

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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August 1, 2023

The Honorable Linda Thomas-Greenfield
U.S. Ambassador to the United Nations
U.S. Mission to the United Nations
799 United Nations Plaza
New York, NY 10017

Dear Ambassador Thomas-Greenfield,

The Committee on Oversight and Accountability is conducting oversight of U.S. assessed contributions, voluntary contributions, and earmarked funds delivered to the United Nations (UN) system. Recent reports indicate insurance companies with “significant U.S. business and exposure” are rapidly dropping out of a UN-supported net-zero climate organization due to concerns with the environmental, social, and governance (ESG) agenda and antitrust law compliance.¹ The Biden Administration’s FY2024 budget requested over \$4 billion for United Nations funding accounts,² yet safeguards for oversight of UN-supported climate-related measures appear missing. Americans deserve to know whether the U.S. Mission to the UN is jeopardizing their nation’s sovereignty by advancing radical climate goals of the UN and other countries with their tax dollars. We request clarity on the U.S. Mission’s activities, including a staff-level briefing and documents and communications, to determine whether American taxpayer dollars are supporting UN policies which threaten our nation’s interests.

The UN-convened Net-Zero Insurance Alliance (NZIA) requires insurance company members to commit to transitioning their portfolios to net-zero greenhouse gas (GHG) emissions by 2050.³ This is done through underwriting criteria, client engagement, green insurance solutions, and other NZIA commitments.⁴ Commitments prioritizing climate activism over financial returns risk violating federal and state laws including those discussed in the Committee’s May 10, 2023 hearing with state attorneys general.⁵ Moreover, state attorneys general have written NZIA insurance company members raising concerns that NZIA

¹ Avery Ellfedt, *Major insurers ditch global climate club*, E&E NEWS (May 30, 2023).

² Cong. Research Service, *United Nations Issues: U.S. Funding to the U.N. System* (updated Apr. 26, 2023).

³ United Nations Environment Programme Finance Initiative, *Net-Zero Insurance Alliance* (last visited July 25, 2023).

⁴ Mark Segal, *Insurers Exit Net Zero Insurance Alliance as U.S. Political Pressure Builds*, ESG TODAY (May 30, 2023).

⁵ *Hearing before the H. Comm. on Oversight and Accountability, ESG Part I: An Examination of Environmental, Social, and Governance Practices with Attorneys General*, 118th Cong. (May 10, 2023).

membership may result in violations of antitrust laws.⁶ No country is a larger financial contributor to the UN than the U.S.⁷ As such, U.S. tax dollars sent to the UN supporting NZIA and other climate-related measures could harm U.S. business and financial institutions and risk violating federal and state laws.

Most troubling is that the U.S. position on NZIA and other climate-related measures appears determined by the UN and foreign countries—not Congress or voters. The voluntary participation of insurance companies in NZIA is a series of lock-step commitments which subject American insurance companies to weaker economic growth and stability. For example, according to state attorneys general, certain NZIA protocols require “several, concrete and coordinated actions to alter [an insurance company’s] business.”⁸ In sum, these UN-supported actions affect prices for customers and come close to controlling the insurance industry, thus commanding U.S. policy and potentially violating the law.

The U.S. should not support NZIA or similar groups threatening U.S. businesses and consumers. Launched in 2021 by the UN under the UN Environment Programme,⁹ NZIA grew to roughly 30 members in January 2023 before numbers began dropping daily.¹⁰ In the last six months, the count fell to at least 14.¹¹ According to *Reuters*, five of the eight founding members have now left.¹² In leaving NZIA, one founding member went as far to say NZIA membership “[exposed]” it to “material antitrust risks,”¹³ echoing concerns voiced by state attorneys general.¹⁴

Should all members leave NZIA, UN-supported efforts to influence U.S. business will carry on in broader efforts supporting radical UN climate-related commitments. Signing up for NZIA requires an insurance company to commit to the United Nations Environment Programme Finance Initiative (UNEP FI)’s Principles for Sustainable Insurance (PSI) which has 150 members who hold \$15 trillion dollars in assets.¹⁵ Decommitting from NZIA will not release an

⁶ Letter from Sean D. Reyes, Utah Attorney General, et al., to Net-Zero Insurance Alliance Insurer Members (May 15, 2023).

⁷ *Supra*, n.2.

⁸ *Supra*, n.6.

⁹ United Nations Environment Programme Finance Initiative, Press Release, *Global insurance and reinsurance leaders establish alliance to accelerate transition to net-zero emissions economy* (July 11, 2021).

¹⁰ *Major insurers back out of NZIA amid US political pressure*, FINTECH GLOBAL (May 31, 2023).

Jon McGowan, *Insurers Leave U.N. Climate Alliance Over ESG Pushback And Antitrust Claims*, FORBES (May 26, 2023).

¹¹ Terry Gangcuangco, *NZIA roster shrinks further*, INSURANCE BUSINESS MAGAZINE (June 15, 2023).

¹² Tommy Wilkes, Alexander Hübner, and Tom Sims, *Insurers flee climate alliance after ESG backlash in the U.S.*, *Reuters* (May 26, 2023).

