

# Cyprus Peace May Ease European Gas Fears

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NICOSIA, Cyprus (AP) — An agreement to reunify ethnically divided Cyprus could ease the supply of newly-found offshore gas to Europe by allowing it to go through Turkey, the U.S. ambassador to the east Mediterranean island nation said Thursday.

John Koenig said easier access to eastern Mediterranean gas deposits after a peace accord would help diversify Europe's energy sources and feed the needs of energy-hungry Turkey. New reunification talks got underway last month after numerous rounds of negotiations over the last four decades.

In an interview with The Associated Press, Koenig said a peace deal could also boost bailed-out Cyprus' ailing economy, years before the Mediterranean island nation starts reaping its potential gas rewards.

"A Cyprus solution would bring a great boost to this economy," Koenig said. "We know that without a Cyprus solution, otherwise interesting ideas for moving natural gas to Europe through Turkey or to the Turkish market would be at least much more difficult, perhaps impossible."

Turkey severed all diplomatic relations with Cyprus after invading in 1974 in the wake of a coup by supporters of union with Greece. The invasion split the island into an internationally recognized Greek Cypriot south and a Turkish Cypriot north whose declaration of independence in 1983 is recognized only by Turkey.

Turkey has strongly opposed the Greek Cypriot offshore oil and gas search, insisting that it flouts the rights of Turkish Cypriots to the mineral bounty.

Europe is dependent on Russia for at least 30 percent of its natural gas and has been looking to diversify its energy sources. That search has added urgency following Russia's annexation of Crimea. So far, Russia has not threatened to cut off gas supplies following the subsequent sanctions imposed by the European Union.

At the core of Cyprus' energy planning is the construction of an onshore processing facility that would liquefy gas for easier transport to global markets.

Koenig said Turkey could help on that front too as it will have the capacity "to transport gas to other markets in Europe" through newly built pipelines.

Cypriot officials have said any gas pipeline linking Cyprus to Turkey would only be possible after a peace deal.

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