

STATEMENT

27 May 2008

Nord Stream notes report by European Parliament Committee on Petitions

Brussels, 27 May 2008. Nord Stream today notes the adoption of a report by the Petitions Committee of the European Parliament. This report, whilst not yet considered by the European Parliament as a whole, demonstrates a growing understanding among MEPs who have recognised Nord Stream's status under the Trans-European Energy Network Guidelines (TEN-E) of the European Union and its efforts as part of the ongoing Environmental Impact Assessment (EIA) process.

A significant number of MEPs from across the EU had proposed corrections to the scaremongering nature of the original text about the impact of the Nord Stream pipeline, tabling nearly 200 amendments and showing an improved knowledge of Nord Stream's efforts to ensure the protection of the Baltic Sea. However, the report adopted by the Committee remains misleading, making a number of factually incorrect claims about the impact of the pipeline on the Baltic Sea environment.

"We welcome the interest that the European Parliament is showing in the pipeline project and are pleased to see the considerable efforts by some MEPs to amend a confusing report," said Maartje van Putten, EU Affairs Representative for Nord Stream. *"We understand MEPs' concerns about the environmental impact of any large infrastructure project in the Baltic Sea. Nord Stream is fully committed to preserving the Baltic Sea environment, having commissioned the most comprehensive studies ever conducted of the area. We will continue our open dialogue with MEPs and all stakeholders to clarify any further questions."*

Unfortunately, the Petitions Committee has misunderstood the EIA process by a calling for a new, independent assessment of Nord Stream's impact on the Baltic Sea. In fact, Nord Stream has commissioned independent studies which will be submitted to the relevant National Authorities in countries bordering the Baltic Sea. It is these National Authorities that assess the data and take a decision to grant a permit for the pipeline construction. The Committee has prejudged Nord Stream, without waiting for the information contained in the EIA which will address the concerns raised.

Nord Stream is fully committed to preserving the Baltic Sea environment. The pipeline has been planned with a profound awareness of the environmental issues and conditions of the Baltic Sea. The Environmental Impact Assessment; which has been conducted with the full participation of Baltic Sea states under the Espoo Convention, will provide new data and expertise on the Baltic Sea (its conditions, flora and fauna) to be made publicly available later this year.

In line with its commitment to transparency and the obligations of all parties under the Espoo Convention, Nord Stream has actively engaged with the general public and with the authorities of all the countries of the Baltic Region. Nord Stream notably organised a large number of public meetings, and held hundreds of private meetings with policy makers, NGOs and civil society representatives. Nord Stream will continue to engage with public bodies at all levels, including the European Parliament, and will continue to provide the latest information on the EIA to MEPs ahead of the consideration of the Petitions Committee report at the plenary session to be held in July 2008.

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Notes to editors:

Nord Stream is a natural gas pipeline that will link Russia and the European Union via the Baltic Sea. Gas imports by the European Union, 336 billion cubic meters (bcm) in 2005, are projected to grow by 200 bcm to 536 bcm per year in 2015 (Source: Global Insight, 2007). Connecting the world's biggest gas reserves with the European gas pipeline network, Nord Stream will meet about 25 per cent of that additional requirement. The project will be an important contribution to long-term security of supply and a test of the energy partnership between the European Union and Russia.

Nord Stream AG plans to have the first of two parallel pipelines operational in the spring of 2011. Each line is approximately 1,220 kilometres long, providing a transport capacity of some 27.5 bcm per annum. Full capacity of about 55 bcm a year will be reached in the second phase, when operation of the second line starts.

Nord Stream AG is an international joint venture established for the planning, construction and subsequent operation of the new offshore gas pipeline. Gazprom holds a 51 per cent stake in the joint venture. BASF/Wintershall and E.ON Ruhrgas hold 20 per cent each. Dutch gas infrastructure company N.V. Nederlandse Gasunie is acquiring a 9 per cent stake.

Nord Stream is included in the Trans-European Energy Network Guidelines (TEN-E) of the European Union. In 2006, it was designated a "project of European interest" by the European Commission, the European Parliament and the Council of the European Union. Nord Stream is, therefore, recognized as a key project in order to meet Europe's energy infrastructure needs.

The Espoo Convention sets out the obligations of parties to assess the environmental impact of certain activities at an early stage of planning. It also 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. The Espoo Convention was opened for signature in Espoo (Finland) on 25 February 1991 and came into force on 10 September 1997.

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