



25th world gas conference
"Gas: Sustaining Future Global Growth"

Protecting the Baltic Sea's Environment

Nord Stream's Exemplary Environmental and Social
Management during Permitting and Construction

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Patron



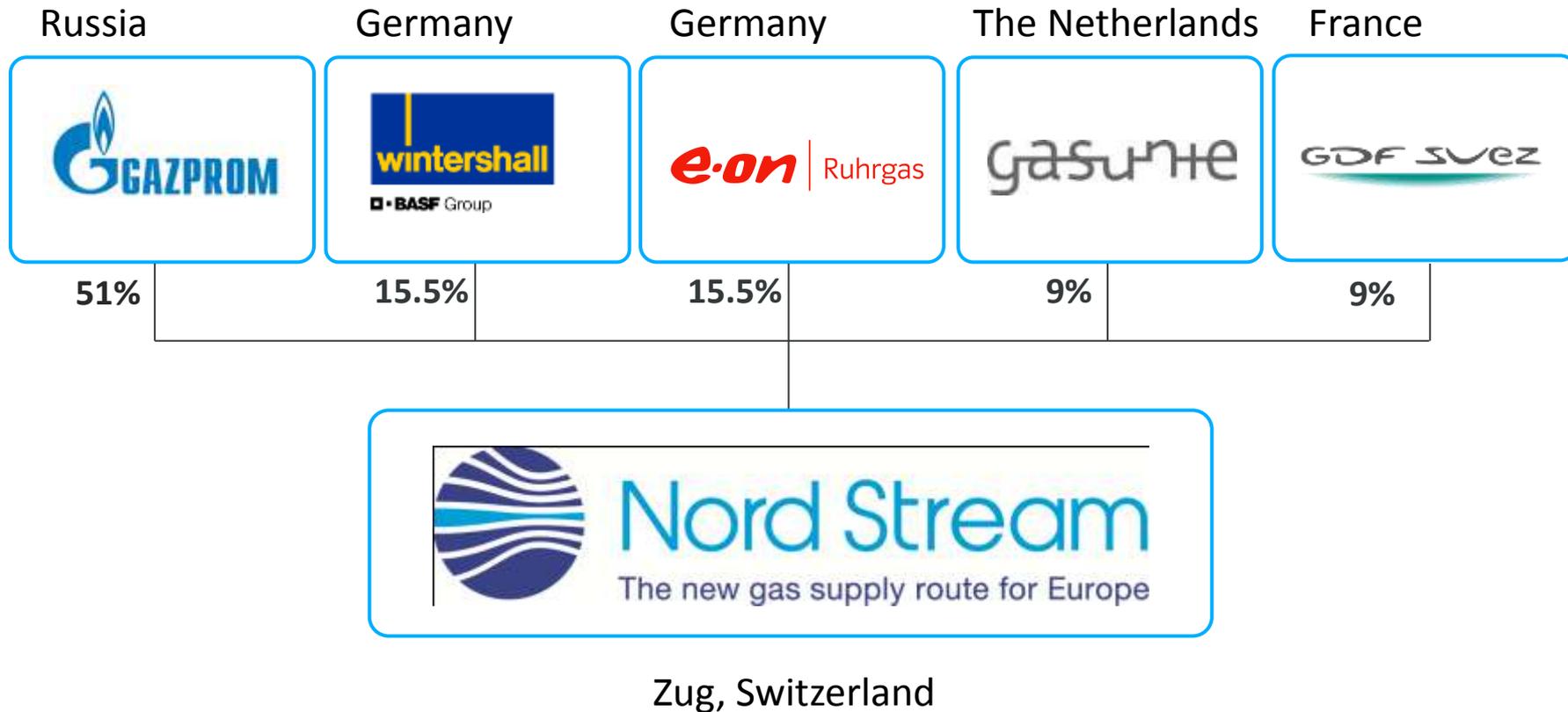
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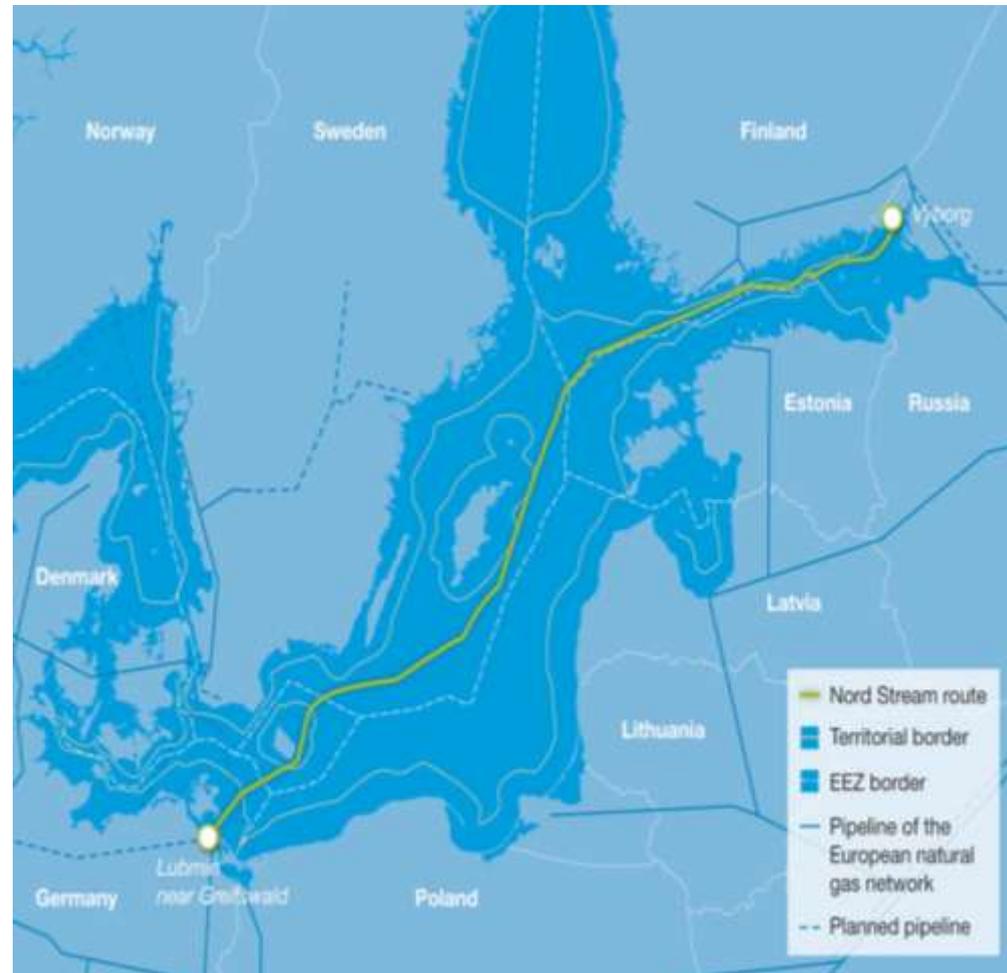
Nord Stream twin pipeline system – energy infrastructure for Europe >

