

Nord Stream 2: Security and climate wrecking ball

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File photo. Gazprom workers sit in front of the screen with the Nord Stream 2 Pipeline and the logo of Russian gas company Gazprom during the 20th International Exhibition for Equipment and Technologies for the Oil and Gas Industries 'Neftegaz' in Moscow, Russia, 26 April 2021. [EPA-EFE/SERGEI ILNITSKY]

Nord Stream 2 is a wrecking ball hurling towards Europe at an ever-accelerating pace: It promises to improve the stability of gas supplies but will undermine it instead, writes Mykhailo Gonchar.

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Nord Stream 2 is a climate disaster in the making and a Europe-wide national security emergency. This diversionary pipeline has no commercial justification.

Its only promise is the isolation for Ukraine and Poland from the rest of Europe, splintering of the Transatlantic alliance, and further concentration of market power in the hands of a single gas company — directly contradicting Europe's interests and stated policies.

A recent investigation revealed a vast methane leak that came from a Gazprom pipeline. A single event had a planet-warming impact comparable to *"40,000 internal-combustion cars driving for a year."* Let's not forget that methane is over 80 times more potent than CO₂ in its planet-warming impact over the first 20 years in the atmosphere.

Surely, this isn't a uniquely Russian problem, and all gas transmission networks are similarly afflicted. While technically true, such a generalisation is potentially unhelpful and misleading. The IEA has found that Russia's methane leakages directly related to gas transmission were three-fold that of the entire EU and 23 times as much as Ukraine.

It is a small wonder that Environmental Action Germany (DUH) filed a suit against Nord Stream 2. There have been attempts to greenwash this project by pseudo-experts that speculate about the possible future use of the pipeline to transit hydrogen. They often forget to mention that it's the grey-hydrogen (created from fossil fuels) that they have in mind – coming from the same porous pipelines.

While billions were wasted on Nord Stream 2, Russia failed to prevent needless leaks, which, in the year 2020, *"increased by 40% despite a 14% drop in Russian gas exports to Europe and a 10% drop in global methane emissions."*

The US Secretary of Energy, Jennifer Granholm, was right to call out the *"dirtiest form of natural gas on Earth"* in her congressional testimony. Spin doctors' efforts notwithstanding, with less than 2% of the world's population, Russia remains its single biggest methane emitter.

Responsible for one ton of methane emission out of every five the world economy produces, Russia is in a dire category of its own.

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Germany pledged to phasing out both coal and nuclear power generation, looking to natural gas as an immediate substitute. This is a sensible approach. The fuel itself is not the problem. IEA estimates CO2 emissions from gas are roughly half that of coal, and it is *“technically possible to avoid around ¾ of today’s methane emissions from global oil and gas operations.”*

Methane leaks from Gazprom’s pipes are growing, while the Gas Transmission Operator of Ukraine (GTSOU) had reduced CO2 footprint by 58% in 2020. Surely, 27,000 tons of Ukraine’s methane emissions are still a problem, but it pales in comparison to Russia’s 2,829,000 downstream leakages.

GTSOU has announced plans to spend \$1.5 billion in the next 5-10 years to improve the efficiency of our infrastructure, scale it back to reflect the declining demand for gas in Europe, and minimise the climate impact. Gazprom, in the meantime, is championing carbon-economy projects in the Black and Baltic Seas that will establish a “vendor lock-in” for the next 50 years.

Germany and Europe do not need another Baltic Sea pipeline to reap the benefits of coal-for-gas switching. For decades, Russian gas reached Germany via Poland, Slovakia, and Czechia, ensuring energy security for all.

At this very time, Ukraine’s transmission network is operating 70% empty, and we can offer spare capacity nearly twice as much as Nord Stream 2.

The Kremlin understanders never fail to point out that Ukraine transits the exact same, dirty Russian gas, so what’s the difference? It is the national security threat posed by Nord Stream 2, which constitutes the principal ground for our objections to this unit-European project.

The completion of Nord Stream 2 will penalise Ukraine for advancing EU interests and respecting European values, and reward Russia for doing the opposite.

Our country has learned a bitter lesson from the Budapest Memorandum, which was meant to guarantee Ukraine’s sovereignty and territorial integrity, but didn’t. In 1994, we lost the nuclear shield, and now we may lose the gas shield.

Today, Russia depends on Ukraine for transiting significant gas volumes to Europe, which constitutes a strong deterrent against further escalation.

Thus, the completion of Nord Stream 2 is intolerable from Ukraine’s perspective. No contract, present or future, between Russia and Ukraine, could cogently guarantee transit continuity in a world where an alternative route is constructed.

We know from history how mysterious accidents reshape the facts on the ground, be it the Turkmen pipeline explosion in 2009 and the 2006 blast in Georgia.

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In partnership with the EU, Ukraine has fully liberalised its gas market and implemented the Third Energy Package, unbundling gas transmission from production and trading. Russia has not. As confirmed by the Secretariat of the Energy Community, Ukrainian legislation is virtually indistinguishable from that of our Western neighbours.

As a result, transit through the Ukrainian GTS can now be booked by any European trader, free to request deliveries at the Ukraine-Russia border and ship it onwards to the EU.

"Russia and other energy-rich authoritarian states use their energy exports for economic gains but also as a tool of foreign policy leverage," concluded a study commissioned by the European Parliament. But that hardly comes as a surprise, given that the Kremlin has declared its intentions back in 2003.

"Russia has significant reserves of energy resources and a powerful fuel and energy complex, which is the basis for economic development, a tool for domestic and foreign policy," read the opening line of the Energy Strategy 2020 paper.

The latest actions by Gazprom, which is choosing not to book available transit capacities, thus curbing supplies, and squeezing the European gas market, are just a taste of things to come.

Nord Stream 2 is a wrecking ball hurling towards Europe at an ever-accelerating pace.

It promises to improve the stability of gas supplies but will undermine it instead. In lieu of lower prices, it will deliver greater market power to a single company, opting not to supply its European customers right now to keep the prices sky-high.

The surest way to preempt the disastrous consequences, widely acknowledged even by the supporters of this project, would be to terminate it for good.

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