

GREECE-TURKEY: ENERGY AS A MECHANISM FOR COOPERATION



“Climate crisis gives Greece and Turkey opportunity for ‘historic compromises’”

By: Roudi Baroudi – Washington D.C. 23 June 2021

Greece and Turkey have one of the world’s most complicated relationships. We all know the history, although many of the details are contested by dueling narratives. However we got here, some indisputable facts are clear. Two former long-time enemies were thrown together as allies by the Cold War, when both of them joined NATO, but have generally remained at odds over a long list of issues.

The essential lesson from this simple synopsis is that Greece and Turkey joined the Atlantic alliance for the same core reason: each viewed their feud as a lesser threat than the one posed by the Soviet Union, which was potentially existential. At the end of the day, and despite both age-old resentments and ongoing tensions, successive governments – including military juntas – of both countries abided by the same rational analysis for decades.

Both are still NATO members, but the Soviet threat is no more, replaced only partially by a far weaker Russia. To some extent, this has led to a resumption of Greco-Turkish friction, especially over their maritime boundaries in the Mediterranean. And this time, there is much more than either pride or territory at stake. Since huge amounts of offshore natural gas have been discovered in several parts of the Eastern Med, the border dispute may well involve resources that could confer historic advantages on whoever controls them.

Once again, these sound like rational calculations. But are they really? I will allow that large reserves of natural gas have the potential to help any country secure a better future for its people. The savings and revenues would allow unprecedented investments in education, healthcare, transport, and other infrastructure, creating more and better jobs and lifting countless people out of poverty. Even the transit fees from hosting an international pipeline can provide significant income, and the more territory a pipeline crosses, the higher the fees.

But ladies and gentlemen, I would submit that, as was the case during the Cold War, both Greece and Turkey would do well to take fuller account of larger – in fact, much, much larger – considerations. And all of them have to do with climate change. This challenge constitutes a mortal threat, not only to Greeks and Turks, but also to human civilization itself. And unlike the Soviet Union, this is not a politico-military power that can be deterred, mollified, or reasoned with. Nor can we wait it out and hope that, like the USSR, climate change will be torn apart by its own flaws.

No, we will only save our planet by working together to undo the damage we have done by pumping endless streams of carbon into the atmosphere. We can only do that by drastically reducing emissions, and that can only be accomplished by transitioning to renewables and cleaner, greener fuels. And

like it or not, as major Mediterranean powers, Greece and Turkey have enormous roles to play in this process – and therefore enormous responsibilities. As in NATO, both will be expected to pull their respective weights.

As a result of all this, Greece and Turkey once again face a common and potentially existential threat. Energy is a crucial consideration in combating this threat, but the acreage that matters most in the long term is no longer on the seafloor. Instead, it is on the surface, where offshore wind and solar parks figure to provide much of the electricity required to reduce, and eventually end, reliance on hydrocarbons.

The sea will abet decarbonization efforts in other ways, too, by hosting multiple clean energy activities and technologies that help reach the Paris Agreement goal of “Net Zero” carbon emissions by 2050. The options include wave, rain, and tidal power; undersea geothermal; and, yes, natural gas, which is cleaner than other fossil fuels and can be expected to persist for a considerable time as a transition fuel. In addition, no coastal country can ignore the potential of “Blue Carbon”: if we restore and maintain the health of coastal and marine ecosystems, they will naturally remove more and more carbon from the atmosphere.

But here is the thing. Implementation of offshore energy projects will be slowed, or even indefinitely postponed, if Greece and Turkey continue on their current course. Even if they agree to reduce tensions but fail to settle or suspend their differences, the uncertainty will steer many investors to less troubled waters. By contrast, if they find a way to truly put the past behind them, both countries’ decarbonization efforts will be vastly more attractive. As a result of an earlier and stronger start, they will also be more effective – exponentially so if they take the next step and actively cooperate, especially on maritime issues.

