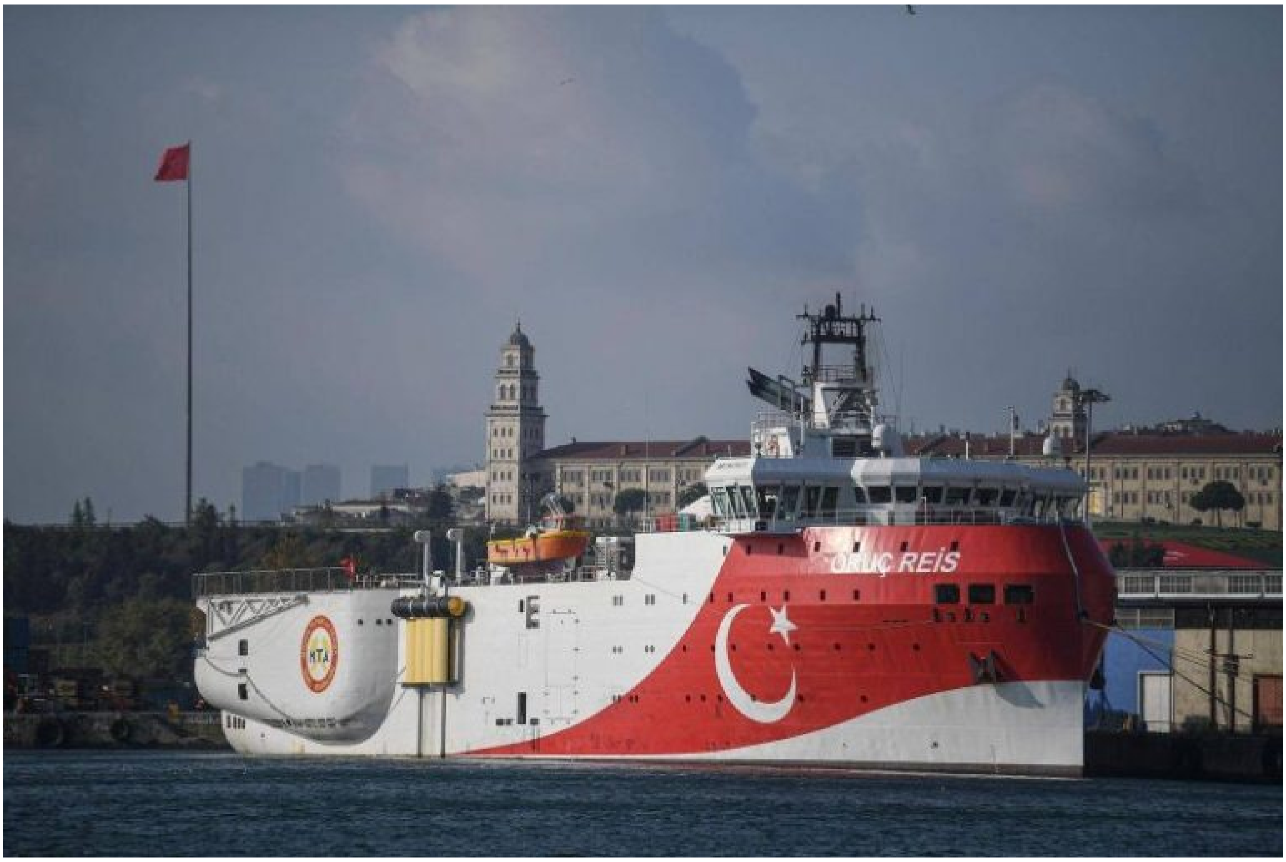
Le droit de la mer offre une solution pacifique au litige gréco-turc



La Grèce et la Turquie se livrent à nouveau à un jeu dangereux sur l'île grecque de Kastellorizo, située à deux kilomètres des côtes turques. Si les deux pays sont depuis longtemps en désaccord sur l'île, le différend actuel concerne l'envoi dans cette zone, à plusieurs reprises depuis août dernier, d'un navire d'exploration d'hydrocarbures turc, l'Oruç Reis. Cependant, la récurrence de ces tensions découle en fin de compte de l'absence de traité sur les frontières maritimes entre les deux pays.Ce manque de clarté a contribué à des frictions pendant des décennies, et pas seulement sur l'île de Kastellorizo. En fait, les deux pays revendiquent des zones économiques exclusives (ZEE) qui se chevauchent de manière significative, rendant impossible tout projet qui viserait à exploiter pleinement les ressources sous-marines de la zone.

Par conséquent, à moins que les deux pays ne soient pleinement préparés à résoudre leurs différends de manière pacifique, des crises comme celle que nous connaissons actuellement continueront de se produire, augmentant à chaque fois les risques de conflit ouvert.

Montée des tensions

Les enjeux ont crû significativement ces dernières années, principalement en raison de la découverte d'importants gisements d'hydrocarbures en plusieurs endroits de la Méditerranée orientale. Certains observateurs avertissent que les relations entre les deux pays sont à leur plus bas niveau depuis 1974, lorsque les forces turques ont envahi Chypre à la suite d'un coup d'État des Chypriotes grecs visant à unir l'île à la junte militaire alors en place à Athènes.

Au lieu d'engager un dialogue productif entre elles, Athènes et Ankara ont toutes deux mené des efforts diplomatiques parallèles visant à étayer leurs revendications maritimes respectives. Les Turcs ont signé un protocole d'accord sur les ZEE avec la Libye (17 novembre 2019), tandis que les Grecs ont signé un accord sur les ZEE avec l'Égypte (6 août 2020). Aucun de ces accords n'a cependant été ratifié, ce qui signifie qu'ils ne sont pas encore en vigueur. Même si une ratification a lieu, il reste à voir si ces accords seront déposés auprès de la Division des Nations unies pour les affaires maritimes et du droit de la mer (Doalos), à laquelle les États côtiers confient généralement leurs traités frontaliers pour une plus large diffusion. Par conséquent, si ces documents bilatéraux peuvent être utilisés pour réglementer les interactions entre leurs signataires respectifs, il reste à voir si et comment ils peuvent être conciliés avec les délimitations revendiquées par leurs autres voisins.

