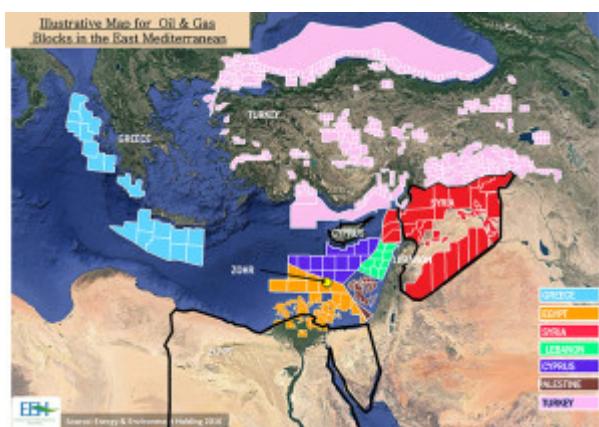


Roudi Baroudi remarks to EU Arab World Summit 2016 (Nov. 3, 2016)



His Excellency The Greek Prime Minister Alexis Tsipras with Roudi Baroudi



3-11-2016-illustrative-map-for-oil-gas-blocks-in-the-east-med

Excellencies, ladies and gentlemen,

Let me start by saying that the amount of interest in this event is not just impressive, but also strongly encouraging. Large numbers of industry professionals, policy experts, and senior leaders from both the public and private sectors are in attendance or actively participating, and that should give us all cause for optimism.

I say this because like most sectors of the economy, the oil and gas business is constantly evolving in response to multiple influences, from new discoveries and technological breakthroughs to volatile markets and the ever-increasing impact of environmental concerns. In short, our industry is passing through a period of profound change on the global, regional, and even local levels, and change is a fickle phenomenon: it richly rewards those who are prepared to adapt, but it also tends to severely punish those who lack the necessary knowledge, vision, and determination.

When I see here in Athens, judging from both the quantity and the quality of participation, tells me that the right people in Europe and the Arab region are right where they need to be.

Ladies and gentlemen,

The past few years have confirmed what many long suspected: the seabed beneath the Eastern Mediterranean contains multiple world-class deposits of natural gas, along with considerable amounts of crude for good measure. We don't yet know exactly how much is down there or how much of it can be recovered, only that the scale is nothing less than historic. The potential is so vast that the regional oil and gas play already has new horizons stretching from 2020 and 2030 to 2050 and even beyond.

If this resource is responsibly managed, the coming period will see several Arab and European countries become significant energy producers – including Greece, Cyprus,

Palestine, Egypt and Lebanon, which just this week gained new hope with the election of a new president, breaking up a logjam that had lasted for two and half years. And let's not forget Egypt, where an existing gas sector has been re-energized by the discovery of Zohr, a massive new offshore field. This bounty has the capacity to transform entire economies and even entire societies by allowing unprecedented investments in education, healthcare, transportation, and other public services and infrastructure. Nearby consumer nations will also derive game-changing benefits, including lower costs, greater economic competitiveness, and vastly improved energy security.

Nowhere will this be more important than in the European Union, the world's largest energy market. The advent of a distinctively new flow trajectory – much of it from sources within the EU's own borders and/or subject to EU safety and environmental standards – would dramatically improve Europe's security of supply, put downward pressure on prices, reduce household energy costs, and breathe new life into energy-intensive industries like electricity, manufacturing and transport. The precise timing of particular benefits will depend on developments in world markets and the maintenance of manageable geopolitical conditions, but the question is no longer one of "IF": all that remains to be seen is "WHEN". And that, my friends, depends largely on us – on how fully we recognize the opportunity, how swiftly we move to start the process, and how responsibly we carry it out.

According to the 2015 edition of BP's "Energy Outlook 2035", global energy consumption will increase by 37% over the next 19 years. With demand growing so much faster than production, prices will inevitably recover, so there is plenty of incentive for our region to make sure it's ready to take full advantage when the time comes.

It's important to note here that barring some highly unlikely circumstances, the Eastern Med will not replace Europe's

current sources of natural gas. Russia has always honored its commitments to Europe, so there is every reason to expect that it will continue to be the Continent's number one supplier. Likewise, North African countries will continue to supplement that relationship with their own sizeable deliveries. Whether transported by pipelines or LNG carriers, East Mediterranean gas will also play a central supplementary role, but geography could make it a decisive one that serves the interests of all concerned, allowing both producer and consumer nations to rearrange existing flows in ways that offer more options at lower cost. In addition, routing some of the Eastern Med's gas through Turkey would only bolster that country's crucial role as the primary distribution and transit point for supplies entering Europe from as far away as Central Asia.

Perhaps most importantly, attaching appropriate priority to this project would allow plenty of cooperative development efforts, furthering the stability and integration that the EU has pursued since the Barcelona and Trieste declarations. It also would help to limit emissions associated with climate change and other environmental concerns. This is essential to securing maximum long-term gains because these days, commercial viability is not enough: increasingly, consumers also demand social and political viability, and these can only be achieved through environmental sustainability.

On these scores, the EU is just what the doctor ordered. Europe enjoys some of the world's most stringent environmental protections, most demanding health and safety requirements, and most effective regulatory agencies. Passed through such a filter, Eastern Med gas would arrive in European and Arab homes and businesses as a safe, clean, and healthy fuel, helping to drive growth on both sides of the Mediterranean while demonstrating the power of cooperation to further shared goals and shared values. And once it starts tapping East Med gas, Europe will have more diverse supplies, fulfilling a key plank of its energy strategy by giving it the flexibility to

cope with interruptions of any sort.

Ladies and gentlemen,

All of the ingredients are in place. The Eastern Med is endowed with enough natural wealth to improve the lives of hundreds of millions of people. After 21 years the Barcelona process still provides the docking mechanisms and other tools to develop this resource effectively and responsibly. And crucially, the recent bidding for Cyprus offshore blocks indicates that some of the world's leading IOCs and other major players are ready, willing, and able to invest in the necessary infrastructure.

All that's left is to get the job done in a timely fashion. For this we need the EU to continue its efforts, and those of the United States and the United Nations would also be helpful. Now is no time to be discouraged or distracted by the region's political divisions. On the contrary, these should only cause us to be more determined than ever to prove that people of good will can set aside their differences for the sake of mutual advantage and capitalize on the East Med opportunity to become a central regional energy hub.

And what an advantage. Peace and stability in the field of energy would not only usher in a new era of prosperity, but also one of co-dependence that would deter aggression by radically increasing the costs. It would buy more time, too, to lay a foundation for a broader reconciliation among Euro-Med countries. For a very long time, some of these nations have been made enemies by history. Now, if we play our cards right, maybe they can be made friends by geology.

