





# Israel and the Mediterranean: A New Space for Regional Belonging

Meeting Summaries from a Research and Policy Group

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#### Introduction

The Eastern Mediterranean has attracted significant attention over recent years. New economic opportunities and geopolitical developments are contributing to this trend and are turning the region into a central tenet of Israel's foreign policy. Together with regional alliances and bilateral relations that Israel is advancing in the Eastern Mediterranean, the Israeli public has also begun to perceive the area as a new space for regional belonging. In the 2020 Israeli Foreign Policy Index of the Mitvim Institute, 25 percent of the Israeli public considers Israel primarily as part of the Mediterranean (as opposed to 29 percent who answered that Israel belongs more to the Middle East and 24 percent to Europe).

Throughout history, the Eastern Mediterranean played a central role in global political, economic, and social transformations. The recent far-reaching changes and developments in the region have repositioned it as a distinct and central region in the international arena. Environmental concerns, the movement of refugees, the struggle between powers over trade routes, political conflicts among and within the countries, economic cooperation, the emergence of security communities and the discovery of natural gas reserves, are all processes that tie regional members to the geography of the Mediterranean. These new issues can and should be taken into consideration alongside old issues that characterize the region – a common history, similar climate, the diasporas, shared values, and Mediterranean culture.

Israel is not only active but dominant in the Eastern Mediterranean, with its policy characterized by a myriad of relations and unique approach of non-exclusive policy. Israel strives, with considerable success, to maintain and promote relations with different countries that hold different or conflicting interests, without the relations with one necessarily coming at the expense of relations with the other. Israel is a partner in regional alliances (such as the Alliance with Greece and Cyprus, and the Eastern Mediterranean Gas Forum – EMGF), maintains bilateral relations with many countries openly and formally, and maintains informal relations with other countries. The discovery of natural gas reserves in Israel's economic waters gives it economic and political power in the region and allows it a wider range of political manoeuvrability. Notably, however, the Israeli-Palestinian conflict, including the ongoing conflict in the Gaza Strip on the shores of the Mediterranean, restricts Israel's ability to reap the potential benefits that the area holds for it.

The political, economic and social developments in the Mediterranean are ongoing and constantly evolving. The region's consolidation offers many opportunities and challenges for Israel, and is accompanied by both cooperation and struggles over the region's desired characteristics, the regional institutions that should be established, common values, geographic boundaries, and each member state's role and political power.

To assess possible developments, identify opportunities and challenges, and thus discover the necessary political actions, it is first necessary to understand the arena and identify trends, processes, different issues at stake, and active players and their various interests. To this end, in 2019 Mitvim - the Israel Institute for Regional Foreign Policy, the Leonard Davis Institute for International Relations at the Hebrew University of Jerusalem, and the Center for National Security Studies at the University of Haifa, formed a research and policy group. The group's goals were to better understand the Mediterranean arena and Israel's

place therein, to formulate guidelines and policy recommendations, and to promote political dialogue with various regional actors.

This paper summarizes the first series of meetings of the research and policy group in 2019-2020 and presents the key insights that emerged throughout it. The meetings focused on global and regional powers' activities in the Eastern Mediterranean, energy and environmental issues, the impact of the coronavirus epidemic, conflicts and collaborations, and questions of identity and norms. These summaries portray a perspective of what is currently happening in the Mediterranean, the opportunities and challenges facing Israel, as well as a reference to the guiding principles and recommended courses of action for Israeli foreign policy.

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#### Chapter 1: The Interests of Eastern Mediterranean States and Israeli Policies

Greece, Cyprus, Turkey, Egypt and Israel's actions in the Mediterranean influence, and are influenced by, nations' various and sometimes competing interests, their intersections and regional cooperation. Between these lines, new opportunities arise for Israel, as well as challenges to address. In its Mediterranean strategy, Israel has to account for its regional, bilateral and multilateral alliances, and those of its neighbors, which also influence their interests and behavior.

#### A. Cyprus

Cypriot activity in the Mediterranean is affected by its size and power compared with other regional players, especially in light of the Turkish threat that shaped the island's formative experiences of uncertainty, weakness and vulnerability. This innate disadvantage prompted Cyprus to seek allies among the powers and states in the region as guarantors of its security. Its role as a "playing field" of sorts for world powers serves Cypriot interests. Along with US activity on the island, a British military base is still in operation, and Cyprus continues to attract Russian investment, whilst benefitting from its EU membership.

Its need and desire to maintain open gateways to various international players has led Cyprus to develop non-exclusive foreign relations, not only with the powers but also with other states and players in the region. For example, Cyprus works to maintain positive ties with both Iran and Israel and with both the US and Russia, in conjunction and accordance with the strategic choice it made to rely first and foremost on the West. The natural gas discoveries in Cypriot economic waters and elsewhere in the Mediterranean provide the island with an opportunity for economic growth and raise its geopolitical standing, allowing it to play a more significant regional role. It also allows Cyprus to shake off its dependence on Russian gas and thereby expand its political manoeuvrability.

The link between Cyprus and Israel - Cyprus values its links with Israel, which it regards as a regional power. The crisis in relations between Turkey and Israel, generated by the 2010 Mavi Marmara flotilla clash, proved to Cyprus that Israel was not afraid to stand up to Turkey and was also clearly able to do so. There is also a pervasive sense in Cyprus that Israel can serve as a bridge to the US administration. These perceptions, along with the emerging opportunities for energy cooperation, supported its choice to seek closer relations with Israel. Bilateral ties are developing and strengthening. Trade is on an upward curve, as is tourism. During peak tourism season, 14 weekly flights connect the countries, and both sides are trying to deal with the sensitivity over Israeli tourism to northern Cyprus.

**Israeli interests -** Israel has a vested interest in strengthening its connection to Cyprus. Cyprus is a liberal democracy and an EU member, and relations with it offer highly significant economic opportunities, especially in the energy field. Despite the boost in relations, the pattern of Cypriot votes at the UN is still diametrically opposed to Israeli positions, and Israel is interested in and expecting to affect a change. Of course, the Cypriot relationship with Israel must be assessed in reference to Greece and to the trilateral relationship among these three states, which constitutes a strategic value multiplier.

#### **B.** Greece

In light of the harsh economic crisis Greece experienced in 2009, its economic concerns top its list of priorities. Greece is interested in promoting investments in innovation and moving the Greek economy into the 21<sup>st</sup> century. It must create many jobs in order to fulfill its hopes of bringing home the young people who left during the economic crisis. While Cyprus feels itself under existential threat from Turkey, Greece believes Turkish activity in the Mediterranean is inevitable and therefore must be accepted and contained. Greece aspires to partner with states that have a similar culture and politics, and thus its links with Cyprus are deep and identity-based, while its ties with Israel sit well with the shared identity of these states as Western democracies. Greece has a significant interest in strengthening relations with the US, and it also regards relations with Israel as a way to win over the US administration. Greece is happy to promote soft security cooperation with Israel and to jointly develop energy export infrastructure. Greece, an important member of the EU and player in the Mediterranean, is a valuable ally for Israel and as such, investment is needed in developing and maintaining the relationship.

The link between Greece and Israel - Greek public opinion, media and politics were for years mobilized against Israel and supportive of Arab and Palestinian positions. In recent years, Greece has made a strategic change of direction, resulting in more favorable articles on Israel in its media, more cooperation, and more high visibility projects that contribute to a rapprochement between the people and impact public opinion. Indeed, despite recurring anti-Semitic events and positions, public opinion is slowly shifting and adopting a more positive view of Israel. Diplomatic relations, which began in a chilly climate, have warmed greatly over the past decade. The first visit by a Greek Prime Minister to Israel took place in July 2010, followed by the reciprocal visit of Prime Minister Netanyahu to Greece. Since then, the prime ministers have met several times and cooperation between their governments is expanding.

#### C. The Greece-Cyprus-Israel Triangle

Greece and Cyprus are implementing a strategy of trilateral alliances throughout the Mediterranean. The triangle with Israel is the most intimate and advanced. Israel's position as a regional power is reflected in the significance accorded to this relationship. Being a liberal democracy makes forging such connections easier, and the three states emphasize the democratic component in marketing their relationship to the public. Greek and Cypriot interests in drawing closer to the US, along with their perception that Israel could serve as a bridge to Washington, provide the two states with additional motivation to advance the trilateral relationship.

While Greece and Cyprus have slightly distanced themselves from the Arab world, Israel is not an alternative to good relations with the Arab world and will not be in the future. Greece and Cyprus are promoting other trilateral pacts in the region – with the Lebanese, Palestinians, Jordanians and Egyptians. The triangle with Egypt, a key regional power which possesses significant gas reserves and facilities, constitutes competition for the Israeli triangle. Greece and Cyprus, like Israel, regard the consolidation of the Cairo-based EMGF in a positive light, and are cooperating with the initiative, which they view as an opportunity to support regional cooperation and promote economic interests. However, they are doing so cautiously, uncertain whether it should be a decentralized forum or a binding institution.

Israel's ties with Greece and Cyprus have expanded beyond the political-diplomatic and energy realms. Important cooperation initiatives are under way in the fields of security, telecommunications, the environment, emergency response, and more. When their leaders meet at regular summits, businesspeople conduct parallel meetings. Parliamentary cooperation is also expanding, and the strengthening of diaspora relations is developing. Israel's Chambers of Commerce Association has signed agreements with counterpart organizations. Members of the pact have helped each other in putting out major fires – a form of assistance that is of public opinion value in Israel, Greece and Cyprus.

Opportunities and challenges are part and parcel of the burgeoning alliance. The three states are debating the extent to which their alliance should be institutionalized, with Cyprus advocating the formation of a secretariat (similar to those of other trilateral pacts of which it is a member). The three states were successful in mobilizing US involvement in their relationship, but while their goal was to solidify the alliance, US involvement could threaten the pact if it assumes an overly central role. The three must see how they can manoeuvre relations so that joint forums with the US do not damage the structure of the triangle and so that the trilateral structure does not damage bilateral relationships. Israel, Greece and Cyprus are taking care to highlight the civilian nature of their alliance and to formulate their joint agenda accordingly. In shaping the future of their ties, they must additionally take care not to be dragged into the dominant positions occupied by their defense establishments. While the EU does not directly relate to the trilateral pact, it is partnering with the three states to examine the feasibility of developing a gas pipeline from Israel to Europe. At the same time, though, it criticizes the way Israel is exploiting its ties with member states, including the Hellenic ones, to prevent decisions and declarations by EU institutions critical of Israeli government policy. One of the key challenges facing the alliance are the tensions with Turkey, and the question of how Israel can advance and bolster relations within the pact without shutting the door in Turkey's face.

Israeli interests vis-à-vis Greece and Cyprus - Although Israeli discourse belittles the importance of the Union, the EU is nonetheless a central player for Israel, which could mobilize its ties with Greece and Cyprus to enhance relations with Brussels. Israel could, for example, take an interest in developing defense exports to Europe through Greece, and Cyprus could serve as a hub for Middle Eastern relations, a venue for clandestine meetings and site of regional institutions. The trilateral alliance can serve as the basis for the development of EU-led cooperation in the eastern Mediterranean, along the lines of the EU's 5+5 format in the western part of the basin. Israel has an interest in advancing the establishment of institutions to encourage regional cooperation and to serve as a central and influential voice in their design. Israel also has defense-related interests in relations with Greece and Cyprus. From a geo-strategic standpoint, Cyprus is more important than Greece, mainly in providing strategic depth for Israel to use Cypriot infrastructure for aerial and ground platforms in case of war.

Environmental issues are also of potential value in encouraging cooperation between the states. Israel could portray itself as subjected to the Nile Delta, the Aswan Dam and the Suez Canal in environmental aspects, dealing with consequences regarding precipitation, sedimentation, intrusive species, etc. Israel has amassed significant knowledge about its coastal environment, and the environmental phenomena with which Israel is dealing will reach the northern part of the Mediterranean within several years. Israel can also offer its expertise in water desalination to its regional allies. Student exchange and academic programs also have great potential to contribute to a long-term shift in mutual perceptions

and to the grounding of the alliance in the three states. Israel must invest in such programs and encourage Greek and Cypriot students to study in Israel. The Foreign Ministry is instrumental in enhancing cultural, economic and technological relations, including seminars on regional innovation and high-tech projects. These fields must be expanded and developed as a firm basis for sustainable long-term ties, immune to changes stemming from political crises. There is also potential for peace organizations in the various states to help each other in their attempt to resolve regional conflicts, which undermine prospects for cooperation in the Mediterranean.