Pour toutes ces raisons, la nécessité de mettre fin à ces coups de poker périodiques devient chaque jour plus urgente. Comme pour souligner les dangers qui en découlent, le 12 août, un des navires de guerre turcs qui escortaient l’Oruç Reis a été impliqué dans une collision mineure avec une frégate grecque envoyée pour suivre le relevé.

Droit et technique

Cependant, en dépit de l’inimitié de longue date entre la Grèce et la Turquie, le droit offre aujourd’hui des moyens simples de résoudre leur différend. La Convention des Nations unies sur le droit de la mer (CNUDM) établit un ensemble complet de règles pour la résolution juste et équitable de ces différends, et au fil du temps, ces règles sont devenues partie intégrante du droit international. Cela signifie que même les pays qui ne sont pas signataires de la CNUDM peuvent invoquer (et invoquent déjà) les principes de la convention dans toutes sortes d’interactions, notamment lors des procédures devant les tribunaux internationaux, les processus d’arbitrage et la diplomatie bilatérale et multilatérale. De plus, les récents progrès technologiques ont révolutionné la précision avec laquelle les zones litigieuses – sur terre ou en mer – peuvent être définies et délimitées.

Ensemble, le droit et la technique ont donc éliminé une grande partie des spéculations qui pouvaient exister – et donc une grande partie des risques – lors des négociations pour la résolution des différends maritimes. C’est cette approche que la Grèce et la Turquie doivent adopter pour promouvoir leurs intérêts respectifs tout en respectant l’obligation qui est la leur, en tant qu’États membres des Nations unies, de régler les différends de manière pacifique. Leurs divergences sont réelles et certains détails sont complexes, mais les principes de la CNUDM constituent une solution éprouvée, à tel point qu’ils ont joué un rôle central dans chacune des deux dernières douzaines de résolutions de différends maritimes par arbitrage, verdict d’un tribunal ou traité international.

Ces tensions ne disparaîtront pas, ni ne pourront être résolues, sans diplomatie et sans dialogue. Le statu quo est très instable, et aucune des parties ne peut imposer sa volonté à l’autre, du moins pas sans subir des pertes humaines et matérielles inacceptables.

Il est très probable qu’une demande de dialogue et de diplomatie trouve une oreille réceptive du côté de leurs partenaires internationaux. Les États-Unis et l’Union européenne ont en effet tous deux intérêt à éviter une plus grande instabilité en Méditerranée orientale, et les Nations unies ont investi beaucoup de temps et d’efforts dans plusieurs tentatives pour trouver une solution au volet chypriote du conflit gréco-turc.

Outre l’évolution de la technologie et celle des précédents juridiques qui permettent une solution basée sur la CNUDM, sans parler des avantages économiques que les deux pays pourraient tirer de la liberté d’exploiter librement leurs ressources, il y a une autre raison d’être optimiste quant à la réussite d’une poussée en faveur de la paix à l’heure actuelle.

L’heure ne devrait pas être aux discours enflammés et aux postures agressives. Les mécanismes pour une solution équitable sont à portée de main. La Grèce et la Turquie doivent s’engager dans un processus pacifique et défendre leurs positions jusqu’à ce qu’elles parviennent à un accord, et leurs alliés doivent les aider à le faire.

Oil prices face uphill struggle in 2021 despite

vaccine progress: Reuters poll

Oil prices will struggle to gain upward traction next year as demand remains in the grip of the coronavirus pandemic despite growing optimism over vaccines and a likely extension of output cuts by top producers, a Reuters poll showed on Monday.

The poll of 40 economists and analysts forecast Brent would average $49.35 a barrel next year, little changed from last month’s $49.76 outlook. The benchmark has averaged about $42.50 per barrel so far in 2020.

“The global oil demand outlook remains precarious given the resurgence of the pandemic and resulting lockdowns in Europe and the U.S.,” said Marshall Steeves, energy markets analyst at IEG Vantage.

“This will likely remain the case through the first quarter of 2021 if not the second, thus OPEC+ faces muted demand for their oil.”

(Graphic: Brent and WTI price forecast for 2021)

Rising Libyan output also posed a headwind, analysts said, as the market focuses on a meeting on Nov. 30-Dec. 1, when the Organization of the Petroleum Exporting Countries, Russia and other producers, a grouping known as OPEC+, decide strategy.

OPEC+ is leaning towards delaying the group’s existing plan to boost output in January by 2 million barrels per day (bpd) to support a market hammered by the pandemic..

Although an accelerating COVID-19 vaccine race has raised hopes for a quicker economic rebound, analysts said a resultant fillip to demand may only materialise in the second half of 2021.

Global demand was seen growing by 5.1 million to 6.3 million bpd in 2021, led by China.

“Currently the Achilles heel on the demand side is the aviation sector. Business-related travel could still be low next year, as companies may make greater use of video conference calls,” said UBS analyst Giovanni Staunovo.

The survey forecast U.S. WTI crude futures would average $46.40 a barrel in 2021, versus October’s $46.03 consensus.

“U.S. rigs are coming back to life but a Joe Biden administration should derail anything that allows for a massive upswing with production,” said Edward Moya, senior market analyst at OANDA.

Opec faces seismic demand split as group plots next move

Bloomberg/London

As Opec+ ministers gather virtually this week, the city that traditionally hosts their meetings will be locked down.
But while the Austrian capital provides a dramatic example of how the second wave of the pandemic is shutting down economies in Europe and the US, the global picture is more nuanced.
In Asia, the situation is almost the opposite to that of Vienna. The streets in India were full during the recent celebration of Diwali; China's Golden Week holiday saw millions take cars, trains and even planes to visit relatives across the country.
The east-west divide is an added conundrum for Opec+, which on November 30-December 1 needs to decide whether to delay a production increase slated for January – and if so, for how long. And there's another crucial divide in the global oil market: while gasoline and diesel demand have recovered to

about 90% of their normal level, consumption of jet fuel languishes at about 50%.

