



Middle East Spotlight

Israel's Natural Gas: A Cornerstone of Regional Cooperation

A popular witticism is that Moses led the Israelites out of Egypt to the sole place in the Middle East without significant energy resources. Although Israel still depends on oil imports to meet its energy needs, the recent discovery of several offshore natural gas reserves is expected to help the Jewish state attain greater energy independence and ultimately, potentially, become an energy exporter. Already, this prospect is helping Israel and her neighbors improve their relationship.

In 2015, Israel generated 42 percent of its electricity from natural gas, while coal and oil accounted for the remaining 58 percent. In 2016 natural gas is expected to account for 50 percent of Israel's total electricity generation.

Israel discovered its first offshore gas field, the Mari-B, in 2000. The Mari-B's reserves were depleted by 2013, yet while in production, the field satisfied 40 percent of Israel's natural gas demand. In 2009, the Tamar field was discovered off the coast of Haifa and began production in 2013. The field currently satisfies almost all of Israel's domestic demand for natural gas.

The Leviathan field, discovered in 2010 and expected to come online in 2019, offers the Jewish state the greatest opportunity so far to become an energy exporter—the field is the second largest reserve of natural gas to be discovered in the Mediterranean Sea. Under a plan approved in 2013, Israel will reserve 60 percent of its total natural gas reserves for domestic use, which is expected to satisfy Israel's energy demands for at least the next 25 years, while the remaining 40 percent will be exported.

In January 2016, Israeli Prime Minister Benjamin Netanyahu, Greek Prime Minister Alexis Tsipras and Cypriot President Nicos Anastasiades met to cement a new geopolitical bloc, the cornerstone of which is Israel's future export of natural gas to Cyprus, Greece, and the rest of Europe. The three countries also plan to deepen their diplomatic cooperation. For example, Greek and Cypriot support for Israel within the European Union (EU) will be crucial in helping to blunt one-sided resolutions against the Jewish state. Already, the two countries reportedly helped water down a one-sided EU resolution concerning the Israeli-Palestinian peace process.

The prospect of natural gas exports also appeared to play a key role in the June 2016 Turkey-Israel reconciliation deal. As Alan Makovsky notes in an August 2016 interview in AIPAC's *Near East Report*, Turkey seeks to diversify its energy imports, as it is currently reliant on Russia. Israel could provide one such source.

Israel began the 21st century dependent on foreign energy imports. However, with the recent discovery of large offshore natural gas reserves, the Jewish state has the opportunity to forge ahead as an important regional energy exporter and increasingly valuable partner for neighboring countries.

To learn more about Israel's energy sector, visit www.aipac.org.