#### D. Turkey

Turkey's guiding interest in the Mediterranean is of a strategic-defensive nature, an issue on which there is broad domestic consensus between the government coalition and the opposition (although the Kurds take a different view). Turkey fears diplomatic isolation in light of the trilateral alliances being promoted by Greece and Cyprus in the Mediterranean and growing US involvement at their side. Turkey, Greece and Cyprus are deeply divided over the demarcation of their maritime borders around the Cypriot coast and in the Aegean Sea, and Turkey therefore refuses to sign international treaties relevant to the issue. Turkey views itself as responsible for the Turkish residents of northern Cyprus and as their defender and sponsor in the international arena. Despite repeated failures, Turkey seeks the renewal of peace negotiations over Cyprus, although that does not necessarily signal willingness to accept the compromises necessary to achieve a true resolution of the conflict.

For Turkey, the Mediterranean energy issue is first and foremost one of geo-political and strategic importance, and less a matter of economics. The Turks are less interested in natural gas for domestic consumption, and more in reducing their dependence on transferring Russian gas and positioning themselves as the transit and distribution hub of natural gas to Europe. Egypt's attempts to establish itself as such a hub are generating competition between the two states, which are already divided by harsh political and ideological rivalries. Turkey's exploratory drilling off Cypriot territorial waters should also be understood in this political context.

To ensure its interests are taken into consideration, Turkey is seeking to impede regional cooperation in the Mediterranean and to drive a wedge between the other states. Its recent actions are destabilizing the arena. In the past, Turkey was successful in promoting cooperation in the Mediterranean, supporting reconciliation efforts in Cyprus within the framework of the Anan Plan and signing an agreement to restore relations with Israel following the Mavi Marmara crisis. Turkey does not hesitate to deploy its security forces in order to display political power. It has intervened in Libya, conducted significant naval drills, used its advanced navy to underscore its presence in the Mediterranean, and is active in northern Syria. At the same time, US-Turkey relations are continuously disrupted by tensions, which affect Turkey's conduct in the region and its relations with Israel. The Turks realize that they can benefit from the polarizing effect of superpower involvement in the Mediterranean. Nonetheless, Turkish attempts to promote parallel arms deals with Russia and the US or to pressure the US over its Incirlik air base have not worked out so far.

The link between Turkey and Israel - Israel's attitude toward Turkey has undergone a shift in recent years. Key politicians have adopted an oppositional and almost hostile approach toward Turkey, and calls have even been heard in Israel to demand Turkey's ouster from NATO. Israel has stopped showing restraint in response to Turkish verbal assaults, and

instead aggressively responds to them. Israelis do not seem to believe that ties with Turkey can be improved as long as Erdoğan is in power. This attitude prevailed prior to the signing of the 2016 reconciliation agreement between Israel and Turkey, but failure of the agreement has resulted in greater doubts on this front. Turkey perceives the enhanced Israel-Greece-Cyprus alliance as a threat or at least as a counter-Turkish measure, even though Israel has been careful over the years to stress that its rapprochement with the Hellenic states is not directed against Turkey. Israel has expressed support for the Cypriot position on the controversial Turkish gas drilling, but also adopted a relatively cautious approach so as not to deepen the dispute with Ankara. Israel must avoid turning into a player in the Greek-Cypriot-Turkish conflict and strive for comprehensive cooperation in the Mediterranean to the extent possible.

One of the difficulties in defusing Israeli-Turkish tensions stems from the fact that the US is no longer involved in efforts to improve ties between the countries, as it was during the Obama Administration. The difficulties in Turkish-US relations do not help in this regard, nor does US backing for the trilateral Greek-Cypriot-Israeli pact. Israel is concerned that Turkey could turn from being a hostile state to a real enemy state, and steps must be taken to avert such a scenario (inter alia by reducing the sense of threat that Turkey feels from Israeli activity in the region). A change of leadership in Israel could create an opportunity to examine what can be done to improve relations with Turkey. The former army chiefs who comprise the leadership of the opposition Blue and White party hail from the military elite that recognizes the strategic value of the relationship with Turkey. A positive change in Israeli policy on the Palestinian issue and renewal of the peace process would distinctly improve relations with Turkey. If Israel opts to try to defuse tensions with Turkey, it could enlist the services not only of the US but also of Russia, Qatar and Azerbaijan.

Turkey has an interest in the Gaza Strip and Jerusalem. It supports Hamas, but also works with Abbas, and has been moving between the rival Palestinian sides for a long time as the needs arise. Israel's decision to expel the Turkish consul from Jerusalem, in response to Turkish measures against Israeli representatives in Turkey, was significant given the great importance the Turks attribute to the city. Turkish regional activity on the issue of Jerusalem has been curtailed since it no longer heads the Organization of Islamic Cooperation (OIC), which Saudi Arabia currently leads (Under Turkey's leadership, Erdoğan could convene emergency sessions and use the Jerusalem issue to position himself as a regional leader). Israel is concerned about Turkish activity in East Jerusalem and tries to restrict it, but also allows it to take place in some cases. There may be value in this activity, which could be exploited to strengthen relations (tourism, for example) and force out more radical actors. It is also worth assessing why the reconciliation agreement with Turkey failed. Insufficient weight was given to the main bones of contention - Jerusalem and Gaza - and the sides failed to create effective mechanisms to contain the crises that should have been expected given the recurring difficulties with the Palestinians in these two places. Israel also often exaggerates in portraying the Turkish-Iranian connection as an alliance. The two countries maintain close cooperation, for example on Syria and Qatar, but they have been regional rivals over many years of hegemonic and ideological disputes. For example, Turkey ultimately accepted a US dictate regarding a halt to trade with Iran.

Israeli-Turkish relations are not based only on political struggles in the Palestinian arena and in the Mediterranean. They also have a productive civilian aspect. Trade between the two countries is extensive, which is important for the Turkish economy in the crisis it is

experiencing. Tourism continues too and is even increasing, as are cultural ties. Academic experts and civil society organizations are also trying to improve the relationship.

#### E. Egypt

Egypt is seeking to leverage its power, prestige and standing in order to lead processes in the Mediterranean and the Arab world as a regional power. It makes use of its geo-political location in order to assume the role of mediator and become a regional economic, political and cultural hub. A-Sisi has realized that along with the necessary improvement to his country's economy, he must also update Egypt's national security concepts. He defined new national goals, which include the struggle against terrorism as a key component, dealing with Iran, and a new definition of enemies and friends in the region.

Egypt is operating in the Mediterranean to stabilize and boost its economy, and does so mainly in the energy field and through its willingness to import gas from other countries. Egypt needs outside technological help and cooperation in order to develop its energy market. This is the country's declared strategic interest, and it is being aided by Saudi Arabia, the UAE and Russia in realizing it. At the same time, its rivalry with Turkey also has a significant economic aspect. Beyond the energy sphere, Egypt is working to advance major projects – in the Suez Canal and the Mediterranean – that will provide jobs for its citizens and fill the state coffers. To that end, Egypt is working to strengthen relations with the various powers. It is bolstering ties with Russia, while preserving and developing ties with the US and buying advanced military equipment and weaponry from France and Germany. Egypt is seeking to enter new economic niches, based on the Suez Canal, and to strengthen its ties with China and India. China, which has become a significant force in Africa in general, and along the Red Sea coast in particular, is investing in many Egyptian projects in order to strengthen its hold in the Suez Canal environs.

Egypt regards the Palestinian problem as a central issue and seeks to play a leading role as mediator, sponsor and influencer. Absent negotiations it could broker between Israel and the Palestinian Authority, the Gaza issue is high on the joint strategic agenda of Israel and Egypt. The Egyptian administration takes a negative view of the Hamas movement, which it accuses of complicity with the Muslim Brotherhood. Egypt is imposing economic difficulties on the Hamas regime in the Gaza Strip, and transferring responsibility for solving problems there to Israel. Egypt displays willingness to help residents of Gaza as long as it is not saddled with responsibility for the enclave, and it therefore agreed to host a conference on Gaza's economy in Cairo. Egypt is also trying to maintain its central position on the Palestinian issue by advancing internal Palestinian negotiations between Fatah and Hamas and sponsoring talks that take place mostly in Egypt. At the same time, it is repeatedly involved in efforts to mediate between Israel and Hamas to avoid an escalation of violence between them.

The link between Egypt and Israel - Israeli-Egyptian relations are maintained through daily efforts mostly behind the scenes. A-Sisi understands that shifting Egyptian public opinion about Israel is a lengthy process, but that ongoing cooperation between the two states could help. He regards ties with Israel as a substantive contribution to strengthening Egyptian national security. In some of the drills conducted by the Egyptian military, Israel is targeted as the enemy, which is troubling. On the other hand, a-Sisi does not turn the Egyptian media against Israel, does not provoke Israel and is careful to emphasize the need for ongoing cooperation. The energy issue, which Egypt regards as strategic, constitutes a platform for

economic cooperation between the states and enables visits by Israel's Energy Minister to Cairo for meetings of the EMGF. Nonetheless, generating cooperation between the two sides in other fields is very difficult. Egyptian discourse that rejects any normalization with Israel constitutes a significant hurdle, as does the relatively minor emphasis Israel places on developing non-defense related ties with Egypt.

Israeli interests - Israel is interested in a stable and well-developed Egypt governed by a regime with which it can advance mutual security interests. However, the longer Egypt is controlled by military elements, the harder it will be for Israel to realize its wishes for civilian normalization. The regime in Egypt and the Egyptian people have different attitudes toward Israel. While the regime these days is more willing to cooperate with Israel, the public continues to oppose cooperation. The open and significant Israeli government support for a-Sisi generated additional antagonism toward Israel on the Egyptian street. Israel must avoid interfering in domestic Egyptian tensions between the people and the regime, and it must work hard to open lines of communications to diverse segments of Egyptian society (without harming the current regime). Given the centrality of the Palestinian issue for the Egyptians, an Israeli government decision to move ahead with the Israeli-Palestinian peace process would have a positive effect on Israeli-Egyptian relations and provide Egypt with an important role in shepherding the entire process and helping it progress.

Meanwhile, Israel and Egypt are dealing with challenges emanating from the Gaza Strip. Neither state wants to administer Gaza, but the world still views Israel as responsible for the Strip. Events in Gaza affect Egypt too: regional threats caused by raw sewage flowing into the Mediterranean; terrorism and smuggling threats from Sinai; and political demands by regional players in light of the fact that Egypt does, after all, have a border with and passages to Gaza. Israel and Egypt share an interest in improving the quality of life in Gaza and averting a deeper humanitarian crisis there, which would have an impact on the entire area. Egypt is a partner in discussions and solutions to relevant issues, such as providing electricity and establishing additional energy infrastructure for Gaza. Israel has an interest in ongoing Egyptian involvement in Gaza.

Israeli and Egyptian interests also converge in their links with external powers involved in the region. For Egypt, Israel is an important advocate with the US administration. Over the years, Israel has helped Egypt in Washington, and it must ensure that its ties with the administration can continue to be translated into influence on US policy in the region. To that end, speedy improvement in Israeli relations with the Democratic Party is a must in order to restore bipartisan support for Israel. In the Chinese context, both states are dealing with the effects of US-China tensions and are obliged to manoeuvre between their desire for Chinese economic and infrastructure investments and US pressure to avoid them. What is more, on the macro-economic level, China is seeking to open two new major trade routes - one through the Red Sea and Suez Canal and the other through the Arctic. Israel and Egypt have a joint interest in continued Chinese investment in the Suez Canal trade route. Also in terms of trade routes, the "Tracks for Regional Peace" initiative promoted by former Foreign Minister Israel Katz could result in a conflict of interest with Egypt, which seeks to control the main trade route in the region. While advancing the plan and working to realize the regional potential it holds, Israel must also consider Egyptian interests and strive to integrate them into the project.

Regarding people-to-people ties between Israel and Egypt, Israel must initiate such moves and invest in them in order to remedy the current absence of such cooperation. Egypt wants progress in the fields of science and education, areas in which Israelis could help. However, there is no one to link relevant Israeli civilian elements to Egypt in order to examine the feasibility of such joint activity in light of the political restrictions on ties between them. Just as Egyptians were understanding of their country's cooperation with Israel on natural gas, Israel should aspire to have the positive defense and energy aspects of the relationship trickle down to the civilian level. Israel and Egypt could, for example, cooperate on environmental issues – such as development of solar energy, food from the sea and water desalination – and deal together with the challenges of the climate crisis. However, there is still a wide gap between the potential and its realization.

Israel does not invest enough in developing civilian ties with Egypt, and the Israeli government has took more than a year to approve the appointment of the new ambassador Amira Oron chosen by the Foreign Ministry to serve in Cairo.

## Chapter 2: The Interests of Global Powers in the Mediterranean and Israeli Policies

The Mediterranean has constituted a central hub of activity for global powers throughout history, as it does today. For most of the modern era, the Mediterranean was a British zone of influence and a focal point of relations among the great powers, for example over control of the Suez Canal. That changed after World War II and the onset of the Cold War, when the region became the venue for a US-Soviet battle for control. The US emerged from the Cold War as the hegemon in the international arena, and attributed declining importance to the Mediterranean.

