

## Crises in the Mediterranean. The Italian pivot: a new strategy for European and US engagement in the MENA region

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### Final note

#### Italian projection in the MENA region amidst a changing international scenario

Italy's geographic position makes the country very exposed to the crises in the MENA region. The changes in the regional system in the last decade, with the American "strategic retreat" from the area, the simultaneous rise of other international and regional players, such as Russia and Turkey, and an increased US engagement in a great power competition with Russia and China<sup>1</sup>, have accentuated the risk perception. Joe Biden's victory in the US presidential election created opportunities for renewed US-EU alignment on regional issues, but the transatlantic divide that opened under President Donald Trump will, to some extent, remain, as the US continues to disengage from the MENA region. Yet the downsizing of American influence is not the only relevant phenomenon: in parallel, the advancement of Chinese and Russian assertiveness in the region are bringing out an increasingly multipolar Middle East. Russia's war on Ukraine is accelerating these dynamics, while also provoking destabilizing price shocks and underscoring the region's importance to energy markets<sup>2</sup>.

The breakdown of relations with Russia (which will, presumably, be long-lasting) means that the only geopolitical border for a projection of Europe is towards the south – towards the Mediterranean. It is in this macro-region that the EU will be able to seek to create greater political and economic interdependence. The Enlarged Mediterranean is the potential place to pursue the reshoring or "near-shoring" economic policy that is identified as an inevitable effect of the globalization process. If we look at the first direct consequences of the war in Ukraine, we observe that many European countries are trying to replace Russian natural gas with gas from other sources, and in particular from North Africa, presenting the potential for renewed partnerships with Algeria and Egypt. This phenomenon is placing the region in the spotlight of European policies. This immediate need seems to clash in the short term with the European Green Deal launched by the EU. However, it could open up to a wider collaboration with these countries in the energy sector and to a new centrality of Italy in the sector of European energy infrastructures.

Due to these fundamental changes in the region, Italy is now more than ever forced to face its foreign policy in a more systematic way, reviewing the traditional parameters of action in which it has moved in the past. The illusion that the vulnerability phenomena that have characterized the area (with relatively significant influences on Italy in the last decade) are temporary must

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<sup>1</sup> "Renewed Great Power Competition: Implications for Defense—Issues for Congress", *Congressional Research Service Report*, 10 May 2022.

<sup>2</sup> J. Barnes Dacey, H. Lovatt, "Principled pragmatism: Europe's place in a multipolar Middle East", *European Council on Foreign Relations – Policy brief*, 28 April 2022.

now be abandoned. They are determined by structural causes and as such they must be addressed: simple "buffering" interventions are therefore not effective for managing the situation; on the contrary, in some cases they risk worsening it. The migration crisis is an obvious example of a dynamic that will characterize the MENA area for decades to come, and which requires a forward-looking strategic approach aimed at the root causes of this phenomenon. In fact, migratory flows depend only in part on instability and ongoing conflicts, which are in any case difficult to stem in the short term. Economic and socio-political dynamics of the MENA and Sub-Saharan African area, characterized by high rates of social inequality, corruption and low social mobility, push many young Africans to seek their fortune in Europe. Another example of this type is threats from jihadist terrorist organizations. Whatever form they take, these organizations are the by-product of complex and entrenched circumstances that cannot be resolved in the short term.

It is quite evident that Italy, a geo-politically vulnerable medium-sized power, has limited resources, capabilities and standing to tackle these problems unilaterally. No actor alone appears to have the capacity to stabilize such a vast and complex area (at least, not with a favourable outcome). The role of the international community therefore remains relevant in encouraging regional powers to exercise cooperative rather than competitive or even conflictual influence.

In this effort, even more so now that the United States is exhibiting diminishing commitment to the area, a greater "compensatory" presence of the European Union is required. However, the EU continues to have considerable difficulties in outlining a common foreign policy, especially in the delicate and in some ways disruptive phase that we have just passed through or that we are still experiencing: Brexit, the referendum in Catalonia, the rise of populism in multiple European countries, the damage inflicted by the Trump administration, the COVID-19 pandemic, the war in Ukraine, and on and on. Italy's call for a European role in the MENA area has been constant, but has not often led to action on the part of European allies or the emergence of coalitions to support common needs.

The Draghi government seems to have grasped the need for Italy to make its voice heard, and has proven capable of creating alliances around certain issues. This has allowed the EU to overcome its internal divisions to build intra-European coalitions. To take the example of Libya, divisions among states determined that EU policy towards the country has been primarily incoherent and contradictory over the last ten years. However, in 2019, the European countries regained some unity thanks to Germany's initiative of supporting the Berlin conference. The Berlin initiative allowed the EU to work more constructively in mediating the crisis and reducing the influence of non-European actors. In this circumstance Italy's contribution was important. By supporting the German effort with its diplomacy as a sort of junior partner, Rome offset the unilateral French political pressures in favour of Khalifa Haftar. As a result, the EU was able to impose a new international roadmap for solving the Libyan crisis. Even if the results achieved were not decisive, the internal EU process started could represent an important model and encourage Italy to participate and create European coalitions capable of gathering consensus on issues of fundamental importance for its interests.

The Libyan crisis is indicative of an inherent weakness in Italian foreign policy and in the southern projection of the European Union. The Italian government needs a more proactive policy within the UN and European sphere. In recent years, the shift in the Libyan crisis from the political to the military level has made European and Italian weight in the crisis very

secondary. However, a gradual normalization of relations between some regional actors is opening up some diplomatic opportunities that could be seized. At present, the Libyan crisis appears to be more characterized by personalisms and internal rivalries than by ideological confrontations or the bitter international rivalries typical of proxy wars. Italy must therefore, as in the past with the establishment of the GNA government, succeed in combining its interests with those of the international community in order to contribute to a stabilization phase for the country.