"The size of the shock and the unevenness of its impacts imply a recovery process which is far from smooth," said Bassam Fattouh, the head of the Oxford Institute for Energy Studies.

Saudi Arabia is using both carrot and stick to talk other members of the oil group into defending prices at Thursday's ministerial meeting.

In private, Opec+ delegates talk about the imbalance in the recovery, both geographically and between refined products. Increasingly too, they talk about another segmentation: crude oil quality. The market for the denser more sulphurous crude, called heavy-sour, is tight, mostly due to production cuts big producers. But the market for so-called light-sweet is glutted, in part because Libyan barrels have come back to the market after a ceasefire, and European refiners are consuming less North Sea crude.

All those factors make the deliberations of Opec+ ministers trickier. And they have just one blunt tool at their disposal: raising or cutting overall production. Opec+ nations do not target gasoline or jet-fuel production, but just crude.

There's also a geographical handicap: most of their oil goes to Asia, where demand is strong, rather than Europe and America, where it's weaker. That means they can do little to address the glut where it matters. Even the quality is a problem: Opec pumps mostly heavy-sour crude, and can do relatively little to trim the excess of light-sweet crude.

There is some consolation. While the recovery in oil demand that started in May stuttered in October and November as the second wave took hold, it wasn't the same hit to the market as earlier this year. The lockdowns in Europe aren't as severe as the first wave, and demand in Asia is surging – not just in China, but also in India, Japan and South Korea.

High frequency data for road usage shows a decline in early November of about 30% from pre-Covid levels, compared to nearly 70% in late March and early April, according to an index compiled by Bloomberg News. The most recent data suggests that road fuel demand bottomed out around November 15, and has been recovering since. With European nations easing lockdowns in the run-up to Christmas, demand is likely to recover further.

Pieced together, this all means the market isn’t as bad as it looked just a few weeks ago. Oil prices are reflecting the more positive tone: Brent crude has rallied well above $45 a barrel, and the shape of the curve has flipped, with nearby contracts trading at a premium to later ones. That dynamic, known as backwardation and traditionally a bullish signal, means that demand is running above supply.

The physical market, where actual barrels change hands, is also showing signs of strength: the favourite crude varieties of Chinese refiners are commanding rising premiums. Take ESPO crude of Russia, a grade that Chinese independent refiners, known as teapots, like to buy. In the most recent tenders, it has changed hands at $2.85 a barrel above its benchmark, up from 55 cents in mid-October.

Beyond the next quarter, the outlook improves further.

Many are already hopeful about the impact of virus vaccines on oil demand. If they are right, by mid-year, when Opec is likely to be meeting again, the streets of Vienna will be once again full of tourists, often perplexed to see oil ministers followed by packs of television cameras across the Austrian capital. The group is tentatively planning to hold its bi-annual international oil seminar, a two-day festival of the industry, at the Imperial Hofburg Palace in June 2021.

“Vaccine efficacy and availability point to a large enough recovery in oil demand next year to allow Opec to achieve both a rebalancing of excess inventories as well as increase production sharply,” said Damien Courvalin, oil analyst at Goldman Sachs Group Inc.

For now though, Opec+ still has work to do. If the group wants to keep draining inventories accumulated earlier this year, it needs to keep the market in deficit, rather than simply balance supply and demand. With Libyan output surging back, Opec’s own economists believe that global inventories would

increase by about 200,000 barrels a day during the first quarter of 2021 if the group increases output as scheduled in January. If it delays the hike by three months, then stocks would instead drain by about 1.7mn barrels a day between January and March, a similar amount to what it expects in the fourth quarter of 2020.
“The job is far from done,” said Gordon Gray, global head of oil and gas equity research at HSBC Holdings Plc.

Turkey’s economy expected to grow 4.8% year-on-year in Q3

Reuters/Istanbul

Turkey’s economy is expected to have grown 4.8% year-on-year in the third quarter of 2020, as expectations turned positive after data indicated strong performance, a Reuters poll showed yesterday, while GDP is seen remaining flat through the year.
The coronavirus pandemic, which lead to a year-on-year

contraction of nearly 10% in the second quarter as a result restrictions on travel and weekend lockdowns, eased in the third quarter before surging again in October and November.

While previous Reuters polls had predicted a contraction in the third quarter as well, the median estimate of 14 economists in this week's poll forecast a growth of 4.8%. Estimates ranged between growth of 6.8% and contraction of 1.5%.

Strong performances in the industry, retail, finance and real estate sectors have lead the growth in the third quarter, said Daglar Ozkan, economist at Is Yatirim.

"Our previous expectations were a little weaker but data for September showed us that growth in the third quarter was very strong," he said.

Turkey has recently imposed new measures to combat the coronavirus outbreak, as new daily symptomatic cases and deaths reached record levels in recent days.

Ankara has emphasised that the measures, much less restrictive than those in the spring, will not interfere with suppy and production chains.

Is Yatirim's Ozkan said the second wave will likely have a much more limited impact on the economy compared to the first because the restrictions are designed to allow economic activity to continue.

For the full year, the median estimate was for the gross domestic product (GDP) to remain flat, with estimates of 16 economists ranging between growth of 0.6% and contraction of 5%.

The government has forecast a growth of 0.3% this year but said the economy could contract 1.5% under a worst-case scenario.

