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Denmark: Baltic Pipe's construction temporarily suspended

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On 31 May, the Danish Environment and Food Appeals Board (*Miljø- og Fødevareklagenævnet*) revoked the environmental permit for the construction of Baltic Pipe's onshore part in Denmark, which the Environmental Protection Agency had issued on 12 July 2019. Baltic Pipe is a natural gas pipeline running from Norway to Poland via Denmark, aimed at creating a new gas supply corridor on the European market. The decision of the Appeals Board is linked to the appeals which were lodged in August 2019. After considering them, the Appeals Board concluded that the dormice, Nordic birch mice and bats which live in the section passing through the island of Fyn were not sufficiently protected. Energinet, the Danish operator responsible for the implementation of the Danish part of the project, was surprised by the decision, and stated that all environmental standards, including those relating to the mammals mentioned, had been complied with. The onshore part of Baltic Pipe in Denmark is almost 210 km long. The construction of the Sjælland section (70 km) is at the most advanced stage: more than half of the pipeline there has already been laid. Preparatory work is underway on the Jutland (59 km) and Fyn (78 km) sections: the soil has been removed and the pipe-laying has begun. According to the project's timeline, the construction of all these sections should be completed this year. Contracts for laying 90% of the gas pipeline in Denmark have already been signed.

In addition to the onshore parts, Energinet is responsible for the section running through the Lillebælt (Little Belt) strait (already completed) and the offshore pipeline in the Danish section of the North Sea (under construction) connecting Baltic Pipe with the Europipe II gas pipeline and constituting the so-called tie-in to the Norwegian resource base. The operator is also expanding a receiving terminal in Nybro and building a new compressor station in the municipality of Næstved (which should be ready by the end of 2022).

Commentary

- Energinet will apply for a new environmental permit, but as yet it cannot confirm any changes to the work schedule or the project's financial framework. The operator is developing a plan for the controlled temporary shutdown of construction activities until a new permit is issued. Despite the ruling, some of the work must still be completed: the construction site should be left in a safe condition for people and the environment, in a way which allows for work to be resumed. The machines and materials should also be secured. According to the Montel agency, which received the comments from the Danish Environmental Protection Agency, the procedure for issuing a new permit may take around 7–8 months (of which eight weeks may be taken up by a public consultation of the new document). The new permit may also be appealed.

- The preliminary comments from Danish specialists who has been opposing the Baltic Pipe project (such as the energy planning expert Prof. Brian Vad Mathiesen and the attorney Søren Sørensen, representing the group of farmers who were suing Energinet) suggest it is unlikely that the investment will be ultimately halted due to the withdrawal of the environmental permit. Rather, it will result in slight delays and higher costs. However, at this stage, the effects of the ruling are difficult to predict because of the uniqueness of the situation.
- If the pipe-laying work in Denmark is delayed, this would increase the costs of the project's implementation on the Danish side, and constitute a challenge for ensuring stable gas supplies to the country during the ongoing redevelopment of the Tyra platform, the largest Danish gas field. It could also lead to complications in those sections where construction has been interfering with the daily life of the local population (in agricultural or tourist areas). At the same time, the delay may become a pretext for groups opposed to the project to intensify their protests, including in connection with the goals of Denmark's and Europe's climate policies.
- The most important national newspapers, trade magazines and local press have reported the Appeals Committee's decision. However, the suspension of Baltic Pipe's construction has not been commented on at a wider political level. The project's traditional opponents used the fact of the environmental permit's repeal to criticise it: the Red-Green Alliance (*Enhedslisten–De Rød-Grønne*) once again called for the project to be abandoned, arguing that an opportunity to do so had arisen. Members of the student-ecological social movement against the Baltic Pipe (*Baltic Pipe Nej Tak!*) also took action. On 7 June, at two pipeline laying sites on Fyn, activists tied themselves to the machines (which paradoxically delayed the shutdown of work). Meanwhile, the *Effektivt Landbrug* agriculture website, which sympathises with the farmers protesting against the investment, has published a number of negative articles about the project.
- In recent months, the Appeals Board has been more likely to accept appeals against environmental permits. The Danish authorities' reaction to the Board's earlier rulings in December 2020 indicates that they may become involved in resolving the problem. In December, the Appeals Board revoked the permits for the renovation and reconstruction of Nyborg Castle (for interfering with the monuments) and the use of a motorsport track near Odense (to protect indigenous salamanders). Both of these investments are located on Fyn. The partially completed work at the castle has been going on for a decade, and it took four years to build the race track. In both cases, the Board's decisions sparked resistance, and the projects received support from central and local authorities. The Ministry of Culture intervened in the matter of the castle, as it did not agree with the Appeals Board's interpretation, and has since announced measures to complete the work. As for the race track, the Odense municipality has allocated one million kronor (around €130,000) to the motorsport club to have a new environmental report prepared. The European Commission has also expressed its readiness to contribute to resolving the Baltic Pipe issue.