In a post-Brexit Europe, there is a risk of greater concentration of power in the hands of France and Germany, but there is also an opportunity for Italy to balance the Franco-German axis by dialoguing with the other member states, especially in policies towards the Mediterranean. In this way, Italy could take on a more central role: Rome would have more relationships and skills to play on multiple negotiating tables without falling into the unilateralism that often characterizes Paris, and could therefore rediscover its traditional role as mediator between various European positions. Moreover, Italy has always been characterized by a special relationship with the United States, as recently demonstrated by Draghi's visit to Washington. Post-Brexit, this link should be enhanced within the European framework, while avoiding Italy being perceived as Washington's Trojan horse by European partners and instead highlighting the commonalities between the EU and the United States in the Mediterranean area in particular, where the American power of deterrence and coercion against rivals or troubled allies may still be very important. The Russian military presence in the region and Moscow's political ties with many of the countries in the area could be good reasons for the EU and the US to return to work together.

Furthermore, there would be a need for a change of geopolitical perspective: what happens in North Africa cannot be disconnected from what happens in the Sahel region or in the Enlarged Mediterranean. Today, the definition of the MENA Region seems increasingly anachronistic, as many critical factors are creating more and more permanent ties between Africa and the Mediterranean: from energy flows to economic and commercial relations to migration and security issues. Given the deep security, economic and political interests that European countries hold in this macro-region, this cocktail of instability has raised increasing concerns within Europe and has pushed the EU and European countries (namely, countries with highest stakes in the Mediterranean basin, such as Italy) to progressively integrate Sahel countries, the dynamics of which directly reflect on North Africa and in turn on Europe, in their vision for the Broader Mediterranean. Nevertheless, this growing awareness, which highlights the interconnected nature of the current world, still has not translated into a coherent and comprehensive European strategy aimed at tackling the multi-dimensional and transnational sources of instability emerging from this macro-area at their very roots. The task before Europe is a complex one, particularly when considering how the broad region at stake encompasses countries with diverse political and economic outlooks, which are dealing with different kinds of challenges, and where European involvement has diverged throughout the last decade. A failure or a lack of agency to deal with this dossier, however, means more and more instability climbing up across the Mediterranean towards Europe. In recent years, Italy seems to have adopted a broader vision in its policy towards the area, engaging in a wider spectrum in the Sahel and in North Africa. Rome should seek to take a leading role in European action.

In a period marked by Russian aggression in Ukraine, the rise of energy and food prices and the potential increase in conflicts and crises, the Mediterranean remains an area of great concern for Italy's foreign policy action. We are, however, seeing multiple rapid changes in the context in the region, such as the Abraham accords, the detente between Qatar and the other

Gulf countries and between Turkey and other regional rivals, but also the worsening of tensions and the risk of a conflict between Algeria and Morocco. In the absence of a clear common strategy at the European level towards the region, the Draghi government, as any other government after the political elections in 2023, will face challenges beyond its strength. The commercial, energy and migratory aspects will probably still dictate the priorities of Italian foreign policy towards the Enlarged Mediterranean, but the Italian government will have to avoid contributing to increasing regional fragmentation and creating competition, conflicts of interest and fragmentation within Europe. The objective should instead be precisely that of strengthening multilateral cooperation in the area, while indicating to the EU possible objectives of action and mediation between regional actors. It therefore remains a priority for Italy to promote a European policy for the Mediterranean and the Middle East that is consistent and compatible with its national interests.

In the following, we will try to address three significant components of Italian interests: the Libyan crisis, the Eastern Mediterranean, and the difficult relationship between Algeria and Morocco.

### **Libya: a possible way forward?**

Libya, only about 200 miles from the Italian coast, represents an important strategic region for Southern Europe in general and for Italy in particular. This has been seen acutely in the recent waves of migration that have hit Italy and caused security issues that created friction between Italy and its northern neighbours which, at least at first, refused to share the burden of this migration flow. Libya is also important for Italy as a vital energy supplier as well as a partner in many business projects.

With this as the framework, this chapter briefly discusses Italy's relations with the new Libyan political class that emerged from the revolts of 2011 and assesses the current political situation in Libya. Against this background, the final part is devoted to presenting a few ideas for a new, different policy towards Libya that favours a more positive role for Italy in helping the country's political and economic development.

#### *From 2011 to today: The reactions of outside powers to the Libyan quagmire and the Italian position*

When the revolts of 2011 took place in Libya, international reactions were at best confused and disorganized. The EU did not develop a common policy towards the Libyan actors. France and the United Kingdom were quick to take a position in favour of the rebels and endorse the al Jazeera-led narrative of the brutal response of the mercenaries at the order of the regime against the peaceful demonstrators in the eastern province. These two European countries thus took a belligerent position towards the Qaddafi regime and rapidly recognized the National Transitional Council established by the rebels as the only representative of the Libyan people, de facto condemning the regime to its end. Their military interventions on the side of the rebels were conducted under the fig leaf of the UN-sanctioned "right-to-protect" principle, which allows the UN to call for a military intervention to protect civilians put in danger by government action. The military operations under the flag of NATO with UN security council mandate were carried out mainly by France and England, the USA and a reluctant Italy.

Italy was the big loser of this whole operation. After having become the main partner of the Qaddafi regime and acquiring a preeminent relationship with Libya from every point of view, Rome saw its position slip away rapidly and be taken over by France and the UK.

However, history didn't turn precisely as London and Paris desired. After initial success, the evolution of the internal situation in Libya forced the UK into a relative retreat and withdrawal from the active engagement in the North African territory, and forced France to keep looking for a way to acquire a dominant position amongst the increasingly wider fragmentation of the Libyan actors and the rising level of internal conflict.

While France sided with specific groups and clans competing for the control of the country, Italy adhered to a more "institutional" approach, taking the side of the negotiation process led by UNSMIL. Thus, Italy was one of the first countries to recognize the Government of National Agreement (GNA), led by the Tripolitanian Fayed Serraj, when it emerged from these negotiations in 2015. Italy was also unique in keeping its embassy in Tripoli open while most other countries closed theirs and recalled their diplomats.