In recent years, the region has once again assumed strategic importance for the powers, and is shaping up as a renewed arena of activity and rivalry. The traditional players – the US, Russia and European powers, who were active in the region in recent decades, have been joined by a new power, China. Its entry into the arena affects the other states' perception of their interests and activities, leading the US, in particular, to re-examine its inclination to limit involvement in the region.

The external powers' differing interests and their struggle for control of the region have a significant effect on the activities of the various regional players in the Mediterranean. The Syrian civil war, Erdogan's willingness to challenge the US and its interests, and the growing role of Cyprus, are all affected by the rivalry among the external powers and can only be properly understood in this context. In other words, the actions of the different great powers must be understood in order to understand the Mediterranean, the different developments there, the ongoing processes, and the pressures being exerted. This understanding is necessary for the sake of examining, analyzing and implementing measured Israeli policy on the region.

This chapter will present the various interests of the key external players active in the Mediterranean – the US, China, Russia and the EU – and the steps they are taking to advance them. The second part of the chapter will describe Israel's policy and its interests vis-à-vis each of these powers, pointing to the measures Israel would be advised to adopt with respect to each.

#### A. Interests and Actions of Global Powers in the Mediterranean

**US Policy in the Mediterranean -** In the years following World War II the US replaced the UK as the controlling power in the Mediterranean arena, manifested largely through the deployment of naval force. The main US goals in the region was to ensure free trade of oil from the Gulf, preserve the interests of its allies and prevent Soviet intervention and fortification. Even after the Cold War, the US remained deeply involved in the Mediterranean.

In about 2009, during the Obama administration, largely due to domestic political considerations, the nature of US involvement in the region began shifting towards a reduced naval presence and more remotely controlled diplomatic and economic roles, aided by its allies in the region. Regional events since then, such as the impact of the Arab Spring, the Syrian civil war, tensions with Turkey, and a growing Russian presence in the

Mediterranean, have presented the US with growing challenges and undermined opportunities for cooperation.

The discovery of gas reserves in the Mediterranean also generated US interest, with American energy firms becoming increasingly involved in exploration and drilling. The US administration's desire to provide a stable environment for gas production led it to involvement and mediation in regional disputes – between Israel and Turkey, Israel and Lebanon, and Turkey and Cyprus. The US interest in having a role in the EMGF, launched in 2019, is its desire to link up with and support the trilateral Israel-Greece-Cyprus alliance, and its growing involvement in the dispute between Turkey and Cyprus over gas drilling in the northern part of the island, all point to American intentions to remain in the region, in one form or another.

The nature of the US presence – whether exerting influence from afar and projecting soft power, or bolstering its military presence and displaying willingness to use hard power – will be affected by the activities of other powers in the region and, in turn, greatly affect the activities of regional players. Will the US manage to retain its dominance in the Mediterranean arena vis-à-vis the growing involvement of other powers? Will it succeed in preserving its regional allies' loyalty to its interests? These are the questions facing the US administration, and the answers will greatly affect the future of the Mediterranean.

China's Policy in the Mediterranean - China's key interests in the Mediterranean are linked to energy and trade. Some 50 percent of China's raw fuel needs are supplied by the Persian/Arab Gulf, which, despite being physically separate from the Mediterranean, is linked to it in geopolitical terms. The Mediterranean is an important component of China's commercial interests and attempts to open new global trade routes. Some of the new routes under development traverse this region. Therefore, China's view of the Mediterranean is mainly logistic in nature, ensuring its ability to transport goods and raw material. While the US serves as a global "police force" and monitor of the trade flow, it no longer has global logistics capacity, which it gave up. The little remaining US logistical activity is conducted by a small number of European vessels flying the US flag under the regime of the Jones Act (a federal law mandating that goods shipped between US ports be transported on ships built, owned, and operated by US citizens). China, on the other hand, controls over one-third of Asia to Europe shipping capacity through the "Ocean" maritime alliance it leads. Regular maritime transportation would not be possible without this Chinese capacity. Beyond the energy and logistical aspects, the Chinese have a political-security interest in the region. They aspire to a Chinese presence in places that could have an impact on its domestic politics. In the case of Mediterranean, the Muslim states on its eastern flank could potentially affect the Muslim Uighur minority in China, located mostly in China's western provinces.

China's activity in the region is derived from these interests and mainly manifested in the economic-commercial field. In the western Mediterranean, the focus is largely commercial, with China operating ports, whether independently or jointly, in places such as Valencia in Spain and Vado Ligure in Italy, though it is important to mention the pull-out of the Chinese COSCO shipping company from the port of Napoli and sale of its shares in the facility due to lack of economic viability. China's activity in the southwestern Mediterranean is limited and focused mainly on Libya. In the eastern Mediterranean, China's activity is far more pronounced, driven by strategic considerations focusing on passage of maritime trade routes between Asia and new points of entry into Europe (the southern European Mediterranean ports). These routes enter the Mediterranean through the Suez Canal, where

China is a partner in the largest container port in the Mediterranean (the SCCT), and is working in cooperation with Egyptian President a-Sisi to develop the Canal and its environs.

Further along the route into the Mediterranean, China is developing a presence in Israel, Turkey, Greece and Italy. For China, the Greek port of Piraeus constitutes a promising gateway to the southern European market, including the Balkans and western Euro-Asia. China's purchase of a majority stake in Piraeus, and the agreement it reached with the port in Trieste and the Italian government, serve its new trade routes into Europe. In Israel, China is building a new container port in Ashdod (to be run by a Swiss company), while a new container port is also being built in Haifa (to be run by an Israeli company owned by Chinese shareholders). China's operations throughout the Mediterranean must also be understood in the context of its general struggle to become an equal to the US in global power terms. In the economic-commercial-logistical aspects, China appears to have the upper hand in the Mediterranean.

**EU Policy in the Mediterranean -** Unlike Russia, China and the US, the EU borders the Mediterranean and some of its member states form part of the region. The EU is also not a fully integrated entity with a clear and consistent policy and unified voice, and the differing interests of its constituent states manifest themselves in the formulation and execution of the organization's policy. The EU tried to avoid formulating joint policy on the region, but developments, such as the Israeli-Palestinian conflict, Arab Spring, waves of migration, and environmental and security issues, prompted the EU to try to formulate joint policy and implement it. The EU's main strength does not lie in its ability to divert military resources, but rather its capacity to divert economic resources, even in limited fashion; in its ability to project soft power; and its normative strength (i.e. high standards and values that it can export to different countries through agreements and aid, in realms such as human rights and democracy).

The EU's interests in the region stem from a desire to expand its influence in the world and stabilize its neighborhood in social, economic and security terms. The EU is interested in expanding its market access in the region; diversifying its energy sources in order to reduce dependence on energy from Russia and the East; and establishing a presence and accruing influence in ongoing conflicts in the region that affect its member states. The EU is interested in containing problems originating in the Mediterranean, such as uncontrolled migration, over-fishing and environmental issues, drug trafficking, terrorism and money laundering.

Because of the EU's unique structure, it faces complex challenges in seeking to ensure its interests in the region. The need for consensus among the member states makes it hard to formulate a clear strategy. The colonial legacy generates suspicions of Europe in many countries. The ability of other external powers, which generally enjoy greater popularity, to supply services and aid to states in the region, makes it harder for the EU to enhance its influence. States in the region also tend to attribute greater importance to their relations with key EU members rather than with the institutions in Brussels. European reluctance to use "sticks" and project hard power constitutes an additional challenge.

The EU tries to influence strategic issues by focusing on their "soft" components and projecting soft power. Its tools include economic incentives, trade agreements, dialogue forums, joint operations with countries of the region, and activity in the Mediterranean region. A key mechanism the EU used over the years was to treat the Mediterranean states that are not EU members in a similar or supposedly equal manner in terms of deepening economic

and other ties. This method did not yield optimal results for the EU, leading it to differentiate its approach to the various countries of the region.

**Russian Policy in the Mediterranean -** Russia regards itself as the successor of the Soviet Union and as an empire. Modern-day Russia realizes that while it lacks the Soviet Union's financial and military wherewithal, the gradual US exit from the Mediterranean region has provided it with opportunities to increase its presence and pursuits there.

Russia has varied interests in the Mediterranean. Throughout history and to this day, it has aspired to preserve an outlet to the Mediterranean. Russia has intertwined security and economic interests in the Mediterranean, in its desire to create a sphere of influence and activity that would provide it with political pressure levers, economic opportunities, and defense assets. Russia is interested in preventing competition in the gas market. Its presence in the eastern Mediterranean, in Syria and Lebanon, and its attempts at rapprochement with Turkey, all serve its interest of depriving Europe of a cheap alternative to Russian gas. To that end, Russia entered Syria, positioned itself as the pivotal power in that arena and brought Syria into its sphere of influence.

Russia perceives Egypt as part of its sphere of influence, selling it weapons with tacit US approval. Although the Egyptians know that Russia cannot provide them with the same kind of economic backing the US does, a deal for the sale of Russian fighter jets to Egypt currently in the works could threaten Egyptian-US ties. Meanwhile, Russia is developing a free trade zone in Port Said, reflecting its desire for an increased presence in the region.

Russia is also gaining a foothold in Cyprus. Cyprus's EU membership, American influence on the island and its alliance with Israel notwithstanding, Russia has been successful in pushing the establishment of a naval base there. Many Russian oligarchs live in Cyprus and Russia was able to provide aid to Cyprus during its financial crisis.

In terms of politics, Russia has been successful in positioning itself as a potential mediator in regional conflicts: Between Israel and Syria; between Turkey and Israel; between Israel and the Palestinians; between Turkey and Syria; and among the various organizations within Syria. Despite its potential as a mediator, Russia has not promoted effective mediation in any of these cases. The flood of visits by regional leaders to Moscow serves as proof of the political role Russia has managed to assume in recent years. In order to establish its presence in the Mediterranean, Russia has been active on the ground, displaying its commitment to leaders in the region and in North Africa, too, in a manner similar to its policy on Syria. In Sudan, Russia supported the establishment of bases to serve Bashir's forces, in Chad Russia is active in deterring rebels, and the same goes for Libya.

Russia is taking advantage of the reduced US presence in the Mediterranean to expand the span of its political and economic influence, using all the options at its disposal and displaying willingness to adopt non-democratic measures (unlike the EU). Russia also projects soft power in order to gain and mobilize the support of local players. Russia's activity is accepted in the region in a positive manner – perceived as a more credible power that does not intend to disappear – and local actors are willing to take its presence and interests into consideration.

#### **B.** Israeli Policy in the Mediterranean

The global powers' varied interests and roles in the Mediterranean are an important component in the current state of affairs in the region. Israel must define its interests and examine its current and potential role vis-a-vis the powers active in the region.

Israeli Policy Vis-à-Vis the US in the Mediterranean - Israel's central interest with respect to the US is to ensure it remains in the region. To that end, it must find incentives for continued US involvement in the Mediterranean. As far as Israel is concerned, there is no other player of the same calibre and with the same levers as the US, which can also promote Israel's regional interests. The link with the US is of paramount importance to Israel, and it must avoid undermining it, even when developing relations with China.

The central challenge facing Israel in its efforts to ensure a continued US presence in the region is the domestic American preference for retrenchment, and willingness to cede to a certain extent its hegemonic role in defining global order, norms and security. Despite the US withdrawal some of its forces from the Mediterranean, NATO's continued presence and involvement in the region is important to Israel and preferable to a greater role for Russia, with which Israel does not share a values-based partnership. The fact that Cyprus is not a NATO member and that Turkey is not an EU member, affects NATO operations in the region to a certain degree. The Turks, for example, are preventing full NATO cooperation with the EU. A diplomatic resolution of the ongoing Cyprus conflict could improve regional security, which would clearly be in Israel's interests. Israel has proven its ability in recent years to conduct positive relations with both Cyprus and Turkey. Under certain circumstances, Israel may even be able to play a positive role in advancing the Cyprus peace process.

Israel must examine where it can serve US interests in the Mediterranean. For example, cooperation with the US-led Israel-Lebanon mediation efforts could hand the Americans a significant foreign policy achievement that would serve Israeli interests both in resolving the local border dispute and in gratifying the Americans. Syria may also present an opportunity for Israel to keep the US involved in the region presenting the joint interests of curtailing Iranian and Russian operations and entrenchment.

Another potential diplomatic achievement for the US in cooperation with local players lies in developing the estimated 30 BCM gas reserves along the Gaza coastline (Gaza Marine), although experts are divided over its economic viability. However, an American-led move to develop the gas field in order to ease the economic crisis in Gaza, while advancing internal Palestinian reconciliation and agreement on the mechanism to manage the reserves, could be a significantly important step for Israel and a considerable American coup in the area.