The sea is a wondrous place filled with many things we need, many we simply love, and others that we have yet to discover.

It is also, however, a veritable and pitiless force of nature: what it cannot violently destroy in an instant, it will inevitably erode, undermine, and dissolve over time. We now have technologies to make far more – and far more responsible – use of the sea than ever before, but its very nature makes most undertakings more difficult and potentially dangerous than on land. And as any sailor knows, the best tools we have to predict, avoid, and/or overcome whatever the sea throws at us are information and cooperation.

As neighbors in this shared space and de facto partners in the campaign to reduce emissions, Greece and Turkey could maximize the return on their efforts, both individual and combined, by working together. Given the importance of information and the rate at which our ability to gather it is growing due to technology, the natural place to start would be comprehensive data-sharing. For almost anything built, installed, and/or operated at sea, advance knowledge of weather conditions, tides, currents, water temperatures, salinity levels, etc., can be crucial for planning, performance, and the protection of both human beings and the environment. Wind and solar parks are no exceptions, and neither are numerous other activities in the Blue Economy, including maritime transport, aquaculture, conventional fisheries, tourism, seabed mining, and bio-prospecting.

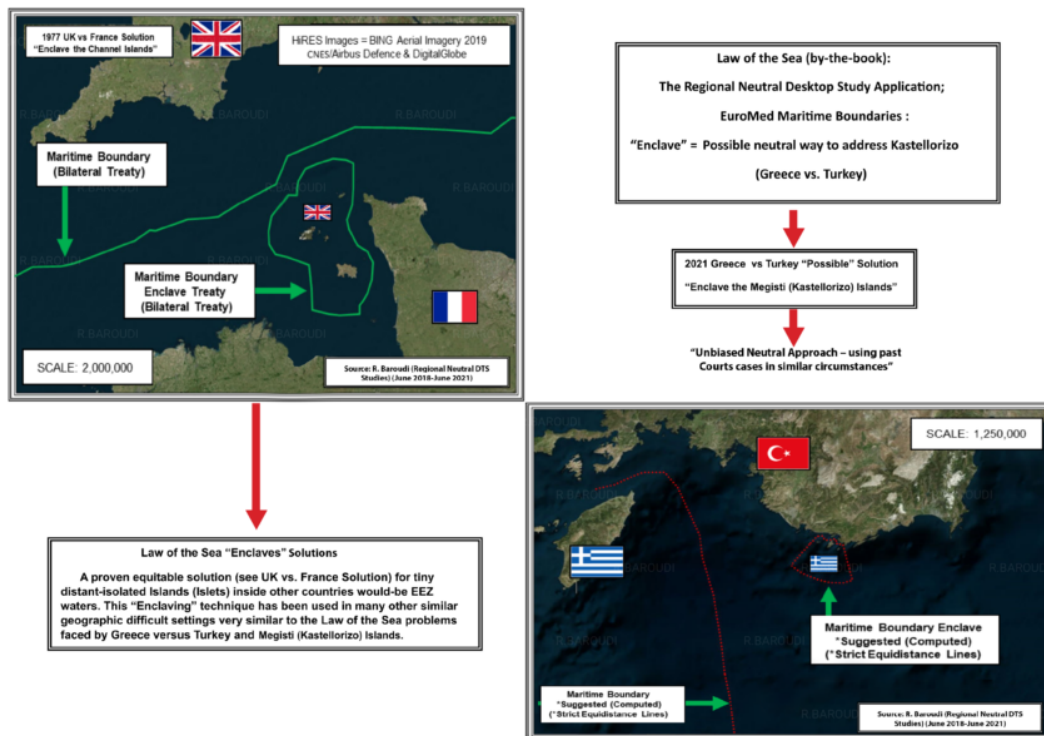
In addition to activating commercial, efficiency, safety, and environmental gains, cooperation in these fields would also help build trust, but operational coordination and regulatory harmonization would go even further. In the best-case scenario, Greece and Turkey would both reap significant benefits by expanding into joint compliance and enforcement work, streamlining cross-border trade and investment, easing the migrant crisis, and addressing numerous other issues of mutual concern.

