

This letter was sent to management at AIG Europe, Allianz, AXA, Chubb, HDI/Talanx, Liberty Mutual, Munich Re, SCOR and Zurich Insurance Group on October 4, 2021.

We are writing to you because you have been one of the insurers of the energy network operator, Gasunie. Therefore, we want to bring to your attention the climate damaging Brunsbüttel Liquefied Natural Gas (LNG) project in the North of Germany that Gasunie is promoting and urge you to cease insuring new and expanding fossil fuel projects, including Brunsbüttel. Now is not the time to build out fossil gas projects that will lock us into decades of greenhouse gas emissions and fuel the climate crisis.

This summer has been one of weather extremes. Wildfires have burnt across Greece after a historic heatwave with temperatures reaching 47.1°C (116.8 °F).ⁱ The monstrous Dixie fire in California is the largest in its history.ⁱⁱ Floods in Turkey, Nigeria, Niger, India, Cameroon, China and Bangladesh have killed hundreds and driven enormous numbers out of their homes.ⁱⁱⁱ Catastrophic flooding in Europe has killed at least 180 people, the majority in Germany.^{iv} This is the world at currently 1.2°C warmer than pre-industrial times.^v The climate crisis is clearly already here.^{vi}

Climate change is caused by burning fossil fuels. To prevent catastrophic warming, fossil fuels should be phased out in line with a 1.5°C scenario. In the 2018 Special Report on Global Warming from the Intergovernmental Panel on Climate Change (IPCC), model pathways with no or limited overshoot of 1.5°C of general warming effect, required emissions reductions of between 40% and 60% by 2030 compared with 2010 levels.^{vii} In other words, staying below 1.5°C means a nearly 8% reduction in emissions each year until 2030.^{viii} This year the IPCC has issued a 'code red for humanity' in its sixth assessment, emphasizing the global need to reduce emissions before it is too late.^{ix}

In May, the International Energy Agency (IEA) made clear that fossil fuel infrastructure and investment must stop now to achieve a 1.5°C aligned scenario.^x Thus, in addition to coal and oil, production of fossil gas must be halted. Fossil gas is primarily methane (75-99%) and when burnt produces CO₂; both types of emissions are major contributors to the climate crisis. The IPCC attributed 0.5°C of current warming (around 40%) to methane emissions and methane leaks occur at every stage of the supply chain.

Although methane stays in the atmosphere for decades rather than centuries like CO₂, methane is over 80 times more potent over the course of 20 years. IPCC's latest report suggests that this number is even as high as 108.^{xi} This results in a massive warming effect. However, it also means that if we stop methane emissions now, within a few decades it would be out of our atmosphere. Stopping fossil gas production and burning is one of the few quick fixes we have at our disposal.

Despite climate-friendly rhetoric and action by 31 insurers to limit exposure to coal, insurance companies are still investing in fossil fuel infrastructure and underwriting projects that, from a climate perspective, can never be allowed to go ahead.

Climate activists are increasingly focusing on new oil and gas infrastructure. On July 30th, Ende Gelände and the Shale Must Fall campaign occupied the area that has been earmarked for the Brunsbüttel LNG terminal planned in the north of Germany.^{xii} Thousands marched through the Schleswig-Holstein town to block the access road of an industrial area.^{xiii} Others traveled in canoes up the Kiel Canal to block ships.^{xiv} The action caught the attention of global media and raises a clear voice against further fossil fuel build out.^{xv} Opposition by environmental groups Deutsche Umwelthilfe and Climate Alliance Against LNG has already delayed the project by at least 3 years.^{xvi} Deutsche Umwelthilfe has also announced that they will file a lawsuit against permitting of any kind citing safety concerns.^{xvii}

Brunsbüttel will cost €450 million to build, of which up to €100 million will come from German taxpayers.^{xviii} LNG terminals require decades long lifespans to pay off the initial costs of building

them, thus locking us into another generation of fossil fuel use.^{xi} The project has a 30–50 year life span, which is the same timeframe we have to decarbonize.^x This either indicates that climate targets are just a mirage, or that this will be a huge stranded asset.

Market analysts have long questioned the financial viability of Brunsbüttel LNG; warnings that the authorities have continued to ignore.^{xi} Demand for gas in Europe is falling and has been for years.^{xii} These ‘white elephant’ terminals were conceived to fulfil the need of fossil fuel companies to continue business as usual, rather than serve the demand for gas in Europe.^{xiii}

In the March 2021 paper, *Taking the Next Step*, *urgewald* found that most European and US insurers are underwriting LNG, including members of the Net Zero Underwriters Alliance.^{xiv} The insurers underwriting Gasunie - the Dutch state-owned energy company planning to build the Brunsbüttel LNG terminal - include Munich Re, Axa, HDI, Talanx, Zurich, AIG Europe, SCOR, Allianz, Chubb and Liberty Mutual.^{xv} No new LNG project, particularly Gasunie’s Brunsbüttel, should be on the books of insurers seriously committed to net-zero emissions by 2050, consistent with a maximum temperature rise of 1.5°C.

We call on Liberty Mutual to cease insuring new and expanding fossil fuel projects, including the Brunsbüttel LNG terminal, and develop policies that exclude companies building and operating new fossil fuel infrastructure.