Israel must advocate and lobby in Washington for its trilateral alliance with Greece and Cyprus. US support and growing awareness of its positive potential will strengthen the pact, while Israel's contribution to enhancing US involvement in the alliance will strengthen its own role in it too. These moves should not be restricted to the trilateral alliance, and Israel can and should work to enhance US recognition of the value of cooperation born in the Mediterranean and of the institutionalization process the area is undergoing. Similarly, depicting the strategic pact between Israel and Egypt as a strong and coordinated alliance could signal to the US that it can join in and enjoy the stable relationship between the two countries at little risk to itself. US support for Egypt's stability and power is in Israel's interest, and Israel would do well to continue lobbying the US administration to back its southern

neighbor. Israel must bring opinion shapers to the region and expose them to events in the Mediterranean, focusing on the regional energy components that could generate interest on the part of others in the US. The entry of US energy firms larger than Noble Energy such as Chevron will also attract greater interest and political investment.

The Mediterranean also provides Israel with an avenue toward preserving and/or restoring bipartisan US support. The Netanyahu government and the Republican Party under Trump have worked assiduously to paint Israel as a "Republican" state. An Israeli emphasis on its affinity for the Mediterranean and its regional partnerships with Egypt, Cyprus and Greece provides the Democratic Party with a positive connection to Israel. In the Mediterranean, Israeli policy and its involvement in an array of alliances and partnerships is not contested in the US and enable both Democrats and Republicans to support Israel.

Israeli Policy Vis-à-Vis China in the Mediterranean - Israel has an interest in Chinese investment in the region, in the opening of China's market to the Israeli economy and economic cooperation between the two states, but without handing over national strategic assets to foreign entities, without becoming exposed to Chinese industrial espionage, and without undermining strategic ties with the US. Israel and China hold an annual conference on innovation that serves as the central framework for developing ties between the two governments. China has diverse interests in Israel, having invested in infrastructure projects such as the Carmel Tunnels, railroads and ports. It invests in knowledge and technology through venture capital funds. It promotes technological cooperation between the Technion and various Chinese provinces, and invests in joint R&D. China also tried to get a foot in the door of Israeli insurance and financial services, but the deals fell through. In terms of exports, the Chinese market is almost irrelevant for Israel, with 80 percent of Israeli exports in the hands of two large corporations, one being Intel that transfers goods from Israel to Intel China, which are logged as exports. In addition to economic ties, Israel also has a military attaché in China.

China's investments in the Israeli market are a source of controversy. On the one hand, there is concern about the leak of technology and knowledge, loss of Israel's existing qualitative advantage, and concern about foreign control of major infrastructure companies. On the other hand, China's infrastructure construction (as opposed to various build-operate-transfer projects that hand over temporary management of projects) is perceived as a successful economic model, and is often carried out based on competitive Chinese prices. As is the case in other parts of the world, China views such projects as a purely economic opportunity, and it moves on to other countries once the projects are completed.

Israel lacks a uniform, official policy on Chinese activity in the region. China's 2014 acquisition of the *Tnuva* dairy conglomerate prompted deliberations on a mechanism to monitor foreign investment in Israel, but no such mechanism has yet gone into operation. The Chinese investment in the Haifa Port, and public objections due to security concerns, along with criticism of the move by the US administration, led the National Security Council and the security cabinet to more intense discussions on establishing a monitoring mechanism for foreign investment. Meanwhile, disagreements among various government ministries and agencies have hinder the formation and work of such a mechanism.

Israel must formulate a clear policy on Chinese investments in general, and specifically on assets relevant to the Mediterranean, and proceed accordingly. As long as the Chinese have significant economic interests, even political-defense restrictions will not prevent them from

cooperating with Israel in exploiting economic opportunities. Israel must examine where its interests and those of China's complement each other in the Mediterranean, and work together where progress is feasible. Israel must lead a discussion within its various allies – certainly with Greece and Cyprus, but with Egypt too – regarding China's activity in the arena in order to explore options for political and economic cooperation, and identify where cooperation must be rejected or curtailed as harmful to alliance interests.

Israeli Policy Vis-à-Vis the EU in the Mediterranean - Israel has an interest in strengthening ties with the EU; gaining European recognition of its identity; belonging to Europe in some measure; and enjoying what Europe has to offer in diverse spheres. Europe constitutes the most relevant market for gas exports from the eastern Mediterranean. Israel therefore has an interest in promoting EU investment in examining various gas export alternatives and in enhancing Europe's role in its array of regional alliances and in regional stabilization and development processes.

One must obviously distinguish between EU policy and the policies of various European states, which are sometimes at odds. European policy limits the expansion and deepening of ties with Israel against the backdrop of the continuing occupation. Israel's difficulty in accepting criticism regarding its policy on the territories casts a shadow on the relationship and causes its deterioration. Therefore, the Israeli government portrays the EU as an enemy, despite the widespread links with the organization and the fact that it serves as Israel's broadest economic heartland and a key security pillar.

In order to avoid European criticism of its policies on the territories, Israel openly and declaratively seeks to deepen divisions among EU states, to weaken the Union, and to use its relations with various countries in order to block decisions it finds unpalatable. These tactics are not limited to the Palestinian issue. For example, the EU views Israeli policy regarding the nuclear agreement with Iran as targeted against a European achievement.

Given its difficulties in manoeuvring vis-à-vis the EU, Israel is basing its links with Europe on ties with member states. Some, France at their head, insist on the linkage between the ongoing conflict with the Palestinians and the relationship with Israel, even on a state level.

Israel must define its interests and positions regarding the relationship it seeks with the EU, and formulate its policy accordingly. The framework of the Mediterranean could provide Israel with a geographic point of entry, but also one based on identity, to the EU. The launch of Israeli-Palestinian negotiations would help the EU and Israel overcome the key hurdle to closer relations, and a future peace agreement would enable the realization of the EU's offer to establish a Special Privileged Partnership with Israel (and the future Palestinian state).

The EU is undergoing a realignment of its foreign service, institutions and foreign policy culture. A new culture is being forged in Europe's political corridors, providing Israel with an opportunity to integrate into the organization, to be present at discussions, to be attentive to doubts and contestations and partner in formulations, and to weave the ties of friendship on which future cooperation will be built. Israel must familiarize itself more with the European mechanisms, learn how to effectively work with Brussels and beef up its presence there.

Europe's commitment to Israel, which rests to a large extent on the historic memory of the Holocaust, could shift with the passage of time and emergence of new generations. When Israel hooks up with populist, racist European forces opposed to the universal lessons of

the Holocaust, it erodes the European commitment to the Jewish state as a guarantor of its security and existence, derived from its lessons of the Holocaust, and undermines the Jewish communities living there. Israel must shift direction and formulate long-term policy that links itself with Europe through universal lessons born of the Holocaust and on which the European project is based. The existence of regional Mediterranean institutions and organizations, led by the EU and/or in partnership with it, holds out opportunities for Israel to forge a positive relationship with Europe, which is not necessarily bilateral. These institutions and organizations, to the extent that they advance a Mediterranean identity, could serve Israel in improving cooperation and relations with the EU.

Israeli Policy Vis-à-Vis Russia in the Mediterranean - Israeli relations with Russia are based on calculated interests, and its policy is based on the understanding that Russia's growing presence and influence in the region (similar to China's) cannot be ignored, and are devoid of sentimentality. Israeli policy on Russia is therefore pragmatic, based on the principle of "respect but suspect". Nonetheless, Israel lacks a cohesive policy and strategy vis-à-vis Russian activities in the region.

The Netanyahu government seeked to present an appearance of Israeli achievements to act in areas of Russian dominance in the region free from Russian constraints. Putin understood this and was willing to deliver the goods. Netanyahu has tried to convey achievements vis-à-vis Russia by scheduling meetings with Putin and hosting the US and Russian national security advisers for a meeting in Israel. Personal ties between Netanyahu and Putin were described as good, but this did not translated into developments on the working levels in the foreign or defense ministries, nor into concrete content. The Russian defense ministry is critical of Israel, and led a sweeping anti-Israel campaign following the 2018 downing of a Russian military aircraft over Syria. Israel chose not to react and to contain the campaign in order to avoid escalation with Moscow.

Russian and Israeli interests converge in some fields, but clash or compete in others. In Syria, for example, Israel is seeking greater US involvement, but understands the need to coordinate its actions with Russia as the dominant power. Russia and Iran had a similar interest in preserving the Assad regime, but they are divided regarding the nature of the regime in the future. Despite clear differences on the Iran and Syria issue, Israel and Russia are trying to conduct closer and better coordinated ties, as manifested in meetings of their foreign affairs and defense committees and regular dialogue between their leaders and between defense and administration officials. Members of Knesset, however, are not experts on the issues, and are not partners in shaping and managing the relationship with the Russians. The background briefings provided to those lawmakers who meet with their Russian counterparts are insufficient, and they lack the relevant experience and knowledge to conduct serious discussions on the issues at hand.

Israeli and Russian interests converge when it comes to Egypt. Israel has a keen interesting in seeing Egyptian stability and a stronger economy there. Russian plans to build a free trade zone in Egypt that would contribute to Egypt's economic stability are in line with Israel's interests. The Russians are also active on Cyprus, building a military base there. Israel is also active on the island, and is boosting military cooperation with Cyprus. For now, the two countries' actions in Cyprus do not interfere with each other. However, Russian involvement in Lebanon does trouble Israel since it risks US mediation attempts between Israel and Lebanon. In the Palestinian arena, the Russians are mostly projecting soft power and trying to plant the idea that they could mediate between the sides given their good offices on both

sides and with all factions, but they are not investing much in aid to the Palestinians. In general, Russian investments in the Mediterranean that contribute to economic and political stability are a clear Israeli interest, at least so long as they do not threaten Israel's alliance with the Americans and US involvement.

Russia does not recognize Hezbollah and Hamas as terror organizations despite Israeli efforts to change those views (unlike Russian recognition of the Muslim Brotherhood in Egypt as a terror organization, even before Morsi's rise to power). The fact that Russian citizens were murdered in Hamas-sponsored terror attacks (for example at Tel Aviv's Dolphinarium in 2001) did not change Russia's attitude in this regard. Israel does not challenge Russia on this matter, nor on its UN votes, attitudes toward anti-Semitism, the hosting of Hamas leaders, and more. While Israel displays determination on these issues vis-à-vis Europe, it gives Russia a pass and tells itself that the regime in Moscow has adopted different approaches toward different allies, and therefore it cannot expect a change in policy on these issues.

Russia is very active within the Arab community in Israel. It runs friendship groups, has appointed an honorary consul, grants stipends, invests in advertising Russia's role in Arab cultural revival, conducts personal ties between Russian and Arab Israeli citizens, and is busy projecting its soft power. This could contribute to mediation attempts between Israel's Jewish population, which has a significant component of immigrants from the former Soviet Union, and Arab society in Israel and in neighboring countries (in Syria, Egypt and among the Palestinians) with which Russia has ties. However, Israelis from the FSU do not necessarily feel an ideological affinity for Russian activity in the region, and Russia does not appear interested in advancing such people-to-people ties. Israel must remember that Russia serves its own interests first and foremost, and that Israel does not have significant leverage over Moscow. Israel must therefore continue to define its policy based on a cautious approach and on cold, calculated interests.

Israel must formulate a strategy regarding Russia's presence in the region. As of now, it lacks a clear policy on this matter, and its institutions lack knowledge, information and expertise in order to formulate well-thought-out moves vis-à-vis Russia. The Knesset's Foreign Affairs and Defense Committee, tasked with overseeing the government's execution of foreign relations, does not discuss policy on Russia. Israel must amass greater knowledge, divert additional resources and conduct serious ongoing discussions to understand Russian activity in the region – to examine Russia's widespread activity in Africa, the Middle East and Mediterranean as a whole and as they reflect Russian foreign policy. Israel must also press for and demand policy change in areas it deems key to its interests. As regards the fight against terrorism, for example, Israel could insist and make it clear to Russia that this is where the interests of both countries converge. The same is true for the fight against anti-Semitism. Moving discussion of these issues to the public sphere could help exert a certain measure of pressure on the Russians.

Israel can and should take advantage of the joint Israeli-Russian interest in the stability of the Egyptian economy and its development, and encourage the establishment of Israeli-Egyptian-Russian Qualifying Industrial Zones (QIZs) similar to the ones built in the past with the US in the region. Nonetheless, Russian support for Egypt's plan to build a nuclear power station, including the training of Egyptian nuclear scientists, should concern Israel. While it lacks the ability to exert direct pressure on Russia in this regard, it could deal with the problem by making it clear to the Egyptians that they must choose between the Russian axis

and the American one and cannot enjoy the best of both worlds. Israel would be well advised to keep Russia out of the trilateral alliance with Greece and Cyprus, out of the emerging EMGF and out of negotiations on the Israel-Lebanon maritime borders. Instead, Israel must advance these processes under the American and European umbrellas. In bilateral ties with Cyprus, Israel must accept Russia's presence on the island and understand that Cyprus relies to a significant extent on the Russian presence too.

