Tensions are rising between Israel and Lebanon due to potentially huge offshore gas and oil reserves in yet-to-be-agreed "exclusive economic zones" in the eastern Mediterranean.

On July 10, Israel announced that it will soon submit a claim to the United Nations demarcating its maritime boundary with Lebanon. The announcement came a day after a Lebanese newspaper published a front-page story suggesting that Israel was claiming offshore exploration rights in Lebanese waters. Israel has already discovered substantial reserves of offshore natural gas, setting the scene for fractious disputes over land and sea borders. Such disputes could even put Israeli offshore installations at risk of attack by Hizballah, a group that has access to Iranian missiles and is now part of the Lebanese government.

**Territorial Waters and Exclusive Economic Zones**

The latest row between Israel and Lebanon stems from differing notions of the criteria by which their maritime border should be drawn, which until the hydrocarbon discoveries had not been a particular issue. Lebanon has not yet begun drilling for natural gas offshore, but it has agreed on, though not ratified, a maritime line with the island of Cyprus. Beirut has also reportedly sent the UN a map illustrating its view of where the Israel-Lebanon maritime border lies. Israel is now doing the same.

Over the years, various international arguments over fishing rights and offshore oil led to the UN Convention on the Law of the Sea permitting exclusive economic zones (EEZs). Specifically, countries could claim maritime borders extending 200 nautical miles from the low-water mark on their coasts. For countries with less than 400 nautical miles separating them, the convention offers additional principles for drawing agreed-on maritime boundaries. Israel and Cyprus reached such an agreement last year, encouraging further exploration of recent and substantial gas findings in Israel's EEZ. Cyprus likely has large gas deposits in its EEZ as well.

**Law of the Sea**

The main Law of the Sea principle by which maritime borders are drawn between two adjacent coastal states is the notion of "baselines," or straight lines that run along the coast. Once this principle is applied, the border is drawn equidistantly from points along the coast. In the case of Israel and Lebanon, this approach produces a border extending from the coast at approximately 300 degrees, or slightly below northwest. Although Lebanon has not revealed its official view, an Israeli newspaper has produced a map claiming the Lebanese line runs at 292 degrees. Arab media reports seem to suggest the line's bearing should be 270 degrees -- that is, directly west, continuing the rough line of the assumed land border between the two countries.

An Israeli official view of the maritime line is suggested on a map depicting recent government petroleum leases and licenses, as posted on the Ministry of National Infrastructures website. The Lebanese paper *al-Safir* featured a map very similar to this on its July 9 front page, alongside a story claiming that Lebanon would defend its borders.

In addition to the lack of diplomatic relations between the two countries, negotiating a maritime border could be complicated by disagreements on where their land border lies. Yet such differences might not amount to much, given that any land disputes at the border point nearest the coast -- known as Ras Naqoura in Arabic and Rosh Hanikra in Hebrew -- can probably be measured in yards, if not feet.

In Israel's potential favor, a line of small reefs and rocky islands (viewable on Google Earth) lies several hundred yards offshore between the northern Israeli city of Nahariya and Ras Naqoura/Rosh Hanikra. According to Law of the Sea conventions, such islands could be considered the baseline for calculating the maritime border. If so, this would shift Israel's EEZ even further northwest into what Lebanon currently regards as its own waters.

Of course, the legal situation may be further complicated by the fact that Israel has not yet signed the Law of the Sea treaty. Other potentially relevant nonsignatories include Syria and Turkey; the United States has signed but not ratified it.

**Cyprus in an Unenviable Position**
The Cypriot government, having negotiated maritime boundaries with both Israel and Lebanon, now finds itself a potential party in a nasty diplomatic squabble. Israeli officials argue that the northern point of the Israel-Cyprus maritime border is exactly the same as the southern point of the Lebanon-Cyprus agreement, suggesting that Lebanese negotiators implicitly recognized Israel's view of the line between the Lebanese and Israeli EEZs. That would fit a pattern seen in certain other international disputes regarding offshore oil and gas development, in which the parties refuse to abandon their claims but work out a way for each side to develop resources.

This implied recognition of Israel's EEZ could hamper or even scuttle Lebanese parliamentary ratification of the agreement with Cyprus. Yet the main reason for the legislative delay appears to be Lebanon's reluctance to annoy Turkey, which believes it has a crucial interest in the island's decisions. This belief dates from 1974, when Ankara ordered the invasion of Cyprus in order to protect the Turkish-speaking minority. Several thousand Turkish soldiers still occupy positions in the northern part of the island. Indeed, Ankara has already condemned the Cyprus-Israel agreement, although both Nicosia and Israel have apparently ignored these comments.

Israel's Growing Gas Riches

The strong and even bellicose statements coming out of Lebanon are unlikely to halt Israel's development of recently discovered natural gas deposits. Its giant Leviathan field -- the largest offshore gas discovery in the world last year, slated for export purposes -- lies in Blocks 349 and 350, south of Lebanon's reportedly claimed line. The Tamar field, intended for domestic consumption, lies similarly well south. Currently estimated at around 750 billion cubic meters, Israel's total natural gas reserves could prove double that figure, not to mention potential oil findings. The country's current consumption is around 4 bcm per year, so the newfound reserves should expand its domestic use while still giving it a considerable surplus for export.

A short-term hiccup in Israel's plans is the increasing vulnerability of gas imports from Egypt due to recurring sabotage of the Sinai pipeline. Its current domestic supplies -- obtained from the Mari-B field off Ashkelon -- will be depleted before the Tamar field starts production, so long-term interruption of Egyptian supplies could prove problematic. In the meantime, Israel has plans in place for using the small Noa gas field and mooring a floating regasification plant off the coast so that it can import liquefied natural gas.

U.S. Role

Despite the recent rhetoric from Israel and Lebanon, open hostilities over offshore gas seem unlikely. Israel would no doubt react strongly to any attack on an offshore platform, and the gas supplies themselves are probably invulnerable. Once in production, the gas will flow through pipelines on the seabed running to shore -- there is no visible surface indication of the fields' location, and the depth of the sea (more than a thousand feet) would inhibit any sabotage attempts.

Nevertheless, Washington has an important role to play in ensuring that the prospective economic bonanza in the eastern Mediterranean does not become a fresh reason for war. Washington should reemphasize to Israel, Lebanon, Cyprus, and Turkey that developing offshore discoveries could be a win-win proposition for all the countries of the region, since geological evidence suggests that gas and oil reserves are widespread. The United States should also use its good offices to work out quiet understandings that allow exploration to proceed despite continuing border disputes.

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