To get there, both Athens and Ankara need to take strategic decisions which, one way or another, insulate their present

and future relationship against all extraneous considerations. And more than one clock is ticking. In addition to the 2050 target date for Net Zero carbon, an even more pressing deadline attaches to the region's natural gas prospects. In a report for consideration during the UN Climate Conference, COP 26, at Glasgow in November, scientists have recommended that if we are to meet the 2050 goal, development of new oil and gas fields should not be permitted beyond the end of this year. It is too early to know whether that deadline will be adopted, but the writing is on the wall: apart from those that have already started – Egypt, Israel, and to some extent Cyprus – if East Med countries want to profit from their offshore hydrocarbons, they need to make meaningful progress very soon.

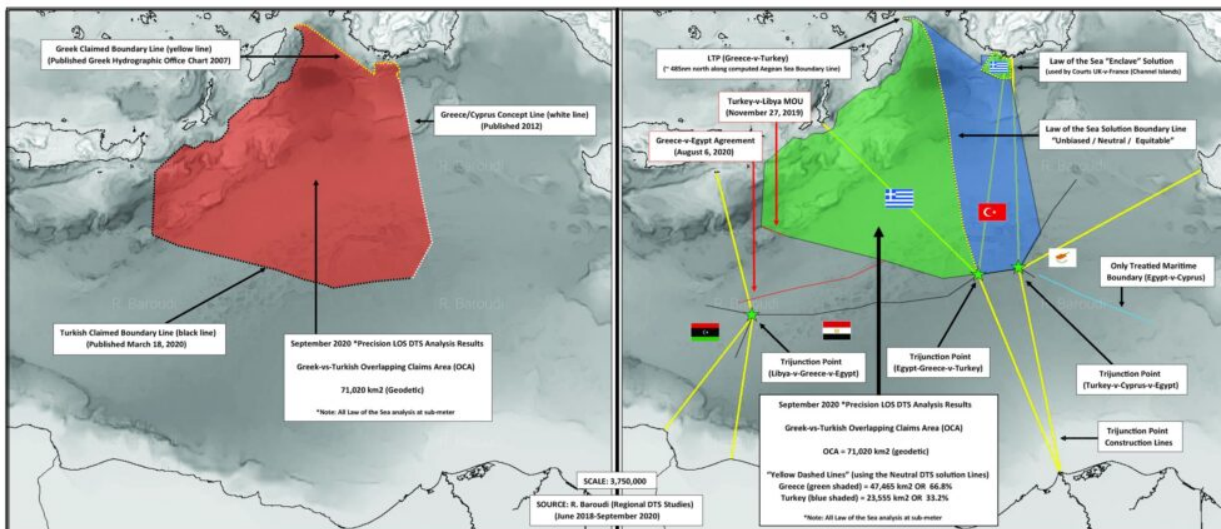
For several countries in the region, the primary obstacle is that most of its maritime boundaries remain in dispute or otherwise unresolved, so their claimed Exclusive Economic Zones overlap. With Greece and Turkey, the overlap is considerable.

Example of Law of the Sea “Enclaves” Techniques



But even this obstacle can be surmounted if there are sufficient amounts of both goodwill and self-interest. Both Greece and Turkey need to make the most of the Blue Economy, but neither will realize its full potential unless and until it helps the other do the same. The UN Convention on the Law of the Sea, or UNCLOS, lays down a comprehensive assortment of legal and scientific standards for the fair and equitable drawing of borders at sea, and these apply to both member and non-member states. Whatever mechanism the parties use to settle their boundary dispute, whether it's direct negotiations, an international court, or some form of arbitrations, the same rules apply.