¹³ Munich Re, Press Release, *Munich Re discontinues NZIA membership* (Mar. 31, 2023).

¹⁴ *Supra*, n.6.

¹⁵ United Nations Environment Programme Finance Initiative, *The Net-Zero Insurance Alliance, Statement of commitment by signatory companies* (last visited June 15, 2023); Jon McGowan, *Insurers Leave U.N. Climate Alliance Over ESG Pushback And Antitrust Claims*, FORBES (May 26, 2023).

insurance company from the PSI which pursues similar NZIA goals.¹⁶ American taxpayer dollars contributed to UN initiatives like NZIA, PSI, UNEP, and UNEP FI necessitate oversight.

Following congressionally-appropriated U.S. dollars to UN-related recipients requires a nuanced understanding of the UN's internal functions including the "many funds, programmes and specialized agencies, each of which have their own area of work, leadership and budget," and an understanding of funding sources and contributors.¹⁷ It is unclear what if any safeguards or oversight mechanisms are in place. Through the UN system, advancers of the ESG agenda like the NZIA can take advantage of the complexity to force radical environmental activism which raises prices,¹⁸ deters investment of new technologies,¹⁹ and prevents human flourishing.²⁰ The Committee must ensure the U.S. is not directly or indirectly involved in funding or supporting such UN-supported efforts.

To determine the U.S. Mission to the UN position on UN climate-related measures which jeopardize U.S. sovereignty and harm U.S. business, please provide the following documents and communications for the time period from January 20, 2021 to present unless otherwise indicated, no later than August 15, 2023:

1. All documentation and communications between the U.S. Mission to the UN and the UN related to ESG, NZIA, PSI, UNEP, or UNEP FI;
2. All documentation and communications between the U.S. Mission to the UN and the U.S. State Department related to ESG, NZIA, PSI, UNEP, or UNEP FI;
3. All documentation and communications between the U.S. Mission to the UN and the White House related to ESG, NZIA, PSI, UNEP, or UNEP FI; and

¹⁶ United Nations Environment Programme Finance Initiative, *Principles for Sustainable Insurance* (last visited July 25, 2023).

¹⁷ United Nations, *UN System*, available at <https://www.un.org/en/about-us/un-system> (last visited July 25, 2023). Because of a complex UN system, U.S. appropriations not specifically designated for the UN may go to UN climate-related measures not supported by Congress or the American people. For instance, in 2021, Congress directly appropriated approximately \$140 million taxpayer dollars to the Global Environmental Facility, a climate finance group. This allocation to the Global Environmental Facility is separate from the approximate \$3.4 billion dollars the U.S. sent to the UN through accounts in the 2021 State Department, Foreign Operations, and Related Programs (SFOPS) appropriations bill. SFOPS accounts fund the United Nations Environment Programme (UNEP), the parent of UNEP FI, the supporter of NZIA and PSI. That same year, the Global Environmental Facility gave millions to UNEP and was UNEP's leading contributor.

¹⁸ *Supra*, n.6, at 4.

¹⁹ See Exec. Order No. 14008, 86 Fed. Reg. 7619 (January 27, 2021). See also U.S. Dep't of The Treasury, *Guidance on Fossil Fuel Energy at the Multilateral Development Banks*, available at <https://home.treasury.gov/system/files/136/Fossil-Fuel-Energy-Guidance-for-the-Multilateral-Development-Banks.pdf> (last visited July 25, 2023).

²⁰ ALEX EPSTEIN, *FOSSIL FUTURE: WHY GLOBAL HUMAN FLOURISHING REQUIRES MORE OIL, COAL, AND NATURAL GAS--NOT LESS* (2022).

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4. All documentation and communications between the U.S. Mission to the UN and Special Presidential Envoy for Climate (SPEC) John Kerry and his office related to ESG, NZIA, PSI, UNEP, or UNEP FI.

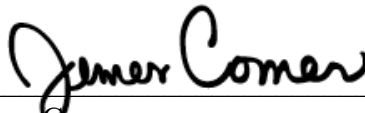
Accompanying production of responsive documents and communications, we request that you provide a written statement from the U.S. Mission to the UN regarding UN climate-related measures which jeopardize U.S. sovereignty and harm U.S. business. This statement should address the mass exodus of insurance companies with “significant U.S. business and exposure” from the UN-supported NZIA due to ESG and antitrust law issues.

Additionally, please make arrangements to schedule a briefing with Committee staff on this matter as soon as possible, but no later than August 8, 2023.

To schedule the briefing, arrange for delivery of responsive documents, or to ask any related follow-up questions, please contact the Committee on Oversight and Accountability Majority staff at 202-225-5074. Attached are instructions for producing the documents and information to the Committee.

The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate, “any matter” at “any time” under House Rule X. Thank you for your attention to this important matter.

Sincerely,



James Comer

Chairman

Committee on Oversight and Accountability

cc: The Honorable Jamie B. Raskin, Ranking Member
Committee on Oversight and Accountability