Roudi Baroudi Remarks to EU Arab World Summit Athens



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Expert says Mediterranean gas can fuel both economic recovery and lasting peace



ATHENS, Greece: Transforming the Mediterranean region into a major oil and gas hub is the surest route to a “new era of peace and prosperity”, an energy industry veteran told a high-profile conference in Athens on Thursday.

“We don’t yet know exactly how much is down there or how much of it can be recovered, only that the scale is nothing less than historic,” said Roudi Baroudi, CEO of Qatar-based Energy and Environment Holding (EEH), an independent consultancy. “The potential is so vast that the regional oil and gas play already has new horizons stretching from 2020 and 2030 to 2050

and even beyond."

Baroudi made the remarks on the opening day of the European Union-Arab World Summit, a two-day gathering in the Greek capital that has attracted what one observer called a "star-studded cast" of leaders from the public and private sectors. Several of these officials addressed the opening ceremonies, including Greek Prime Minister Alexis Tsipras, European Commissioner for Migration Dimitris Avramopoulos, and cabinet ministers from each of Jordan, Palestine, and Qatar, Governor of the Central Bank of Greece, the Chairman of the E.U Military Committee and other officials.

Speaking on a panel titled "Building a new potential in Energy", Baroudi noted that more and more studies were pointing to "multiple world-class deposits of natural gas, along with considerable amounts of crude". This "bounty" could "transform entire economies and even entire societies by allowing unprecedented investments in education, healthcare, transportation, and other public services and infrastructure," he said, predicting that "nearby consumer nations will also derive game-changing benefits, including lower costs, greater economic competitiveness, and vastly improved energy security."

He also lauded the event for bringing together the right mix of experts and decision-makers, saying the level of participation "should give us all cause for optimism."

"Change is a fickle phenomenon: it richly rewards those who are prepared to adapt, but it also tends to severely punish those who lack the necessary knowledge, vision, and determination," said Baroudi, who has worked in the industry for more than 35 years, advising national governments, the European Commission, and the United Nations on energy policy. "When I see here in Athens, judging from both the quantity and the quality of participation, tells me that the right people in Europe and the Arab region are right where they need to

be."

He also noted positive news in Lebanon, which this week ended a two-and-a-half-year political crisis by electing former Army Commander Michel Aoun as its new president, reviving hopes that the troubled country can now focus on developing its offshore and onshore energy resources.

More broadly, he said, developing the Eastern Med's energy resources would go a long way toward realizing the dream of greater integration between Europe and its Arab neighbors, opening the way for lasting stability and a durable peace supported by "co-dependence". He also stressed that Mediterranean gas would supplement – not compete with – gas from Russia, which is currently Europe's top supplier, providing flexibility that would help producer and consumer nations alike.

"Nowhere will this be more important than in the European Union, the world's largest energy market," Baroudi told his audience. "The advent of a distinctively new flow trajectory – much of it from sources within the EU's own borders and/or subject to EU safety and environmental standards – would dramatically improve Europe's security of supply, put downward pressure on prices, reduce household energy costs, and breathe new life into energy-intensive industries like electricity, manufacturing and transport."

"All the ingredients are in place" for an energy-based peace that leads to full resolution of conflicts among the countries of the Mediterranean, he added.

"The question is no longer one of 'IF': all that remains to be seen is 'WHEN,'" Baroudi asserted. "And that, my friends, depends largely on us – on how fully we recognize the opportunity, how swiftly we move to start the process, and how responsibly we carry it out."

The EU today: imperfect, in crisis – and indispensable



The European Union receives considerable abuse these days, with member-states and their citizens blaming Brussels for all manner of domestic and international problems.

Greeks are still furious that the EU helped impose draconian austerity measures on them in exchange for the ongoing bailout of their national economy, Hungary rejects the EU's right to set continent-wide immigration quotas, and Britain has just set a date for the beginning of its withdrawal from the bloc altogether.

Some of the criticism – Brussels is out of touch, too many decisions are made by unelected bureaucrats, some regulations needlessly penalize small business, etc. – might well be partly true, although the bloc's involvements in so many aspects of modern life make it an exceedingly convenient scapegoat. Instead of focusing solely on the EU's few and relatively minor failings, though, we would do well to keep the positives very much in mind.

After all, the period since the Treaty of Rome took effect in 1958 has brought levels of peace and prosperity that would have been unrecognizable during any earlier period of European history. Even today, as the EU and its member-states grapple with moribund growth, high unemployment, and resurgent nationalism fueled by the worst global economic crisis since

the Great Depression, Brussels remains a very essential participant – and often a prime mover – in worthy and necessary processes across and even beyond the continent, including the shaping and reinforcement of a modern regional architecture for increased cooperation both within and outside the bloc.

Nowhere is this truer than on the EU's Mediterranean periphery, where its support for member-states and interactions with its neighbors present numerous challenges but also offer multiple opportunities to keep changing the course of history for the better. The Barcelona Declaration of 1995 still resonates today, because although the Union for the Mediterranean it spawned is still evolving, the EU is already providing platforms for bi- and multilateral cooperation, mechanisms for joint action, and resources for implementation. These contributions are – and will remain – of incalculable importance to our shared futures if we are to maximize the positive geopolitical potential of the energy sector, particularly in the Eastern Med.

The Declaration envisaged a new era for 28 EU members and 15 non-member states from the Mediterranean region, a time of partnership built around three “Baskets” – Political and Security, Economic and Financial, and Social, Cultural and Human. The Barcelona Process it touched off carried an ambitious agenda, including greater regional stability; agreeing on shared values as a starting point for cooperation; promoting democracy, the rule of law, good governance and human rights; and expanding mutually beneficial trading relationships. Officially, it also sought to “complement” the influence of the United States in the Mediterranean, although in practical terms the Euro-Med project has often played a balancing role, and/or provided alternative leadership in instances where an American presence might prove too divisive.

These efforts have dramatically improved the interfaces between the EU and its neighbors, and the future promises even

more, including a reduction of long-term tensions among neighboring non-EU states and the eventual construction of a more acceptable regional order, one that is safer, sounder, and more liberal. And without these improved interfaces, the plight of refugees fleeing war-torn Syria would have been even worse: untold thousands more would have drowned at sea, and the migration of survivors across the European mainland would have been even more uncontrolled, uneven, and unfair.

