

The 
Chancery Lane
Project

**World
Sustainable
Contracting
Day 2022**

**Bringing climate clauses to life
- practicalities & pitfalls**

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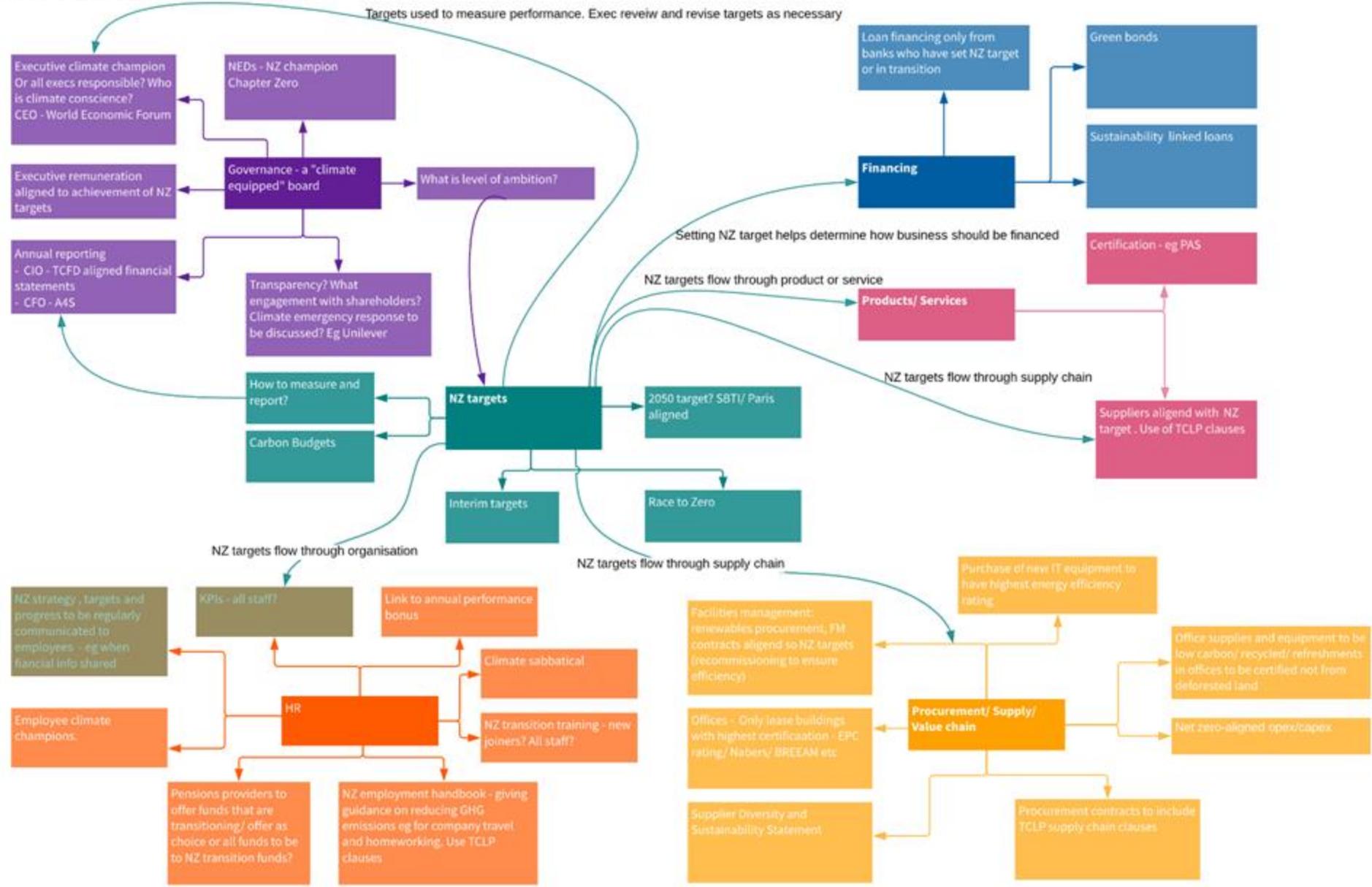
The opportunity

What if you could protect your business and the planet?

