

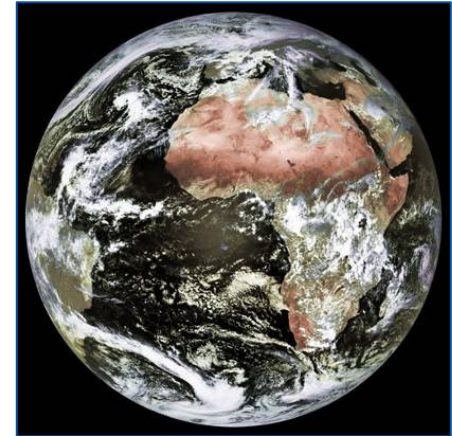


PRESERVING THE ENVIRONMENT: NORD STREAM – PIPELINE ACROSS THE BALTIC SEA

Dr. Dirk von Ameln, Permitting Director, Nord Stream AG
Brussels, 29 January 2008

GAS AS PART OF EUROPE'S CLIMATE STRATEGY

- Natural gas has the **lowest CO₂ emission level** of all fossil fuels; 40% less CO₂ compared to coal
- Therefore, it has to be regarded as a **bridge towards the sustainable era**
- Gas is seen by Europeans as “best for the environment“, directly after renewable energy and hydroelectric power*
- Increasing the natural gas share in the EU energy mix by 1% would reduce CO₂ emissions by more than 2%, which equals more than 100 Million tons a year
- By delivering 25% of additional gas import needs of the EU-27, Nord Stream is creating the base for **climate protection**



COMMITTED TO PRESERVING THE ENVIRONMENT

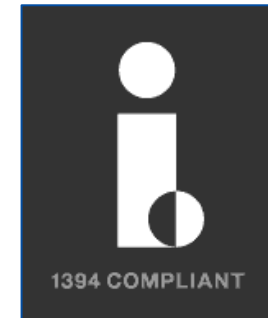
- Nord Stream's mission is to secure Europe's security supply in the **most environmental friendly way** and preserving the ecosystem of the Baltic Sea
- The pipeline has been planned with **profound awareness of environmental issues and conditions of the Baltic Sea**
- Environmental assessment will provide **new data and expertise on the Baltic Sea** (its conditions, flora and fauna) which will be made available to all Baltic Sea countries
- All activities are based on **an intensive dialogue** with authorities, institutions, NGOs and citizens of the Baltic Sea region



NORD STREAMS MISSION

The planning, construction and operation of the pipeline will be carried out by Nord Stream AG

- under **strict compliance** with all applicable national and international legal regulations
- in the **most transparent** way
- in cooperation with internationally highly reputable **independent experts**



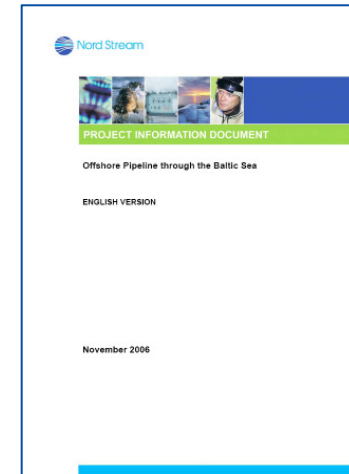
STRICT COMPLIANCE WITH INTERNATIONAL LAW

- **UNITED NATIONS CONVENTION OF THE LAW OF THE SEA**, Article 87 on the freedom of the high seas includes freedom to lay submarine cables and pipelines
- **ESPOO Convention** (international consultation process), Council Directive 97/11/EC of 3/3 1997
 - Lays down the general obligation of states to notify and consult each other on all major projects under consideration that are likely to have a significant environmental impact across national borders
 - All EU member states are Contracting Parties to the convention; Russia is a signatory party
 - “Parties of origin” are countries in which the pipeline is planned to pass through its Exclusive Economic Zones (EEZ) and/or territorial waters (Finland, Sweden, Denmark and Germany) and Russia
 - “Affected Parties” are countries that are likely to be affected by the transboundary impact of the pipeline (Estonia, Latvia, Lithuania, Poland)
- Cooperation with the Helsinki Commission – **HELCOM**



CONSULTATIONS INVOLVING ALL BALTIC SEA STATES

- **Consultation process started in April 2006** with „Parties of origin“ and „affected Parties“ and is ongoing
- The environmental authorities of the 'Parties of origin' and Russia notified each other and the 'affected Parties' of the planned project in November 2006 based on a comprehensive **Project Information Document*** (content of the document a result of first consultation process)
- **Intensive screening and consultations with authorised bodies and the public** during the entire EIA process
- **Updated status documentation** delivered in October 2007*
- Discussion of **draft of transboundary EIA report** with involved country authorities since December 2007 guarantees that in final EIA country specific requirements are recognised
- **Final transboundary EIA report** with detailed overview of any impact in the entire Baltic Sea region will be submitted in April 2008



* Documents available on www.nord-stream.com/notification.html

TAKING CONCERNS SERIOUSLY

- During the first consultation phase, Nord Stream has received **129 comments** relating to the project from authorities, associations and private parties
- **Over 7,000 single items** (wishes, concerns, statements) were identified in these comments
- Single items include the **impact on the seabed, on commercial fisheries, dumped and residual munitions**
- As a result, Nord Stream has launched **additional studies to further optimise the route to minimise environmental impacts**

| Espoo statements received | |
|---------------------------|--------|
| Country | Number |
| Denmark | 5 |
| Estonia | 12 |
| Finland | 50 |
| Germany | 29 |
| Latvia | 1 |
| Lithuania | 1 |
| Poland | 1 |
| Russia | 1 |
| Sweden | 29 |

DECISIONS TAKEN BY NATIONAL AUTHORTIES

- Nord Stream is **subject to national legislation in each of the countries through which it passes**: Finland, Sweden, Denmark and Germany (“Parties of origin”) and Russia
- **Example of Sweden**: Submission of application documents to Swedish government on 21 December 2007 mark the beginning of the official national permission procedure
 - Swedish Continental Shelf Act: pipe laying
 - Swedish Exclusive Economic Zone (EEZ) Act: service platform
 - Approval authority: Swedish Government
- Submission of **applications in Russia, Denmark, Germany and Finland until April 2008**



GUARANTEEING IMPARTIAL AND INDEPENDENT EIA

- The **Environmental Impact Assessment (EIA)** is **prepared by Rambøll**, a respected Danish company with subsidiaries in Sweden, Finland, Russia and Estonia and comprehensive expertise
- The results of the EIA studies will be presented for **inspection to the authorities of all affected countries**
- **Studies are not executed by Nord Stream or by its contracted environmental consultant** as they are the sole responsibility of the national authorities concerned to ensure a technically accurate and independent evaluation
- **All documents are made publicly available** giving each party involved the opportunity to examine all project documents and environmental studies

 R A M B Ø L L

NEW STANDARD OF TRANSPARENCY

- **Comprehensive set of information on project development** available such as corporate website and newsletters (each in 5 languages)
- 10 meetings with representatives of all countries in the framework of the Espoo Convention since April 2006 till date
- More than 60 presentations, public hearings, exhibitions and stakeholder information events
- Frequent in-depth meetings with individual authorities, decision makers and stakeholders each month
- Organisation of a meeting with 16 international NGOs from the EU and Russia in St. Petersburg sets new standard of dialogue with NGOs in Russia



Nord Stream – one of the most transparent infrastructure projects in the Baltic region

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APPENDIX

1. Overview of meetings and consultations carried out by Nord Stream in the Baltic Sea region
2. Position paper on impartial and independent EIA