

## STATEMENT

### **Nord Stream Adheres to Plan to Deliver Gas from 2011 Substantial investments approved by Shareholders Committee in June**

**Zug, 23 July 2008.** Nord Stream is adhering to plans to start natural gas deliveries through its Baltic Sea pipeline in 2011. The consortium has approved the major investments to implement its plans, has concluded the corresponding contracts with supplier companies and has made meticulous plans for the permission process. Moreover, it will by the end of 2008 complete a transboundary Environmental Impact Assessment (EIA), culminating in an EIA report. Intensive contacts with the authorities of the “affected” countries – Denmark, Finland, Germany, Russia and Sweden – will take place primarily during the year 2009 to obtain national consents. Pipeline construction is planned to start in early 2010 enabling gas to start flowing in 2011.

#### **Background on the project’s current status**

On 4 June 2008, the Nord Stream Shareholders Committee confirmed the project plan and approved substantial project investments. Matthias Warnig, Managing Director of Nord Stream AG, said: “The investment decisions taken by the Shareholders Committee mean we are on track. We are counting on being able to deliver the extra gas Europe needs from 2011 onwards.” In late June, Nord Stream AG signed a contract worth more than 1 billion Euros for Saipem S.p.A. (Italy) to lay the gas pipeline. Current planning is for Saipem to begin pipe laying in early 2010, deploying two pipe-laying vessels, and completing installation of the first of the two planned lines in first-half of 2011. A contract will also be concluded in the coming few weeks with EUPEC PipeCoatings S.A. (France) for the concrete weight-coating of the pipes and for logistics services. The treated pipe segments will be held at various interim stock yards around the Baltic Sea, thereby ensuring delivery distances to installation of no more than 100 nautical miles.

The project plan approved by the Shareholders Committee, takes into account consultations with all Baltic Sea countries. At the request of national authorities, Nord Stream examined possible pipeline route amendments around the Danish island of Bornholm, in the Gulf of Finland and, in Russia’s exclusive economic zone around the island of Gogland. Matthias Warnig says: “We are currently analysing the additional surveys we conducted earlier this year. The results will form part of the EIA report, of which a final draft will be submitted to all Baltic Sea countries within the international consultations according to the Espoo Convention in October. We are exactly on schedule,” he notes. At the end of 2008 or in early 2009, Nord Stream will submit applications for permission to proceed with pipeline construction and installation in

each of the “affected” countries: they are the Baltic Sea countries whose coastal waters or exclusive economic zone the pipeline is projected to cross.

**For further information, please contact:**

**Jens Müller**, Communications Manager, Mobile: +41 79 295 96 08

**Irina Vasilyeva**, Communications Manager, Mobile: +7 916 133 87 81

**E-Mail:** [press@nord-stream.com](mailto:press@nord-stream.com)

**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 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 across the Baltic Sea. Gazprom holds a 51 per cent stake in the joint venture. BASF/Wintershall and E.ON Ruhrgas hold 20 per cent each, and N.V. Nederlandse Gasunie has 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.

**Saipem**, 43% owned by Eni, is organised in three Business Units: Offshore, Onshore and Drilling, with a strong bias towards oil & gas related activities in remote areas and deepwater. Saipem is a leader in the provision of engineering, procurement, project management and construction services with

distinctive capabilities in the design and the execution of large scale offshore and onshore projects, and technological competences such as gas monetisation and heavy oil exploitation.

**EUPEC** is one of the world-wide leading companies in the application of multi-layer anti-corrosion coating systems. For more than 40 years, EUPEC has been providing reliable solutions for the “end-to-end” protection of steel pipelines on both onshore and offshore pipeline industries. This international reputation also applies to concrete weight coating, pipe-in-pipe fabrication, cathodic protection, remote processing and monitoring of pipelines and services related to global project management and pipeline field services. EUPEC is certified ISO 9001, 14001, OHSAS 18001 and Qualicert.