

Bassil asks Cabinet to retain original maritime EEZ

By Mohamad El Amin

BEIRUT: Energy Minister Gebran Bassil Friday urged the Cabinet not to make changes to the original demarcation of the Exclusive Economic Zone, adding that failure to settle appointments at the Petroleum Commission would delay oil and gas exploration.

The minister, who was speaking at a news conference Friday, rejected calls to reopen discussions of an earlier decree that set the borders Lebanon's economic zone in September 2011.

"This [call] could give the impression that Lebanon is ready to back away from its rights in the [maritime borders] dispute with Israel," Bassil said.

A recent report by the Foreign Ministry recommended that the government endorse a new EEZ, evading zones disputed by Israel and Cyprus, in order to set oil and gas exploration in motion.

According to An-Nahar newspaper, Prime Minister Najib Mikati is expected to travel to New York in September to request U.N. mediation in the disputed area, which totals to about 854 square kilometers, and reportedly holds significant gas reserves.

"Lebanon has made mistakes that benefited Israel in the past," Bassil said, hinting that delays have encouraged Cyprus and Israel to ink an agreement on their economic zones back in 2010, without consulting Lebanon.

Bassil stressed that many companies are interested in tapping into Lebanon's oil and gas reserves.

"The situation is already stable and we already have 26 international oil companies which expressed interest [in gas and oil exploration], with U.S. ones on the top of the list. They [the companies] have already bought [geophysical] data," he said.

"Both Cyprus and Israel are already going ahead with tapping oil and gas reserves in spite of the disputes. Why shouldn't Lebanon do the same?" the minister asked.

Bassil reiterated that delays in energy exploration are not related to disputes with Israel over the EEZ, but primarily because Lebanon has not been not finalize appointments at the Petroleum Commission.

The Cabinet is reportedly putting final touches on appointing members to the body, which would be in charge of a first round of licenses for offshore oil and natural gas exploration.

Media reports said 50 out of 620 candidates were initially chosen and later shortlisted to 18 candidates, representing six major religious sects. One candidate from each sect is to be appointed.

Bassil said the Cabinet had agreed on the first person to be appointed for the body, but did not reveal the name.

"I hope that this is an indication that other appointments will be completed. All the decrees are ready and we are waiting [for the appointments]," he said.

Candidates circulating in the media include: Baheej Abu Hamza, current head of the Oil Importers Association and owner of Cogico; Nasser Hoteit, a senior engineer at Total oil company; Wissam Shbat, an adviser at the Energy Ministry; and Wissam Zahabi, an energy adviser at the presidency of the Council of Ministers.

Lebanon has substantial quantities of natural gas and possibly oil, an executive at Spectrum – a Norwegian company that carried out a 3-D seismic survey in Lebanon's EEZ – told The Daily Star last week.

"We have high potential [for oil and natural gas] all over 22,000 square kilometers of Lebanon's territorial waters and not only in the south," Bassil said at the news conference.

"Surveys are proceeding well and we are discovering new prospects every day," he added.

Sources close to Speaker Nabih Berri say that Amal wants energy exploration to start from the water off the south coast.

Experts say that it will take at least five years until the first deposit of gas or oil can be extracted from the bottom of the sea.

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