Greece vs. Turkey Overlapping Claims Analysis (Sketch for illustration purposes only) - 2021



Ideally, Greece and Turkey would mount an all-out effort to recognize the relevant limits of their respective EEZs. It may be too late to succeed before a moratorium on new gas development is declared, but even if that is the case, they will still need in certain areas EEZ clarity to maximize both their offshore renewables and the non-energy components of their Blue Economy industries. In addition, they also have the option of circumventing the EEZ issue, allowing them to develop subsea gasfields and share the proceeds, while temporarily putting their territorial dispute in abeyance. Even if that fails too, the mere attempt might improve relations, establishing a basis for the cooperation described above.

Previous attempts at reconciliation have always fallen short or been derailed, but there is reason to hope that the time is right for a new effort, and that some of the key players are in the right frame of mind. Last week's NATO summit, for instance, saw US President Joe Biden hit very different notes than his predecessor, Donald Trump, by stressing the alliance's potential to influence a wide variety of geopolitical issues. His meetings on the sidelines of the summit included one with his Turkish counterpart, Recep Tayyip Erdogan, who later described their conversation as having opened a "new era" of constructive ties. If that turns out to

be true and Ankara really wants to repair its relations with Washington, it could have positive ramifications, not only for Greco-Turkish reconciliation, but also for a peaceful resolution of the Cyprus issue.

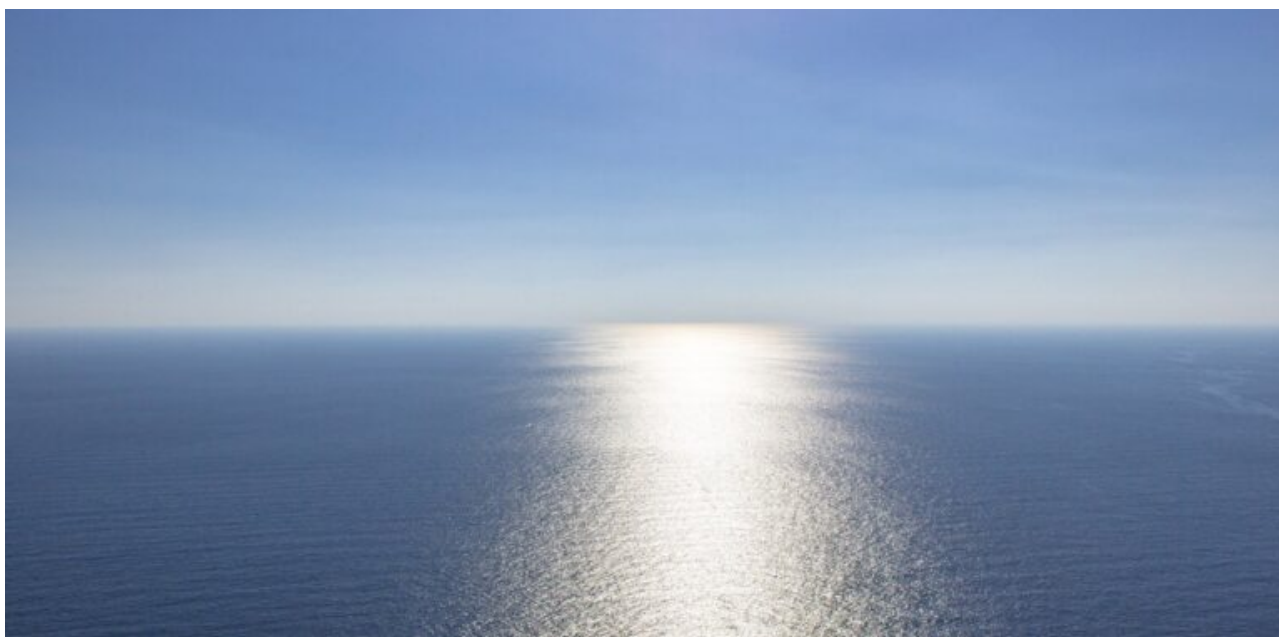
In the final analysis, both Greece and Turkey have everything to gain, and nothing or relatively little to lose, by cooperating at every opportunity, but especially on various forms of energy. As with their respective decisions to join NATO, this will require clear-headed analysis and pragmatic policymaking, but also the sangfroid to reach, promote, defend, and implement some historic compromises.

