



# Biodiversity

From liability risks to business opportunities

Jürgen Weichert

Zürich, September 11th 2008

## Allianz Global Corporate & Specialty AG Worldwide



- Insures the majority of the Global Fortune 500 companies
- Enjoys an “AA (stable)” rating from Standard & Poor’s
- €3.0 billion gross premium written in 2007
- Employs over 2,000 staff worldwide
- Is one of the very few providers for International Insurance Programs (IIP) as lead underwriter with an Allianz network in about 70 countries

 **Customized solutions reflecting years of global insurance experience**

# Allianz Group – Excellent Position Worldwide

Today, the Allianz Group is represented in about 75 countries



Please find an overview of selected Allianz subsidiaries under [www.allianz.com](http://www.allianz.com)

# Environmental Liability Directive



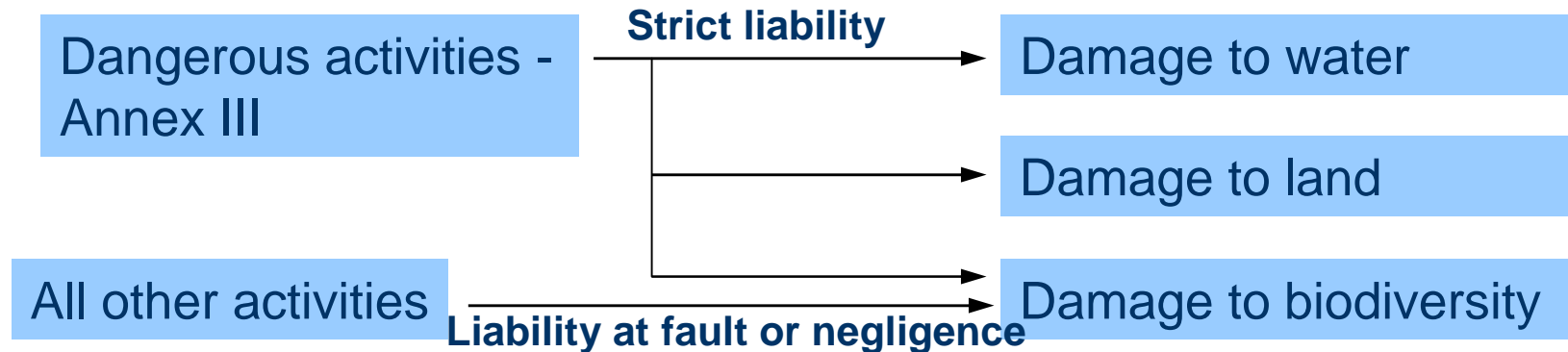
1993	EU Green Paper
2000	EU White Paper
30.04.04	ELD 2004/35/EG:
30.04.07	Duty to implement into national Law

Implemented already in:

Germany, Netherland, Sweden, Estonia, Latvia; Lithunia, Cyprus,  
Hungary, Poland, Slovakia, Spain, Italy,