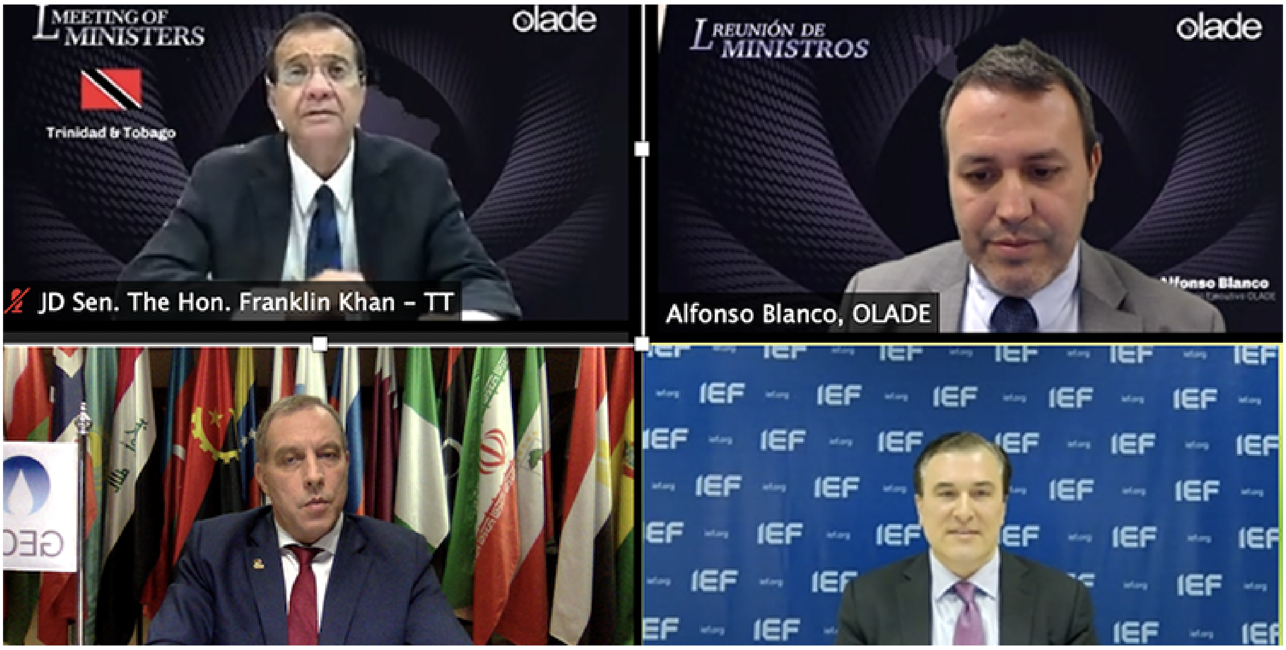
Turkey's economy, which has expanded 5% on average over the last decade, has performed well below those levels for the last two years, growing 0.9% in 2019.

Turkey needs to find a way back to near potential growth, said Bank of America.

"Given the high external financing needs, Turkey needs

economic reforms to boost productivity and to take steps to increase investor confidence," it said in a note, adding that Ankara's recent calls for reforms showed an understanding of the needs.
The Turkish Statistical Institute is expected to announce third quarter GDP data on November 30.

GECF amplifies role of natural gas at OLADE Ministerial Meeting



Upon an invitation of the Latin American Energy Organization (OLADE), the Gas Exporting Countries Forum (GECF) participated in its 50th jubilee Meeting of Ministers, dedicated to the topic "The energy sector during the crisis and its role in a post-pandemic economic recovery" and held on 19 November via videoconference.

The OLADE governing body has proved to be the foremost gathering of the Energy Administration Heads in the Latin American and Caribbean region providing an umbrella access to membership of 27 countries and engagement of peer international organisations, such as GECF, IEA, IEF, IRENA, and Inter-American Development Bank.

Assuming the office from HE Antonio Almonte, the Dominican Republic’s Energy and Mines Minister, the Meeting’s President HE Senator the Honourable Franklin Khan, Minister of Energy and Energy Industries of Trinidad and Tobago shared his vision of the energy sector as “the engine of the post-pandemic economic recovery” and stated that “energy industries have always played a fundamental role in providing society with the conveniences of modern living”.

Addressing the policymakers, the GECF Secretary General Yury Sentyurin, linked to the significant deterioration in OLADE countries’ economies due to COVID-19 pandemic and noted that “the GECF estimates that despite the challenging environment, the region’s primary energy demand will rise by 60% by 2050. Natural gas will make the most prominent contribution to this growth, as an inevitable component in building more sustainable energy systems with prominent emissions mitigation potential through larger deployment of decarbonisation options, including carbon capture, utilisation and storage (CCUS) and hydrogen developments.”

The GECF Secretary General commended the decisive actions taken by OLADE countries to facilitate energy transition and stimulate energy systems’ decarbonisation. In this regard, he recalled the recently taken final investment decision to construct Energia Costa Azul LNG project in Baja California, Mexico – the first ever LNG export facility on the Pacific Coast of North America.

Meanwhile, the UNFCCC COP25 chair Chile shared more details on its pledge to phase out coal by 2040 and to achieve carbon neutrality by 2050. The Chilean Energy Undersecretary

Francisco Javier López particularly mentioned hydrogen and noted that its production was “a high priority area of work to further energy sector developments”.

Speaking about Argentinian energy mix, HE Dr Javier Papa, Undersecretary of Energy Planning at the Energy Secretariat described natural gas as an integral element to succeed energy transformation. Argentina has recently announced its plans to liberalise its gas market by offering repatriation for gas investment.

“These are encouraging news in favour of natural gas and collectively they sound even more impressive” – continued GECF authority, citing the Forum’s Global Gas Outlook 2050, which forecasts the share of gas in the Latin American and Caribbean regional energy mix to grow from currently 24% to 33% by 2050. “Natural gas will be the harbinger of a sustainable and environmentally-friendly prosperous future for Latin America” – HE Yury Sentyurin stated.

Reflecting on the challenges posed by the year 2020, the GECF Secretary General highlighted the Forum’s Member Countries’ outstanding discipline and resilience in the continued fulfilment of their obligations towards all contracting parties. He also recalled his counterpart OLADE Executive Secretary Alfronso Blanco saying that “the strengthened collaboration can support the achievement of deeper energy transitions in the region.”