Roudi Baroudi has more than 40 years of experience in the energy business and has helped design policy for major international oil companies, sovereign governments, and multilateral institutions. He currently serves as CEO of Energy and Environment Holding an independent consultancy based in Doha, Qatar.



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Roudi Baroudi: Μπλε οικονομία στη Μεσόγειο



Οι χώρες της Μεσογείου πρέπει να είναι από τους μεγαλύτερους νικητές στη μετάβαση από τα ορυκτά καύσιμα στις ανανεώσιμες πηγές ενέργειας, δήλωσε ειδικός σε θέματα ενέργειας την Τετάρτη σε ένα βασικό συνέδριο πολιτικής.

«Εδώ στην περιοχή της Μεσογείου, η μετα-άνθρακα εποχή έχει στην πραγματικότητα τεράστιες ευκαιρίες όσον αφορά την μπλε οικονομία», δήλωσε ο βετεράνος της βιομηχανίας **Roudi Baroudi** στο εικονικό All Things Energy Forum. Πρόσθεσε ότι ενώ η συμβατική αιολική και ηλιακή ενέργεια θα έχουν «βασικό ρόλο να διαδραματίσουν», η εγγύτητα της θάλασσας προσέφερε μια άλλη διάσταση.

“Υπάρχουν και άλλες πολλά υποσχόμενες ενεργειακές τεχνολογίες, όπως η βροχή, τα κύματα και η παλιρροϊκή ενέργεια, καθώς και η υποθαλάσσια γεωθερμία”, δήλωσε ο κ. Baroudi, ο οποίος έχει διετελέσει σύμβουλος σε κυβερνήσεις, πολυμερείς οργανισμούς και μεγάλες διεθνείς εταιρείες για την ενεργειακή πολιτική.

«Μερικές από τις πιο υποσχόμενες αντικαταστάσεις για τα ορυκτά καύσιμα περιμένουν στη θάλασσα, αν μόνο έχουμε τη σοφία και την προνοητικότητα να τις αναπτύξουμε».

Η μεγάλη εγγύτητα μιας μεγάλης θάλασσας όπως είναι η Μεσόγειος δίνει στα παράκτια κράτη της βασικά πλεονεκτήματα σε σχέση με άλλα κράτη που είναι εγκλωβισμένα στην ξηρά, εξήγησε, επειδή έχουν πολλές περισσότερες επιλογές για παραγωγή ηλεκτρικής ενέργειας χαμηλής ή χωρίς άνθρακα.

Ο 40χρονος βετεράνος της περιφερειακής ενεργειακής σκηνής προέβλεψε ότι με ισχυρή ηγεσία, **οι περιφερειακές χώρες θα μπορούσαν να χρησιμοποιήσουν αυτό το δυναμικό για την πλήρη ηλεκτροδότηση όλων των κατοικημένων περιοχών τους.**

Αυτό το είδος πρόσβασης, στην ηλεκτρική ενέργεια, αποτελεί βασική προϋπόθεση για το είδος της οικονομικής ανάπτυξης που θα βοηθήσει εκατομμύρια ανθρώπους – ακόμη και δεκάδες εκατομμύρια – από τη φτώχεια», δήλωσε.

«Θα μειώσει επίσης τη ροή των Αφρικανών μεταναστών που δεσμεύονται για την Ευρώπη δημιουργώντας νέες οικονομικές ευκαιρίες για αυτούς στην έδρα τους».

