

The project

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

The idea of a gas pipeline through the Baltic Sea from Russia to Germany dates back to the 1990s. It took shape in 2005, when Gazprom, the Russian state gas company, and the German companies BASF and E.ON agreed to build it. The pipeline would bypass the transit countries Ukraine, Belarus and Poland, through which Russian gas had previously reached Western Europe. The agreement, which the German government under Chancellor Gerhard Schröder supported, was signed in September 2005, shortly before the German federal elections.¹

The companies established a joint venture to build and operate the pipeline. Called North European Gas Pipeline Company at first and renamed Nord Stream AG in 2006, the joint venture was incorporated in Zug.² Gazprom held 51 per cent of the shares. The other shareholders were Wintershall, a subsidiary of BASF, and E.ON Ruhrgas, which each held 15.5 per cent after the entry of the Dutch gas company Gasunie and the French company GDF Suez, which each took 9 per cent.³ Gerhard Schröder became chairman of the shareholders' committee shortly after leaving office, an appointment that was widely criticised in Germany. The managing director was Matthias Warnig, a former officer of the East German state security service who is reported to have known Vladimir Putin since the late 1980s.⁴

1 Notes

1. RFE/RL, "Russia: Putin, Schroeder Ratify Pipeline Deal", 8 September 2005, rferl.org/a/1061242.html: agreement signed in Berlin on 8 September 2005 by Gazprom and German companies in the presence of Putin and Schröder, ten days before the German parliamentary elections, the signing having been brought forward from October; Gazprom, press release "BASF, E.ON and Gazprom Sign Agreement on North European Gas Pipeline Through the Baltic", September 2005,

The project

gazprom.com: signatories OAO Gazprom, BASF AG and E.ON AG in the presence of President Putin and Chancellor Schröder. ↩

2. European Parliament, briefing document "Das Projekt Nord-Stream-Gaspipeline", europa.eu (meetdocs 2004–2009, dv/703356): Nord Stream AG established in December 2005 with its seat in Zug. The exact dates (incorporation on 30 November 2005, name North European Gas Pipeline Company until 4 October 2006) are given by Wikipedia, "Nord Stream AG", en.wikipedia.org. The commercial register extract was not consulted, and the two sources differ slightly on the month of incorporation. ↩
3. Nord Stream AG, "Our Shareholders", nord-stream.com: Gazprom 51 per cent, Wintershall Dea 15.5 per cent, ENGIE 9 per cent, with E.ON (PEG Infrastruktur AG) and N.V. Nederlandse Gasunie as further shareholders; full split (PEG Infrastruktur 15.5 per cent, Gasunie 9 per cent) per Wikipedia, "Nord Stream AG", en.wikipedia.org; Nord Stream AG, press release "Nord Stream Completes Phase I Financing", 16 March 2010, nord-stream.com: before the entry of GDF Suez the shares were Gazprom 51, Wintershall 20, E.ON Ruhrgas 20 and Gasunie 9 per cent. ↩
4. Lobbypedia, "Gerhard Schröder", lobbypedia.de: chairman of the shareholders' committee of Nord Stream AG since 2006; t-online, "Matthias Warnig: Das ist der Deutsche, dem Putin vertraut", 3 March 2025, t-online.de: Warnig joined the Stasi in 1974 and probably first met Putin in the 1980s, when Putin was a KGB officer in Dresden (Warnig himself has said that they first met in 1991); Nord Stream AG, inauguration press release, 8 November 2011, nord-stream.com: Warnig as Managing Director. ↩

For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.

Online version: helveticaregister.com/zug-the-project