“The GECF has been continuously supporting its partner organisation and is eagerly looking forward to making even greater tribute in the OLADE-GECF activities, as well as its Member Countries’ practices through joint studies and outreach activities, exchange of unique expertise, comprehensive data sets, and analytics and multifaceted experience” – HE Secretary General Sentyurin reiterated. He also added that the GECF is ready to assist those on board to emerge stronger, wiser, technologically guided, data driven, and ever more agile, when entering the post COVID-9 world of growth and prosperity.

Iraq voices frustration with Opec days before crunch meeting

Bloomberg/London

Iraq’s deputy leader has criticised Opec just days before the oil group makes a crucial decision on whether to raise output.
Opec should take members’ economic and political conditions into account when deciding production quotas rather than adopting a “one-size-fits-all” approach, according to Ali Allawi, Iraq’s Finance and Deputy Prime Minister.
“We have reached the limit of our ability and willingness to accept a policy of one size fits all,” he said this week during a virtual conference hosted by UK think-tank Chatham

House. “It has to be more nuanced and it has to be related to the per-capita income of people, the presence of sovereign wealth funds, none of which we have. We are beginning to articulate this position.”

While Allawi said he wasn’t speaking on behalf of the Ministry of Oil, which decides on Opec matters, his comments are yet another manifestation of rifts within the group before its next meeting on November 30. Nigeria also has tried to get some oil blends excluded from its quota.

Iraq, the group’s biggest producer after Saudi Arabia, is reeling from the coronavirus-triggered collapse in oil prices. While all members have suffered, Iraq’s position is about the worst of the lot, with the government struggling to pay teachers and civil servants, and protesters taking to the streets en masse.

Opec+, an alliance between the Organization of Petroleum Exporting Countries and others such as Russia, meets a day later, on December 1. It agreed in April, at the height of the pandemic, to cut crude output by almost 10mn barrels daily. Opec imposed quotas on 10 of its 13 members, exempting Iran, Libya and Venezuela because of their economic and political turmoil.

Opec+ eased some of those curbs in August. It was meant to reduce the cuts by another 2mn barrels daily at the start of January, but renewed lockdowns in major economies including the US and Europe mean that some members may push for a delay.

Brent crude prices have more than doubled since April, but are still down around 26% this year at $48.50 a barrel.

Iraq has already breached its quota on several occasions. It has promised to compensate for its over-production. This week, in an unprecedented move, Iraq sought an upfront payment of about $2bn in exchange for a long-term crude-supply contract.

China is set to eclipse US as world's biggest oil refiner

Bloomberg/Beijing

Earlier this month, Royal Dutch Shell pulled the plug on its Convent refinery in Louisiana. Unlike many oil refineries shut in recent years, Convent was far from obsolete: It's fairly big by US standards and sophisticated enough to turn a wide range of crude oils into high-value fuels. Yet Shell, the world's third-biggest oil major, wanted to radically reduce refining capacity and couldn't find a buyer.

As Convent's 700 workers found out they were out of a job, their counterparts on the other side of Pacific were firing up a new unit at Rongsheng Petrochemical's giant Zhejiang complex in northeast China. It's just one of at least four projects underway in the country, totalling 1.2mn barrels a day of crude-processing capacity, equivalent to the UK's entire fleet.

The Covid crisis has hastened a seismic shift in the global refining industry as demand for plastics and fuels grows in China and the rest of Asia, where economies are quickly rebounding from the pandemic. In contrast, refineries in the US and Europe are grappling with a deeper economic crisis while the transition away from fossil fuels dims the long-term outlook for oil demand.

America has been top of the refining pack since the start of the oil age in the mid-nineteenth century, but China will dethrone the US as early as next year, according to the International Energy Agency. In 1967, the year Convent opened, the US had 35 times the refining capacity of China.

The rise of China’s refining industry, combined with several large new plants in India and the Middle East, is reverberating through the global energy system. Oil exporters are selling more crude to Asia and less to long-standing customers in North America and Europe. And as they add capacity, China’s refiners are becoming a growing force in international markets for gasoline, diesel and other fuels. That’s even putting pressure on older plants in other parts of Asia: Shell also announced this month that they will halve capacity at their Singapore refinery.

There are parallels with China’s growing dominance of the global steel industry in the early part of this century, when China built a clutch of massive, modern mills. Designed to meet burgeoning domestic demand, they also made China a force in the export market, squeezing higher-cost producers in Europe, North America and other parts of Asia and forcing the closure of older, inefficient plants.

“China is going to put another million barrels a day or more on the table in the next few years,” Steve Sawyer, director of refining at industry consultant Facts Global Energy, or FGE, said in an interview. “China will overtake the US probably in the next year or two.”

But while capacity will rise is China, India and the Middle East, oil demand may take years to fully recover from the damage inflicted by the coronavirus. That will push a few million barrels a day more of refining capacity out of business, on top of a record 1.7mn barrels a day of processing capacity already mothballed this year. More than half of these

closures have been in the US, according to the IEA.
About two thirds of European refiners aren't making enough money in fuel production to cover their costs, said Hedi Grati, head of Europe-CIS refining research at IHS Markit. Europe still needs to reduce its daily processing capacity by a further 1.7mn barrels in five years.
"There is more to come," Sawyer said, anticipating the closure of another 2mn barrels a day of refining capacity through next year.
Chinese refining capacity has nearly tripled since the turn of the millennium as it tried to keep pace with the rapid growth of diesel and gasoline consumption. The country's crude processing capacity is expected to climb to 1bn tons a year, or 20mn barrels per day, by 2025 from 17.5mn barrels at the end of this year, according to China National Petroleum Corp's Economics & Technology Research Institute.
India is also boosting its processing capability by more than half to 8mn barrels a day by 2025, including a new 1.2mn barrels per day mega project. Middle Eastern producers are adding to the spree, building new units with at least two projects totalling more than a million barrels a day that are set to start operations next year.
One of the key drivers of new projects is growing demand for the petrochemicals used to make plastics. More than half of the refining capacity that comes on stream from 2019 to 2027 will be added in Asia and 70% to 80% of this will be plastics-focused, according to industry consultant Wood Mackenzie.
The popularity of integrated refineries in Asia is being driven by the region's relatively fast economic growth rates and the fact that it's still a net importer of feedstocks like naphtha, ethylene and propylene as well as liquefied petroleum gas, used to make various types of plastic. The US is a major supplier of naphtha and LPG to Asia.
These new massive and integrated plants make life tougher for their smaller rivals, who lack their scale, flexibility to switch between fuels and ability to process dirtier, cheaper crudes.

