt in the Cyprus issue; the second maritime law which recognizes the Cyprus Island as Egypt and Turkey's economic zone is also ambiguous as Egypt's policy in recognizing exclusive economic zones is not consistent. Atun explains that Egypt's East Mediterranean policy is changing according to its administrations.

"In the time of Hosni Mobarak, who served as the fourth President of Egypt from 1981 to 2011, there was a secret agreement between the Greek Cypriot administration and the Mobarak government to allow Mobarak to avail of Greek Cypriot's banks' facilities. After that agreement, Mobarak both signed the third maritime law and an exclusive economic zone agreement with the Greek Cypriot administration," said Atun.

Former Egyptian leader Mohamed Morsi, who was overthrown in a military coup, dismissed the agreement approved by the Egyptian parliament because, according to the first and second maritime law, the ninth and twelfth parcels were in Egypt's exclusive economic zones. Morsi sent a diplomatic note to the Greek Cypriot administration to exit from this exclusive zone, as he did not want to relinquish this privilege because the disputed parcels were those in which the Greek Cypriots planned to conduct natural gas explorations in the east Mediterranean, Atun explained.

Egypt's current leader, Abdel Fattah el-Sisi, however, "follows a policy in cooperation with the Greek Cypriot administration and Greece in the exclusive zones in the east Mediterranean," said Atun.

- East Mediterranean gas

The transportation of East Mediterranean natural gas via pipeline needs to be operated through Turkey because of the production and transportation costs, according to Atun.

Turkey is also planning to transfer Azerbaijani gas to Europe through the Trans Anatolian Pipeline, TANAP, which crosses through Turkey from Azerbaijan to Greece.

According to Atun, Israel also plans to explore natural gas from the recently discovered Leviathan gas field off the coast of Israel which totals 16 billion cubic meters and plans to sell 9 billion cubic meters to Europe, possibly through Turkey because of the high cost of transporting LNG.

Natural gas seller countries such as Russia and Azerbaijan sell natural gas using pipelines at almost \$350 per thousand cubic meters. However, if Israel or the Greek Cypriots prefer to sell natural gas as LNG, this price will increase to levels of around \$650 per thousand cubic meters thus making LNG sales unprofitable.

Atun added that European countries cannot support the Greek Cypriot administration because Europe needs to diversify its natural gas supply through Turkey. If the Greek Cypriots insist on exempting Turkey in overseeing Turkish Cypriots' rights regarding the east Mediterranean resources, the Greek Cypriots cannot become a natural gas supplier to Europe.

Greek Cypriots are aware of this hindrance, Atun explained and noted that their intention may be different from that of operating natural gas upstream and downstream. The Greek Cypriots may desire to connect their unilateral exclusive zones with Greece through the international courts thus preventing Turkey from transiting through the Mediterranean Sea between the island of Cyprus and Greece

In 1974, an attempt by Greece to annex the island through a coup attempt was made, which was resisted by a Turkish peace mission in accordance with the 1960 "Treaty of Guarantee." Consequently, the Turkish Cypriots set up their own Republic in 1983, while continuing the search for reconciliation.

While the European Union recognizes the Greek-Cypriot administration on the island, Turkey recognizes the Turkish Republic of North Cyprus diplomatically.

The negotiations between the Turkish and Greek Cypriots resumed after a two-year pause in February 2013. The previous round of talks had collapsed because of the Eurozone debt crisis and the Greek Cypriot side's turn to occupy the EU presidency in 2012.

However, the Greek-Cypriot administration suspended the talks over the divided island on October 7 after Turkey sent a ship to monitor an oil-and-gas exploration mission off the coast of Cyprus.

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