In general, Israel should wish for the success of Russian involvement in the Mediterranean when it serves its own interest, especially in stabilizing the Egyptian economy, in restraining Iran and Hezbollah in Syria, and perhaps also in propping up the regime and restraining the civil war in Sudan.

#### C. Conclusions

The Mediterranean is an arena of rivalry and competition among global powers over control of trade routes, energy sources and their delivery routes, and the projection of influence on regional politics, defense and identity. Soft power is the primary tool of their rivalry as they seek to realize their interests in the region, manifested in investment in infrastructure, funding of development plans, business activity of private (or semi-private) corporations, the projection of principles and attempts to bolster an affinity based on values.

Paradoxically, the struggle between the powers provides regional players with certain influence and pressure points. They are not totally committed to one power, but in touch with them all, and they are using this fact to maximize leverage over the various external powers. The same goes for the alliances and organizations emerging in the Mediterranean, which would do well to remain "non-aligned", avoid commitment to one power or another and maintain ties with them all.

Balancing the interests and roles of the various powers is a delicate exercise, restricted by limitations, and its importance cannot be overstated. A telling example is Israel's need to restrict its ties with China in accordance with US pressure. In order to act wisely and sensitively, Israel (and the other regional players) must understand the key interests of the various powers and the relations between them, clearly define its own interests and the guiding principles of its role in the region, and formulate its policy accordingly.

### Chapter 3: Israel and Conflicts in the Mediterranean

Along with many cooperative ventures emerging in the Mediterranean, many conflicts are also being waged – some prolonged and others relatively new, some violent and others diplomatic or economic in nature. The most prominent are the conflicts between Turkey, Greece and Cyprus; between Israel and the Palestinians; between Turkey and Egypt; between Israel and Lebanon; the Syrian civil war; and the multi-party war in Libya. Some of the conflicts have spread into other arenas (in terms of combatants, weapons, interests and alliances). In addition to the states directly involved, local groups are also involved, as are other states in the region, world powers, and global energy groups.

#### A. The Nature of the Eastern Mediterranean Conflicts

Turkey vis-à-vis the region - Turkey has found itself largely isolated in the Eastern Mediterranean. It is engaged in conflicts with Greece over maritime border delineation, with Cyprus over demarcation of economic waters, as well as in the ongoing conflict in Northern Cyprus. It is at odds with Egypt against an ideological backdrop and competition over predominance as a regional energy hub. Tensions between Turkey and Israel have increased with the declining prospects of the proposed gas pipeline from Israel to Turkey and the strengthening of Israel's ties with Egypt, Cyprus and Greece. Turkey is also involved in the Syrian civil war, where it is fighting primarily against Kurdish forces, and it has intervened in the Libyan civil war on the side of the Sarraj regime in Tripoli, with which it has even signed an agreement on maritime borders. The agreement infringes on Greece's economic waters claims, generating broad opposition on the part of other states in the region. Turkey's isolation is also reflected in its absence from the EMGF. In order to ease its isolation and bolster its regional standing, Turkey has adopted an assertive strategy it dubs "the Blue Homeland", using its maritime power and willingness to project military force to command attention to its maritime claims and regional interests. Given this state of affairs, the renewal of the peace process in Northern Cyprus does not appear to be at hand.

**Syria and Lebanon -** These states are focal points of regional instability and Iranian influence. Syria has deteriorated into a prolonged civil war with involvement of Iranian, Russian, Turkish and other forces in the region. The internal and regional migration flow prompted by the war is destabilizing the region beyond its borders. Hezbollah appears to be serving Iran's interests rather than those of Lebanon. As a whole, Iran is deeply vested in turning Syria and Lebanon into a land bridge between itself and the Mediterranean. In addition, Lebanon, for its part, has also land and maritime border discords with Israel.

Energy as a source of cooperation and conflict - The natural gas deposits discovered in the Mediterranean are an important element in the cooperation among Israel, Egypt, Cyprus and Greece. In the not-so-distant past, cooperation between Israel and Turkey also rested on energy cooperation potential. The establishment of the EMGF in Cairo in early 2019 is a clear example of how energy can advance cooperation. The gas export agreements between Israel and Egypt and Israel and Jordan are another example. Nonetheless, energy is also at the heart of many conflicts. It is a key element in the conflict between Turkey and Cyprus over their maritime border demarcation, it is an additional irritant in the competition between Turkey and Egypt over their role as regional energy hubs, and it is key in Libya, where local and regional players and world powers are fighting for access to oil resources.

The global power balance and conflict in the Eastern Mediterranean - The American decision to limit its presence in the Mediterranean, as expressed in the drawdown of the Sixth Fleet, creates a vacuum being filled by other players. Russia is enjoying the US withdrawal and expanding its activity and influence in the region, as is the Turkish fleet, which enjoys greater freedom to manoeuvre. The US pullback from the region is accompanied by its distancing from Turkey, resulting in growing tensions between Turkey and NATO and Turkish-Russian rapprochement. This is particularly obvious in weapons deals that Turkey is promoting and in the issue of its involvement in NATO defense projects. In Libya, on the other hand, Turkey and Russia are on opposite sides of the divide. The conflicts in the Mediterranean challenge European consensus, as various European states have different interests concerning the conflicts in the Mediterranean. French interests, for example, are opposed to those of Italy in the Libyan arena and vis-à-vis Turkey. Germany, given its centrality in the EU and its ties with Turkey, is promoting arbitration measures among Turkey, Greece and Cyprus.

#### B. Israel's Policy and Interests Regarding the Regional Conflicts

Israel as a stabilizing element in the Mediterranean - Israel has an interest in stability and cooperation in the Eastern Mediterranean. Therefore, wherever it can help settle conflicts and mediate between rivals, it should do so based on its experience from the conflicts in which it was involved itself. Israel should diversify its regional relationships, establish ties with as many players as possible, and expand its fields of cooperation. Israel should also cooperate with regional institutions and organizations — on the governmental and civil society levels — to help promote their activities and encourage them to be as inclusive as possible.

Israel cannot remain impartial. It must stand by its closest allies - In dealing with the Syrian civil war, Iranian entrenchment, and instability in Lebanon, one of Israel's greatest assets is its ability to conduct discourse and dialogues with Russia and China. Both these powers are deepening their involvement in these countries and Israel should mobilize their help to protect its interests. Israel should also strive to improve its relations with Turkey, without endangering the interests of its main allies in the region – Cyprus, Greece and Egypt. But, along with the desire to maintain a non-exclusive policy and distance itself from the conflicts to the extent possible, Israel must stand by its close allies and look out for its own interests in the tangle of conflicts. It must support Egypt as an important strategic ally as well as Greece and Cyprus, with which it maintains and develops a close relationship. Israel must not accept the Turkish demarcation of a maritime border with Libya.

Continued mobilizing energy to promote regional cooperation - The potential that lies in the natural gas deposits in Israel's exclusive economic zone is declining given the current energy crisis, market conditions, and existing alternatives. Israel has a surplus production capacity for the local market, and the entry of the Tanin and Karish gas fields into the market, now delayed to the last quarter of 2021, raises additional doubts about the economic viability of the drilling. At the same time, this provides additional gas export opportunities. There are also increasing question marks over the profitability of the EastMed pipeline from Israel to Europe. For now, Israel should keep alive the gas pipeline idea to bolster ties with Cyprus, Greece, and possibly Italy. The coronavirus and its attendant energy crisis have also affected the EMGF, but the forum continues to hold great potential for strengthening regional cooperation. Israel must promote the expansion of the forum to include the foreign ministers of the participating states and not just their energy ministers, and to focus on energy issues

in general, not just natural gas, with an emphasis on renewable energy. In any case, Israel must prepare to shift to renewables and take advantage of its gas reserves for the exports of advanced products (hydrogen, for example).

Harnessing stabilizing elements from outside the region - Israel's special relationship with the US is one of its key assets. These relations boost Israel's regional power, and it can use them to help its allies in the region. Israel should encourage the US to maintain its presence in the region. To that end, it should nurture bipartisan ties with the US, especially after the entry of a Democrat president into the White House in January 2021. Additional states with which Israel should cooperate in the region are France, which supports Greece and Cyprus in their conflict with Turkey, and Germany that is able to promote regional dialogue and achieve agreements. Israel can and should cooperate with additional international elements that seek to stabilize the region or that have the potential to do so.

### **Chapter 4: Israel and Energy in the Eastern Mediterranean**

#### A. Energy and Geopolitics

Israel is building an alternative to its Middle Eastern neighborhood, based on natural gas findings in the Eastern Mediterranean. While the Eastern Mediterranean does not address Israel's security needs in the Middle East, it does foster civilian and economic ties with neighboring states. This shift away from Middle Eastern states is based on the assumption that a peace arrangement between Israel and the Palestinians is not on the horizon and therefore Israel faces a glass ceiling in regard to its potential cooperation with the Arab world. At the same time, opportunities for Israel to enhance ties with the Arab states active in the Eastern Mediterranean – Egypt, Jordan, the Palestinian Authority and even Lebanon – are opening up. The Eastern Mediterranean, also encompassing Cyprus, Greece and Italy, provides important connections with Europe, which is seeking to diversify its energy sources. This, in turn, serves Israel's interest in bolstering ties with Europe.

The new neighborhood, centered on the developing alliance between Israel, Cyprus and Greece, is to a large extent based on and born out of joint interests in the energy sphere, mostly related to natural gas. To strengthen the alliance, the three states convene periodic summits of their leaders and promote cooperation in various areas. In addition, Israel has worked to create international support and an umbrella for the alliance, and has encouraged the US to back the alliance, which also serves the American interest in regional stability.

The energy component, which regional players regard as key, also raises important geostrategic considerations for Israel. One of them has to do with Egypt as an anchor of regional stability, guiding Israeli policy towards Egypt and the a-Sisi regime. In fact, some Egypt-related Israeli decisions on energy issues are informed not only by economic considerations; they are actually viewed through a diplomatic prism. Israel must balance its interest in strengthening Egypt and supporting a-Sisi's diplomatic and energy initiatives, and its reluctance to develop eventual dependence on Egypt. This balance should guide Israel's conduct vis-à-vis Egypt's aspirations to become a regional energy hub, with which Israel is cooperating. An additional diplomatic consideration for Israel is linked to its campaign against the boycott (BDS) movement. Israel's nascent success in exporting gas, especially to Arab states such as Egypt and Jordan, undermines the movement's arguments.

Israel's considerations regarding energy also relate to its array of ties with enemy states or with those with which its relations are tense. For example, natural gas is a key issue in Israel-Lebanon relations. Lebanon is promoting the development of energy reservoirs in its territory, which this led it to engage with US mediation regarding the Israel-Lebanon maritime border dispute. Israel and Lebanon may find themselves competing for contracts with international energy conglomerates, but while energy could presumably constitute an additional element of conflict and rivalry between them, it could also provide an opportunity for negotiations and new channels of communication, mutual arrangements and, perhaps, future cooperation.

An additional and even more relevant example is Israel's relationship with Turkey. In recent years, Israel and Turkey seem to have given up on each other and diplomatic relations between them are tense. Turkey has an interest in the gas fields to its south and it could be

a relevant partner for Israel in the energy field (the two sides conducted gas export discussions in recent years). However, the option of gas export from Israel to Turkey was abandoned primarily for political reasons. As chances of Israeli-Turkish cooperation decreased, Israel strengthened its alliance with Greece and Cyprus and tightened relations with Egypt based on joint interests in gas exploration and exports.

While most of the energy-related diplomacy currently revolves around natural gas, renewable energies could also provide an important contribution in this regard. The world of green energy offers numerous long-term opportunities for diplomatic, economic and technological links between Israel and regional actors. Israel's Ministry of Energy should lead the discourse on these opportunities and the path to their fulfillment.

The regional energy economy and the opportunities it offers Israel should also be analyzed in terms of prospects for a future Israeli-Palestinian peace process and of opportunities for Israel in times of peace. Development of the natural gas field off the Gaza coast, and future connections with countries such as Libya and Algeria, and even with Gulf States that display an interest in the Eastern Mediterranean, could constitute additional components on the regional energy cooperation map.