Italy stood solidly by the GNA throughout the war with the eastern forces led by Khalifa Haftar, the former Qaddafi regime general. This diplomatic coherence, albeit limited by Italy's unwillingness to intervene militarily in support of the internationally recognized government in Tripoli, allowed Italy to regain important positions in the Libyan ladder of influence. This was by no means a "guaranteed" outcome, since there have always been sectors of the Italian government and "deep state actors" that favoured a more pro-Haftar position, wishing to join the Egyptian-UAE-Russian-French coalition supporting the general from the east. This was particularly true during the period in which Giuseppe Conte was President of the Council of Ministers.

Haftar's attack on Tripoli failed because of the staunch resistance of the Tripoli and Misurata fighters, and even more, thanks to the military support provided to the GNA by the Turkish army. Yet, even in defeat Haftar did not disappear from the Libyan political landscape. On the contrary, after being rapidly re-armed by the governments of Egypt and of the UAE, who feared a collapse of Haftar's militia the Libyan National Army (LNA) and the subsequent instability that would occur in the Libyan eastern province and the border region with Egypt, Haftar was able to hold on to his powerbase and re-enter the power game.

While Egypt's interests in controlling Libya are quite apparent, Russia's are less so. The most apparent is Russia's will to keep, and potentially widen, its presence in Libya for geo-strategic reasons. Libya is a gateway to Sub-Saharan Africa, where Moscow has plans to expand its penetration and influence, and is also only a few hundred miles from the southern flank of NATO, so de facto offers all the political and military advantages that this suggests.

It is evident, if not openly expressed, that there must have been some sort of Turkish/Russian behind-the-curtains agreement that effectively led to the signing of a truce and to a two-year period of non-belligerence between Libyan factions.

To build on this truce and overcome divisions within the Country, UNSMIL conducted another round of negotiations, which were held in Geneva, and concluded in March 2021 with the election of a new Government of National Unity (GNU) led by Libyan businessman Abdelhamid Dbeibah. This government was initially supposed to only prepare the country for elections, possibly both presidential and legislative, to be held on December 24, 2021. When Dbeibah failed to do so and that date passed, the House of Representatives (HoR) in Tobruk decided that the GNU had exhausted its objectives and proceeded to appoint a new Prime Minister in the person of Fathi Bashaga, of Misurata, the former Minister of interior of Serraj's government.

This is the situation in which Libya finds itself at the time of this writing (mid-May 2022). On the one hand there is Dbeibah's GNU, who refuses to offer his resignation and claims that his government had no pre-determined deadline but that he would tender his resignations only to the new elected Prime Minister after the holding of regular free and fair elections. Supporting Dbeibah are the same countries that supported Serraj: the USA, Italy, Germany, Algeria and some smaller African states. On the other side, Bashagha enjoys the support of Egypt, Russia, France and the UK. There have been some interesting shifts, however; while Turkey maintains a "wait and see" approach, the Emirates have decided to stand by Dbeibah because of familiarity with him and his family. Meanwhile, Qatar feels more at ease with Bashagha. The present situation does indeed represent a surprising turn of events.

### *Shaping a new approach towards Libya*

With this complex situation both within the country and internationally, characterized by high levels of fragmentation and rivalry, the difficulty in elaborating meaningful scenarios (not to mention the possibility of drafting meaningful policy recommendations for a new Italian new policy or approach) should be clear. Nevertheless, it is worth making an attempt to do so, so long as we keep in mind the high volatility of the situation on the ground.

Today's crisis did not appear out of nowhere; it has deep roots in the history of Libya, a history of mostly tribal and intra-tribal conflicts. The period of the Qaddafi regime in particular was characterized by a high level of conflict between warring tribes and between tribes and the urban inhabitants of the coastal towns. Qaddafi's quite sophisticated "divide and rule" policy played a decisive role in creating factions, resentments and rivalries. The regime was strong enough, however, to keep conflicts between them from erupting, but once it was toppled by the 2011 revolts, there was no stopping these hostilities and grievances from erupting in violence.

At this point the new political class made a fatal mistake. Rather than reuniting the population around a new sense of purpose/mission with an endorsed national identity sentiment by holding a National Dialogue Conference where, among many important topics, transitional justice issues could have been dealt with and divergences smoothed out, they went for elections instead. These, held in the autumn of 2012, rather than providing a possible solution to fragmentation and disorder, achieved quite the opposite: differences and grievances were crystallized.

The same situation is occurring today. While the lack of a legal/constitutional framework to conduct the elections, thus continuing the path traced by the Libyan Political Dialogue Forum (LPDF) in Geneva in 2020, is undoubtedly important, the obstacle is not legal, but political, even more than it lies in the area of security.

It is political because it is the political class that is obstructing any movement forward, in favour of a process that could lead to "everything must change so that everything can remain the same". This sentence comes from the well-known masterpiece *The Leopard* by Tomasi di Lampedusa, but is perfectly applicable to the current Libyan situation. This political class, in large part greedy and corrupt, is the main obstacle to ending the intractable transition of the Libyan political system from an authoritarian one to a more open and inclusive one.

If nothing is done and nothing happens to change this political class, then there are only two possible scenarios for Libya's short-term future.

The first is armed conflict between the supporters on each side. This is the least positive outcome but unfortunately the most probable one absent robust action from the international community. The second scenario sees enough pressure being exercised by international actors to succeed in convincing one or the other side to give up. This outcome, while preferable to the one ending in an eruption of armed conflict in the country, would only mean the continuation of the status quo and ongoing pillaging of the resources of the country with, ultimately, total impoverishment of the state and its people.

Russia's war on Ukraine has caused much pain, suffering and horrors, as well as disastrous consequences for almost every state and population of the neighbouring regions, but in Libya it has offered an unexpected opportunity.

The American administration has understood that if it wants to maintain its hegemony in the international system, it cannot avoid playing a leading role. It cannot be perceived as "withdrawing" from "any" region or part of the world. The perception of US disengagement from the MENA region has already caused much damage to the international liberal order created and fostered by the US, and therefore an understanding of the necessity to reverse this perception has begun to loom in Washington. Italy in particular has a clear interest in leveraging this re-thinking within the US government and establishment because it can reinforce its role as the main European country involved in negotiating a solution among rival actors in the Mediterranean area. If Italy, thanks to renewed US leadership, can reunite European countries in concerted action, it will have fulfilled a vital role in the stabilization of the area and created the necessary conditions for a pushback on Russian (and Chinese) penetration in the MENA region. Since Libya has become a microcosm of most geopolitical shifts, why then not start this new process of constructive re-engagement here?

