

## STATEMENT

# Denmark Grants Construction Permit to Nord Stream

## Pipeline Project

- Important milestone for construction start in 2010
- First of five country permits
- Result of close cooperation and extensive studies

**Zug, 20 October 2009.** Denmark's Energy Authority has today granted a permit to Nord Stream AG to construct the Danish section of its planned 1,223 km natural gas pipeline. The pipeline is planned to transport natural gas through the Baltic Sea from Russia to Germany for connection to the European energy grid, and will pass through 87.7 km of Denmark's territorial waters and 49.9 km of its Exclusive Economic Zone.

Nord Stream is currently in advanced discussions with the authorities of the four other countries through whose waters the pipeline will pass: Russia, Finland, Sweden and Germany.

"The granting of the Danish permit is an important milestone for the Nord Stream project. It is the result of extensive environmental and routing studies, close cooperation with the authorities and consultations with stakeholders and experts over the course of several years," said Matthias Warnig, Managing Director Nord Stream AG.

"We are very pleased that this permit has now been granted. The project is firmly on schedule. We have developed several solutions in all countries according to their requirements and we engage in an ongoing intensive exchange with the responsible authorities. This provides a sound basis for further steps in the process," Mr. Warnig added. "Our Nord Stream gas pipeline project is the most advanced of the new pipelines which Europe will require to meet its energy security and climate protection targets over the coming decades."

The Danish authorities are very experienced in evaluating large offshore projects, and determining the optimal route for this pipeline has been an evolving process. Several possibilities were investigated and carefully evaluated against many factors, including maritime traffic, fisheries, chemical munitions dumpsites, cultural heritage and many environmental considerations. The final route alignment East and South of Bornholm was decided upon in close dialogue with the Danish authorities: it accommodates different interests while mitigating environmental impact.

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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. Nord Stream will meet about 25 per cent of the additional gas import requirement expected in the next decades by connecting the European gas pipeline network to the world's largest gas reserves. The project will be an important contribution to long-term security of supply and a milestone 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 year. Full capacity of about 55 bcm per year will be reached in the second phase, when the second line goes on stream. This is enough to supply more than 26 million households.

**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. Russian OAO Gazprom holds a 51 per cent stake in the joint venture. The German companies BASF/Wintershall Holding AG and E.ON Ruhrgas AG hold 20 per cent each, and the Dutch gas infrastructure company N.V. Nederlandse Gasunie has a 9 per cent stake.

As a cross-border project, Nord Stream is subject to international conventions and national legislation in each of the countries through which it passes. It has invested 100 million euros in environmental studies and planning and an Environmental Impact Assessment (EIA) was completed along the whole pipeline route. This is a detailed study of environmental aspects in a trans-boundary context. The process is governed by international law (Espoo Convention) and by national legislation in the countries concerned.

Nord Stream is included in the Trans-European Energy Network Guidelines (TEN-E) of the European Union. In 2006, the project 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 for meeting Europe's energy infrastructure needs.

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