

Will the Mediterranean Sea Save Lebanon from Drowning in Debt?

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The Lebanese population faces between six to twelve hours of electricity cuts per day, and in some rural areas, there is simply no electricity provided by the government grid. Amid the backdrop of decrepit infrastructure, government corruption, devalued currency, and widespread poverty, [Lebanon began talks with Israel](#) concerning their maritime borders in the gas-rich Mediterranean Sea on Wednesday at the UNIFIL headquarters at Naquora.

The UN peacekeeping force UNIFIL has been monitoring the disputed land boundary since Israel's military withdrawal from south Lebanon in 2000, ending a 22-year occupation. The two sides met together in the same room but directed their communications through a US mediator.

The US is the mediator between the [two countries which remain technically 'at war'](#) while hoping to end a long-running dispute which could eventually see Lebanon producing gas to convert to domestic electricity, as well as a potential revenue producer which could pay off Lebanon's huge debts. [Lebanon's currency has lost 80 percent of its value](#) against the dollar over the last year, and its debt-to-G.D.P. ratio is one of the world's highest.

Lebanon and Israel are struggling to deal with high COVID-19 infection rates, while Netanyahu is slipping in the polls due to abuse of power charges, and the Lebanese government is in limbo after being labeled as corrupt and inept, while desperate for cash from foreign donors as it faces the worst economic crisis since its 1975-1990 civil war. The financial collapse was compounded by an explosion at the Port of Beirut in August, killing nearly 200 people.

Israel is already pumping gas from huge offshore fields, and this meeting will allow both sides to proceed further within the safety of an understanding of the maritime borders.

US pressure

The talks follow years of [diplomacy by Washington](#), and the Trump Administration had hoped to use the Naquora meeting as a dramatic media show less than a month after landmark US-sponsored normalization agreements between [Israel and the United Arab Emirates and Bahrain](#); however, this showy plan was aborted.

The [US envoy David Schenker](#) explained that these talks "have nothing to do with the establishment of diplomatic relations or normalization." However, it was last month that the US turned up the pressure on Lebanon to start the talks with a deadline for the agreement before the US election on November 3, while the second round of talks is [scheduled for October 28](#).

The Naqoura meeting

President Michel Aoun is the key person managing the off-shore energy resources portfolio, and he placed a representative from the Lebanese Petroleum Administration (LPA) on the negotiating team as a nod to pressure from Washington who had insisted on civilian presentation, whereas Hezbollah requested only military and technical delegates.

There are [four points on the agenda](#) of the Naqoura talks: setting the land reference point from which to depart toward the sea; defining the southern maritime border where the disputed area is located; agreeing on the land border demarcation after the completion of the maritime demarcation, and exchanging documents and handing over copies to the United Nations.

The Lebanese Negotiating team

[Brigadier General Bassam Yacine](#) is the lead negotiator, Marine Colonel Mazen Basbous is the head of operations in the Lebanese military, Najib Masihi is a Lebanese American expert in maritime and territorial boundaries, and Wissam Shbat is a board member of LPA and head of its geology and geophysics unit.

Lebanon's offshore possibilities

In 2017, Lebanon's information minister announced the Cabinet had approved licenses for [Italy's Eni, France's Total, and Russia's Novatek](#) to carry out exploratory drilling off the Lebanese coast in two of Lebanon's 10 offshore blocks to determine whether oil and gas exist in the area.

[Analyst Diana Kaissy](#), who heads the Lebanese Oil and Gas Initiative think-tank, said it was "impossible to know" the extent of the accessible reserves before exploration operations begin, but she said, "preliminary evaluations" showed the five blocks offered by the government were the "most promising," with block nine bordering a sector disputed by Israel.

At issue is more than 330 square miles in the Mediterranean that Israel and Lebanon both claim is in their exclusive economic zone. The pressure to resolve the dispute has mounted as Israel and Cyprus have begun exploiting offshore gas.

Lebanon estimates it has 96 trillion cubic feet of natural gas reserves and 865 million barrels of oil offshore. Israel is aiming to get a percentage of a contested area of 860 square kilometers that Lebanon is claiming.

The 1982 UN Convention on the Law of the Sea (UNCLOS) stipulates that coastal states have sovereign rights in a 200-nautical-mile exclusive economic zone (EEZ) concerning natural resources; however, the maritime dispute does not fall within the UNIFIL's current mandate, and [Israel is not a party to UNCLOS](#).

Lebanon reached a maritime border agreement with Cyprus in January 2007. This prompted Beirut, in July and October 2010, to deposit with the United Nations the geographical coordinates of the southern and southwestern maritime borders of that EEZ. Cyprus went ahead and signed an EEZ delimitation accord with Israel in December 2010.

Lebanon and Israel could share in the disputed 860 square kilometers, which covers

Lebanon's offshore gas Blocks 8, 9, and 10. The "Hoff line" proposal gave Lebanon 550 square kilometers, which was rejected as Beirut insists on full rights in this disputed area. Lebanon has refused to join the Eastern Mediterranean Gas Forum or any other regional mechanism that includes Israel; therefore, it has been more or less isolated in the eastern Mediterranean gas process given the emerging alliance between Israel, Egypt, Cyprus, and Greece.

France's Total energy company to begin gas exploration in Block 9 by the end of the year, while [Israel approved in June](#) oil, gas exploration in Block 72, close to Lebanon's Block 9 where exploration will soon start.

Hezbollah and Amal

Hezbollah's Secretary-General Hassan Nasrallah in a joint statement with Amal, the country's other main party of resistance, released hours before the talks were due to start, called for the negotiating team to be revised to include [only members of the military](#).

The Lebanese preconditions included having military and technical delegates, instead of diplomatic delegates, and setting no timeline to reach a deal, to avoid US pressure on the negotiations.

Last month the [US placed sanctions](#) on the top aide to Nabih Berri, the leader of Amal, for corruption and financially enabling Hezbollah.

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