In Libya the European actors have been quite divided among themselves, and it is evident that they need a rallying actor capable of unifying them and forming a compact front, especially towards the MENA states which, for their part as well, still must define a common approach. The USA must return to the role of the main power capable of defining and establishing a common policy among its allies. Here is where the war on Ukraine may come to provide a common interest and create the much-needed unity of action for Libya. There is a necessity, today more urgent than ever, to prevent Russia from establishing powerful military bases in Libya, so close to the Italian border. This is coupled with another interest, that of preventing Russia from establishing in Libya a jumping-off point towards the Sahel and Sub-Saharan Africa. The necessity to unite in order to prevent further Russian expansion in the region and protect each other from the same aggression now brought to bear on Ukraine could be a reason to push European states to overcome the differences in their interests and favour a united action in Libya.

Only if this were to happen can a new policy toward Libya then be developed.

### *A National Conference as a first step towards building a new Libya*

This new policy should consist, at its core, of an inclusive negotiated process that allows Libyan actors to establish a "National Conference" to determine key points upon which to build the structures of the state: something like the National Conference which was supposed to take place in Ghadames in April 2019, but somewhat wider in scope. That conference never took place because Haftar chose instead to wage war on Tripoli and seize total power over the whole country. This fact in itself should be considered evidence of the validity of the National Conference approach.

The delegates to the National Conference would draft an interim constitution that would spell out the rules for holding elections and establish the powers and limits of the new elected institutions. The new elected parliament would be tasked with drafting the new constitution.

Through the period of the holding of the conference to the time that it would take to hold elections, the governmental functions, limited to ordinary administration, would be carried out by a small executive appointed by the UN under international supervision. This government would have as its main task to smooth the path to holding the Conference and implementing its decisions, as well as to prepare the elections.

In other words, the only thing that can save Libya as a united nation with a pluralistic, inclusive political system is the will of the Libyans to overcome their differences and grievances and undertake a commonly established path. A priority for reaching this objective will be the unity of the western countries as a prerequisite.

### **The Egypt-Turkey geopolitical and geo-energy competition in the Eastern Mediterranean and Italy's national interest**

If we look at some of the main contemporary geopolitical and geo-energy disputes in the Mediterranean area, we find their epicentre to be in the eastern part of this sea that today is considered the “eye of a gathering geopolitical storm”<sup>3</sup>. The recent discoveries of natural gas fields in the very rich seabeds have encouraged renewed activism on the part of countries like Egypt, Turkey, Israel, France, Greece, Cyprus, Russia and the United Arab Emirates (UAE), all apparently intent on strengthening and broadening their geopolitical roles, both regionally and internationally. We see the contours emerging of a new “Great Game” in the Eastern Mediterranean that goes beyond a simple race for energy, and reveals a region fragmented into a series of interconnected geopolitical, as well as domestic, crises. One of the most salient causes of instability of the area is the longstanding rivalry between two pivotal actors, Egypt and Turkey, which has spread into other Eastern Mediterranean issues, such as the Libyan crisis, the maritime and territorial dispute between Turkey and Greece, and energy cooperation projects among the coastal countries.

All these drivers of instability inevitably involve Italian interests in the area, since the country stands to be one of the European states more affected by the economic and energy crisis triggered by the Russian-Ukraine war, even as it struggles to diversify its energy supply chains and reduce its dependence to the Russian gas supplies. As a result of these multiple, intersecting factors, the need to find a viable solution both for Cairo and Ankara should be a priority for international diplomacy, especially for the European Union and for Italy.

The purpose of this chapter is to analyse the root causes of tensions between Egypt and Turkey in the wider framework of the Eastern Mediterranean, the regional consequences of this disruptive rivalry and, more specifically, the negative effects on natural gas projects and on the realization of the ambitious 1,900-kilometre undersea pipeline that would bring natural gas to Europe: the EastMed pipeline.

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<sup>3</sup> M. TANCHUM, “The Geopolitics of the Eastern Mediterranean Crisis: A Regional System Perspective on the Mediterranean's new Great Game”, in Michaël Tanchum (edited by), *Eastern Mediterranean in Uncharted Waters: Perspectives on Emerging Geopolitical Realities*, Konrad-Adenauer-Stiftung Derneği Türkiye Temsilciliği (KAS Turkey), Çankaya-Ankara, 2020, p. 7.



*The Eastern Mediterranean: a hotspot of regional geopolitical competition, but also an area of strategic interest for Italy*

The rise of the Eastern Mediterranean area as a fundamental geostrategic theatre is strictly linked with this past decade's discoveries of multiple offshore natural gas fields in the Eastern Mediterranean zone between Cyprus, Egypt and Israel – for example the Leviathan field off the Israeli city of Haifa, discovered in 2010; the Aphrodite, off Cyprus, in 2011; the Zohr field, which Italy's ENI discovered in 2015, off the Egyptian coast; and the Nour, discovered in 2019. The discovery of these natural gas fields transformed Israel from an importer of hydrocarbons to a net exporter, just as the outputs of Zohr and Nour enabled Egypt to declare in 2019 that it had reached such a level self-sufficiency in available gas as to become the new regional hub of reference for the trade in and exportation of natural gas. Over time, the presence of such huge resources in such a small area of sea led to the birth of multilateral energy and security cooperation between an increasing number of Mediterranean countries. Within this framework are the Israel-Egypt agreement of 2018, alongside the 2018 agreement between Cairo and Nicosia and the 2020 agreement between Israel, Greece and Cyprus. An actual organization of multilateral coordination, the East Mediterranean Gas Forum (EMGF), was created in 2018 by Italy, Egypt, Jordan, Israel, Cyprus, Greece and the Palestinian National Authority.