Europe's response to the refugee crisis is very much a work in progress, and much remains to be done. What it has already demonstrated, though, is that even amid heated internal disagreements about how to proceed, the EU's influence has helped to secure the assets required to intensify naval and coast guard patrols in the Med, and to engender relatively effective cooperation between Greece and Turkey. Now is no time to question the value of such achievements. Rather, the situation calls for even more reliance on the EU and the Euro-Med project to get past the zero-sum games of yesterday and start looking to the win-win arrangements of tomorrow.

Nowhere is this truer than in Cyprus, a small country made crucial by its strategic location, its tantalizing natural resources, and its ability to both fuel a renaissance of Europe's economy and demonstrate the power of dialogue and reconciliation.

Despite all this potential, the Cypriot people could definitely need outside assistance to reach their new future, not least because outside interference has done so much to divide them. Recently, the United Nations has resurrected the island's peace process, and close observers express optimism that a deal can be done in the coming months, but two requirements stand out.

One is full development of the region's energy wealth. Ongoing studies indicate that the Eastern Mediterranean seabed contains far more natural gas than previously believed. Both

Egypt and Israel, which are already extracting significant amounts of offshore gas, have made massive new discoveries in recent years, and the latest surveys indicate that similar riches are locked away beneath the Exclusive Economic Zones of several other countries in the region, including Lebanon and Cyprus itself. The Cypriot role could well be decisive for the development of this resource because apart from the potential of its own reserves, the island is perfectly situated – both diplomatically and geographically – to serve as the primary hub for the Eastern Med's emerging gas industry.

Nicosia maintains friendly ties with several regional capitals that are either frequently at odds with one another or have no relations at all, making it an ideal go-between for multilateral coordination and even indirect cooperation. Cyprus's location is also the ideal starting point for a pipeline to mainland Europe that would offer its neighbors the surest, cheapest and quickest access to the world's biggest energy market. For the same reasons, the island offers unmatched convenience as a regional headquarters for companies engaged in everything from exploration and maritime communications to production, marketing, and maintenance.

In addition, in order to reach markets further afield that cannot be reached by pipelines, regional producers will need to sell liquefied natural gas (LNG) for delivery by ship. There is at present little interest, however, in building an LNG plant in countries like Israel or Lebanon, largely due to concerns over cost, the environment, safety and security, and/or political risk. Once again, enter Cyprus with its affordable land prices, EU industrial and environmental standards, and arm's-length distance from the Arab-Israeli conflict.

Conversely, the emergence of a thriving energy sector, fuller resource development, and more dynamic commerce also will be decisive for the successful implementation of a Cypriot reunification agreement. New investment and new jobs will

substantially increase economic activity, generating significant revenues that can be brought to bear on challenges like reconstruction, reconciliation, and reintegration. The promise of such advantages is already providing momentum for the peace process, and that promise will have to be kept if a reunification deal is to succeed.

The other requirement is continuous EU participation to advance political and security environments that are favorable to all stakeholders. The details still have to be hammered out, but it stands to reason that European support will be essential on several fronts, not least the re-establishment of trust between Greek Cypriots and Turkish Cypriots. The new Cyprus will not come into being overnight, so EU resources can help with everything from dispute resolution and inter-communal cooperation to training and capacity-building.

Resolving the Cyprus issue would also help enable a series of rapprochements that would benefit the entire region and all those interested in its stability. The United States, for instance, has long been closely involved with previous efforts to promote stability between Turkey and Cyprus, and a successful outcome would substantially reduce its own security burdens in the Eastern Med. It also would clear the way for Turkey to become a fuller partner in regional affairs, playing the more decisive role indicated by its impressive combination of economic and military power. Among other benefits, a lasting settlement would remove one of the last significant obstacles to having Cyprus join NATO, squaring one part of the circle and strengthening Istanbul's hand in its long-time effort for closer integration with the rest of Europe.

In the final analysis, just as Europe needs a prosperous and united Cyprus to help satisfy its energy needs and improve stability on its southeastern flank, so do all Cypriots need an active EU to help them navigate the heady but challenging course ahead. Neither entity has ever been more relevant to more people in more places, a fact that interested parties can

ignore only at their peril.

Roudi Baroudi is CEO of Energy and Environment Holding, an independent consultancy based on Doha, Qatar.

What lies beneath



Lebanon must act to keep its seat at the oil and gas table

Lebanon has missed several opportunities to grow its nascent oil and gas industry at an ideal pace, but now regional developments threaten not just further delays, but also permanent losses unless the country acts to protect its national interests.

The new urgency stems primarily from two principal events. The first was last summer's discovery of the giant Zohr gas field off Egypt's northern coast by Italy's ENI, a find estimated by some to have doubled the North African country's natural gas reserves overnight. It also significantly increased the likelihood of commercially viable deposits in nearby offshore acreage belonging to Cyprus, Lebanon and Israel. This has sparked renewed interest in this section of the Eastern Mediterranean basin from major international oil companies.

The second event – in part at least a consequence of the first – was the Cypriot government's approval in late February of a two-year extension for an ENI-led consortium to conduct exploration and production in Blocks 2, 3 and 9 of Cyprus' exclusive economic zone (EEZ), the first and third of which

are adjacent to Lebanon's EEZ. Apart from general location, these blocks also share similar geology with Zohr and other Egyptian and Israeli fields, and undersea hydrocarbon deposits obviously pay no heed to political or other borders, so it's possible that Cyprus' Blocks 2 and 9 have reservoirs that extend into Lebanon's maritime area.

This prospect should be good news for all Lebanese because it offers a chance to share in any revenues derived from any reservoir that may be discovered, even if this country's energy sector has yet to undertake any production operations of its own. It would also offer an opportunity for Lebanese individuals, companies and government departments to gain experience by cooperating with Cyprus and ENI, helping to prepare our public and private sectors alike for the day when this country starts actively exploring for its own resources.

Friends without benefits

All it takes to start reaping the early rewards of these happy circumstances is for the Lebanese government to exercise a modicum of self-preservation through a little initiative. The only things missing are a maritime border deal with Cyprus to define the line between the two countries' EEZs and a Framework Unitization Agreement (FUA) that would establish terms for joint development and exploitation, including the formula(s) for any revenue sharing.

Herein lies the problem; Lebanon and Cyprus enjoy friendly relations, neither has staked out an extreme position in this process, talks on an FUA have made progress and a delineation map was agreed upon way back in 2007. However, the unitization talks have been stalled since 2013, and the map has yet to be ratified. Absent of such agreements, the scope for legal disputes over potential resources will be considerable, exposing the interests of both sides to unnecessary delays, but hurting Lebanon more because it would prevent this country from assisting and learning in the process – and rob its

people of revenues to which they are entitled.

