



Carbon Trading

Mission statement

The interest in carbon markets is growing as countries, companies, and individuals use these markets to compensate for their greenhouse gas emissions by purchasing carbon credits from entities that remove or reduce greenhouse gas emissions.

Contacts

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Summary

There are efforts to drive decarbonization across all regions and industries. Where actual reduction of carbon emissions is not possible to achieve – especially in the short term – carbon offsetting and trading are important drivers and financiers of the global energy transition.

As carbon markets mature, there is more regulation of, and transparency around carbon trading and the underlying accreditation of the credits.

However, there remain concerns around legal issues related to double-counting of greenhouse emission reductions, human rights abuses, and greenwashing (in which companies falsely market their green credentials, for example, by misrepresenting climate-neutral products or services).

What we do

We help our clients navigate and participate in compliance and voluntary carbon markets where carbon credits are bought and sold. We work with our clients to advise on relevant regulations, contractual arrangements for the buying and selling of carbon credits, and the certification of carbon credits for projects which remove or reduce greenhouse gas emissions.

We advise on national and sub-national emissions trading systems, including established systems such as the European Union's ETS, and rapidly-growing newer systems, such as those being developed in Singapore and China.

Our impact

- Advising BNP Paribas on a voluntary emissions reduction (VER) purchase transaction regarding the trading of international carbon credits issued pursuant to the Kyoto Protocol. The work involved cross-border collaboration between our London, Paris, and Jakarta teams, relating to the voluntary carbon offset program relevant to the project.
- Advising U.S. Steel and other clients on master trading agreements relating to mandatory carbon allowances (e.g. EU ETS allowances).
- Advising various clients on numerous green corporate PPAs (physical, virtual, and rooftop) including related certificate of origin trades.
- Advised Walmart in connection with its broad corporate commitments to reduce its greenhouse gas emissions through energy efficiency, renewable energy purchases, new technology development, and carbon trading.
- Advised a public benefit corporation on the design and structuring of its carbon offset trading program.
- Advising a European energy company with lobbying efforts at key EU institutions in relation to aspects and implementation of the EU emissions trading scheme.
- Advising large automobile manufacturers and suppliers on mobile source emissions and fuel economy issues, including Greenhouse Gas (GHG) credit opportunities and rulemakings by the U.S. EPA and National Highway Traffic Safety Administration (NHTSA).
- Advising Ford in relation to multiple CO2 pooling transactions with other automotive OEMs to secure regulatory compliance.



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