Nord Stream

- Two parallel offshore pipelines of 1,224 kilometre through the Baltic Sea.
- Capacity to transport 55 billion cubic metre of natural gas per year.
- Most direct connection between Russia's vast gas reserves and the energy markets in Europe.

Gas transported by Nord Stream

- Can satisfy the energy demand of 26 million European households.
- Reached its consumers on schedule in November 2011.



Agenda >

- 1 The Challenge
- 2 Environmental and Social Impact Assessment
- 3 Communications and Grievance Mechanism
- 4 Environmental and Social Management System
- 5 Environmental Monitoring
- 6 Conclusion



The Challenge: Authorities of five States have to give their approval before pipeline construction can start >



- The Nord Stream pipeline route crosses the waters of Russia, Finland, Sweden, Denmark, and Germany.
- Thus, Nord Stream had to adapt its permitting procedure to the different legal requirements and approval timelines of those five countries.
- Furthermore, according to the UNECE Espoo Convention stakeholders from all nine countries around the Baltic Sea had to be involved into the process of environmental and social impact assessment prior to the permits.

The collage displays five official documents:

- Document 1 (Russia):** A permit document from the Ministry of Energy of the Russian Federation, dated 11.12.2009, regarding the construction and operation of the Nord Stream gas pipeline.
- Document 2 (Finland):** A permit document from the Ministry of the Environment, dated 11.12.2009, regarding the construction and operation of the Nord Stream gas pipeline.
- Document 3 (Sweden):** A permit document from the Ministry of the Environment, dated 11.12.2009, regarding the construction and operation of the Nord Stream gas pipeline.
- Document 4 (Denmark):** A permit document from the Ministry of the Environment, dated 11.12.2009, regarding the construction and operation of the Nord Stream gas pipeline.
- Document 5 (Germany):** A permit document from the Ministry of the Environment, dated 11.12.2009, regarding the construction and operation of the Nord Stream gas pipeline.

Environmental and Social Impact Assessment (ESIA): Environmental concerns are central to the Project >

- To be successful the permitting and financing process requires a comprehensive environmental and social impact assessment and cross-border consultations.
 - The Baltic Sea is an extraordinary natural resource and home to many species of plants and wildlife. Preserving this sensitive eco-system is a high priority for such a major pipeline construction activity.
- ▶ In cooperation with the national authorities joint international expert workshops had been organised to define common standards and key topics for the environmental impact assessment.



Preserving the environment is essential: The Project's impacts are assessed as being limited and insignificant >

- Will spawning areas for fish, seal breeding grounds, or migratory patterns for birds be affected?
 - Will nutrients and toxic sediments from the seabed be mobilised?
 - Will bottom trawling routes of the Baltic Sea's commercial fishery be blocked?
 - 100 million Euros were invested into route surveys and environmental studies to answer these and many other questions and to develop a safe and environmentally sound pipeline route.
- ▶ The assessments showed that all risks arising from Nord Stream's activities are acceptable.