For the possibility of exporting gas extracted in the area to new markets, hopes are being pinned on part of Egypt's liquefied natural gas (LNG) plants in Idku and Damietta, which could utilize and transport the gas coming from Cyprus and Israel. This so-called “triangular” strategy, envisioning Israeli and Cypriot gas being transported to Egypt through offshore and onshore pipelines, would make it possible to unite these countries' gas resources, offering Europe an important option. In fact, Egyptian infrastructure is currently the most developed in the Eastern Mediterranean, and together with the Suez Canal offers easier commercial routes for oil and gas. There is a “cooperative energy diplomacy” strategy, backed by Washington and the European Union, aimed at optimal use of the overall energy resources in the Eastern Mediterranean.

In recent years such multilateral cooperation has also been the foundation for another important regional plan for gas exportation: the construction of the EastMed pipeline<sup>4</sup>, at first glance a highly important project that would transport 10 bcm per year of Eastern Mediterranean gas to mainland Greece and then on to Italy through another pipeline, the Poseidon. As an alternative to the latter, the gas from these fields could be connected, again through the EastMed to the TAP, the Trans-Adriatic pipeline, or to the TANAP, the Trans-Anatolian pipeline. The EastMed project was immediately supported by Greece, Cyprus, Israel and Italy, which later backpedalled somewhat on its support for the proposed pipeline due to specific problems tied to its economic and environmental feasibility.

All these projects of regional and international gas development and commercialization have been accompanied, especially recently, by an escalation of regional-level tensions and conflicts. Specifically, Turkey, returning to its historical sovereignty dispute with Cyprus, claims the right to explore Greek-Cypriot waters, creating tensions with Greece about the delimitation of their respective maritime areas. This strategy has led Greece, Cyprus, Israel and Egypt to counter Turkey's growing assertiveness by isolating it: this has meant that Turkey has been

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<sup>4</sup> *Eastern Mediterranean Pipeline Project*, NS Energy, 2021 [<https://www.nsenergybusiness.com/projects/eastern-mediterranean-pipeline-project/>] (3 August 2021).

excluded from the EMGF and the agreement that Israel, Cyprus and Greece signed in January 2020 to build the EastMed pipeline, which should pass along the Greek and Italian coasts, bypassing Turkish territory. In 2019 Turkey reacted to these plans with a confrontational stance, sending naval vessels to waters off the south and east coasts of Cyprus to forcibly prevent drilling and, signing a memorandum of understanding with the Libyan GNA, created an EEZ that cuts across Greek and Greek Cypriot interests, staking a claim on an area through which the EastMed deep-sea pipeline is supposed to pass. All these tensions and disputes transformed the “race to energy” into a real transnational geopolitical competition that in fact threatens the already fragile regional security architecture. Moreover, it has hampered the credibility of the actual realization of the EastMed project, which was for some time considered essentially dead on arrival.

However, the recent Ukraine crisis brought to light a dangerous vulnerability in the energy chain supplies and the need to achieve a credible energy diversification. Along with Germany, Italy is one of the countries most exposed to the risks of dependency on Russian gas supplies; therefore, the EastMed project could offer a medium-term contribution to reduce Italian vulnerability in the energy sector and the dependence on Russian supplies. Since Italy is already an important actor on the technological side of exploitation of natural gas in the area, it can actively promote a rapid re-evaluation of this project, which for a while was marginalized and considered as not strategic, due to economic and environmental feasibility criticalities outlined above.

The April 2022 Jerusalem meeting between Italian Minister of Economic Development Giancarlo Giorgetti and the Israeli Minister of National Infrastructures, Karine Elharrar, demonstrates the renewed Italian interest in the EastMed project. This fact, together with the recent endorsement of the project expressed by the US administration with the aim of “intensifying their cooperation in the areas of energy, economy, climate action, emergency preparedness, and counterterrorism”<sup>5</sup> are clear signs that the EastMed project is entering a new phase. Similarly, Italy highlighted the strategic importance of the TAP/TANAP pipeline during the visit of the Minister of Foreign Affairs and International Cooperation Luigi Di Maio in Azerbaijan in April 2022, which had the goal of fostering energy diplomacy efforts in order to accelerate the energy diversification process by strengthening existing collaborations with traditional partners. Within the wider project of diversifying gas suppliers (from North Africa to Sub-Saharan Africa and the Middle East), the strategic importance of the Eastern Mediterranean region for Italy is highly evident. Therefore, it is extremely important to support all processes to reduce tensions, in particular the ongoing divide between Egypt and Turkey.

*The rivalry between Egypt and Turkey: its consequences on the region and the need for a new diplomatic effort*

Turkey’s activism emphasizes the longstanding rivalry with Egypt, a country that has struggled to regain its past relevance in the region and to obtain the maximum gain from the recent discoveries in the Eastern Mediterranean. Tensions between the two countries erupted in 2011, in the wake of the “Arab Spring” and the political support Turkish President Erdoğan pledged to the Muslim Brotherhood, the Islamist movement tightly connected with the ruling

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<sup>5</sup> U.S. Department of State, *Joint Statement on the 3+1 (Republic of Cyprus, Greece, Israel + United States) Foreign Ministerial*, Media note, office of the Spokesperson, May 9, 2022, <https://www.state.gov/joint-statement-on-the-31-republic-of-cyprus-greece-israel-united-states-foreign-ministerial/>.

Justice and Development Party (AKP), whose candidate Mohamed Morsi won the presidential elections in 2012.