The refineries being closed tend to be relatively small, not very sophisticated and typically built in the 1960s, according to Alan Gelder, vice president of refining and oil markets at Wood Mackenzie. He sees excess capacity of around 3mn barrels a day. “For them to survive, they will need to export more products as their regional demand falls, but unfortunately they’re not very competitive, which means they’re likely to close.”

Global oil consumption is on track to slump by an unprecedented 8.8mn barrels a day this year, averaging 91.3mn a day, according to the IEA, which expects less than two-thirds of this lost demand to recover next year.

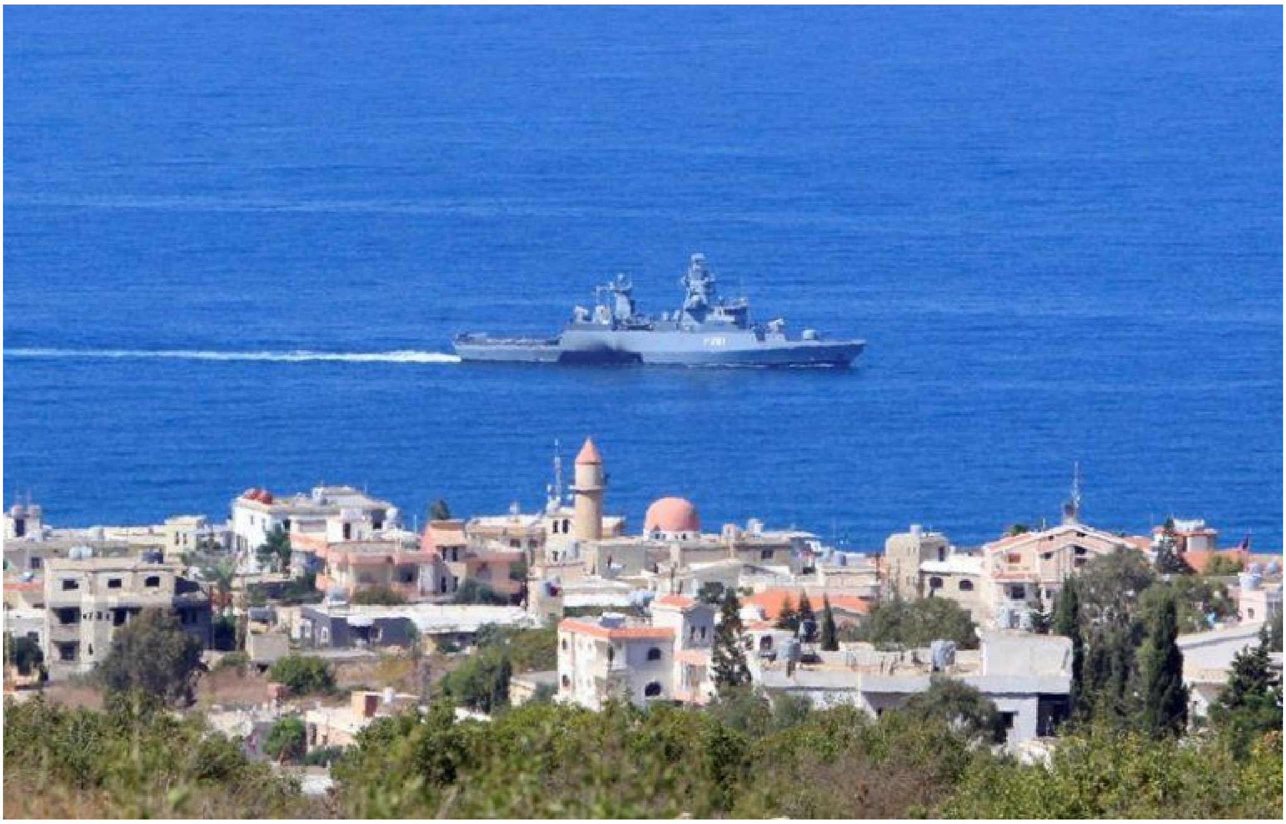
Some refineries were set to shutter even before the pandemic hit, as a global crude distillation capacity of about 102mn barrels a day far outweighed the 84mn barrels of refined products demand in 2019, according to the IEA. The demand destruction due to Covid-19 pushed several refineries over the brink.

“What was expected to be a long, slow adjustment has become an abrupt shock,” said Rob Smith, director at IHS Markit.

Adding to the pain of refiners in the US are regulations pushing for biofuels. That encouraged some refiners to repurpose their plants for producing biofuels.

Even China may be getting ahead of itself. Capacity additions are outpacing its demand growth. An oil products oversupply in the country may reach 1.4mn barrels a day in 2025, according to CNPC. Even as new refineries are built, China’s demand growth may peak by 2025 and then slow as the country begins its long transition toward carbon neutrality.

Lebanon sets starting point for sea border negotiations with Israel



BEIRUT (Reuters) – President Michel Aoun on Thursday specified Lebanon's starting point for demarcating its sea border with Israel under U.S.-mediated talks, in the first public confirmation of a stance sources say increases the size of the disputed area.

Israel and Lebanon launched the negotiations last month with delegations from the long-time foes convening at a U.N. base to try to agree on the border that has held up hydrocarbon exploration in the potentially gas-rich area.

A presidency statement said Aoun instructed the Lebanese team that the demarcation line should start from the land point of Ras Naqoura as defined under a 1923 agreement and extend seaward in a trajectory that a security source said extends the disputed area to some 2,300 square km (888 sq miles) from around 860 sq km.