No such questions hang over Egypt's Zohr field, which lies adjacent to Cyprus' EEZ, because the modalities of any shared reservoirs have already been set by Cairo and Nicosia. Time is running out for Beirut to protect its long-term interests with a similar agreement that would, *inter alia*, insulate it against any kind of "rule of capture" claim if and when Cyprus starts recovering oil and gas from areas adjacent to Lebanon's EEZ.

The solution is clear: Lebanon needs to re-engage with Cyprus as soon as possible and, when it does, to remain focused and keep its priorities in order. If recent history is any guide, there will continue to be distractions that limit the pace of oil and gas development, including the ongoing stalemate in Lebanon's political class and various obstacles attached to (and compounded by) the state of war that still exists between this country and Israel. To further complicate the situation, the latter is one of three regional states, along with Syria and Turkey, that have neither signed nor ratified the United Nations Convention on the Law of the Sea (UNCLOS), usually the most reliable mechanism for resolving offshore resource disputes.

No matter. None of this prevents Lebanon's diplomats and energy officials from getting on with the business of finalizing the necessary arrangements with Cyprus. The politicians may not get around to activating Lebanon's energy industry as a whole any time soon, but this aspect is a no-brainer: in order to ensure Lebanon receives any revenues to which it is entitled from shared reservoirs, all it has to do is reach an agreement with a friendly country. And although there is no agreement on the tripoint where the EEZs of Lebanon and Cyprus meet that of Israel – leaving an overlap between the Israeli and Lebanese claims – this has no bearing on the rest of the bilateral line between Lebanon and Cyprus, or, for good measure, on the 90 percent or more of Lebanon's

EEZ that is not in dispute with anyone.

Sharing the spoils

Lebanon and Cyprus can accelerate this process by jointly enlisting the support of the United States to help define the aforementioned southern tripoint. The Israeli failure to commit to UNCLOS is a significant obstacle, as is the absence of Lebanese-Israeli relations. At present the only country with the diplomatic heft to ford this impasse is the US, which, through separate discussions with Lebanon and Israel, has already made progress in narrowing the gap between the two sides' respective maritime claims.

Timely cooperation with Cyprus will also preserve Lebanon's interests by garnering fuller recognition of our EEZ. The same partnership may allow Lebanon to start collecting revenues from shared oil and gas fields even before its own production begins. Further down the road, if and when Lebanon is producing enough natural gas for export, Cyprus can be an important outlet to crucial markets in Europe and elsewhere.

Of course, it would be nice if more politicians would provide these and other negotiations with all the support and cover they deserve. Most of Lebanon's political institutions have been hamstrung by partisan wrangling, but parliament still has considerable resources. Having the legislative branch resume its role could be pivotal on this score.

Lebanon is not the first country to face the unique challenges of developing an oil and gas industry during a prolonged period of turmoil, and luckily one of the best examples is Cyprus itself. A third of that country has been occupied by Turkey since 1974 and its political landscape is a raucous one, populated by outsized personalities with sharply different views, and with an economy that is still struggling to regain the ground it lost since the global financial crisis of 2008-2009.

Despite these handicaps, and some decidedly unsubtle Turkish threats, successive Cypriot presidents and their ministers have kept their eyes on the prize, methodically laying the groundwork for its future as a modern oil and gas producer and, quite possibly, as the region's premier energy hub. Successes at home have been matched by effective diplomacy abroad, integrating the tiny country into an interlocking web of bi- and multilateral partnerships that give it a voice on the regional stage. In addition, far from acquiescing to the continuing division of the island nation as an insurmountable obstacle to this process, Cyprus has turned the tables by holding out future energy revenues as an incentive for reunification.

These attitudes have allowed for meaningful progress across the legislative and regulatory spectrum, encouraging investments and partnerships that even now are fleshing out the infrastructure and support systems for a thriving oil and gas sector. Even more importantly, they have demonstrated the effectiveness of dialogue and cooperation, showing a way to break the cycle of conflict and instability that has gripped much of the region for so long.

That may sound like a lot of ground for Lebanon to cover if its energy sector is ever to catch up with those of Cyprus and other neighboring countries, but the facts are not quite so bleak.

Before the current political stalemate spread into virtually every nook and cranny of the Lebanese public sector, parliament and cabinet designed and even began to install many of the necessary administrative and legal structures, including a suitably empowered Lebanese Petroleum Administration to oversee the sector. While not quite "plug and play," most of these can start functioning as soon as the right levers are pulled and crucial pieces of enabling legislation are passed. Therefore, while it is probably too much to hope that Lebanon's deeply divided politicians will

act with unity of purpose any time soon, if and when sufficient numbers of them get serious about serving the people they are supposed to represent, the right tools for the job will be close at hand.

Finally, Lebanon should also strongly consider joining the emerging club composed of Cyprus, Egypt, Greece and Jordan. Apart from the technical and economic advantages to be gained, the various cooperation agreements linked to this grouping give each member greater influence over how the Eastern Mediterranean's energy resources will be developed. Signing on would radically enhance Lebanon's standing, and while the immediate goals of such membership would be economic, the resulting relationships would do much to promote regional stability. That, at least, would offer some hope that all of the peoples in the Eastern Mediterranean might one day know both peace and prosperity.

Roudi Baroudi is CEO of Energy and Environment Holding, an independent consultancy based in Doha, Qatar.

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What lies beneath



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This prospect should be good news for all Lebanese because it offers a chance to share in any revenues derived from any reservoir that may be discovered, even if this country's energy sector has yet to undertake any production operations of its own. It would also offer an opportunity for Lebanese individuals, companies and government departments to gain experience by cooperating with Cyprus and ENI, helping to prepare our public and private sectors alike for the day when this country starts actively exploring for its own resources.

Friends without benefits

All it takes to start reaping the early rewards of these happy circumstances is for the Lebanese government to exercise a modicum of self-preservation through a little initiative. The only things missing are a maritime border deal with Cyprus to define the line between the two countries' EEZs and a Framework Unitization Agreement (FUA) that would establish terms for joint development and exploitation, including the formula(s) for any revenue sharing.

Herein lies the problem; Lebanon and Cyprus enjoy friendly relations, neither has staked out an extreme position in this process, talks on an FUA have made progress and a delineation map was agreed upon way back in 2007. However, the unitization talks have been stalled since 2013, and the map has yet to be ratified. Absent of such agreements, the scope for legal disputes over potential resources will be considerable, exposing the interests of both sides to unnecessary delays, but hurting Lebanon more because it would prevent this country from assisting and learning in the process – and rob its people of revenues to which they are entitled.