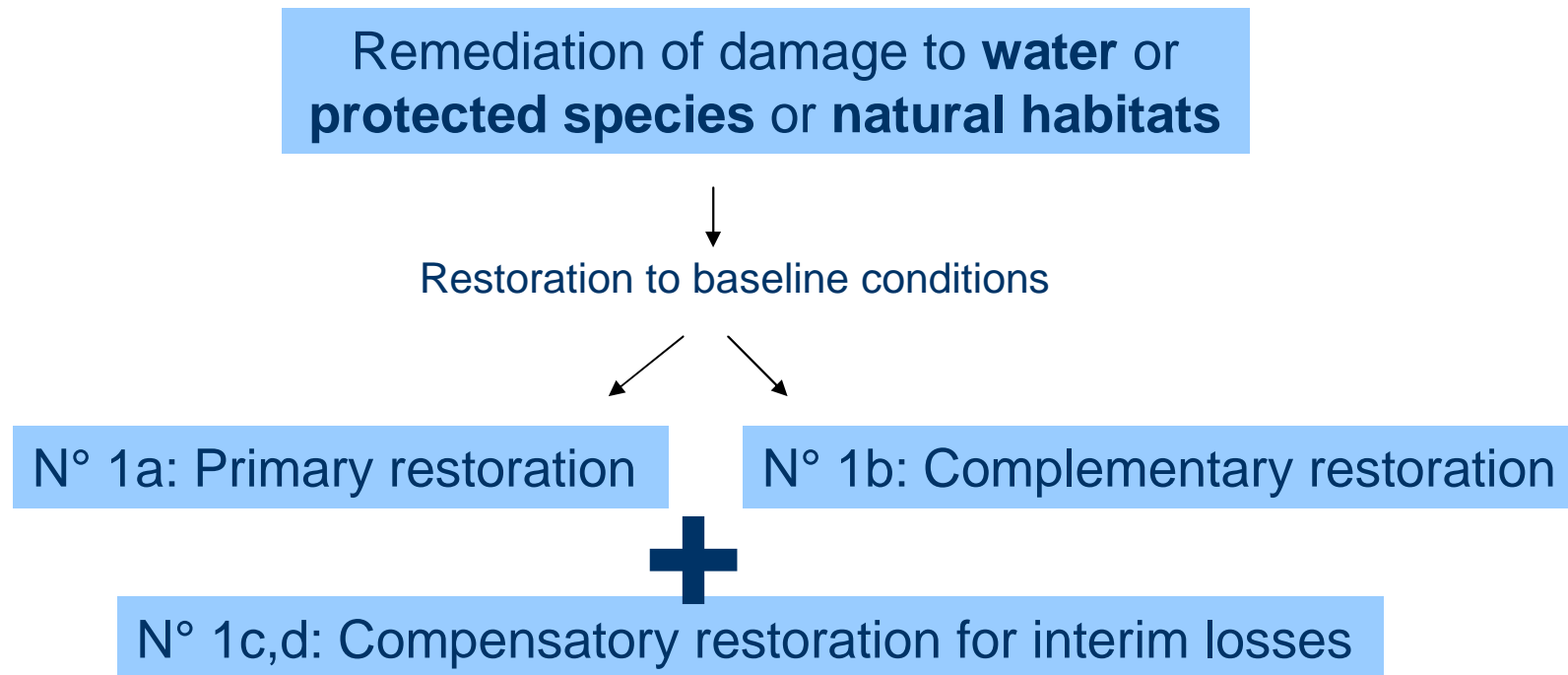
## Scope of ELD Directive

### Scope of application of the directive - Art. 3

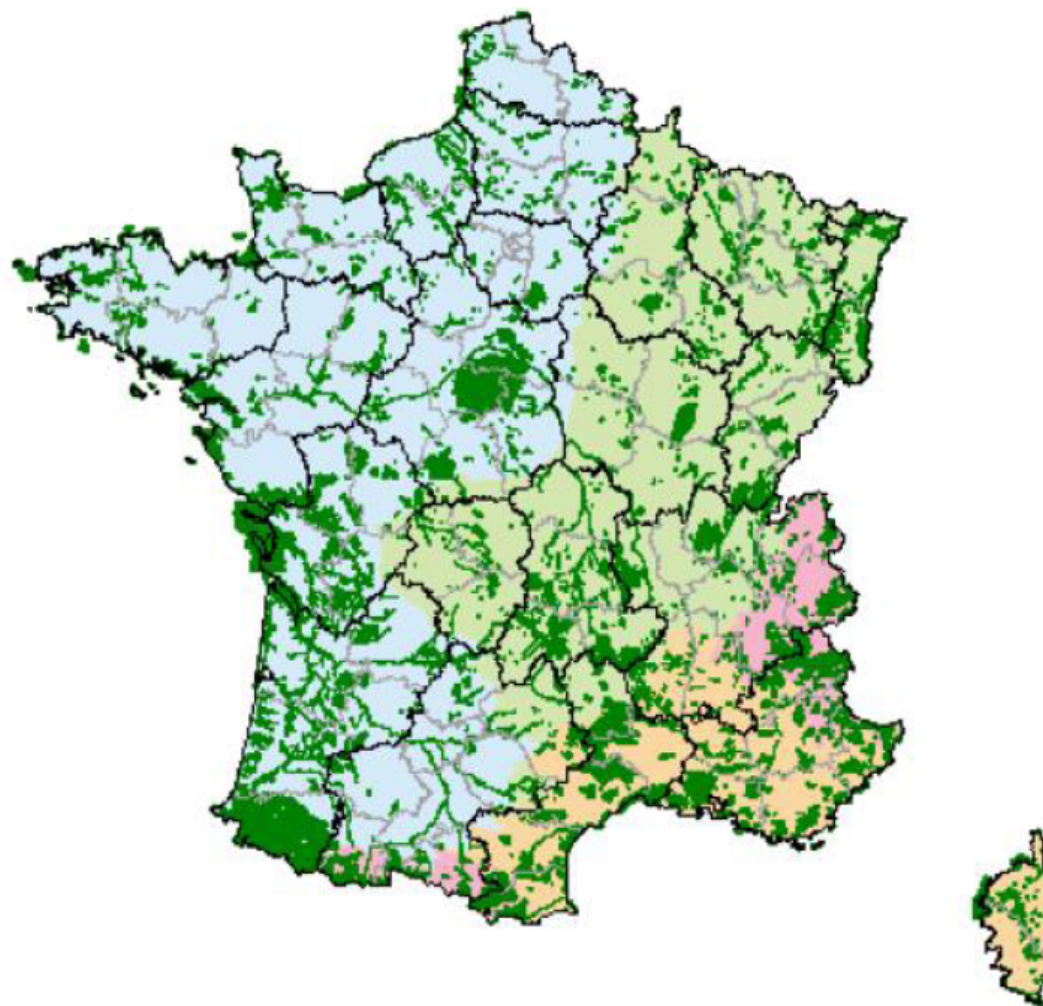







## Remediation measures - ELD

### Determination of remedial measures - Art. 7, Annex II

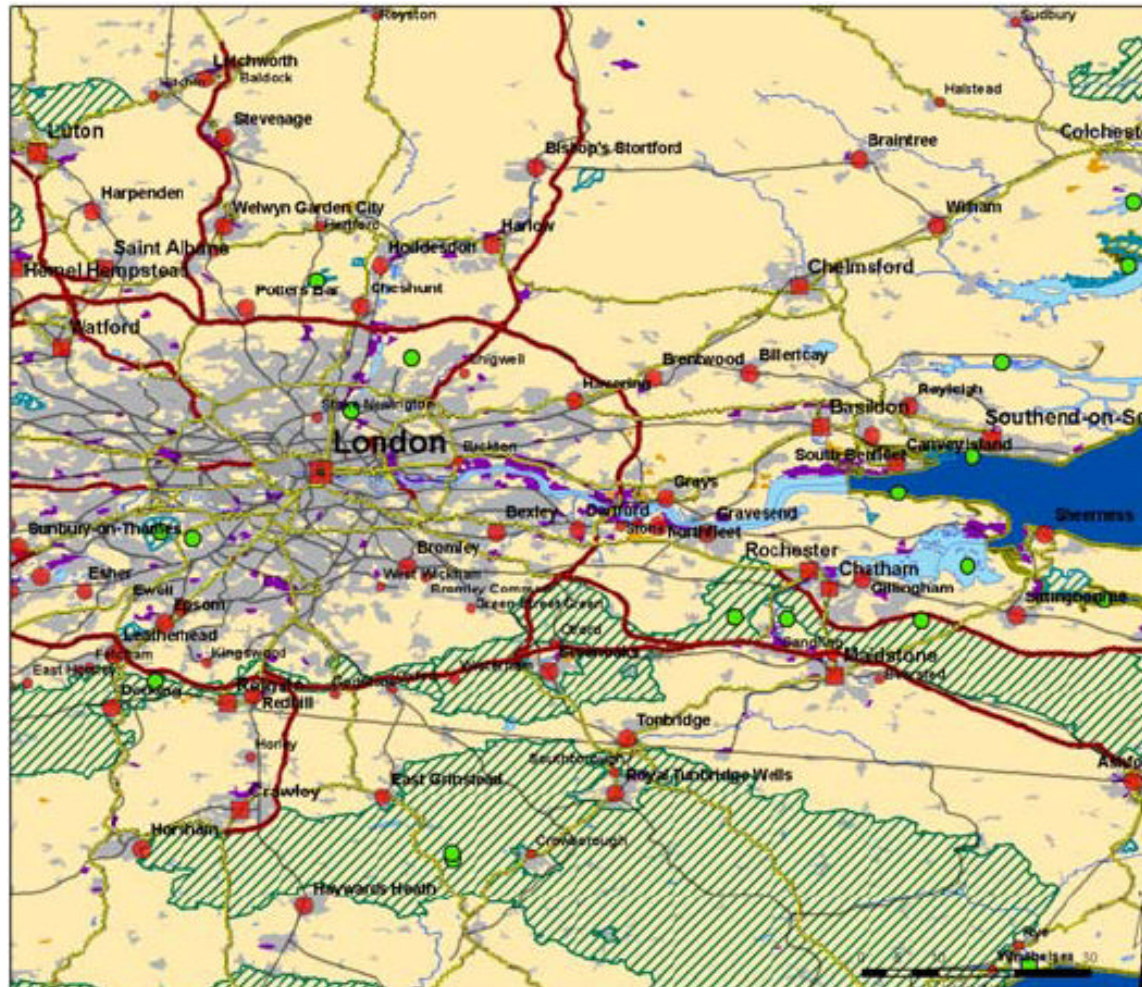


# France



-  sites Natura 2000
  -  département
  -  région
- Domaine Biogéographique**
-  Atlantique
  -  Continental
  -  Alpin
  -  Méditerranéen


# Understanding the Risks: Greater London



## Legend

### Cities





Inhabitants:

-  > 500,000
-  100,001 - 500,000
-  50,001 - 100,000
-  20,001 - 50,000
-  5,001 - 20,000

### Waters

-  Waters

### CORINE land use

-  Continuous urban land use
-  No continuous urban land use
-  Industry- and businessareas
-  Mining

### IUCN protected areas




#### IUCN CAT

-  IV
-  V
-  VI

### Natura 2000 sites

-  Natura 2000 sites

### Infrastructure

-  Roads (1st order)
-  Roads (2nd order)
-  Railroad

## Understanding the Risks: Natura 2000

Germany:

ap. 800 different animals and plants (Habitat Directive)

ap. 180 birds at risk (EU Birds Directive)

ap. 130 protected animals outside protected regions



**European Hamster** (*Cricetus Cricetus*)

**Common Tree Frog/Laubfrosch**

(*Hyla arborea* )

**Hazel Dormouse/Haselmaus**

(*Muscardinus avellanarius*)

Northern Birch Mouse (*Sicista betulina* )