Israel’s energy minister, overseeing the talks with Lebanon, said Lebanon had now changed its position seven times and was contradicting its own assertions.

“Whoever wants prosperity in our region and seeks to safely develop natural resources must adhere to the principle of stability and settle the dispute along the lines that were submitted by Israel and Lebanon at the United Nations,” Yuval Steinitz said.

Any deviation, Steinitz said, would lead to a “dead end”.

Last month sources said the two sides presented contrasting maps for proposed borders. They said the Lebanese proposal extended farther south than the border Lebanon had years before presented to the United Nations and that of the Israeli team pushed the boundary farther north than Israel’s original position.

The talks, the culmination of three years of diplomacy by Washington, are due to resume in December.

Israel pumps gas from huge offshore fields but Lebanon, which has yet to find commercial gas reserves in its own waters, is desperate for cash from foreign donors as it faces the worst economic crisis since its 1975-1990 civil war.

Additional reporting by Ari Rabinovitch in Jerusalem; Writing by Ghaida Ghantous; Editing by Janet Lawrence

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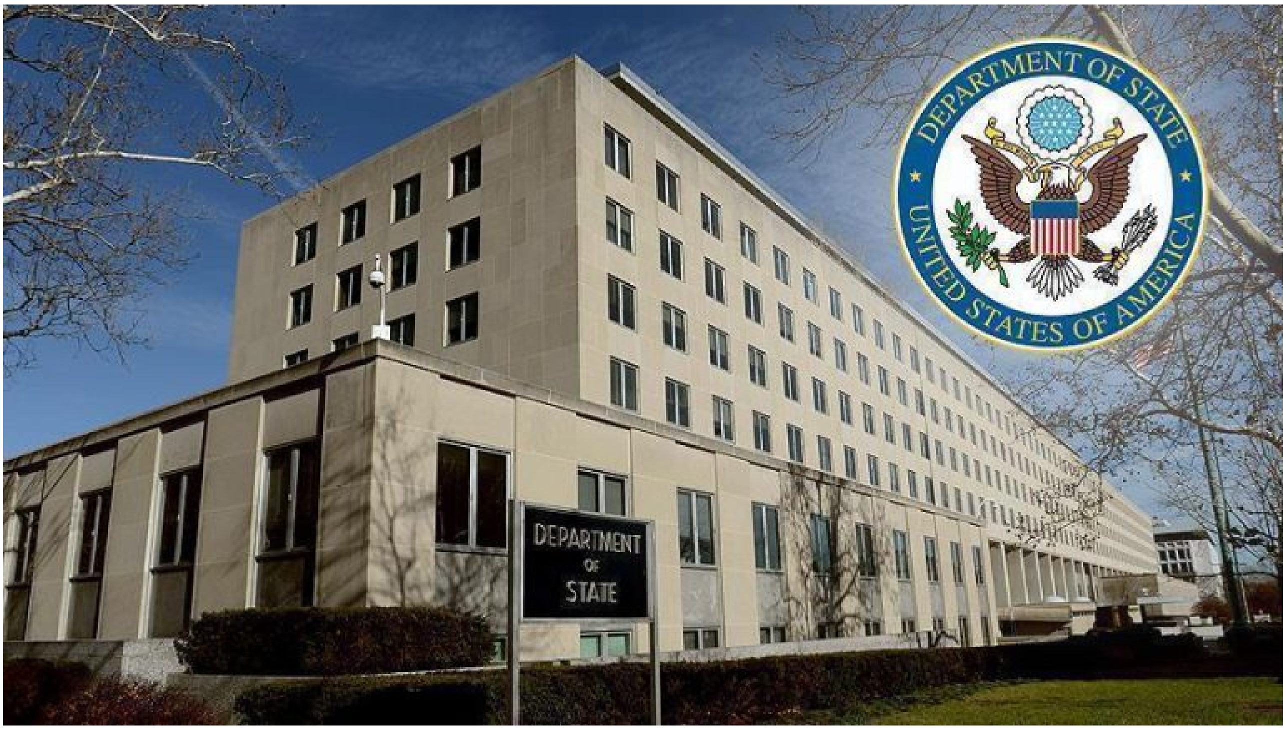
Athens responds to US State Department's claim that Greek air space is only 6 nautical miles



Regarding the report by the US State Department, which was forwarded to the US Congress on March 18 and in the framework of the provisions of the "Eastern Mediterranean Security and Energy Partnership Act," diplomatic sources pointed out that the borders of Greece's territorial waters, as well as the maritime borders between Greece and Turkey, have been clearly defined for years on the basis of international law and are not in any dispute.

In particular, they stated in response to the State Department that regarding the Southeastern Aegean and the Eastern Mediterranean, the maritime borders have been defined by the Italy-Turkey Agreement signed in Ankara on 4 January 1932, as well as the minutes which was signed in Ankara on December 28, 1932.

Greece, as the successor state under the Treaty of Paris of 1947, gained sovereignty over the Dodecanese without any change in the maritime borders, as agreed between Italy and Turkey.

Regarding the sea borders in Thrace (up to the point of a distance of three nautical miles from the Evros Delta), they emphasise that these were defined by the Treaty of Lausanne of 1923 and the Athens Protocol of 1926.

Finally, regarding the sea borders between the above two areas (from Thrace to Dodecanese), where the territorial waters of Greece and Turkey intersect, they pointed out that the sea borders follow the middle line between the Greek islands and islets and the opposite Turkish coasts.

The same diplomatic sources noted that Greece's external borders, including its territorial waters, are at the same time the external borders of the European Union.

The recently released State Department report states that Greece claims an airspace that extends up to 10 nautical miles and a territorial sea of up to 6 nautical miles, but that "under international law, a country's airspace coincides with its territorial sea."