No such questions hang over Egypt's Zohr field, which lies adjacent to Cyprus' EEZ, because the modalities of any shared

reservoirs have already been set by Cairo and Nicosia. Time is running out for Beirut to protect its long-term interests with a similar agreement that would, *inter alia*, insulate it against any kind of “rule of capture” claim if and when Cyprus starts recovering oil and gas from areas adjacent to Lebanon’s EEZ.

The solution is clear: Lebanon needs to re-engage with Cyprus as soon as possible and, when it does, to remain focused and keep its priorities in order. If recent history is any guide, there will continue to be distractions that limit the pace of oil and gas development, including the ongoing stalemate in Lebanon’s political class and various obstacles attached to (and compounded by) the state of war that still exists between this country and Israel. To further complicate the situation, the latter is one of three regional states, along with Syria and Turkey, that have neither signed nor ratified the United Nations Convention on the Law of the Sea (UNCLOS), usually the most reliable mechanism for resolving offshore resource disputes.

No matter. None of this prevents Lebanon’s diplomats and energy officials from getting on with the business of finalizing the necessary arrangements with Cyprus. The politicians may not get around to activating Lebanon’s energy industry as a whole any time soon, but this aspect is a no-brainer: in order to ensure Lebanon receives any revenues to which it is entitled from shared reservoirs, all it has to do is reach an agreement with a friendly country. And although there is no agreement on the tripoint where the EEZs of Lebanon and Cyprus meet that of Israel – leaving an overlap between the Israeli and Lebanese claims – this has no bearing on the rest of the bilateral line between Lebanon and Cyprus, or, for good measure, on the 90 percent or more of Lebanon’s EEZ that is not in dispute with anyone.

Sharing the spoils

Lebanon and Cyprus can accelerate this process by jointly enlisting the support of the United States to help define the aforementioned southern tripoint. The Israeli failure to commit to UNCLOS is a significant obstacle, as is the absence of Lebanese-Israeli relations. At present the only country with the diplomatic heft to ford this impasse is the US, which, through separate discussions with Lebanon and Israel, has already made progress in narrowing the gap between the two sides' respective maritime claims.

Timely cooperation with Cyprus will also preserve Lebanon's interests by garnering fuller recognition of our EEZ. The same partnership may allow Lebanon to start collecting revenues from shared oil and gas fields even before its own production begins. Further down the road, if and when Lebanon is producing enough natural gas for export, Cyprus can be an important outlet to crucial markets in Europe and elsewhere.

Of course, it would be nice if more politicians would provide these and other negotiations with all the support and cover they deserve. Most of Lebanon's political institutions have been hamstrung by partisan wrangling, but parliament still has considerable resources. Having the legislative branch resume its role could be pivotal on this score.

Lebanon is not the first country to face the unique challenges of developing an oil and gas industry during a prolonged period of turmoil, and luckily one of the best examples is Cyprus itself. A third of that country has been occupied by Turkey since 1974 and its political landscape is a raucous one, populated by outsized personalities with sharply different views, and with an economy that is still struggling to regain the ground it lost since the global financial crisis of 2008-2009.

Despite these handicaps, and some decidedly unsubtle Turkish threats, successive Cypriot presidents and their ministers have kept their eyes on the prize, methodically laying the

groundwork for its future as a modern oil and gas producer and, quite possibly, as the region's premier energy hub. Successes at home have been matched by effective diplomacy abroad, integrating the tiny country into an interlocking web of bi- and multilateral partnerships that give it a voice on the regional stage. In addition, far from acquiescing to the continuing division of the island nation as an insurmountable obstacle to this process, Cyprus has turned the tables by holding out future energy revenues as an incentive for reunification.

These attitudes have allowed for meaningful progress across the legislative and regulatory spectrum, encouraging investments and partnerships that even now are fleshing out the infrastructure and support systems for a thriving oil and gas sector. Even more importantly, they have demonstrated the effectiveness of dialogue and cooperation, showing a way to break the cycle of conflict and instability that has gripped much of the region for so long.

That may sound like a lot of ground for Lebanon to cover if its energy sector is ever to catch up with those of Cyprus and other neighboring countries, but the facts are not quite so bleak.

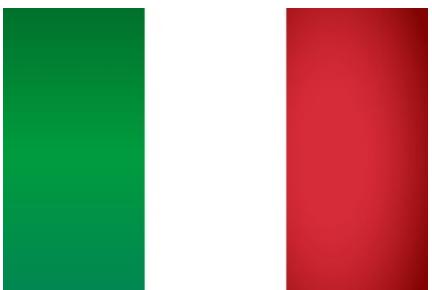
Before the current political stalemate spread into virtually every nook and cranny of the Lebanese public sector, parliament and cabinet designed and even began to install many of the necessary administrative and legal structures, including a suitably empowered Lebanese Petroleum Administration to oversee the sector. While not quite "plug and play," most of these can start functioning as soon as the right levers are pulled and crucial pieces of enabling legislation are passed. Therefore, while it is probably too much to hope that Lebanon's deeply divided politicians will act with unity of purpose any time soon, if and when sufficient numbers of them get serious about serving the people they are supposed to represent, the right tools for the

job will be close at hand.

Finally, Lebanon should also strongly consider joining the emerging club composed of Cyprus, Egypt, Greece and Jordan. Apart from the technical and economic advantages to be gained, the various cooperation agreements linked to this grouping give each member greater influence over how the Eastern Mediterranean's energy resources will be developed. Signing on would radically enhance Lebanon's standing, and while the immediate goals of such membership would be economic, the resulting relationships would do much to promote regional stability. That, at least, would offer some hope that all of the peoples in the Eastern Mediterranean might one day know both peace and prosperity.

Roudi Baroudi is CEO of Energy and Environment Holding, an independent consultancy based in Doha, Qatar.

**Da Il Giornale l'importante
punto di vista di Roudi
Baroudi**



«*Petrolio tra Libano e Israele, serve la mediazione dell'Onu»*

L'esperto di energia Baroudi si rivolge a Ban Ki Moon: "Risorse che possono aprire nuova era nell'area" Un Problema ancora molto difficile. Perché Libano e Israele non riescono autonomamente a trovare un accordo su come gestire quella porzione di territorio potenzialmente ricchissima né tantomeno su come suddividere eventuali ricavi. Baroudi quindi si appella a Ban Ki Moon perché dia vita ad un'opera di mediazione. "I due Paesi sono rimasti tecnicamente in guerra dal 1949, non hanno relazioni diplomatiche ufficiali di alcun tipo.

