

Leveraging the Israel-Lebanon Maritime Border Deal

Policy insights by a Diplomeds Policy Support Group

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In 2022, Diplomeds - The Council for Mediterranean Diplomacy launched an initiative to leverage the Israel-Lebanon maritime border negotiations to improve **inter-state relations** and increase **regional cooperation** in the Mediterranean.

A multi-national Mediterranean **policy support group** has been assembled, consisting of retired ambassadors, scholars and policy analysts. The group acted collaboratively to **assess the negotiations**, identify keys to their **eventual success**, map domestic **interests and positions**, and spell out bilateral and regional **opportunities**.

Below are the **key policy insights** generated in the first phase of this process, in 2022.

The maritime border negotiations produced – after more than a decade of failed talks – a **transactional deal with win-win benefits** for both Israel and Lebanon, without requiring them to change attitudes or policies towards each other. The deal was made possible due to effective **US mediation**, led by Amos Hochstein, and the constructive and unique involvement of a **private company** (Total) in such negotiations.

The deal is not geared at recognition, normalization or peace. It represents a **precedent** in Israel-Lebanon ties, of ad-hoc agreement despite long standing animosity, can help **prevent bilateral confrontation** and catalyze **positive regional developments**, and can serve as a **model for similar deals** between countries in conflict, in the Mediterranean or beyond.

There were mixed positions in Israel and Lebanon about the deal, although it was **well-received among the ruling classes**. The overall perception among the Israeli diplomatic and defense echelons is that the deal **enhances Israel's security** and holds **economic potential**. The discourse around it reflects a growing understanding that the well-being of Lebanon is an Israeli interest. Despite pre-election pushback by Netanyahu, his **new government** is planning to abide by the deal.

The public in Lebanon followed closely the negotiations. Once the deal was reached, various political actors tried to **take credit for it**. The deal empowered **Hezbollah's position** in Lebanon, also as it was praised – for the first time – by the US for adopting a pragmatic approach. Public expectations for immediate gains might lead to **disappointment** once it becomes evident that the deal is not likely to bring immediate tangible benefits.

The initial findings from **explorations in the Qana field** will be of much importance. Should commercial quantities of natural gas be found, it will indicate prospects for **future gains** and will impact next steps. In the meantime, Lebanon will need to advance **domestic reforms** to be eligible for aid from the US and the International

Financial Institutions to support its energy sector, mainly the **electricity sector**. These reforms have not yet been passed by the Lebanese government or legislature. For Lebanon to realize the **potential benefits** of the deal, if and once natural gas becomes available from the Qana field, some steps symbolizing **de-facto recognition** of Israel may become inevitable, although they are not likely to be official or public. In case natural gas from block 9 inside the Lebanese Exclusive Economic Zone (EEZ) crosses the Israeli EEZ, the deal defines the steps that need to be taken by Israel and Total to be able to proceed with the development and production of the Qana field. This represents a sort of **"forced economic normalization"**.

While the deal does not pave the way for formal normalization in any way, exporting natural gas will require Lebanese consent to **use regional infrastructure** of which Israel is part. Without such consent, the drilling companies will not see prospects for financial benefits. Lebanon's condition may be that this matter will **not be made public** by any of the entities concerned. In the meantime, any Lebanese import of natural gas from Egypt via the **Arab Gas Pipeline**, will most likely also entail the delivery to Lebanon of Israeli natural gas exported to Egypt.

Overall, the agreement may have a positive impact on the **integration of Israel** in the region, and on the possible **inclusion of Lebanon** in the regional energy architecture that is taking shape. It will likely fuel increased joint participation of both countries in **multilateral settings**, and may serve as a catalyst for eventually resuming talks on the **land border** (although chances for this diminished upon the coming to power of the Netanyahu government). The challenge will be to face the scrutiny of the Lebanese public eye on potential **indirect engagement** between the two countries after the deal.

Indirect engagement took place in November 2022 in Egypt, during a ministerial meeting held on the **sidelines of COP27** as part of the Cypriot government's Eastern Mediterranean and Middle East (EMME) Climate Change Initiative. The **Union for the Mediterranean** (UfM) is another regional platform in which both Israel and Lebanon participate and in which they can indirectly engage. And, Lebanese participation in **Eastern Mediterranean Gas Forum** (EMGF) meetings as an observer could also be envisaged, with Egypt playing the leading role in orchestrating it behind-the-scenes.

Regionally, **Israel and Cyprus** will now need to modify their maritime border agreement for it to match the Israel-Lebanon deal. The same goes for **Lebanon and Syria** (although such talks are currently blocked by Syria), and **Cyprus and Lebanon** (both of which have already agreed to advance talks). **Turkey** might also come into play, due to its interest in importing natural gas from Israel via a pipeline, which – should it become a reality – may be linked to the Qana field.

International actors, like **the US and EU**, can have a role in leveraging the deal, and their diplomatic involvement should be encouraged. **Qatar** can also play a role in this, especially if the Qatari Energy Consortium manages to get its anticipated 30 percent stake in the Qana field.

The **successful diplomatic model** set by the Israel-Lebanon deal can be utilized to spark positive developments in other conflicts in the region, for example on issues related to the **Cyprus conflict**, to the development of the **Gaza Marine** natural gas field, and to inter-state tensions in the **Western Mediterranean**. Experts from Israel and Lebanon may be able to contribute to this, by sharing **best practices and lessons** learned from the negotiations process and from the deal's implementation.