#### B. Balancing Diplomatic and Economic Considerations

Unlike oil, there is no global benchmark price for natural gas. Price negotiations are conducted on a case-by-case basis, providing economic flexibility, along with political and diplomatic flexibility, in managing a gas-based energy economy. In Israel, this generates two related arguments – one focuses on foreign relations, which seeks to strike the right balance between diplomacy and economics so that both serve Israel's interests; the second focuses on domestic affairs and pits potential profits from foreign gas sales against potential domestic benefits. Some argue that Israel would be better served by foregoing the economic profits in return for diplomatic ones, for example exporting gas at relatively low prices in order to strengthen relations with other countries and prop up neighboring regimes, chief among them Egypt and Jordan. Others criticize this approach, seeking to take advantage of the natural gas first and foremost for the economic wellbeing of Israel's citizens, by cutting energy prices and the cost of living and increasing state revenues. International energy companies are an additional player, with their own divergent interests affecting the state's ability to set gas prices and its independence in formulating optimal policy.

It is important that Israel balances these economic and diplomatic considerations. Inflated pricing or, alternatively, unusually low prices of export gas will be detrimental to diplomacy. There is an economic limit of reasonable cost beyond it diplomacy is undermined. We must not forget that the energy economy is growing, and in setting the prices of gas exported to Egypt or Jordan, consideration must be given to the fact that even if those countries currently lack better alternatives, that could change in the future.

The explosions of the Egyptian gas pipeline that ended Egyptian gas exports to Israel in 2011 and 2012 are an example of the intertwining of economy and politics. At the time, the gas exports to Israel drew harsh criticism in Egypt, which was experiencing an economic and political collapse, with critics arguing that exports to Israel were not profitable. The halt of gas exports to Israel served Egypt's interest at the time, but cost Israel 8-9 billion NIS. Although international arbitration ruled in Israel's favor, Israel ended up waiving most of the

Egyptian payments that were supposed to compensate Israeli consumers. Instead, Israel signed new gas deals with Egypt for exports in the opposite direction – from Israel to Egypt. For now, the deals are benefiting energy companies and supporting diplomatic efforts to stabilize Egypt.

The multinational energy corporations' attitudes to Israel are yet another example of mixing geopolitics with economics. On one hand, many companies still avoid cooperating and doing business with Israel as long as the regional conflict continues. On the other hand, multinational groups that identify key economic interests in cooperation with Israel and are also active in the Arab world could constitute an important bridge for regional connections. This is illustrated in the way Jordan presented the deal to buy gas from Israel's Leviathan offshore field as an agreement with the American Noble Energy company, not with Israel.

#### C. Diverse Energy Sources: From Coal to Gas, from Gas to Renewable

There is a growing global movement towards green energy and reduced use of fossil fuels. According to UN data, 26 percent of electricity is already produced from renewable energy sources, mostly hydroelectric, followed by solar and wind energy. There is also an alternative use of hydrogen and atomic energy. Solar energy is even cheaper than production of fossil fuels, whereas the marginal cost of gas production is higher. The problem with solar energy is that it is unclear how sufficient quantities can be stored for use after sundown. The shift of the transportation economy to electricity and improvement of energy storage capacity will bolster this trend over time. Consideration must also be given to the growing trend illustrated by the EU's decision to shift to green energy, the decision by cities to shut down natural gas facilities and by corporations and pension funds to avoid investment in fossil fuels.

The Israeli public cannot pay for both gas and coal power stations. Solar energy has become much cheaper, but it still cannot replace fossil fuels as Israel's main energy source. The technology to harness maritime energy or wind, and the infrastructure able to support it, are insufficiently developed in Israel. For these reasons, natural gas should be viewed as Israel's main energy source in the coming years, reducing coal emissions and quickly advancing the field of renewable energy to eventually replace the gas (which will remain a strategic reservoir). Israeli regulation must be adapted to support development of local energy solutions and advancement of renewables.

The shifting trend to renewable energy opens up diplomatic and business opportunities for harnessing Israeli knowledge and innovation in these fields. The Israeli Ministry of Foreign Affairs is working to attract foreign companies and players to Israeli technology and is recording success. There are over 200 Israeli firms developing innovative energy solutions, which can be leveraged. Markets must be opened, especially re-emerging ones in Africa.

Consideration should also be given to the development of atomic energy facilities in the region. The Russians are promoting the construction of nuclear reactors for civilian use in Egypt, and have even developed floating reactors. In planning its regional energy policy, Israel should take this into account, as well as the security and environmental implications of these reactors.

In the next century, after coal burning is completely abandoned and vehicles shift to natural gas use, Israel will have the advantage of a local, independent natural gas capacity. The shift to renewables could also bolster this trend and build a decentralized local gas economy, with production taking place where consumption is located and not hooked up to major networks. On the other hand, hookups to large energy transmission and storage networks could supply tools for dealing with shortages of renewable energy. Thus, for example, connection to a geographically widespread electricity network could provide a tool for the correct management of energy surpluses and shortages to transmit electricity from a place where the sun has not yet set to a place where night has fallen, or for better exploitation of the wind flow. Progress on the <a href="Euro-Asia Interconnector">Euro-Asia Interconnector</a> project — a subterranean electric cable between Israel, Cyprus and Greece which has been agreed on by the three states and whose initial segments have already been laid — is a step in that direction.

#### D. The EMGF as a Hub for Cooperation

The centrality of natural gas as a component of national security in the states of the Eastern Mediterranean led them to establish the EMGF. The forum consolidates several regional alliances that have developed in recent years, and serves as an institutional hub for the emergence of the Eastern Mediterranean as a distinct sub-region. States and organizations are examining the development of the EMGF as a test-case for additional regional fora in other fields, such as water and desalination, climate change, maritime strategy, and more.

The EMGF provides infrastructure for cooperation in the Eastern Mediterranean and for links between states that need the regional body to communicate with each other. Its future success in mobilizing additional states as potential members, such as Lebanon and Turkey, could also contribute to regional stability. It is important to keep the door open for their participation. Recognizing its importance, non-governmental and private bodies are seeking to join the regional forum. Countries from outside the region, such as France and the US, are also asking to join, whether as permanent members (France) or observers (the US). Meetings of the forum could also be leveraged for side-meetings involving civilian and business organizations from the member states.

Already in this initial stage of its formation, and parallel to the decision to turn the forum into a recognized international organization, the forum constitutes a component in strengthening ties between Israel, European and Arab states. The forum also constitutes a unique framework for membership by both Israel and the Palestinian Authority, which could contribute in the future to fostering the peace process between them. In view of this potential, the forum also provides a diplomatic opportunity for Israel, not just an economic opportunity. Israel must operate within the regional forum in a cooperative manner that will also serve its interests in stability, energy security, a sustainable environment and advancement of peace. It should also draw lessons from its difficulties in engaging with other international organizations.

### Chapter 5: Israel and the Environment in the Mediterranean

#### A. The Eastern Mediterranean as a Climate Change Hotspot

Climate change and its impacts are responsible for a wide range of environmental phenomena – warming and desiccation, extreme weather events, damage to fishing and species diversity, rising seas and more. It is important to remember that these phenomena are closely linked to human activity around the globe. Human activity makes a significant contribution to the consolidation of the crisis, which, in turn, affects human life.

The Eastern Mediterranean is considered a hotspot of climate change given that it is warming up at a faster pace than the world average. According to Israel's Meteorological Service, the average temperature in Israel has risen some 1.4 degrees in recent decades. That is probably the case in the Palestinian arena, Lebanon and Syria, too. Israel and other countries in the region contribute to the global climate crisis, although they are not heavily industrialized, and their contribution to its exacerbation is small. The region still relies on non-renewable energy resources, wide use of natural resources and extensive exploitation of raw materials, massive coastal development, overfishing, non-sustainable tourism, and other activities that burden the eco system. These factors, along with population growth and density, will damage the region's agriculture and food production and lead to a decline of some 50 percent in available water per capita by 2050.

The climate crisis is not a standalone process. It is developing in conjunction with additional processes that burden the regional ecosystem in the Eastern Mediterranean – growing population, areas of limited governance and social change. Studies also show how climate change results in violent conflicts and political destabilization in the Middle East. The climate crisis acts as a catalyst and amplifier of existing threats and challenges, the intensity and impact of which keep increasing over time.

Global warming and its ecological impact on areas far removed from the Mediterranean directly affect events in the region. It is evident in increased prices of imported commodities (e.g., rice) and changes in trade routes that are significant sources of regional revenue. Thus, for example, the melting icebergs that facilitated the opening of a trade route to Europe through the North Sea could replace the trade route through the Suez Canal, leading to significant revenue decline for Egypt and the region.

#### **B.** Balancing Diplomatic and Economic Considerations

Cooperation is one of the key challenges facing the region in order to better deal with the impact of the climate crisis. However, miscellaneous regional political conflicts undercut the feasibility of cooperation. In this sense, the climate crisis presents an opportunity as it demands cross-border cooperation and a global rather than national approach to provide a better platform for regional cooperation. In other words, the fact that no country can develop resilience and tolerance to the climate crisis on its own, underscores the importance of establishing regional cooperation. Initial indications of cooperation initiatives focused on climate change are already emerging in the region. The Cypriot government, for example, is leading a regional initiative to tackle climate change. Concurrently, a Cypriot institute is

bringing together a group of civil society organizations from the region to promote cooperation in dealing with the climate crisis.

The climate crisis challenges economies that rely largely on maximum resource exploitation and development, without consideration of long-term repercussions. To a certain extent, nature is fighting back, making it harder to continue this form of exploitation. At the same time, consumers and states are growing increasingly aware that economies cannot keep relying on these finite resources because they will soon be unable to meet all human needs. One of the largely untapped economic opportunities of the Mediterranean is its potential for developing a blue economy relating to the exploitation and preservation of the marine environment. It includes elements of marine transportation, power stations, ports, production of renewable and non-renewable energy, trade (90 percent of global trade is conducted by sea), sustainable fishing and services such as tourism and leisure. The seas can also provide protein, medicine and vegetarian nutrition. The blue economy defines itself as a sustainable economy in the maritime space. Despite its potential for developing a blue economy, as of now, the region is not conducting itself in accordance with its guidelines. For example, limiting fishing and fossil energy activities would make room for activities related to alternative food and energies. Cultivation of seaweed could provide food, ensure food security, and constitute an additional energy source in the form of bioethanol produced from seaweed. This is an example of an element of blue economy that requires broad regional cooperation to become economically viable.

Ensuring water quantity and quality is one of the key climate crisis challenges. It is particularly significant for the arid and desert regions covering large areas of the Mediterranean. Significant desiccation is already apparent in the region. Desalination is one temporary solution to the problem. Desalination has helped Israel solve its water shortage and more countries will have to follow suit. Desalination is a good solution but it entails risks and problems. The desalination process includes restoring salt to the sea, which affects natural habitats; and desalinated water lacks essential ingredients, such as magnesium, the absence of which heightens the risk of cardiac disease, thereby upping long-term health care costs.

The climate crisis presents additional challenges for the Mediterranean – penetration of invasive species (such as jellyfish), increased frequency and intensity of flooding, sand erosion, rising sea levels and erosion of the coastal shelf. All of the above undermine the physical infrastructure on land and along the coasts. There are various ideas for successfully tackling these threats, such as designating marine reservations to encourage local fish life, adoption of development and construction standards that take into account aquifers and pooling and flow basins, and protection of important marine and ground infrastructure.

#### C. Principles for Israel's Environmental Policy in the Mediterranean

Israel's maritime territory includes its sovereign and economic water, and is larger than the state's land mass. Activities in and uses of these waters must be defined and regulated. The EU has set March 2021 as the deadline for member states to present policy papers on maritime spatial planning allowing more coherent management of their waters. Within this framework, Israel's Planning Administration has cooperated with the EU on a plan for Israel's maritime space. Several principles arising from the document and the discussion held at the meeting should guide Israeli policy in dealing with the climate crisis in the Mediterranean.

Balancing human needs and the environment, while maintaining flexibility - The policy should be based on regulating human activity in the maritime space in a manner that ensures a diverse, natural and sustainable system. The natural gas and energy industry may not be so vulnerable to ecosystem damage, but tourism and desalination possibilities are very vulnerable. Any change (gas discoveries, new interests, and new knowledge) leads to changes in existing arrangements and in the conduct required of Israel and therefore requires formulation of a plan allowing adaptation on the fly.

**Differing levels of protection for sub-areas of the maritime space -** Studies point to the difficulties of managing wide maritime spaces in an optimal fashion, which includes effective and comprehensive monitoring. Solutions to the problem include designating national nature reserves and national parks allowing limited fishing and other economic activities, closed security zones, and spaces allowing varied activities in adherence to set rules. The Planning Administration's proposal suggests protection for some 21 percent of Israel's 4,000 km² coastal waters (i.e. 876 km²), and for 8.6 percent of the protected areas.

**Regional cooperation -** No state can deal with the climate crisis and its repercussions alone. Israel must reach out to an array of entities in the region, and together with them build frameworks for cooperation at each level – governmental, business and civilian – and among the various levels with the aim of mitigating the crisis. The State of Israel must recognize the impact of the climate crisis on its neighbors – Egypt, Jordan, the Palestinians, Cyprus and Lebanon – and cooperate with them to the greatest extent possible in order to help residents of the region.