Una lettera aperta al Segretario Generale delle Nazioni Unite

Ban Ki-moon:

Gent.mo Segretario Generale

Benvenuto in Libano, regione che ha contribuito a fondare le Nazioni Unite e che continua a credere nei suoi ideali, ma che adesso ha bisogno di una serie di prodighe azioni.

Mi riferisco ad una piccola ma critica sezione della Zona Economica Esclusiva (EZ) del nostro paese che confina con quella sostenuta dal vicino Israele, un potere molto più grande che ha usato le forze militari contro il nostro paese decine di volte nel corso degli ultimi decenni, compresa un'occupazione di 28 anni in gran parte del Meridione. Queste azioni, la maggior parte delle quali ingiustificate o esageratamente sproporzionate rispetto a quello che le ha provocate, hanno ucciso decine di migliaia di persone, ripetutamente dislocato centinaia di migliaia di persone e riempito di paura i cuori di milioni di persone. Il costo della distruzione fisica ammonta a decine di migliaia di dollari, così come quello della crescita economica perduta. Inoltre, innumerevoli Libanesi sono stati lasciati senza scelta e costretti a cercare impiego e opportunità di business all'estero, costringendo molte famiglie a vivere separate per anni, un destino i cui costi non possono essere calcolati in termini monetari.

Sebbene sia passato più di un decennio dall'ultimo grande confronto, le forze militari israeliane continuano a violare il territorio libanese – via terra, via aerea, via mare – su base giornaliera, quindi la minaccia di ulteriori aggressioni non è mai lontana dalla mente libanese. E ora quello che dovrebbe essere motivo di celebrazione è invece un motivo per preoccuparsi ancora di più: la prospettiva di ingenti giacimenti di petrolio e di gas intorno alla sovrapposizione con le nostre rispettive pretese EZ significa che un nuovo *casus belli* è da considerarsi, uno in cui la posta in gioco non potrebbe essere più alta.

Vostra Eccellenza,

Come sappiamo tutti, le Nazioni Unite sono state costruite sulle ceneri delle guerre più distruttive della storia dell'umanità, i suoi fondatori sono determinati a ridurre la possibilità di conflitti futuri fornendo un forum internazionale per la risoluzione pacifica delle controversie. Sfortunatamente, sebbene il Libano sia ancora enormemente orgoglioso di essere stato, nel 1945, uno dei 51 stati membri fondatori originali delle Nazioni Unite, la sua popolazione ha trascorso la maggior parte degli ultimi sette decenni vivendo in guerra o con la minaccia quasi costante della stessa. La diplomazia delle Nazioni Unite, attraverso la forza di pace e l'assistenza allo sviluppo è stata indispensabile per mitigare alcune delle conseguenze di queste guerre, ma adesso l'organizzazione ha la possibilità di prevenirle completamente.

I fatti sono relativamente semplici. La sovrapposizione marittima tra il Libano e Israele si compone di circa 840 chilometri quadrati, meno del 10% di tutta la Zona Economica Esclusiva libanese e una percentuale ancora più piccola di Israele, ma il suo potenziale di petrolio e gas è significativo e l'incertezza su questo piccolo pezzo di fondale comporta implicazioni inutili e persino pericolose per una zona molto più ampia. La soluzione più ovvia è quella di risolvere la questione in modo tempestivo, riducendo così la minaccia di una guerra, incoraggiando investimenti, e andando avanti con l'attività di sviluppo di una risorsa che promette enormi benefici socio-economici per tutti i popoli coinvolti. Roudi-Baroudi-Giornale-marcopolonews

Fonti diplomatiche occidentali indicano che Israele ha già ufficiosamente riconosciuto che i due terzi della sovrapposizione appartiene al Libano, così una formula a breve termine sarebbe quella di dichiarare il rimanente terzo e la zona cuscinetto circostante proibiti all'esplorazione e alla produzione fino a quando non si arriverà ad una soluzione

permanente.

Il problema è che, chiaramente, il Libano e Israele non riescono a raggiungere tale accordo da soli. I due paesi sono rimasti tecnicamente in guerra dal 1949, non hanno relazioni diplomatiche ufficiali di alcun tipo e i loro rapporti sono mediati da diffidenza confinante con la paranoia. Anche se il Libano voleva avviare tali relazioni, la sua vulnerabilità alla destabilizzazione causata da forze esterne gli ha impedito, senza l'aiuto da parte di stati regionali più grandi, il raggiungimento di tale scopo.

Negoziazioni indirette sono l'unica opzione e, mentre gli Stati Uniti, stando a quanto si dice, hanno fatto progressi durante discussioni separate con le controparti libanesi e israeliane, un altro ostacolo ancora complica questo sforzo: Israele è uno dei tre paesi nella regione – insieme alla Siria e alla Turchia – che non ha né firmato né approvato la Convenzione delle Nazioni Unite sul diritto del mare (UNCLOS), il meccanismo stesso su cui si basa la maggior parte dei governi per risolvere le controversie marittime.

Signore,

La popolazione della nostra regione merita la pace. Gli idrocarburi sotto I fondali del Mediterraneo orientale offrono una speranza a tutti noi per il raggiungimento di una nuova era di prosperità, un'era che rompa i cicli di povertà e violenza che non portano a nulla di buono. Le Nazioni Unite hanno un ruolo indispensabile da svolgere nel far sì che le risorse in questione siano un combustibile per lo sviluppo sociale ed economico e non una causa per un'altra guerra.

La diplomazia delle Nazioni Unite non sarebbe dovuta partire da zero. Cipro ha buone relazioni sia con il Libano sia con Israele e la maggior parte della delimitazione tra la sua Zona Economica Esclusiva e gli altri due è stata stabilita , ufficialmente o ufficiosamente. Questo lascia da definire solo

la triplice frontiera meridionale, dove tutte e tre le zone economiche esclusive si incontrano, e questo è dove l'azione delle Nazioni Unite può avere un impatto veramente storico. Ciò può significare convincere uno o più governi di firmare la convenzione UNCLoS, negoziando una "zona neutra" per mantenere la pace fino al raggiungimento di un accordo definitivo e/o sorvegliando le linee di demarcazione per prevenire le violazioni da entrambe le parti, e nessuna di queste due ipotesi è al di fuori della competenza e della capacità delle Nazioni Unite.

