

Net Zero Toolkit

Version 1.0 | September 2021

Change the precedent,
change the world.



“We need practical solutions
to the real-life challenges
presented by climate change.
The Chancery Lane Project is
at the forefront of driving
change”

Senior lawyer, private practice firm, 2021

Foreword

Lord Carnwath, September 2021

We are already two thirds of the way towards the 1.5 degree global warming limit set by the 2015 Paris Agreement to avoid the worst effects of the climate crisis. To stay within the 1.5°C goal, we need to halve emissions by 2030. Urgent action is needed now by everyone across every region, business sector or company. More than 600 companies globally have committed to the 1.5°C goal, representing \$13 trillion in market capitalisation.¹ The UNFCCC's Race to Zero campaign has mobilised a coalition representing countries, cities, regions, businesses, investors and higher education institutions. Together they cover nearly 25% of global CO2 emissions and over 50% GDP.² The forthcoming COP26 gathering in Glasgow is a crucial opportunity to carry this work forward.

As a former UK Supreme Court Justice, I believe that lawyers have a special role to play in taking us from climate ambition to climate action. The International Bar Association's Climate Crisis statement of May 2020 calls lawyers in all jurisdictions to take action.³ They can lead the way both by their own business practices and the example they set to their clients, and by ensuring that climate issues are at the heart of the thinking behind the legal transactions and documents on which they are advising. Commercial lawyers draft the contracts that shape the economic relationships of society: they can use these agreements to help the transition to a zero-carbon economy. It is important that lawyers play a major role in the global discussions both before and at the COP26 event.

The Chancery Lane Project ("TCLP") is a ground-breaking initiative that (a) shows lawyers how they can be part of the net zero transition and (b) provides them with free resources to align legal agreements with net zero targets - this net zero toolkit. Chancery Lane is at the heart of legal London, and hence also of the common law world. The project promotes the contribution commercial lawyers can make to combat the climate crisis and provides a forum for lawyers to draft practical solutions to achieve net zero targets.

TCLP's net zero toolkit offers lawyers guidance and resources to step up to the challenge and be part of the vanguard of the net zero transition. I encourage lawyers and businesses to use the wealth of contractual clauses produced by TCLP's participants in every agreement that they enter.

The COVID-19 pandemic has shown us the fragility of our economic and social systems. It has also shown that we have an immense opportunity, as well as the capability, to build a better economic model that protects our planet and our future.

This is a pivotal moment in history, and as lawyers, we must use our expertise to lead the way.

Robert Carnwath
London September 2021

¹ <https://www.forbes.com/sites/dishashetty/2021/03/24/a-fifth-of-worlds-largest-companies-committed-to-net-zero-target/>

² <https://unfccc.int/climate-action/race-to-zero-campaign>

³ <https://www.ibanet.org/article/d1e68796-a00f-460e-9b24-0ab1d8d07b5c>

How to use this toolkit

Purpose

This toolkit enables lawyers to use climate and net zero aligned clauses in their contracts, so that the work they do is aligned with a decarbonised economy and a safe and habitable planet for us all.

Clauses

This toolkit is a gateway to the [contractual clauses](#) developed by participants of [The Chancery Lane Project](#). These clauses are a testament to the passion and commitment of the hundreds of legal professionals involved in their drafting.

Tools

The tools in the [toolkit](#) have been developed to guide lawyers to effective and impactful implementation of the clauses.

Events

The TCLP website lists a range of sector-specific [workshops and clinics](#), which are designed to help you use the clauses in your work.

Engage

We invite you to use this toolkit, [explore the clauses](#), and participate in the workshops and clinics.

By doing this you will transform your legal practice by aligning your work with net zero and contributing to tackling climate change, which is undoubtedly the greatest challenge of our time.

Updates

This document is regularly updated as more clauses become available and more tools are added to the toolkit. We recommend that you check for the latest version [here](#).

Toolkit quick links

Purpose

- Find out about The Chancery Lane Project, [who we are and what we do](#)

Clauses

- Search or browse all [clauses](#)
- Explore clauses by [practice area and sector](#)
- Explore clauses by [climate action pathway](#)

Tools

- Explore our [tools](#)
- Use our [net zero implementation kit](#)

Events

- Attend [workshops and clinics](#), designed to help you use the clauses in your work

Engage

- Continue your journey of integrating climate considerations into your work by [getting involved](#) with The Chancery Lane Project

Updates

- Get the latest version of this toolkit on our [downloads page](#)

Clauses

Best-in-class net zero clauses

These best-in-class clauses align with [Paris Agreement](#) goals, [Race to Zero requirements](#) and the [Oxford Principles for Net Zero Aligned Carbon Offsetting](#).

View all TCLP best-in-class clauses [here](#).

For tools and support to use these clauses, have a look around the rest of our [toolkit](#) or join one of our [events](#).

Explore here

Clause collections by practice area and industry

All clauses are now organised by practice area and industry. They are also organised by [climate action pathways](#), which is the framework developed by the [UNFCCC](#) to realise sectoral visions for achieving a 1.5°C resilient world by 2050.

Search or browse clause collections by practice area, industry and climate action pathway [here](#).

Explore here

All climate clauses

The Chancery Lane Project's collection of climate clauses now exceeds 100.

The [best-in-class clauses](#) are aligned with net zero.

The remainder of our climate clauses bring climate considerations to your drafting. Support us in the alignment of all our climate clauses with net zero by [getting involved](#).

You can browse and search all our clauses [here](#).

Explore here

Toolkit

The Chancery Lane Project's [net zero toolkit](#) provides a range of resources to support the alignment of contractual drafting with net zero.

Net zero implementation tools

This collection of resources aligns contractual drafting with net zero.

It comprises a net zero explainer, a dashboard and checklist, alongside net zero defined terms and sample wording for use in drafting. It also contains discussion documents designed to be used when drafting or negotiating net zero concepts in contracts.

View the net zero implementation tools [here](#).

Explore here

Clause timeline

TCLP's timeline shows lawyers how key clauses align with contractual cycles. The clauses cover pre-contractual work, procurement and supply chains, performance, breach and dispute resolution.

View the clause timeline [here](#).

Explore here

Glossary and net zero definitions

The Chancery Lane Project's glossary provides standard climate-related definitions to help you draft climate-aligned contracts. You can access it [here](#).

The net zero drafting definitions and sample wording document provides definition of the terms most used when drafting net zero aligned contracts, which you can access [at the bottom of this page](#).

Definitions

Case studies

The Chancery Lane Project's case studies demonstrate the increasing range of applications that TCLP clauses have. The case studies are intended as inspiration and motivation for the use of the clauses.

You can browse the case studies [here](#).

Case Studies

Acknowledgements

With thanks to all project participants who, over the last two years, have contributed to the development of clauses and supporting materials, and who have begun to use TCLP clauses in their work. There are more than 1,300 of you. Every one of you is essential to the success of this initiative.

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Laudes ———
—— Foundation