The rise to power of General Abd al-Fattah al-Sisi, who set a drastic reorientation in Egyptian politics into motion, by fighting the Muslim Brotherhood, brought the political convergence between Cairo and Ankara to a screeching halt. After the removal of President Morsi by the military on 3 July 2013, quarrels between Turkey and Egypt increased. Erdoğan immediately condemned the Egyptian military's intervention, accusing them of having interrupted the Egyptian transition towards democracy and offering political asylum to various members of the Muslim Brotherhood. After proscribing the Islamist movement and identifying it as a terrorist organization in December 2013, the new Egyptian government led by new President Abdel Fattah el-Sisi made its own accusations against Turkey, condemning Turkey's support for the group as an inappropriate intervention in internal affairs and a violation of diplomatic norms. This situation has deepened the already complex ideological fragmentation within the Sunni *'umma* through the emergence of two opposing factions: on one side, Turkey and Qatar as advocates of the concept of "political Islam", and on the other their opponents, Saudi Arabia, the United Arab Emirates and Egypt. This ideological dispute – in addition to the increasingly conflicting geopolitical ambitions of the leaders of Turkey and Egypt – has grown into a conflict that threatens the stability of the region.

In the current regional competition, Egypt appears committed to redesigning its geopolitical aspirations around three main priorities: presenting itself internationally as a strategic pivot in the area, re-launching the country's image among regional adversaries, and defending its national security interests at the regional level. The rapprochement between Turkey and Egypt represents a fundamental pillar in the broader normalization process that is underway in the region. The resumption of bilateral talks, launched in May 2021 with a two-day meeting in Cairo between the countries' deputy foreign ministers, suggests that there are concrete steps being taken in this direction, especially since both regimes appear under pressure due to regional, international, and domestic developments. However, several controversies remain still unsettled, and the Eastern Mediterranean plus Libya represents the main quadrants where the dispute is still playing out.

The Eastern Mediterranean appears to be a pivot area of strategic intervention for Egypt due to the relevance of the basin as the new hotspot for the global energy market and a new arena for geopolitical competition by the regional actors. Egypt has important interests connected with the energy sector. Achieving natural gas self-sufficiency and ramping up production and distribution of LNG aligns perfectly with Cairo's economic priority: managing its natural gas resources in the most effective way to serve its domestic energy needs. This will require maintaining the momentum of exploration and development in order to compensate for the depletion of existing fields and to accommodate rising demand, as well as, of course, garnering revenue from exporting any surplus gas that it can produce as it becomes a regional supplier in the energy trade.

Regarding Libya, there is the long-standing conflict within the Sunni world that sees Turkey and Qatar, fierce proponents of political Islam, against the United Arab Emirates, Saudi Arabia and Egypt, staunch opponents of political Islam. Cairo cannot tolerate a Turkish-friendly Islamist government in Libya that controls the Libyan-Egyptian border, because it needs to safeguard its porous western frontier bordering Cyrenaica to prevent dangerous jihadist penetrations from Eastern Libya. To the Egyptian government, the Turkish presence in this critical area always represents an alarming threat.

Turkey's activism in the Eastern Mediterranean can be understood through Ankara's desire to

impose itself as the main energy hub between the Caspian Sea, the Eastern Mediterranean and Europe, thereby guaranteeing its own access to energy sources in the long term at stable prices (Turkey currently imports 70% of its hydrocarbons) and the ability to subsequently export them to other markets. Turkey could thus increase its political/negotiating weight in the strategic area of the Mediterranean and Middle East in a manner coherent with the neo-imperial vocation upheld by President Erdoğan.

While including Turkey in the EMGF would still come at too high a political and diplomatic cost for Egypt, especially due to the mistrust that the Egyptian leadership seems to maintain against Ankara so long as the Turkish government remains a possible destabilizer of Egypt and continued backer of the Muslim Brotherhood, Turkey obviously favours becoming part of the EMGF, but only at certain conditions: a critical one is having Turkish Cypriots at the table. This will require both flexibility by Greece and Cyprus and a degree of “diplomatic imagination” in order to find a suitable informal accommodation for them.

Against this overall framework, we also need to consider the medium and long-term consequences of the Ukrainian crisis: these could include serious humanitarian crises, exacerbation of food insecurity and migration flows, and heavy economic impact on the Mediterranean states, which are already struggling with widespread economic problems. Domestic crises could reduce the margins of action of these states and the reactions of regimes under pressure are unpredictable. At the same time, it is important to emphasize how the Eastern Mediterranean represents a strategic hub of the Euro-Asian commercial corridors complex network. In fact, this sea, despite accounting for only one per cent of the world’s ocean area, generates around 15% of global maritime traffic and 20% of associated economic value, and that makes it a fundamental global socio-economic crossroad.

For all the above reasons, it is important to push for a general détente between Egypt and Turkey. This could be achieved with a strong mediation effort by the European Union with the support of the US. In this framework, Italy could play a positive role in encouraging these countries to resume rapprochement talks and negotiations to normalize ties. Specifically, Italy should use the renewed strategic importance of the EastMed pipeline to obtain a win-win solution for both Ankara and Cairo. It is obvious that an Italian active policy of engagement with Egypt and Turkey should be in some way coordinated within the wider EU policy. However, Italy should increase its degree of autonomy in order to trigger a stronger European commitment towards this region (which has been extremely unsatisfactory in recent years).

We would, of course, also be remiss if we did not mention the difficulties in Italy’s bilateral relations with Egypt since the torture and murder of Italian PhD researcher Giulio Regeni in Cairo. Despite the difficulties that have arisen as a result of this affair, it would be important for Italy to continue to play to its tradition of diplomatic engagement among the Mediterranean countries: to reaffirm its geopolitical role in the basin to increase its bilateral efforts with the two pivotal actors of the area, in order to facilitate agreements and reduce the disruptive effects of territorial and political disputes with other EU member states, such as Greece and Cyprus, on the EastMed pipeline project. Italy might also launch multilateral “technical tables” – both official conferences and Track-2 initiatives – to envisage practical steps on the outstanding technical and territorial disputes and make the EastMed project more palatable for international investors. Another objective should be to support any international effort aimed to stabilize a region that is still both extremely volatile and also a strategic hub, not only for energy but also for the Euro-Asian maritime commercial corridors.

## Italy at the crossroads between Morocco and Algeria

Although neighbours united by a common language, culture, and religion, Algeria and Morocco are longstanding rivals. Since the two countries gained independence from France in the late 1950s/early 1960s, they have fought several wars, built defensive walls and cut their diplomatic relations on multiple occasions. Recent events that have occurred in and around the age-old issue of the Western Sahara have contributed toward fuelling greater tensions in an already turbulent and fraught relationship.