Eccellenza,

So che si può percepire sia il potenziale per risultati positivi se le Nazioni Unite si impegnano in questo processo sia il rischio di una nuova guerra, povertà e sofferenza se non lo faranno. Confido, inoltre, che possiate apprezzare l'opportunità per le Nazioni Unite di rispettare il proprio atto costitutivo e per Lei di onorare la propria eredità, facendo buon uso dei Suoi uffici. Spero più di ogni altra cosa che questo possa avere successo, poichè se lo fa Lei possiamo farlo tutti.

di Patrizia Marin

10 Aprile 2016

بأرودي لـ «الشرق»: لاستكمال
المطلبات التشريعية لقطاع

النفط والغاز



أجرت الحوار ميريام بلعة

يبدو أن مركب «التنقيب عن النفط في لبنان» أضاع بوصلته في البحر السياسي الهايج، فتارةٌ تضرره أمواج التجاذبات حول مراسيمه وترسيم الحدود البحرية، وطوراً يقذف به التلهي بالاستحقاقات المستجدة إلى جهة يضيع فيها الأمل في إمكان الإفادة من الفرصة الذهبية.

وفي انتظار الوعي السياسي لترجمة الحلم إلى حقيقة، يبقى الخبراء «المحرك الوحيد» لملف النفط، إذ دعا الخبير في قطاع النفط والغاز رودي بارودي الرئيس التنفيذي لشركة «الطاقة والبيئة القابضة» وهي شركة استشارية مستقلة مقرّها قطر، السلطات اللبنانيّة إلى «العمل بجدية لحماية مصالحه الخاصة، بدءاً باستكمال المتطلبات التشريعية لقطاع النفط والغاز واستئناف الجهود لتحديد المنطقة الاقتصادية الخالصة، وقال لـ«الشرق»: نتمنى ألا تكون هذه العملية معقدة، للتأكد من أن لبنان لن يفوّت نصيبه العادل من الثروة النفطية، خصوصاً أن إسرائيل هي أحد ثلاث دول في المنطقة، إضافة إلى سوريا وتركيا، التي لم توقع ولم تصادر على اتفاق الأمم المتحدة الذي يرعى قانون البحار».

وشدد على «ضرورة إعادة إحياء المحادثات مع قبرص لتعيين الحدود البحرية، بما يوجب على الجانبين الطلب من الولايات المتحدة تفعيل مساعدتها للمساعدة في تحديد النقطة الحدودية الثلاثية جنوب لبنان، حيث تتقاطع المناطق الاقتصادية الخالصة مع إسرائيل».

أضاف: إن توحيد الإنتاج بين منطقتي امتياز نفطي المتأخمتين بين لبنان وقبرص من جهة، واستئناف العمل التشريعي اللبناني من جهة أخرى، يساعمان في تحسين الاستقرار الاقتصادي وتوفير المزيد من الاستقرار السياسي. وفي حال احتجت بيروت إلى نيقوسيا فستجدها شريكاً يرغب في المساعدة على مختلف المستويات.

وقال بارودي ردّاً على سؤال، إن قبرص تسعى إلى «تحقيق مكاسب

تاريجية تخطيًّا أبعاد اقتصادها وحتى حدودها الجغرافية»، معتبراً أنها «مركز الطاقة في المنطقة، وبالتالي كل خطوة تتخذها نحو تحقيق هذا الطموح، تزيد أيضاً من فرص الدول المجاورة لها في بناء قطاعات النفط والغاز فيها».

ونوه في هذا السياق، بتقديم قبرص «نماذج إيجابية للدول الأخرى في المنطقة»، لافتاً إلى التقدم القبرصي المزدوج على صعيد عملية السلام وقطاع النفط والغاز وإطلاع الموظفين الحكوميين، أبناء وطنهم على كل مراحل التقدم بشفافية كاملة وواضحة».

وقال: «أثبتت قبرص بوضوح التزامها التعاون كوسيلة لصناعة الطاقة الإقليمية المتناغمة والتي من شأنها أن تضفي فوائد جمةً اقتصادياً واجتماعياً وكذلك أمنياً، على جميع الدول المشاركة وسكانها. ونحن جميعاً مدينون لقبرص، ويحتاج القادة في لبنان إلى إظهار المبادرة عينها، والإبتكار والمبادرة والاهتمام عينه بمصالح الأجيال المقبلة».

وأجدد التأكيد أن «صناعة الطاقة النامية تقدم وعداً بمنح حافر إضافي هائل للقادة القبارصة اليونانيين والقبارصة الأتراك لمواصلة العمل بزخم على إعادة توحيد الجزيرة».

ورأى بارودي ردًا على سؤال عن اختيار قبرص شركة «نيوز جيوسيستمز» الأمريكية التي تتخذ من كاليفورنيا مقرًا لها، لتكوين قاعدة بيانات متطرفة وحديثة وشبه أكيدة لمخزون النفط والغاز للبر القبرصي وشاطئه، أن «خريطة قبرص النفطية الجديدة ستضيف دليلاً جديداً على تواجد ودائع من الغاز والنفط في شرق البحر المتوسط، وبفضل مجموعة البيانات التي حصلت عليها «نيوز»، يبدو مستقبل لبنان واعداً في هذا المجال أكثر من أي وقت مضى».

واعتبر أن «اكتشاف شركة «ايني» الإيطالية حقل غاز عملاق في المياه المصرية والمتاخم لقطاع «توتال» البحري في قبرص، وآخر أخبار الإستكشافات الآتية من سوريا، مؤشرات مشجعة ذات دلالة على أهمية هذا القطاع في المنطقة، علماً أن الاتفاق الموقع بين «نيوز» والحكومة القبرصية يخول الشركة توسيع أعمالها إلى المياه القبرصية إضافة إلى عملها في البحر وسواحل الجزيرة».

وسئل بارودي عن السبل الآيلة إلى إنقاذ قطاع الكهرباء في لبنان، فقال: «إن معملي الزهراني ودير عمار تم بناؤهما أساساً، في إطار تنفيذ خطة نهوض وطني وُضعت عام 1994، ليعملان على الغاز الطبيعي

وليس على الديزل أويل، بناءً على نصيحة من شركة كهرباء فرنسا، لما يؤمّنه استعمال الغاز الطبيعي في إنتاج الطاقة من وفر في كلفة الإنتاج، وتحفيض الضرر على البيئة. لكن المناكفات السياسية والمزاجيات الشخصية لبعض المسؤولين منذ العام 2002 عطلت المشروع، ما كبد الخزينة مبالغ طائلة عن مشتقات نفطية».