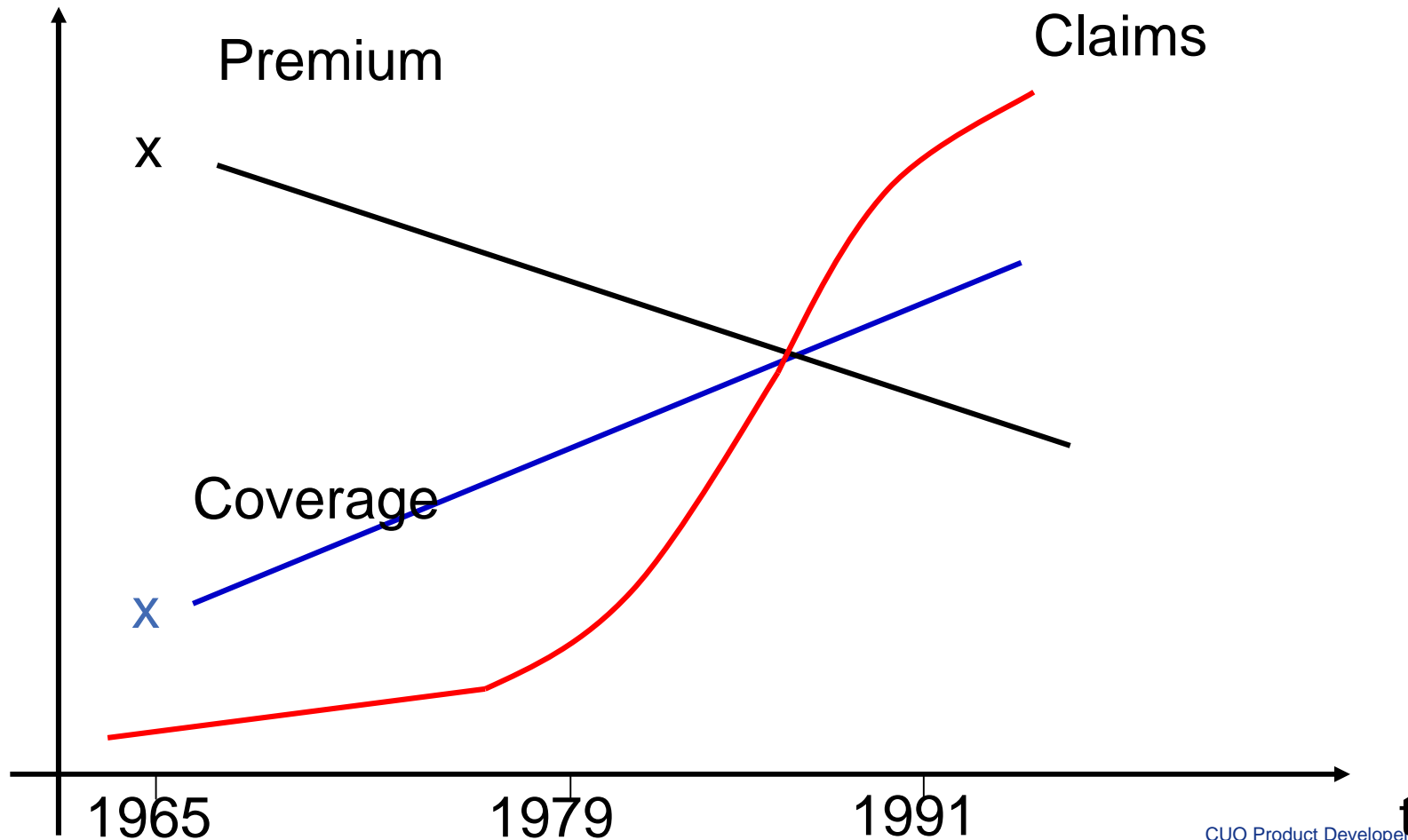
**Bats, Frogs, Bufos, e.t.c.**

**Pasqueflower, e.t.c.**



Understanding the Risks:  
Experience of Liability insurance for water pollution in Germany

Coverage,  
Premium



# **Coverage for environmental liabilities including the ELD** (Environmental Liability Directive)

---

**Environmental  
Allianz  
Global  
Liability  
EU Coverage**

## Wording – Modular Framework

	Cover heading	Trigger event	Caused by	Loss suffered by	Cover	Nature of Loss
1	Civil liability ✓	Discovery of Bodily Injury or Property Damage caused by Environmental damage	Insured	Third parties	Liability incurred by the insured under civil law to compensate or remediate the loss suffered	Damage to the property of third parties or bodily injury / disease suffered by third parties
2	Regulatory liability OFF-site contamination ✓	Discovery of Environmental damage by the Insured	Insured or damage for which he is liable	Community society, public in general	Liability incurred by the insured under public environmental law national or European to remediate or clean up as a result of triggered event	Biodiversity Water Soil Air ( Groundwater )
3	Regulatory liability OWN site Contamination ✓	Discovery of Environmental damage on the insured site	Insured - other	Insured	Necessary costs incurred by the insured in cleaning up the result of the trigger event to enable the insured to operate the business as normal at that site	Biodiversity Water Soil Air ( Groundwater )

## Modules 1 – 3: Civil and Regulatory Liability

### Key Definitions:

- **Environmental Damage**
- **Civil Liability ( Module 1 )**
- **Regulatory Liability ( Modules 2, 3 )**
- **Environmental Law**
- **Insured Costs ( Modules 2, 3 )**
- **Insured's activities**
- **First Discovered**



## Modules 1 – 3: Civil and Regulatory Liability

### Key exclusions

#### **BY CAUSE OF LOSS**

Deliberate acts

GMO's

Asbestos

#### **BY NATURE OF DAMAGE**

Pre-existing Environmental Damage

U(nderground)ST's

Product Recall

Underground sewage network

#### **BY TYPE OF LIABILITY**

Contractual liability

Fines/Criminal Penalties/Punitive Damages

Nuclear / radioactive contamination

Motor

Aviation /marine

Force Majeure ( War/terrorism )

Gas exploration

#### **BY NATURE OF BUSINESS OR OPERATION OR PRODUCT**

Change of use

Aviation Products

Maintenance

Offshore

Waste

## Risk Evaluation:

- Annex III ELD activity
- IPPC annex I authorized
- Seveso 2 site
- IPPC directive 96/61 EC annex III exposure
- Previous enforcement actions
- Known circumstances that could lead to a claim
- Pollutions Claims last 5 years
- Coverage for own property damage

Thank you  
for your attention.

Allianz 