Indeed, since 2020 the rivalry between the two countries has taken a turn for the worse: Morocco's decision to sign a normalization agreement with Israel, which went hand-in-hand with US recognition of Moroccan sovereignty over the Western Sahara, led to progressive escalation between Algiers and Rabat. Indeed, the agreement between Rabat and Tel Aviv has left Algeria feeling isolated and vulnerable in a political phase already characterized by a lack of internal legitimacy; this perception increased when Israel and Morocco started pursuing a bilateral cooperation in the domain of security and defence. Before the agreement, in November 2020, the Polisario Front, whose fight for an independent Western Sahara is backed by Algeria, had broken the 1991 ceasefire with the Kingdom after clashes between Moroccan authorities and Sahrawi protesters.

Among recent bilateral skirmishes, what might worry Europe (and Italy in particular) the most, namely in the framework of the current energy crisis, is the fact that in November 2021 Algeria decided to stop exporting gas to and through its rival, thus closing the Europe-Maghreb Pipeline running from Algeria to Portugal through Morocco.

In light of all this, an all-out war between Algeria and Morocco, the two African countries with the highest military budgets, seems not particularly unlikely; if this were to occur, it would set into motion a dramatic scenario that would not only bring about immense harm to both countries, but also severely impact Italy's multi-faceted interests in both Algeria and Morocco.

### Italy's interests and solid partnership with Morocco and Algeria

Throughout the most recent decade, Italy has woven solid partnerships with both of these North African countries. From an economic point of view, commercial and financial cooperation with Morocco is thriving, and it holds promising opportunities to evolve in the domain of renewable energies, namely in light of European and Italian objectives for the energy transition. Algeria represents a consolidated energy partner, as it is currently Italy's second gas provider, and it is acquiring an increasing relevance within Italy's renewed energy diplomacy towards the Southern Mediterranean, guided by the strategic aim of diversifying its energy sources and reducing its energy dependence on Russia.

A conflict between Rabat and Algiers would present an extremely undesirable outcome for Rome for several reasons, including because both are important bulwarks for Italy to foster security in the Mediterranean and in the Sahel, where instability increasingly risks destabilizing North Africa and Southern Europe. In its vision for the Enlarged Mediterranean, Italy has increasingly focused on the Sahel, and as such considers the cooperation with Morocco and Algeria in the fight against terrorism and transnational crime as a strategic asset to fight and curtail any illegal activity permeating from the region and hampering its development. In the case of Rabat, the long-standing partnership with Italy in the domain of security and counterterrorism also needs to be framed against the extremely solid cooperation between the Kingdom and NATO. Against this promising backdrop, the recent escalation between

Morocco and Algeria has instead been fuelling instability and allowing terrorist groups to gain ground, scenarios which clearly do not bode well for Italy's interests.

Migration is another factor in this equation: both Algeria and Morocco are among Italy's strategic partners in addressing irregular migration reaching Italian shores, namely with regard to border management and repatriation mechanisms. Moreover, Italy and Morocco are also connected by the existence of a large and mostly well-integrated Moroccan community in Italy, which has led Rome and Rabat to enhance their bilateral dialogue on cultural, social and economic issues. The two countries have also been working to develop patterns to facilitate legal migration, a pathway the necessity of which has also been expressed by Italy's Prime Minister Mario Draghi.

Despite all this, in the context of yet another dispute related to the Western Sahara issue, Morocco has recently leveraged its geographic proximity to Europe and its position as a transit point for migrants trying to reach European shores to put pressure on its Southern European allies. In 2021, in fact, Moroccan authorities facilitated the passage of thousands of migrants to Ceuta (a Spanish enclave in North Africa) as a retaliation against Madrid after the hospitalization of Polisario's leader Brahim Ghali in Spain.

#### *Consolidating an Italian approach towards the Algeria-Morocco crisis*

As briefly outlined in this analysis, further escalation between Algeria and Morocco or, even worse, a conflict on the southern shores of the Mediterranean, would be detrimental for both Italian bilateral and regional interests, which essentially depend on stability and prosperity in the Mediterranean basin.

Also due to historical reasons, Italy has neither the right position nor enough leverage to take on an overt mediating role within the long-standing and extremely intricate Algeria-Morocco dispute, yet Rome can still play a relevant role in this dossier by trying to set boundaries to avoid further rising tensions. Indeed, Italy can draw on the solid and positive relations it holds with both Algiers and Rabat to try to send them a key message: by mending their bilateral relations, or at least by preventing tensions from rising, Algeria and Morocco are also strengthening their relationship with Europe, which comes with several advantages for all parties involved on the political and economic level. In this framework, the flourishing cooperation with Italy, as well as with other fellow European countries, on crucial dossiers such as energy is a strong case in point.

As outlined above, due to its multi-faceted interests, Italy has every incentive to maintain a good balance in its relations with both Morocco and Algeria and avoid involving itself in their tensions, especially on the age-old issue of the Western Sahara. Italy has thus far adopted much more forward-looking policies compared to other fellow European countries, such as Spain. Indeed, Madrid's missteps on the Western Sahara issue have put real pressure on its partnerships with Rabat, which has answered by retaliating in the domain of migration, and later with Algiers, which has declared that it is considering raising gas prices for Madrid due to its recognition of the Moroccan autonomy plan for Western Sahara.

It is paramount for Italy to prevent a similar scenario from happening, not only right now but also in the medium-long term, namely in the current geopolitical scenario, which is rapidly evolving due to the war raging in Ukraine, and where Italy needs to promote its interests in critical dossiers such as energy or migration, issues which often present grounds for political competition and retaliation.

Indeed, as mentioned above, Algeria is becoming an increasingly essential piece of Italy's drive south for energy security: the new agreement recently signed by Italy's ENI and Algeria's Sonatrach will gradually increase the supply of Algerian gas within overall Italian imports, leading to 40% growth by 2024. This strategy makes Algeria a crucial partner for Italy's renewed energy diplomacy, which aims to replace half of Russian gas imports as soon as next winter.

