



THE REGIONAL ENERGY VISION IS BECOMING A REALITY

By Amir Foster

Since its establishment and for decades, Israel was considered a country bereft of energy resources. With no energy resources of its own, and turned down by many fuel-exporting countries in fear of an Arab boycott, Israel was forced to make painstaking efforts to get the oil it needed to generate electricity, fuel its transportation and build an industry in a rapidly-growing economy. Oil was later

replaced by coal, also imported, as the main source of energy for power generation.

YEARS ago, Israel's third prime minister, Levi Eshkol, said, "The State of Israel is a country of indicators; it has indications of oil, indications of gas, indications of copper and other encouraging indications." Since then Israel has grown and developed remarkably

and yes, indications of natural gas existence was recognized which later led to significant natural gas discoveries, which, during his lifetime, could only be dreamed of.

The substantial gas discoveries turned into three giant projects that will constitute Israel's energy foundation for the coming decades: the Tamar project, which began producing gas in 2013, the Leviathan project, due to start pro-

ISRAEL HAS transitioned from being exclusively dependent on imports of energy resources to a country that so far supplied 40% of the economy's energy needs from its own resources. The installation of the Leviathan Nature Gas Production Platform, September 2019. (Albatross)



AMIR FOSTER. (Courtesy)

its own resources. The discontinued use of coal during the next decade, alongside the use of natural gas in the transportation sector and the transition to electric vehicles (powered by electricity which is primarily based on natural gas and renewables), will increase the share of natural gas in Israel's fuel mix to 60%. Furthermore, the natural gas quantities discovered offshore Israel far exceed domestic needs so that, aside from making natural gas the main source of fuel for decades ahead, they create opportunities so incredible, that in the past even the biggest optimists dared not put in words, lest they be regarded as delusional.

TWO national-regional events of historic proportions lie ahead:

The first event is expected to take place already at the start of 2020 when Israel, for the first time in its history, will start to export significant quantities of natural gas to its neighboring countries Jordan and Egypt. This will make Israel part of a unique group of countries with exportable abundant energy resources and infrastructures. The completion of the transaction reported earlier this month for the acquisition of East Mediterranean Gas's pipeline, featuring Israeli-based Energy Drilling and US-based Noble Energy, paved the

way for the export of Israeli gas to Egypt, which recently decided to increase the quantity of imported gas to 85 billion cubic meters, in addition to the significant quantities of gas that will be exported to Jordan.

The second event that should be studied from a historic perspective is scheduled to take place at the start of 2021, with the completion of the Karish-Tanin project. The start of production from this project, in addition to the flow of gas from the Tamar and Leviathan fields will allow Israel, for the very first time, to produce energy from domestic resources that far exceeds its needs.

The regional implications of these events are clear. Israel's remarkable production capacity, coupled with substantial natural gas reserves and the potential for additional gas discoveries in Israel and its neighboring countries, are at the heart of the tight regional collaborations. These collaborations have led to the establishment of the East Med Gas Forum, which began with meetings between the energy ministers of member countries: Egypt, Jordan, Israel, Italy, Greece, Cyprus and the Palestinian Authority, and is expected to expand into an executive forum of senior officials from the member countries' energy ministries as well as an advisory committee composed of international organizations and corporations.

The forum, which was initiated by Egypt, was designed to create a dialogue between Mediterranean countries, allowing them to enjoy the fruits of the region's natural gas reserves. The vision shared by all the member countries is to achieve a stable and long-lasting energy security, as well as an energy-based economic improvement and prosperity for the people living in the region. ❖

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duction at the end of 2019, and the Karish-Tanin project, which is scheduled to begin production at the start of 2021.

According to official publications of different government ministries, the use of natural gas saved the Israeli economy more than NIS 46 billion in energy costs alone between 2013 and the end of 2018. In addition, natural gas was the biggest contributory factor in the reduction of sulfur dioxide and nitrogen dioxide emissions by 70% and 53%, respectively.

In other words: within a short period of time, in energy market terms, Israel transitioned from being exclusively dependent on imports of energy resources to a country that so far supplied 40% of the economy's energy needs from