**Development of renewable energy -** Israel relies largely on exploitation of non-renewable energy, such as natural gas. The natural gas issue has taken over public discourse and become a type of magic bullet for all of Israel's political and economic woes. However, given the reaction of the global economy and society to climate threats as well as Israel's commitment to international treaties and local environmental implications, Israel must shift its focus to the development of technologies for renewable energy production and storage.

Assessing maritime system services - In order to make rational and coherent decisions, a detailed picture is required of the entire array of maritime eco-system services and an evaluation of the benefits we derive from it – food supply, climate adjustment, travel and leisure, medical resources, and more. Each element can be given an economic value, after which the cost and benefit of using or not using each resource can be assessed. Assessing the services of the maritime system would allow decision makers to know which resources the sea provides, where they are located, and which are worth developing and preserving.

**Development and promotion of innovative technologies -** Israel is capable of leading implementation of innovative technologies to deal with environmental hazards, curb environmental damage, and mitigate the climate crisis impact. Wastewater purification and treatment technologies presents an example. Israel can and should do so, and market these technologies throughout the world as part of the general effort to deal with the climate crisis. Israel also has plenty to contribute to the development of the blue economy in the region – in developing relevant knowledge, technologies and creating cooperation.

**Positioning Israel as a regional leader -** Positioning Israel as a regional leader in the global effort rather than as a follower, is of intrinsic, normative and political value. This would support Israel's standing in the world, including within the business community, and provide

it with an additional resource in the international arena. To do so, Israel must lead the formation of regional institutions responsive to the implications of climate change, take an active part in existing regional forums and cooperate with whomever possible.

Research and knowledge investment - Humanity still knows very little about the climate crisis and its implications. That holds true for the Mediterranean, too. The limited knowledge about what the deep seas hold must be expanded, renewable energy resources must be improved and optimized, technology must be developed to monitor and deal with pollution, alternatives must be found for food and non-biodegradable resources. Israel must become a regional and vibrant knowledge hub that leads scientific cooperation in research for the benefit of the region and the world.

### **Chapter 6: Israel and the Mediterranean Amid the Coronavirus Crisis**

At the beginning of the coronavirus crisis, countries closed their borders and governments' domestic priorities dictated the transit of people and goods. International cooperation between countries was mainly focused on knowledge sharing and controlling border crossings. Especially considering the U.S' low level of commitment to manage the crisis globally, the EU's response to the crisis within its member states was unsatisfactory, although it has improved over time. Israel prepared contingency plans for several extreme emergencies, which included a global pandemic scenario, but the current pandemic exposed the failures in Israel's preparations and crisis management. This is precisely where the impact of regional cooperation on Israel's resilience was emphasized, allowing Israel to improve its control over border crossings, learn more about the pandemic from international partners' experiences, receive assistance obtaining materials and equipment, and preserve a relatively high level of trade and economic activity. When Israel plays a role in shaping the region's crisis policy as part of its own emergency preparedness, it needs to emphasize its small size and establish its connection to the region and the world.

#### A. Regional Cooperation as a Key Component of National Resilience

When the coronavirus epidemic began, states exerted greater rigidity and control over their borders and the passage of people and goods as a manifestation of national interests. Cooperation between states revolved mainly around knowledge exchange and border controls. The EU's response to the crisis among its member states was unsatisfactory at first, although it improved with time. The US' handling of the crisis in the international arena was strictly limited. Israel compiled strategies for different scenarios that included a wide variety of extreme situations, the spread of the disease being one of them. Nonetheless, its handling of the coronavirus exposed failures in terms of readiness and crisis management, highlighting the importance of regional cooperation and its contribution to Israel's national resilience. International coordination helped Israel manage border controls, learn about the virus from the experience of others, seek help in obtaining needed materials and equipment, and preserve a relatively high level of trade and economic activity. Israel is a small state that depends on connections with the region and the world, a fact it must keep in mind when formulating regional policy in normal times, and as part of its preparedness to deal with future emergencies and crises.

#### B. The Coronavirus Bolsters Israel's Alliance with Greece and Cyprus

The trilateral Israel-Greece-Cyprus alliance is unique in its nature and pace of progress. It allowed for a significant degree of cooperation despite the epidemic, and because of it. The crisis led the three states to place an emphasis on tourism, health and entrepreneurship. Israel maintained close ties with the Hellenic states in trying to tackle the coronavirus challenges, evident in cooperation with Cyprus in knowledge sharing and efforts to obtain medicine and equipment. Israel's Prime Minister and the President of Cyprus were in close contact throughout the period and Israel served as a point of transshipment for raw material from India to Cypriot pharmaceutical companies that manufactured medicine for Israel's campaign against the coronavirus. Israel obtained from Cyprus vital goods that it lacked, such as coronavirus swabs to allow widespread testing and resumption of economic activity.

Research cooperation also continued, with a focus on efforts to produce a vaccine. The states subsequently sought to create a safe zone for summer tourism.

#### C. The Mediterranean's Importance for the Israeli Economy

The states of the Mediterranean region are of central interest to the Israeli economy. The Israeli industry was less affected by the coronavirus than other economic sectors, but declining demand caused by the crisis undermined Israeli exports. Turkey is Israel's most important trade partner in the Mediterranean, both in terms of exports and imports. In comparing first quarter data from 2019 with the same period in 2020, the crisis does not appear to have had much of an impact on bilateral trade volume, although objective indexes in the coming months may reflect such an impact. In addition to Turkey, Israel's other important Mediterranean trade partners are Italy, Spain and France.

Tourism is a crucial resource for countries such as Greece, Spain, Italy and France. The suspension of tourism has also had a significant impact on Israel, but its economy is less dependent on tourism than those of Greece and Cyprus. Israel's tourist industry helps it present equity to its regional partners, promote cooperation and even display technologies that could enable tourism to recover and develop. Israel's Ministry of Foreign Affairs has promoted tourism cooperation among states with relatively low incidence of coronavirus. Greece and Cyprus are some of the eligible states briskly working to attract summer tourism, while Israel is keen to cooperate.

#### D. The Energy Crisis Requires Re-Examination of Agreements

The coronavirus crisis has dealt a severe blow to the energy market. Declining demand has led to an oil market crash, plummeting prices and causing difficulties in storage and supply. At the same time, the price of natural gas experienced a global drop, with customers cancelling orders and the price plunging to about 2 USD a barrel (with Israel still paying 6.3 USD per heat unit under a deal between the state and private offshore gas producers). The significant energy price fluctuation is expected to continue at least over the next 18 months.

The global crisis has also affected the Mediterranean. Energy companies have postponed planned projects in Cypriot waters; Lebanon, on the verge of an economic collapse, received bad news when Total announced it had not found gas in its waters and stopped searching. There has also been a significant decline in Egypt's gas consumption, resulting in the suspension of operations at its LNG facilities for the liquefaction of gas exported by Israel. The Egyptians are trying to sell their gas inventories, lowering the price to 5 USD per heat unit, but are unable to find buyers. Israel is still committed to its contracts with the Delek and Noble Energy companies, paying 6.3 USD per unit of heat. The energy companies themselves are also having trouble. Noble Energy laid off thousands of employees around the world and Yitzhak Tshuva's Delek is in financial difficulties.

The global and regional energy crisis is overshadowing existing and potential regional cooperation. Israel and the states of the region must deal with the declining feasibility of the ambitious gas pipeline from Israel to Europe, and promote dialogue on resolving disputes and conflicting interests among them. The EMGF is a potential framework for advancing such discussions. It can provide a platform for regional players to seriously discuss the issue of regional gas exploitation as an alternative or supplement to discussion of gas exports to

Europe or Asia. The governments involved in the forum must understand how to adapt their domestic economies to enable regional cooperation.

The global price plunge has highlighted the high cost of gas for Israeli consumers, but is also undermining the long-term agreements Israel signed with Jordan and Egypt, locking them into significantly higher payment than current market prices. These developments threw into question whether the interest of these states is to adhere to these agreements. Israel must examine whether it wants to engage in new negotiations with the gas companies in order to bring down prices.

The energy issue is also tied to regional political developments. The developments in the Palestinian arena and Israel's annexation intentions in the West Bank could affect the regional arena. Annexation could lead Jordan and Egypt to re-open their gas agreements with Israel as a political protest measure, which would also serve their economic interests. Abrogation of the agreements as a response to annexation, a measure that would fall short of cutting off diplomatic ties, is possible. The Israel-Jordan agreement allows Jordan a relatively easy out from its commitment to import natural gas from Israel, stipulating that the US would cover its remaining debt to Israel.

#### E. Cooperation with Arab States

Cooperation between Israel and the states of the region has not been limited to the Hellenic states. Israel is engaged in many cooperative ventures with Arab states, including ones in the Mediterranean, with information exchange and knowledge sharing constituting key elements of the cooperation. Israel has also reportedly imported goods through Arab states, including ones with which it does not have diplomatic ties. Israel has vital interests in relations with Egypt and Jordan, and ties with them could play a significant role in blocking or curtailing the spread of the next epidemic. Obviously, cooperation with the Palestinians is essential for successful containment of the coronavirus. Israel's economic contribution to Jordan was particularly evident during the crisis. Border closures between the two states blocked the passage of goods shipped to Jordan via Israel's Haifa port. In addition, Israelis stopped tourist visits to Aqaba (as did the many international tourists Jordan had hoped for in the spring), and the pilgrimage of Arab Israelis to Mecca through Jordan was also halted. These two Israeli tourism sources are an important source of revenue for Jordan, which faces a significant economic crisis threatening the stability of the regime. Jordan needs assistance from bilateral ties and international frameworks to improve its economic status.

### **Chapter 7: Israel in the Mediterranean: Policy Questions and Answers**

The Mediterranean has become a central arena of Israel's regional foreign policies in recent years. Developments in this region present Israel policymakers with questions regarding diplomatic, economic, energetic, environmental and identity issues. The separation and differentiation between these fields is largely artificial given that they are intertwined, with policy in each sphere derived from, and projecting on, activity in the others. This document sums up the insights and recommendations emerging from a discussion of specific issues that concern or should concern Israeli decisionmakers.

On issues of diplomacy, the discussion focused on the questions of how Israel can maintain open channels of communication with Turkey, expand its alliance with Greece and Cyprus beyond the energy field, and contribute to the successful conclusion of maritime border negotiations with Lebanon. The economic discussion centered on how normalization with the Gulf States can be leveraged to bolster relations with Egypt and Jordan, and how the Mediterranean can be mobilized to strengthen Israel's circular economy. Discussion of energy issues dealt with the advantages and disadvantages of connecting Israel to regional power grids and with alternatives to the exploitation and export of Israel's natural gas. On environmental issues, participants discussed how Israel could mobilize the help of the international community and states in the region to deal with the climate crisis, and the potential contribution of the Mediterranean to a zero-emissions Israeli economy. Participants also discussed the potential contribution of forging a Mediterranean identity to relationships in the region.

#### A. Diplomatic Questions and Answers

#### How to maintain open channels of communication between Israel and Turkey?

The working group's previous discussions underscored the importance of maintaining open channels to Turkey despite the tensions between the two states, an issue that is increasingly germane given perceptions by some in Israel of Turkey as a hostile nation. The current level of ties between Israel and Turkey seems to be serving both sides. Israel's partnership with the counter-Turkey Mediterranean axis does not disrupt its relationship with Turkey to any significant extent and does not force it to choose between its alliance with Greece and Cyprus and its relations with Turkey. Nor does Turkey pay heavily for tensions with Israel. Its criticism of Israeli policy boosts Turkey's image in the Middle East. Although Turkey has de-facto downgraded diplomatic ties with Israel, trade has increased, tourism was on the rise in 2019, and Israeli artists and performers appear in Turkey.

Nonetheless, several factors could lead Turkey to try and ease tensions with Israel. Turkey's isolation in the Mediterranean is taking a heavy toll and of all the states in the region, Israel would be the easiest with which to rehabilitate ties. Another factor is concern about the UAE turning into an alternative tourism destination for Israelis and a transit point for connecting flights, hurting Turkish Airlines. Also at play is Turkey's desire to play an active role in the Israeli-Palestinian conflict under a Biden Administration that is expected to adopt a multilateral approach to the issue. Biden, who played a significant role in Israeli-Turkish reconciliation in 2016, could once again contribute to a warming of relations.

Israel and Turkey have shared interests in a number of arenas, which Israel could mobilize to advance relations with Ankara. For example, shared opposition to the decision by Belgium, Holland and Denmark to ban circumcision of minors could serve as the basis for cooperation at relevant international institutions. Members of the Turkish diaspora in Europe are seeking business opportunities with Israel. The Coronavirus pandemic has seen growing online interaction between Israeli and Turkish research and policy institutes. Israel must continue to convey the message that its alliance with Greece and Cyprus does not come at the expense of reconciliation with Turkey. The political power of both leaders, Netanyahu and Erdoğan, allows them to restore relations between their countries without paying a heavy public price or prompting domestic opposition.