At the same time, the current crisis has highlighted the urgent need to keep investing on renewable energies to pursue European and national objectives for the energy transition. This underscores how Italian energy interests towards the Southern Mediterranean are not limited to the urgent priority of purchasing gas, but also extend to cooperation on green energy – from solar and wind power to green hydrogen and ammonium. After all, cooperation with Southern partners on renewable energy is one of the key external dimensions of the European Green Deal, a push towards the energy transition that should be accelerated, or at least not halted, by the current energy crisis triggered by the war in Ukraine.

In this framework, the recent Declaration of Intent between Italy and Algeria on bilateral energy cooperation, which also includes renewable energies and green hydrogen, is a step in the right direction, and one that should be concretely pursued. Indeed, despite its traditional status as a rentier, since the start of Tebboune's presidency Algiers has invested in green energies as part of a national strategy for energy diversification.

Morocco has also been developing its renewable energy sector since the publication of its 2009 National Energy Strategy, and it is considered by Italy as well as by other European countries to be a reliable and promising partner on the green dossier. Italian energy companies, both major (such as Enel Green power, ENI and Snam), and SME, are already investing in Moroccan renewable energies. Rabat openly aims to become a Mediterranean and African hub in this domain by working on the production, local usage and export of solar and wind power and also, on a longer horizon, of green hydrogen. The development of a green hydrogen market and infrastructures in Northern Africa is extremely interesting for Rome, as demonstrated by Snam's investment plan, which aims to turn Italy into a distribution hub for green hydrogen from North Africa to Europe in the medium term.

Moreover, besides Italy's multiple direct energy interests towards both Algeria and Morocco, investing in and contributing to the development of their renewable energy sectors is also an important step to enhance growth and sustainable development as key elements of the Italian vision for a stable and prosperous Mediterranean basin – one where there is no room for a new conflict.

Furthermore, the management of a crucial dossier like migration also makes it necessary for Italy to foster the most solid and positive relationship with strategic partners such as Morocco and Algeria, not only to cooperate on preventing illegal migration movements, but also to avoid attempts at exploiting migration for political ends, as happened in Ceuta last year. Indeed, that episode, which could be plainly defined as an instance of weaponization of migration, is a strong signal for Europe as a whole, and particularly for a country like Italy. For obvious geographic reasons, Morocco would have a hard time threatening Italy in the same manner as Spain; nonetheless, this episode is but one in a series of attempts pursued by many actors to exploit migration against Europe and its member states for political reasons. Such attempts need to be averted before setting a dangerous trend that might also be embraced by countries closer to Italian shores, such as Tunisia or Libya, which due to the tough economic impact of

the Ukraine crisis might become countries of origin and transit for new waves of migration via the Central Mediterranean route.

By avoiding becoming involved in tensions between Morocco and Algeria and fostering its short to long-term bilateral interests with both actors, Italy's positive cooperation pattern could represent an incentive to take into consideration the potential behind a more stable and secure regional framework. To enhance this opportunity, Italy, leveraging on its staunch relations with Algiers and Rabat, should also work to support the UN initiatives for peace in the Western Sahara, which need to be more actively and concretely backed by all European countries in order to release their full potential in opening a channel of dialogue between Morocco and Algeria, and in perspective also fostering European and Italian interests in this crucial area. In this framework, Rome is also in a special position to support the activity of the UN Special Envoy for Western Sahara, the Italian Staffan De Mistura

Lastly, drawing on its historically solid relationship with Washington, Italy should proactively engage with its American allies to ensure that the US, too, cooperates in helping de-escalate tensions between Algeria and Morocco and in backing the UN peace process. The Trump administration brought about a great deal of confusion and uncertainty in many countries including those of the MENA region, as his foreign policy was impulsive and lacked clear goals. His decision to unilaterally recognize Morocco's sovereignty over Western Sahara, a decision taken without consulting its European allies, is one case in point. However, it would be unwise for the Biden administration to backtrack on Trump's steps on the Western Sahara: retracting its recognition may alter the already volatile balance the MENA region now harbours and, with an end to Russia's invasion of Ukraine nowhere in sight, an angered Morocco will only cause more instability on the shores to the south of the EU. In a time when Italy is eagerly attempting to break away from Russian energy imports, stability and security in the Mediterranean are paramount.

However, ensuring the US maintains the current status quo in Morocco also risks angering Algeria. Algeria feels isolated and threatened in the wake of a whole series of developments: the US's recognition of Western Sahara; Morocco's peace deal with Israel; and Spain's recent decision to back Morocco's autonomy plan over Western Sahara. Italy should ensure that its US ally does not further anger Algeria, while also pushing for greater commercial cooperation between Washington and Algiers. In this framework it is also important that Italy, as explained, continues to strengthen its own bilateral ties with Algeria through greater energy and security cooperation. Increasing international recognition will allow Tebboune to showcase the country's credibility on the international arena and his ability to relaunch Algerian diplomacy back home, where he faces great domestic challenges, including a grave economic crisis and serious unpopularity. In turn, Tebboune will feel less cornered and more willing to cooperate with the EU and Italy.

All in all, a conflict between Algeria and Morocco does not offer a desirable outcome for either of the actors involved, all of whom have a lot to lose and nothing to gain should a war break out in North Africa. In the current geopolitical framework, Italy is increasingly aware of this reality, and needs to work to make it clear by leveraging the bilateral and regional incentives that come with de-escalation.



### Authors

**Lorena Martini**, Advocacy and Communication Assistant, ECFR Rome

**Alessia Melcangi**, Associate Professor, La Sapienza University; Non-resident Senior Fellow, Atlantic Council

**Karim Mezran**, Head, North Africa Initiative and Resident Senior Fellow, Atlantic Council

**Alissa Pavia**, Associate Director, North Africa Program, Atlantic Council

**Arturo Varvelli**, Head, Rome Office, and Senior Policy Fellow, ECFR

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