Ο κ. Baroudi προειδοποίησε, ωστόσο, ότι παρέμειναν σημαντικά εμπόδια εάν η περιοχή επρόκειτο να πραγματοποιήσει το πλήρες δυναμικό της για υπεράκτια παραγωγή ενέργειας, κυρίως επειδή περίπου τα μισά από τα θαλάσσια σύνορα της Μεσογείου παραμένουν αδιευκρίνιστα.

Όπως και με τις προοπτικές για υπεράκτιο φυσικό αέριο, εξήγησε, οι επενδυτές αποφεύγουν τέτοια διαφιλονικούμενα σύνορα επειδή η αμφισβητούμενη ιδιοκτησία μιας περιοχής ενέχει πολύ μεγάλο κίνδυνο. Για αυτόν τον λόγο, είπε, και επειδή η πίεση χτίζεται για μορατόριουμ για την ανάπτυξη νέων πεδίων πετρελαίου και φυσικού αερίου, **οι περιφερειακές χώρες χρειάστηκαν να υιοθετήσουν τη διπλωματία και να καταρτίσουν συνθήκες που ορίζουν τις αντίστοιχες αποκλειστικές οικονομικές ζώνες τους.**

Δεδομένου ότι το φυσικό αέριο αναμένεται να παραμείνει βασικό καύσιμο μετάβασης για τουλάχιστον δύο δεκαετίες, εξήγησε, περιφερειακές χώρες θα μπορούσαν επίσης να κερδίσουν δισεκατομμύρια έσοδα από υπεράκτιες καταθέσεις – αλλά ορισμένες εξακολουθούν να χρειάζονται συμφωνίες ΑΟΖ για να ξεκινήσουν.

Δεν υπάρχει ανάγκη να είναι πιο πειστική, ειδικά επειδή ο διάλογος και οι συμβιβασμοί που απαιτούνται όχι μόνο θα ανοίξουν την ανάπτυξη του φυσικού αερίου, αλλά θα έθεταν επίσης τα θεμέλια για στενότερη συνεργασία σε άλλους τομείς – αυτό ακριβώς απαιτεί η Μπλε Οικονομία για να αξιοποιήσει πλήρως τις δυνατότητές του», δήλωσε ο κ. **Baroudi**, ο οποίος είναι επί του παρόντος διευθύνων σύμβουλος της Energy and Environment Holding, ανεξάρτητης συμβουλευτικής εταιρείας στη Ντόχα.

Τα πλεονεκτήματα από την ηρεμία στη Μεσόγειο

«Ως μπόνους, μια πιο ήρεμη, φιλικότερη Μεσόγειος θα επέτρεπε επίσης την κατανομή ευθυνών και τη συγκέντρωση πόρων και δεδομένων, τα οποία θα βελτιώσουν σημαντικά τα αποτελέσματα σε όλα, από τη μετανάστευση, την πρόγνωση καιρού και την αναζήτηση και διάσωση σε συστήματα προειδοποίησης για τσουνάμι και την προστασία καλωδίων επικοινωνίας», είπε.

«Τότε θα μπορούσαμε απλώς να δούμε ολόκληρη την ευρωμεσογειακή περιοχή να γίνει ένας από τους καλούς γείτονες, ένα μέρος αμοιβαίων στόχων, διευθετημένων παραπόνων και ακόμη και γεωστρατηγικής συνεργασίας.

Τολμώ να το πω, κυρίες και κύριοι, η Μεσόγειος θα μπορούσε να είναι απόλυτα ειρηνική στη ζωή μας”.

Η εκδήλωση, της οποίας οι ομιλητές περιελάμβαναν διακεκριμένους ακαδημαϊκούς και ανώτερους ηγέτες επιχειρήσεων

και ενέργειας, καθώς και βασικούς κυβερνητικούς υπουργούς, πραγματοποιήθηκε την Τετάρτη.