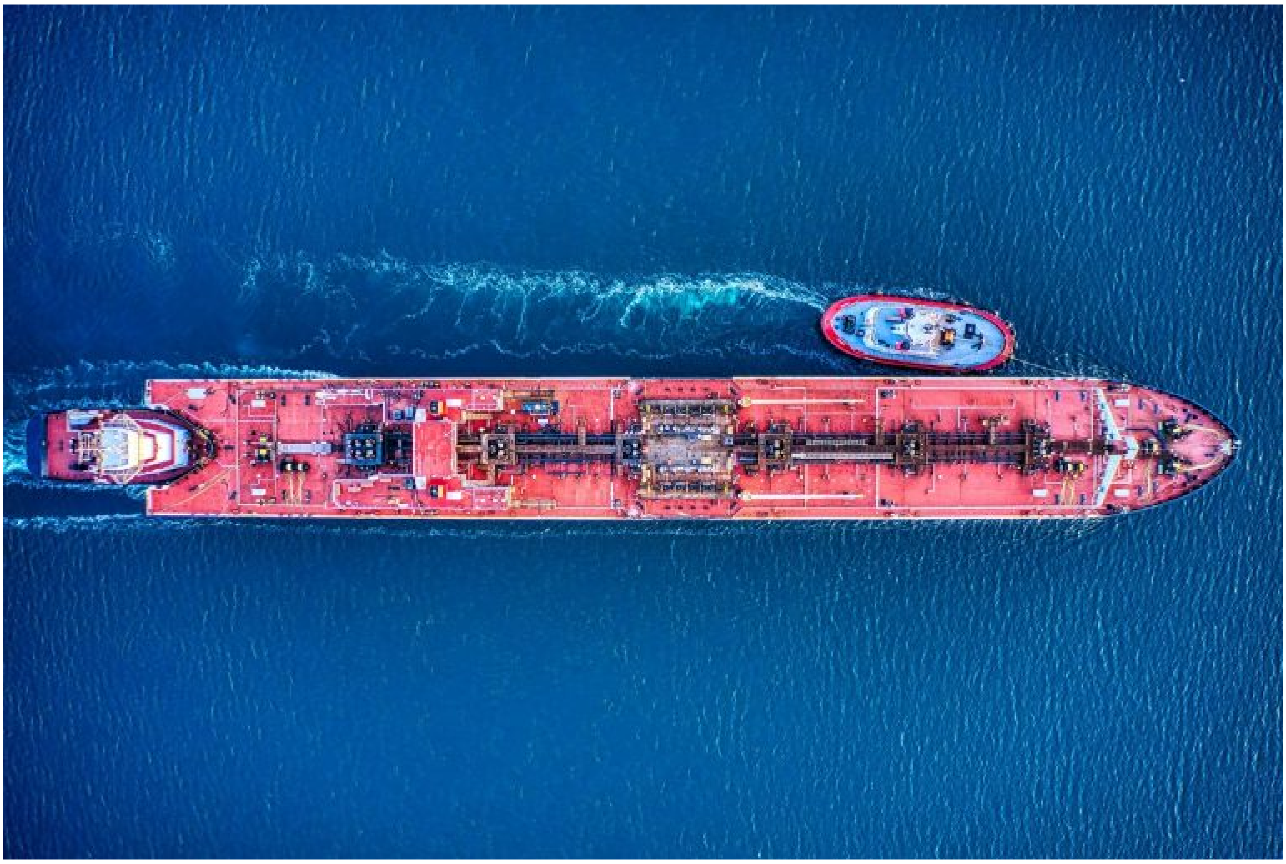
"The US thus recognizes an airspace up to 6 nautical miles consistent with territorial sea. Greece and the US do not share a view on the extent of Greece's airspace," the report said.

The State Department report adds that although Athens currently claims up to a 6-nautical-mile territorial sea in the Aegean, "Greece and its neighbors have not agreed on boundary delimitation in those areas where their lawful maritime entitlements overlap."

"Lack of such delimitation means there is no clarity on the extent of Greece's territorial sea and corresponding airspace in these areas rendering any assessment of total violations not feasible," the report said.

The State Department report said Washington encourages Greece and Turkey "to resolve outstanding bilateral maritime boundary issues peacefully and in accordance with international law."

Nakilat completes second phase of fleet management transition



Qatar-based shipping and maritime company Nakilat has completed the second phase of its fleet management transition from Shell International Trading and Shipping Company.

A total of seven liquefied natural gas (LNG) carriers transitioned to its in-house operational and technical management.

During the second phase transition, Q-Max LNG carrier Lijmiliya was the last vessel to transition from Shell to Nakilat Shipping Qatar Limited (NSQL) on 27 October.

Currently, the fleet size fully managed by NSQL stands at 26 vessels with 22 LNG vessels and four liquefied petroleum gas (LPG) carriers.

Over the past several years, Nakilat has been working closely with its long-term partner Shell for a smooth transition of vessel management.

Nakilat CEO Abdullah Fadhalah Al Sulaiti said: “This milestone achieved in a safe and timely manner, despite the challenges presented by the global pandemic, is especially meaningful and demonstrates our strong commitment to safety, reliability, and efficiency through the provision of quality shipping and maritime services.”

Al Sulaiti continued: “Over the past years, Nakilat has grown in leaps and bounds with the steady expansion of its LNG fleet, which is the largest in the world. The management of our vessels centrally controlled from Qatar allows us to further capitalise on existing synergies with our main charterer (Qatargas), realise operational efficiencies, and optimise costs. I would also like to express our gratitude to Qatargas for their cooperation and the continuous support provided throughout our long-term strategic partnership and the entire vessel transition phases.

“We strive to steer forward through tactfully formulated strategies, seizing potential long-term growth opportunities, strengthening ship management capabilities, and enhancing operational excellence in our vision to be a global leader and provider of choice for energy transportation and maritime services.”

Phase one of the fleet management transition, involving ten LNG carriers, began in 2016 and was completed in August 2017.

In a separate development, 11 projects were inaugurated in Iran’s Anzali Port in the Caspian Sea.

Among the projects inaugurated, there is a grain depot with 50,000t capacity and a general cargo warehouse with an area of 4,509m².