Kind regards,

Angelina Dobler
Campaigner
Campax

Lucie Pinson
Founder & Executive Director
Reclaim Finance

Andy Gheorghiu
Campaigner & Consultant

Mathias v. Gemmingen
Fossil Free Berlin

Constantin Zerger
Deutsche Umwelthilfe

Regine Richter
Head of Insurance Campaigns
urgewald

Lindsay Keenan
European Coordinator
Insure Our Future Network

Sofia Rodriguez
Parents for Future



About Insure Our Future: Insure Our Future brings together a global network of NGOs and social movements calling for insurance companies to divest from and cease insuring coal, oil and gas in line with a 1.5°C pathway and support the transition to clean energy. The campaign is supported by 350.org (International), #aufstehn (Austria), Campax (Switzerland), Client Earth (International), Coal Action Network (UK), Connecticut Citizen Action Group (USA), Europe Beyond Coal, Foundation Development YES - Open-Pit Mines NO (Poland), Greenpeace, Indigenous Environment Network (International), Instituto Internacional de Derecho y Medio Ambiente (Spain), Japan Center for a Sustainable Environment and Society (Japan), Market Forces (Australia), Oil Change International, Public Citizen (USA), Rainforest Action Network (USA), Reclaim Finance (France), ReCommon (Italy), Re-set: platform for socio-ecological transformation (Czech Republic), Sierra Club (USA), Solutions for Our Climate (Korea), Stand.earth (USA/Canada), SumOfUs (International), The Sunrise Project (Australia) Urgewald (Germany), and Waterkeeper Alliance (USA), among others.

ⁱ <https://www.reuters.com/world/europe/blaze-sweeps-through-athens-suburbs-fifth-day-greece-wildfires-2021-08-07/>

ⁱⁱ <https://www.latimes.com/california/story/2021-08-24/worst-fires-in-california-history-dixie-camp-and-more>

ⁱⁱⁱ <https://disasterphilanthropy.org/blog/other/what-were-watching-weekly-disaster-update/>

^{iv} <https://www.theguardian.com/world/2021/jul/16/western-germany-floods-angela-merkel-horror-catastrophe-deaths-missing-search-flooding-belgium>

^v https://library.wmo.int/index.php?lvl=notice_display&id=21804#.X8ebK81KquU

^{vi} <https://www.ipcc.ch/report/ar6/wg1/#SPM>

^{vii} https://www.ipcc.ch/site/assets/uploads/2018/10/SR15_SPM_version_stand_alone_LR.pdf

^{viii} <https://unfccc.int/news/cut-global-emissions-by-76-percent-every-year-for-next-decade-to-meet-15degc-paris-target-un-report>

^{ix} <https://www.un.org/press/en/2021/sqsm20847.doc.htm>

^x <https://www.iea.org/reports/net-zero-by-2050>

^{xi} Table 7.15, page 1739, https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_Full_Report.pdf

^{xii} <https://www.ndr.de/nachrichten/schleswig-holstein/Protest-gegen-LNG-Terminal-Gleise-und-Kanal-wieder-frei.klimacamp128.html>

^{xiii} <https://www.zeit.de/news/2021-07/30/2000-demonstranten-in-brunsbuettel-gegen-lng-terminal>

^{xiv} <https://www.rnd.de/panorama/brunsbuettel-tausende-klima-aktivisten-protestieren-gegen-lng-gasterminal-X3G2DATCOBDFVCNHYMGK5GLDM4.html>

^{xv} <https://www.reuters.com/article/us-climate-change-protests-feature-trfn-idUSKBN2F02TV>

^{xvi} <https://www.shz.de/lokales/norddeutsche-rundschau/bau-eines-lng-terminals-stadt-brunsbuettel-verlaengert-entscheidungsfrist-fuer-konsortium-id27834937.html>

^{xvii} <https://www.duh.de/presse/pressemitteilungen/pressemitteilung/teilgenehmigung-am-geplanten-lng-standort-brunsbuettel-beantragt-deutsche-umwelthilfe-und-klimabuend/>

^{xviii} https://transparenz.schleswig-holstein.de/dataset/d73d9bac-6d0d-469f-a788-18c6975db355/resource/42c36136-6119-4e4d-b78d-d71faa947ff0/download/anfrage-4-izg-sh_lng-terminal.pdf

^{xix} https://urgewald.org/sites/default/files/media-files/urgewald_LNG_report.pdf

^{xx} https://www.duh.de/fileadmin/user_upload/download/Projektinformation/Energiewende/LNG-Terminal_Steckbrief_2021-Brunsb%C3%BCttel_FINAL_WEB.pdf

^{xxi} <https://www.spglobal.com/platts/en/market-insights/blogs/lng/072319-german-lng-projects-are-taking-shape-but-does-the-market-need-them>

^{xxii} <https://www.iea.org/news/natural-gas-demand-growth-set-to-slow-in-coming-years-but-strong-policy-actions-still-needed-to-bring-it-on-track-for-net-zero-emissions>

^{xxiii} <https://www.handelsblatt.com/english/lng-imports-ports-compete-to-build-white-elephant-gas-terminal/23583264.html?ticket=ST-8877473-bf1GfPebJiFI0le73Eqd-ap2>

^{xxiv} https://urgewald.org/sites/default/files/media-files/urgewald_LNG_report.pdf

^{xxv} https://urgewald.org/sites/default/files/media-files/urgewald_LNG_report.pdf