Ο Roudi Baroudi έχει περισσότερα από 40 χρόνια εμπειρίας στον τομέα της ενέργειας και βοήθησε στη χάραξη πολιτικής για μεγάλες διεθνείς εταιρείες πετρελαίου, κυβερνήσεις και πολυμερείς θεσμούς. Σήμερα υπηρετεί ως Διευθύνων Σύμβουλος της Ενέργειας και Περιβάλλον Διαθέτοντας ανεξάρτητη συμβουλευτική εταιρεία.

Renewables boom unleashes war over talent for green jobs



Clean energy giants are finding a shortage of workers with the skills needed to support their ambitious growth plans.

The renewables jobs market is heating up and candidates with the right abilities are becoming harder to find, according to Miguel Stilwell, chief executive officer at Portuguese clean-energy firm EDP Renovaveis SA. The company is one of the world's top installers of green power and plans to hire 1,300 employees over the next two years.

"There's a war over talent globally," Stilwell said in an interview on May 28. "The renewable sector, given the massive amount of growth that is expected, doesn't have enough people."

As countries funnel billions of dollars into developing renewable power, policymakers are banking on the sector to create new jobs that are crucial for the post-pandemic economic recovery. Solar generation capacity is expected to triple by the end of the decade, while wind capacity is expected to more than double over the same period, according to clean energy research group BloombergNEF.

Green supermajors such as NextEra Energy Inc, Iberdrola SA, Enel SpA and EDP are leading the race to electrify the global economy. But some large oil companies are starting to get into the sector too, with BP Plc announcing last month it's looking to fill 100 offshore-wind jobs in the U.K. and the U.S., a figure that could double by the end of the year.

Engineering skills such as energy assessment, project management and project design are in high demand, EDP's Stilwell said. Good business developers who understand clean energy technologies are also a scarce resource. Other roles, such as managing mergers and acquisitions, or back office tasks, can easily be hired from other industries.

"We're having to bring in people from other sectors, whether it's oil and gas or other parts of the energy industry, or recruiting directly from universities," Stilwell said. "There's a lot of competition out there."

Engineering and chemistry graduates working on a masters degrees in renewables at the Universitat Politecnica de Catalunya in Barcelona are often hired while they're still in school, or right after they finish, according to Professor Jordi Llorca. The university has partnerships with other colleges in Europe and students often get hired to work in other countries like the U.K. or Denmark, said Llorca, who is also the director of an engineering research center at the university.

"We need to be fast to adapt the contents of our programs on the energy transition and renewable energies to make sure our graduates are competitive in the market," Llorca said. "We're constantly looking at the contracts and agreements we have with different industries to see what's needed."

The university launched a masters in hydrogen energy last year after professors realized very few people have the skills in mechanics and chemistry that the fast-growing sector will need very soon. "There's always a moment of vacuum whenever a new technology comes in, but we're able to put together new programs in just a few months."

Offshore wind farms are another growth area. The projects involve erecting and maintaining wind turbines the size of skyscrapers miles out to sea. A single turn of one of the massive blades could power a house for two days. The industry was pioneered in Europe, but is now rapidly expanding to Asia and the east coast of the U.S.

Those new markets don't have people with experience. That means that developers are often sending British and European employees to lead the way, according to Clint Harrison, director at renewable energy-focused recruitment firm Taylor Hopkinson. But as business takes off there's pressure to hire locally.

The limits of a well-trained workforce could end up being a

bottleneck in an industry that is key to slashing emissions.

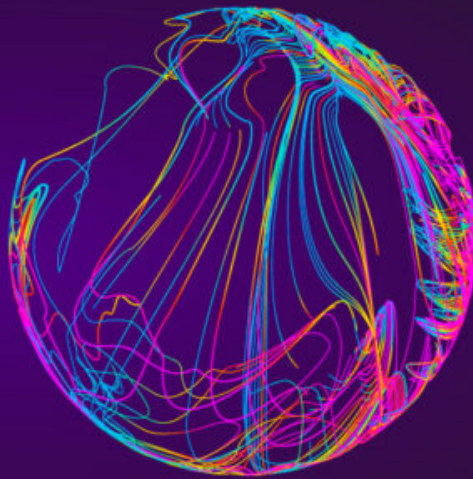
“There’s a sense of urgency,” Harrison said. “The market is growing very, very quickly and we need to ensure we have the right people across various projects and regions to ensure projects move forward and aren’t delayed.”