وأضاف: «بما أن خط الغاز العربي الذي بدأ العمل على إنجاز بعض أجزائه، ونتيجة ما يجري في المنطقة، جعل من المستحيل في المدى المنظور استكماله والإفادة منه. وبما أن تشغيل معامل الكهرباء على الغاز الطبيعي بات متعدراً من دون وجود محطات تخزين، وتسهيل الغاز الطبيعي بالقرب من معامل الإنتاج أمراً لا بد منه ولا بديل عنه، أصبح لزاماً على الدولة أن تبدأ بشراء أو استئجار أو إنشاء محطة عائمة لتخزين الغاز الطبيعي وتسليمه لزوم معملي الإنتاج في الزهراني ودير عمار، حيث تقام محطة عائمة في كل منهما ولو احتاج ذلك إلى توسيع المرفأ أو إنشاء سدًّا للأمواج لحماية المحطة من العوامل البحرية».

ورأى في الوقت نفسه، أن إنشاء المحطتين يؤدّي إلى وفر هائل في ثمن المحروقات، ما يؤدي بدوره إلى خفض الدعم لمؤسسة كهرباء لبنان وتحفيض نسبة الدين والفوائد المترتبة عليها، خصوصاً أن إمكانات الدولة - مؤسسة كهرباء لبنان، في مجال جبائية مستحقاتها ومنع الإعتداء على شبكاتها لا تزال محدودة، ما يخفض قدرتها على لجم العجز أو مواجهته بتفعيل الجبائية.

واعتبر أنه «من الأفضل استئجار محطة عائمة في كل معمل، على أن يكون المورد صاحب خبرة عالمية في هذا المجال، ولديه القدرة على أن يورد الغاز الطبيعي بالإضافة إلى المحطة في الوقت نفسه، لما في ذلك من وفر في الكلفة والإشراف والمراقبة، بحيث ينص دفتر الشروط الموحد على أن يتم التعاقد على طريقة مفتاح باليد، أي أن تحصل مؤسسة الكهرباء على الغاز الطبيعي الذي تحتاج إليه معاملها بشكل واضح ومحدد الكميات والكلفة، وهي الطريقة التي اعتمدتها دول عدة بينها الكويت، ودبي والأردن».

Les réactions à la visite de Ban Ki-moon

La visite libanaise de Ban Ki-moon à Beyrouth n'a pas manqué de susciter nombre de réactions. Ali Osseirane, député de Zahrani et membre du bloc berryiste, a estimé, dans un communiqué, que la visite du secrétaire général des Nations unies était « mal à propos et venait à un moment inopportun ». « Il devrait plutôt se pencher sur les problèmes de la région qui se répercutent sur le Liban », a-t-il dit, regrettant que M. Ban n'ait pas trouvé de solution à la crise syrienne. « Il aurait mieux valu qu'il impose à Israël, lui et le Conseil de sécurité de l'Onu, la création d'un État palestinien », a-t-il encore noté.

De son côté, le président de la Ligue maronite, Antoine Klimos, a invité les Nations unies et la communauté internationale, dans un communiqué, à ne pas favoriser « l'implantation des réfugiés syriens au Liban », mais maintenir leur présence « provisoire ». « La seule aide demandée aux instances internationales est de trouver une solution rapide au conflit en Syrie afin que les réfugiés puissent rentrer chez eux, mais aussi de mettre en place des campagnes de sensibilisation au sein des camps sauvages de réfugiés dans ce sens », a-t-il souligné.

Par ailleurs, dans une lettre ouverte au secrétaire général des Nations unies, le PDG d'Energy et Environment Holding, Roudi Baroudi, a invité l'Onu à jouer un rôle de paix dans la région au niveau de l'énergie. « Les peuples de notre région méritent de vivre en paix, écrit-il. Les hydrocarbures sous les fonds marins de la Méditerranée orientale offrent l'espoir que nous tous pourrons atteindre une nouvelle ère de prospérité, qui brise les cycles de la pauvreté et de la violence. L'Onu a un rôle indispensable à jouer en veillant à ce que les ressources en question soient un carburant pour le

développement social et économique, et non pas une cause supplémentaire de guerre. »

A vote of confidence in Cyprus' EEZ'



The detection of carbonate layers in the southern part of Cyprus' Exclusive Economic Zone (EEZ), which could hold pockets of natural gas, was a chief reason behind the government's decision to launch a third oil and gas licensing round, Energy Minister Giorgos Lakkotrypis said on Thursday.

According to a notice published on Thursday in the EU's official journal, Cyprus is now inviting bids for exploration of hydrocarbons in offshore blocks 6, 8 and 10.

Applications may be submitted within 120 days of the date of publication of the notice, and the decision on the applications will be made by the cabinet "within six months from the date of submission."

The acreage included in the new licensing round is largely unexplored, Lakkotrypis told reporters at the presidential palace.

The areas are believed to contain carbonate layers in the bedrock, as in the case of Egypt's Zohr discovery.

"The creation and development of these carbonate structures are directly related to the existence of the Eratosthenes seamount within the Cyprus Exclusive Economic Zone," he noted.

And the interest expressed in recent months by energy companies, following the detection of these carbonate layers, was the other reason prompting the government to initiate a new exploration round.

Responding to questions, Lakkotrypis confirmed that foreign companies had conveyed interest in exploring other blocks beyond the three selected.

But after consideration the government decided to put up for auction only blocks 6, 8 and 10.

Should the licences be granted after negotiations, then Cyprus would have a total of seven offshore blocks under license.

Currently, blocks 2, 3, 9 and 12 are licensed.

Total had held the concession on Block 10, but relinquished it last year after failing to identify targets. The block is located on the southern edge of Cyprus' EEZ and is in close proximity to Egypt's EEZ and the massive Zohr prospect.

Lakkotrypis noted also that the exploration concession on Block 12, licensed to Texas-based Noble Energy, expires at the end of this May. As such, the license over that acreage – except for the 'Aphrodite' reservoir – will return to the Republic.

The minister confirmed moreover that during his recent visit to Russia, energy companies there expressed an interest in Cyprus' EEZ.

"We have had some contacts in the interim. Of course, whether

or not the interest is tangible, this will become apparent once the deadline arrives for the submission of bids."

Asked whether energy companies would definitely be operating their onshore logistics bases from the port of Limassol, Lakkotrypis demurred on the question, saying only that this is the government's intention.

For his part, government spokesman Nicos Christodoulides called the launch of a new exploration round "a highly important development, a vote of confidence in the EEZ of the Republic."

Cyprus' natural wealth belongs to the people of Cyprus, and following a settlement of the island's political problem, the totality of the population would benefit from this wealth, he added.

Asked whether the government expects Turkey to react to Cyprus' new exploration round, particularly in light of ongoing reunification talks here, Christodoulides said only that the Republic "shall not suspend exercising its sovereign rights due to the talks."

"The Republic's energy plans are proceeding as normal," he added.