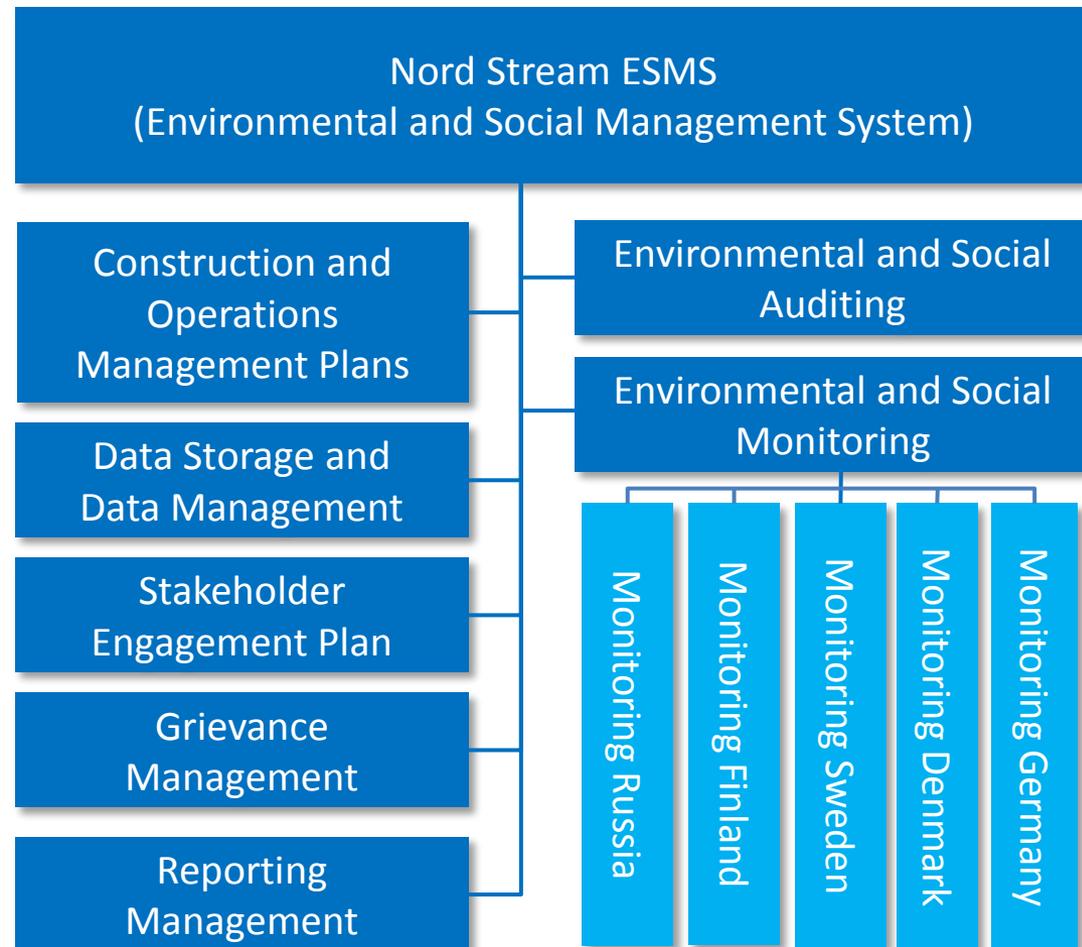
Communications and Grievance Mechanism: A transparent dialogue supports all Project activities >

- For full information about the Project more than 400 presentations, exhibitions and stakeholder information events took place, including some 25 official public hearings.
 - A Customer Relations IT Management Tool was established to record, manage and respond effectively any contacts and grievances arising from stakeholders.
- ▶ In all key countries around the Baltic Sea Nord Stream is present through mother-tongue speakers. Information and communication materials are translated into the nine local languages of the Baltic Sea countries.



Environmental and Social Management System (ESMS): The Project performance is based on a solid framework >

- The ESMS builds a valuable framework for managing and reporting completion of the Project's commitments and obligations.
- ▶ The ESMS documents are a sound basis for internal and external auditing to ensure a consistent approach towards the environmental and social matters by all Project partners and in all Project phases.



Environmental Monitoring: The results demonstrate that the Project's impacts are minor, locally and short-term only >

- Nord Stream prepared five tailored country specific Environmental Monitoring Programmes.
 - 1,000 sampling stations and more than 20 renowned environmental survey companies monitor the potential impacts to sixteen environmental subjects before and during pipeline construction and in the first years of operation.
- ▶ All the environmental monitoring results are in line with the findings in the earlier impact assessment reports.
Therefore, the authorities concluded that the environmental construction impacts are even less than assessed.



Conclusion 1:

A comprehensive ESMS is a sound basis for mastering environmental challenges >

- Structures and frameworks as recorded in the ESMS facilitate to closely follow up all commitments and obligations of the Project.
- Acting in accordance with the ESMS enables to demonstrate sound performance to national authorities, lenders, nongovernmental organisations, and the public.



Conclusion 2: Respecting stakeholders' concerns is essential to keep Project timelines >

- Transparency with focus on dialogue in the country specific language is key to a successful communication of a cross-border Project.
- Listening to stakeholders and respecting their concerns is essential to overcome reservations and ensures that the Project timeline can be kept.



Thank you for your kind attention >

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