In the U.K. alone, around 200,000 skilled workers will be needed in the offshore energy sector by 2030, up from 160,000 today, according to a recent report by the Robert Gordon University in Aberdeen. About half the jobs are expected to be filled by people transferring from the oil and gas sector and about 90% of current workers in the fossil-fuel sector can be retrained for renewables, said author Paul de Leeuw.

“Demand for courses on renewable energy and the energy transition is ramping up rapidly and at the same time we see demand for oil courses declining,” he said. “It’s a societal and industry shift mirroring in the education system.”

BLUE ECONOMY IN THE MEDITERRANEAN

ALL THINGS ENERGY FORUM



ATHENS, Greece: Mediterranean countries should be among the biggest winners in the transition from fossil fuels to renewables, an energy expert told a key policy conference on Wednesday.

“Here in the Mediterranean region, the post-carbon era actually holds enormous opportunities in terms of the Blue Economy,” industry veteran Roudi Baroudi told the virtual All Things Energy Forum. He added that while conventional wind and solar would “have a key role to play,” the proximity of the sea offered a whole other dimension.

“There are other promising energy technologies too, including rain, wave, and tidal power, as well as undersea geothermal,” said Baroudi, who has advised governments, multilateral institutions, and major international companies on energy policy. “Some of the most promising replacements for fossil fuels are waiting out at sea, if only we have the wisdom and the foresight to develop them.”

The very proximity of a large sea like the Mediterranean gives its coastal states key advantages over landlocked counterparts, he explained, because they have many more options for low- or no-carbon power generation. The 40-year veteran of the regional energy scene predicted that with

strong leadership, regional countries could use this potential to fully electrify all of their populated areas.

“That kind of access [to electricity] is a key requirement for the kind of economic growth that would lift millions of people – even tens of millions – out of poverty,” he stated. “It also would reduce the flow of African migrants bound for Europe by generating new economic opportunities for them at home.”

Baroudi cautioned, however, that significant hurdles remained if the region was to realize its full potential for offshore energy production, mainly because about half of the Mediterranean’s maritime boundaries remain undefined.

As with the prospects for offshore natural gas, he explained, investors avoid such unsettled borders because contested ownership of an area and/or resource poses too great a risk. For this reason, he said, and because pressure is building for a moratorium on developing new oil and gas fields, regional countries needed to embrace diplomacy and hammer out treaties that define their respective Exclusive Economic Zones. Since gas is expected to remain a key transition fuel for at least a couple of decades, he explained, regional countries could also earn billions in revenues from offshore deposits – but some still need EEZ deals to get started.

“No need is more pressing, especially since the dialogue and compromises required would not only open up gas development, but also lay the groundwork for closer cooperation in other fields – which is exactly what the Blue Economy demands in order to realize its full potential,” said Baroudi, who currently serves as CEO of Energy and Environment Holding, an independent consultancy in Doha.

“As a bonus, a calmer, friendlier Mediterranean would also allow the sharing of responsibilities and the pooling of resources and data, which would significantly improve outcomes in everything from immigration, weather forecasting, and

search and rescue to tsunami warning systems and protecting communication cables,” he said. “Then we could just see the whole Euro-Med region become one of Good Neighbors, a place of mutual goals, settled grievances, and even geostrategic cooperation. Dare I say it, ladies and gentlemen, the Mediterranean could be fully at peace in our lifetimes.”

The event, whose speakers included noted academics and senior business and energy leaders, as well as key government ministers, on Wednesday.

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