Case studies



Net Zero Transition map



Climate clauses

Browse below or use our [Climate Clause Selector](#) to find contract clauses you can add to your contracts and legal precedents

Sort by

Practice areas

[Buildings & Land \(including Property, Construction, Environment & Planning\)](#)
(25)

[Commercial](#) (42)

[Corporate](#) (34)

Modern Methods of Construction (MMC) and Net Zero Provisions for Construction or Development Agreements

Madhavi's Clause

Adapts sustainable practices and net zero aligned provisions from TCLP's construction clauses for use in MMC contracts.

Conservation Covenant for Soil Preservation and Enhancement

Orli's Clause

A conservation covenant between a landowner or leaseholder and a 'Responsible Body' to secure the long-term preservation and enhancement of soil on privately owned, non-agricultural land.

Net Zero Dashboard

Minimal Ambition

> Moderate Ambition

> Higher Ambition

> In the Future...

Scope

Scope 1

Scope 1 & 2

Scope 1 & 2; Scope 3 for most exposed sectors and/or threshold materiality

100% coverage?

Warming

>2°C

2°C

1.5°C

Reversing warming?

Targets & Timing

NZ Target: after 2050
Interim Targets: None
Pathway: Slow
Qtification: Unquantified

NZ Target: on 2050
Interim Targets: Some
Pathway: 5% y-o-y reduction
Qtification: Quantified

NZ Target: on or earlier than 2050
Interim Targets: Yes (LT, MT, ST) with clear action plans
Pathway: 7% y-o-y reduction in emiss
Qtification: Quantified

Net Negative?

Offsetting

Mitigation Hierarchy: None
Quality offsets: No QC
Offsetting approach: Non-segregated
Carbon pricing: Not robust, undisclosed

Mit. H: Reduce > Compensate
Quality offsets: Some QC
Offset approach: Segregated by [removing emiss, reduction emiss, avoided emiss]
Carbon pricing: Mildly robust, disclosed

Mit. H: Reduce > Compensate
Quality offsets: High quality (additionality, permanence, verifiability, etc)
Offset approach: Segregated + hierarchy (remove emiss > reduc. emiss > avoid. emiss)
Carbon pricing: Robust, disclosed

Offset approach: Only [removing emiss] offsets allowed?

Offsets with assurance?

Governance

Board oversight/capability: None
Board capability: None
Remuneration: No link
Interim targets: None
Transparency & disclosure: None

Board oversight/capability: Some
Remuneration: Some link
Interim targets: Some IT
Transparency & disclosure: Self-reported

Board oversight/capability: Engaged, climate capability / specialist
Remuneration: Linked to executive pay
Interim targets: Yes (LT, MT, ST) with clear action plans
Transparency & disclosure: Self reported + ext. verified; use of disclosure framework; data hierarchy (primary > secondary sources)

Executive deliverables on climate? High-quality data? Fiduciary duties to the climate?

Just Transition

No just transition planning

Impact assessments on national, entity-related equity concerns

Impact assessments on transnational equity
Engagement with stakeholders

Global just transition?

Climate Policy Engagement

Lobbying: Anti-climate
Trade associations: Anti-climate
Public policy: Anti-climate

Lobbying: No position
Trade associations: No position
Public policy: No position

Lobbying: Paris-aligned climate lobbying position, activities
Trade associations: Paris-aligned lobbying expectations, disclosure of TA memberships, consistency w TAs' climate change policies
Public policy: Paris-aligned position on public policy and regulation

Concerted industry effort?

*Metrics from left to right represent a spectrum of increasing ambition. Categorisation of 'Minimal Ambition', 'Higher Ambition' are for illustrative purposes only.

Solutions to common pitfalls

“Novelty almost inevitably encounters resistance” - Anonymous TCLP Participant

“World economy set to lose up to 18% GDP from climate change if no action taken” - Swiss Re



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“Arguing whether or not to use these clauses is like rearranging the deckchairs on the Titanic.” - Anonymous TCLP Participant

Next steps for you...

- Look at the [clauses](#) and identify those you can start using today.
- [Sign up](#) to our workshops, facilitator training or a 1:1 clinic.
- Sign up to our [newsletter](#).

Discussion



Write in the chat:

1. What has most inspired you from what you have heard today?



1. Your climate pledge: what will your action steps be in the next few months?

Use our clauses, get in touch:

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