



Joint press release
February 26, 2018

Nord Stream 2! For a strong Europe

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Nord Stream 2 is a billion-dollar investment in state-of-the-art European gas infrastructure, in the secure supply of gas to people and industry in Europe. However, the public debate about the Baltic Sea pipeline has recently become bizarre. The facts are hardly taken into consideration any more in the mostly superficial, emotion-driven debates.

Gas is becoming increasingly important as a location factor for industry

The European Union is successful as an economic union. But as a political union, the EU has not grown to the same extent. National dynamics and political stalemate are increasingly hindering Europe's continued success. An enormous contribution to value creation and prosperity in Europe is provided by manufacturing industry, which is in global competition with suppliers from Asia and the USA. Many of the industries important to Europe are energy-intensive. They need a reliable and competitive energy supply.

Natural gas provides the underlying pillar for this and will become even more important in this role, especially if Europe wants to achieve its ambitious climate goals. For this we need not less, but more gas – as a partner for renewables. Today, Europe can still supply a large proportion of its own production with gas. But domestic production is falling faster than originally forecast. At the same time, demand is rising, and this is undisputed among experts. Above all, gas will replace coal and, together with the growth from renewable energies, will enable a climate-friendly and secure energy supply. Rising demand is encountering a decrease in domestic production – that means Europe's import demand for natural gas is growing.

LNG is changing the global market, but not the European provision

Since the commissioning of the Nord Stream 1 Baltic Sea pipeline, which supplies natural gas directly from Russia to European markets, the global energy industry has changed. The US has advanced from an energy importer to an exporter of liquefied natural gas (LNG). The LNG market is global and Europe would be an obvious major market for LNG from the USA. We have sufficient terminal capacity and considerable interest in securing more gas for our markets. However, US-produced LNG is not interesting for Europe in terms of price because Europe is in very good pipeline distance to major natural gas producers. That is a trump card from which we Europeans benefit every day. Thanks to pipeline gas, we have a comparatively low gas price level. That's good for industry and good for consumers. Europe is efficiently linked to many gas producers such as Norway, Russia and Algeria through pipelines. This pays off not only economically, but also in terms of energy policy – because it means security and reliability.

Nord Stream 2 diversifies gas purchases and increases competition

Nord Stream 2 connects Western Europe directly and without any transit risks with the major Russian gas fields. Thanks to the well-developed intra-European gas network, Nord Stream 2 can also safely supply large parts of Central and Eastern Europe with energy. The Baltic Sea pipeline represents an important diversification of existing import routes as well as a supplement to and extension of the existing network. This accords precisely with the aims of the European Energy Union and a strengthened internal gas market in Europe. In short: Nord Stream 2 connects and strengthens Europe. It is a pan-European project in the very best sense.

Ultimately, the pipeline will provide another reliable route for transporting gas to Europe, nothing more. Many options always mean more competition. And several alternatives always mean more security. This will benefit European gas customers as well as the European economy. In that regard, it should be clear that those who oppose Nord Stream 2 will weaken competition and supply security. Countries such as Ukraine and Poland, as transit monopolists, have no interest in a new and competitive gas infrastructure for Europe. But the European Community needs as many reliable ways for supplying natural gas to Europe as possible. More diversification. More competition.

Russian gas supplies guarantee supply security for Europe

As a partner to the major European employers, we energy suppliers have an obligation to ensure supply security and competitive gas prices. Russian gas supplies are an essential component of this, especially as there is no country in the world with more gas reserves. However, this is not about Europe's one-sided dependence on Russia, but about a partnership that has been ensuring very reliable gas supplies in Germany for several decades. Furthermore, the quantities demanded from Europe are increasing each year. And we do not know any gas customers, whether private or industrial, who would rather exchange Russian pipeline gas for more expensive liquid gas from the US. The USA is thrusting its LNG onto the European market with all its might. It's perfectly entitled to do that. And, as already mentioned, competition is good for Europe. However, it cannot be that Europe's energy provision becomes a plaything for American energy, economic, security and geopolitics due to a lack of factual arguments against Nord Stream 2. Irrespective of who ultimately benefits from such an approach, it will certainly hurt Europe if the chasm between West and East continues to widen. Here the EU would be well advised to counteract and resist this.

The role of the European Commission: implementing applicable law

The European Commission needs to ask itself why it has not acted in an objective manner in the debate surrounding Nord Stream 2. The legal framework for this project is clear and leaves the European Commission with no room for negotiation – as the European Council's legal service has precisely confirmed. Here, applicable law must be consistently respected, because only this creates investment and thus energy security.

Nord Stream 2 has now contracted several billion euros' worth of supplies and services on the basis of valid laws. These are private sector investments in Europe's energy security, without any subsidies from the European Union: demand-oriented and market-based. Just as it should be.

We are therefore investing in an energy supply that will enable Europe to meet its climate protection goals and that, in the final analysis, is good for every EU citizen, whether in the West or East.

One thing should be noted: projects of this size will no longer be able to find investors in future if the sword of Damocles also hangs over economic projects, if they become instrumentalized in social or political discussions, or if they become their plaything.

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