#### How to expand Israel's alliance with Greece and Cyprus to non-energy issues?

Israel has a history of relationships that started out with a "honeymoon" but did not have a happy end. Israel must ensure that its alliance with Greece and Cyprus rests on firm foundations that can withstand shocks and challenges and continue to serve stability and Israel's long-term interests.

The main obstacles facing the alliance are the conflict between the Hellenic states and Turkey, and the gas pipeline to Europe. By its very nature, the conflict between Turkey and Greece and Cyprus endangers Israel's non-exclusive policy in the Mediterranean and challenges its ability to maintain good relations with both sides. There is concern that escalation of the conflict could force Israel to take sides and affect its relations with the other. The feasibility of the gas pipeline to Europe, which was expected to serve as a political and diplomatic tool to strengthen ties among the countries involved, is in doubt. Israel must act to prevent a gap in expectations with other countries involved that could eventually result in deteriorating ties and unnecessary tensions.

To confront these challenges and to take advantage of the opportunities that lie in strengthening ties with Greece and Cyprus, Israel must continue to imbue relations with concrete and varied content that goes beyond the fields of security and economy. Israel acted correctly in pooling government resources to build cooperation with Greece and Cyprus. It wisely took on the leadership and costs of advancing ties in the field of innovation with these two states. Cooperation has already been forged between chambers of commerce, as well as on environmental issues, tourism, and communications. There are also many civilian initiatives, meetings, Diaspora-related activities led by the Jewish Agency, and more. The Coronavirus pandemic suspended many of these projects and cooperation ventures, but in itself provided a channel for cooperation with these states. Israel can and should take advantage of the European affiliation of Greece and Cyprus to promote cooperation with them through programs and frameworks of the EU, for example in research and development. Israel should continue underscoring the democratic character of all three states, as was done at the start of the warming relationship, in order to boost the democratic component of Israeli foreign policy.

Cyprus is interested in establishing a secretariat for the trilateral relationships that it and Greece maintain with states in the region. This plan is moving slowly despite its importance to the Cypriots, who view it as upgrading their role the region. Israel's ambassador to Cyprus has been named as the Israeli representative to the secretariat, and the Foreign Ministry has appointed a political coordinator to support and strengthen the move. An additional supplementary move that Israel must promote in light of its new agreements with Gulf states

is the integration of the Gulf and Hellenic arenas to create synergy that would boost cooperation, without attention to the Gulf arena undermining attention to the Hellenic one.

#### How to achieve positive outcome of maritime negotiations with Lebanon?

The ongoing negotiations between Israel and Lebanon on marking their maritime border are important in themselves, even if no breakthrough has been achieved, yet. The talks have a "regularizing" effect that habituates the sides to talk with each other for the first time in many years, and create a model that could serve other conflicts in the region. The talks may end up serving an entirely different purpose, not necessarily agreement on the maritime border.

As a lesson of previous talks with Lebanon, Israel must lower its expectations and keep a low profile, focusing only on the technical aspects of the negotiations and avoiding boastful statements about peace and normalization that would likely undermine this move. While Israel's Ministry of Foreign Affairs must be involved in the negotiations in order to provide a diplomatic framework, the Ministry of Energy can continue playing a leading role, in order to assuage Lebanese concerns that Israel views the talks as diplomatic negotiations.

The Obama Administration and subsequently the Trump one were invested in efforts to promote an Israeli-Lebanese agreement, eventually bringing about the launch of negotiations. Israel must convey to the Biden Administration the value of continued US mediation. It is important that the Biden Administration not regard the talks as a political issue on which it must overturn Trump's policy, but rather an important professional and diplomatic issue that must be resolved.

#### **B. Economic Questions and Answers**

### How to leverage Israel's normalization with Gulf States for stronger economic ties with Egypt and Jordan?

The UAE, especially Dubai, is a world-leading expert in air-sea connectivity and logistics capacity that has far reaching potential for Israel's supply and trade chain, as well as for regional tourism. The Emirates' logistics capacity and abilities could also help develop shared regional transportation routes, such as a shared Israeli-Egyptian maritime route and a land route in which Jordan plays a significant role. Exploiting the potential of overland and air transport through Jordan largely depends on Saudi cooperation. Development of this route could provide Jordan with a significant and critically needed source of revenue and employment, especially with the declining importance of the Aqaba Port given its difficult access for large vessels. Completion of the overland route and a link of the Israeli and Jordanian rail networks would contribute greatly to the development of such a route. Regarding development of the route between the Gulf and the Mediterranean through Israel, Israel must ensure that Egypt is not harmed and that traffic through alternative routes does not reduce its Suez Canal income.

Israel's agreements with the UAE and Bahrain present an opportunity to advance significant economic projects. Israel would do well to promote projects with the UAE and third countries whose stability it seeks to strengthen and from which it stands to derive economic benefits. The assets Israel could bring to such regional partnerships include its technological abilities and expertise in confronting the challenges of desertification, healthcare, water, food security, agriculture, finances, and more. Israel should also consider promoting joint projects

with the Emirates in Egypt, Jordan and even Sudan. In addition, energy is a standalone issue that encourages cooperation among Israel, the UAE, Egypt and Jordan (and perhaps even the Palestinian Authority, for example within the framework of the EMGF and multinational cooperation between the Gulf, the Mediterranean and the Red Sea.

#### How can Israel leverage the Mediterranean to advance its circular economy?

Developed countries with a high-level of environmental awareness are turning increasingly to adoption of a circular economy that strives to end dependence on fossil fuels and treat waste as a reusable resource. Israel's potential for circular economy cooperation lies in Europe and the UAE, sharing with them its relevant technological and innovative edge. Various agencies in Israel are promoting circular economy projects, among them the Ministry of Economy, the Manufacturers Association of Israel and the Ministry of Environmental Protection. Israel must also strive to join the EU's Green Deal program. Intensification of a circular economy and regional cooperation on the issue could result in significant cost reductions. Nonetheless, the circular economy concept is still new to the region. Egypt and Jordan are very far from adopting the idea, nor does Israel do enough in this regard.

#### C. Energetic Questions and Answers

#### Should Israel hook-up its power grid to those of Jordan, the Gulf and Europe?

Maintaining energy stability and security is one of the challenges posed by the shift from fossil fuel to renewable energies. A regional power grid hook-up contributes to energy stability and enables daily electricity trade. The more such connections Israel has - to Jordan, Egypt, Europe and the Gulf – on separate and unconnected grids, the greater its energy security. The connections could be of significant value, but in themselves cannot guarantee energy stability. The EU, which is advancing renewable energy development and encouraging such connectivity, has set a target of hooking up Cyprus and eventually the Middle East to European grids. It therefore has an interest in promoting a connection between Cyprus and Israel, too, and might be willing to bear some of the cost with local governments making up the rest. Connection to a regional grid would also allow Israel to sell its energy surplus, even if at a low price, as long as there is no effective energy storage system. Strategically speaking, Israel must maintain its energy independence, especially during times of crisis, and avoid dependence on an external energy source. Along with energy and economic considerations, connections to regional grids also involve diplomatic considerations. For example, Jordan has a surplus of renewable energy, but when Jordan does, Israel does too. Importing renewable energy from Jordan, along with the idea of combining it with water desalination for Jordan, could contribute to strengthening ties with Jordan and protecting Israel's gas export agreement with Jordan, which has generated opposition there. The decision to expand the electricity link between Jordan and Jericho is a positive political move.

#### What is the preferred gas export alternative for Israel, if any?

The world will shift from fossil fuels to renewable energy within the coming years. The transition period will likely last 15 to 30 years, depending on technological progress as well as the economic and political will to speed up this shift. During the transition period, Israel must enhance its production of natural gas rather than using more polluting fossil fuels in

order to maximize the economic benefits for its citizens and utilize the gas to create regional interconnections. Potential connections for gas exports include cooperation with Egypt at its coastal gas liquefaction facilities, establishment of maritime liquefaction facilities, and the proposed gas pipeline from Israel to Cyprus and Greece, the option of which serves as an important diplomatic tool. Another potential connection for Israel is with Saudi Arabia, which has demand for natural gas. Under improved political circumstances, gas could be exported to Saudi Arabia easily through a pipeline from Israel transiting Jordan.

#### D. Environmental Questions and Answers

#### How can the international community mitigate regional climate change effects?

Israel should cooperate in this field first and foremost with the EU, which constitutes part of the region, is close by, knowledgeable and oriented toward the issue, and advances a well-defined environmental policy aided by generous budgets. Under a Biden Administration, the US is expected to be far more engaged in confronting the climate change crisis, and may be willing to intervene in such matters also in the Mediterranean. UN agencies are also relevant to the issue, whereas China and Russia are less so. Two important platforms that should be examined in terms of potential future cooperation are the Barcelona Treaty and the Union for the Mediterranean (UfM). Israel would do well to build regional and international cooperation centered on concrete action – for example, joint emergency drills by Mediterranean states together with world powers to prevent maritime pollution and contamination or collect and aggregate information in order to obtain a comprehensive overview of sea-rise levels (Israel does not have systematic, official and sufficient data collection on this issue).

#### How can the Mediterranean help achieve a zero-emissions goal?

A zero-emissions economy is energy efficient, relying largely on renewable energies and absorbing existing emissions by mechanical and other means. Israel has difficulty reaching a zero-emissions target on its own. Israel is an energy island, it lacks sufficiently varied sources of renewable energy (such as wind and water), other than the sun. Its land mass is small, limiting space for solar energy production. Regional cooperation in acquiring green energy from states in the area and through an electricity cable from Europe, and eventually through cooperation with Gulf states once they become solar energy producers, could offer opportunities for Israel to achieve zero-emissions.

#### **E. Identity Questions and Answers**

#### How to harness the Mediterranean identity for the benefit of Israeli foreign policy?

The Mediterranean identity rests on a geographic and topographic space and includes shared elements and characteristics in terms of popular culture, music, food, agriculture, and more. However, the variety of religions, languages and nations, as well as political conflicts, challenge its formation. Some find in this variety the basis for an identity appropriate to the region. The existence of a shared identity, or at least of shared identity elements and a sense of affinity, has far-reaching impact on the ability to promote cooperation in the Mediterranean. Many projects have been carried out over the years in an

attempt to form a Mediterranean identity, in a bottom-up manner that starts from the grassroots and would impact decisionmakers.

Activity in the opposite direction is also feasible and advisable – investing resources in building a Mediterranean identity from the top-down, under the leadership of decisionmakers, as a supplementary and necessary move for regional integration and cooperation. There is a fairly positive attitude in Israel toward the idea of the Mediterranean identity, which is easier for Israeli to accept than adopting either a European or Middle Eastern identity. In attempting to forge a Mediterranean identity, one must keep in mind all existing identities in the region and recognize that the EU could view such a process as competing with its efforts to consolidate a European identity. In the process of identity formation, there may be a more limited option, which does not encompass the entire Mediterranean, but rather focuses on the sub-region of the Eastern Mediterranean.

### Summary: Where Do We Go from Here?

The Mitvim Institute, the Davis Institute, and the Center for National Security Studies' collaborative research and policy group began in 2019 to follow and analyse Israel's policies towards the Eastern-Mediterranean. As the research and policy group progressed, it became clear that the choice to focus on Israel's policy in the Mediterranean was justified. The Mediterranean, and especially the Eastern Mediterranean, is emerging as a central area of belonging for Israel, with increasing activities in a variety of areas. What occurs in the Mediterranean affects Israel and in return, Israel's activity affects it. The group's discussions and their results emphasized the fact that the region is distinct from the Middle East and Europe. Just as the region is distinct, so too are Israel's policy towards it and the characteristics of it compared to its activities in other areas. Israel's unique approach to the region includes seeking multilateral cooperation, continuous attempts to maintain non-exclusive relations so as not harm ties with others, emphasizing economic and energy development, and positioning itself as an effective actor contributing to regional stability.

The frequent developments occurring in the region and the need to adapt Israel's policies and measures in return, led our organizations to decide to continue with the research and policy group. The changes in the US administration and the superpower's relations with Mediterranean countries, the developments between Turkey and the region, the consequences of the coronavirus pandemic on a variety of collaborations, growing awareness of environmental dangers, sensitivity to climate change, and the establishment of the EMGF are just some of the changes that are taking place before our eyes. In light of these and many other developments, Israel must continue to calculate its policies and steps in the region with wisdom and sensitivity. The research and policy group will continue to monitor the various developments in the region and assess policy alternatives and the best steps for Israel moving forward.