

## The Green Hydrogen to Legal

### Supporting developing countries to host large-scale renewable energy and green hydrogen hubs

The Green Hydrogen Legal Capacity Unit (GH2L) has been established by the Green Hydrogen Organisation (GH2) to provide developing country governments with opportunities to access high quality legal advice and assistance in laying the foundations for hosting large-scale renewable energy and green hydrogen hub projects.

Many developing countries have exceptional renewable energy resources and huge potential to reap economic and development opportunities from the development of large-scale renewable energy and green hydrogen projects. While other sectors have long-established customs and practices around permitting, contracting, and approaches to benefit-sharing, the full picture for arrangements to underpin development of large-scale renewables and green hydrogen projects is still at a nascent stage. In addition to the challenges posed by dealing with a new segment of industrial development, least developing and emerging market country governments often lack the capacity to move quickly towards establishing best practice legislation and to negotiating with companies considering major energy and infrastructure-related investments.

Building on GH2's successful programme on "[Good Hydrogen Contracting – for people and planet](#)", and supported by plans for a dedicated fund to pool contributions from GH2's members, bilateral donors and philanthropic sources, the GH2L aims to respond to written requests from host governments, and to facilitate free or highly concessional fees for rapid legal assistance in respect of developing legislative frameworks, regulatory settings and, in particular, the negotiation of contracts with project developers and providers of finance for these large-scale projects and associated infrastructure.

The aim of GH2L is to accelerate and simplify access to legal assistance of the highest professional quality and standards. With readily available legal counsel, host governments can move quickly to take full advantage of the opportunities afforded by large-scale renewable energy and green hydrogen projects, based on solid legal frameworks and regulatory environments.

Due to the speed of industry developments and the potential for projects to generate development and decarbonisation benefits, GH2 is experiencing a high demand for guidance to support decision-makers, communities and companies in developing contracting practices for green hydrogen projects. This demand is evident in the work of the Africa Green Hydrogen Alliance and through the activities of GH2's programme Good Green Hydrogen Contracting.

On the government side, ministers and officials will be in a position to leverage the opportunities of large-scale renewables and green hydrogen hubs to deliver on their national economic plans, and drive progress towards achieving the Sustainable Development Goals (SDGs). Most notably, the responsible hosting of large-scale renewable energy and green hydrogen projects will contribute to SDG 13 on climate action, SDG 7 on affordable and clean energy, and SDG 6 on clean water. Ancillary project benefits will also address SDG 8 on decent work, SDG 9 on innovation, industry and infrastructure and SDG 11 on sustainable communities.

## GH2L governance and modalities

GH2L builds on GH2's Good Green Hydrogen Contracting Programme which over 18 months has engaged nine law firms, developed, and published eleven papers including the Best Practices Legislative Guide by Baker McKenzie, and papers on the Financing of Green Hydrogen Projects, Fiscal Terms and Incentives, Land Acquisition and Use, and Infrastructure Access and Common Use.

GH2L will be overseen and managed by GH2 with oversight from a dedicated "Governing Panel" acting under a well-defined mandate, comprised of the following (TBC):

- Laurence Cockcroft, Transparency International UK Trustee;
- Karina Litvack, Chair of the Governing Board of the Climate Governance Initiative;
- Eddie Rich, Transparency International UK Trustee and CEO of the International Hydropower Association; and
- Kandeh Yumkella, former Director General UNCTAD and CEO of UN Sustainable Energy for All.

A government wishing to obtain support from the GH2L should make a written application, setting out specific areas of legal assistance it is seeking (draft written application attached).

GH2L will consider the application promptly, seek any further requisite information from the requesting government, and produce list of at least three and ideally more than five suggested law firms with specific and demonstrable experience and expertise in the legal areas of interest.

The requesting government will identify preferred law firm, ideally ranking three or more of the shortlisted firms the government would ideally have engaged.

Based on the preference expressed by the government, GH2L will negotiate a legal service contract, taking into action requisite skills and experience, location and logistics, language skills, availability and value for money.

Each engagement will entail a maximum contribution of USD 100,000 from GH2L, with the possibility of an extension beyond the term or hours of service originally approved.

Contracts awarded by GHLCU are expected to align with good international practices on transparency and will be published on the GH2L's website.

The service contract for legal assistance to the requesting government will be between the law firm and GH2's Swiss foundation, acting for GH2L. While customary client confidentiality and other fiduciary duties will apply to the relationship between the contracted law firm and the requesting government, reports of work completed by the selected law firm will be submitted promptly to GH2L.

## Quality Legal Assistance

Internationally recognised law firms with experience and expertise in major infrastructure and/or energy projects in developing countries are being sought to populate the GH2L's list of law firms. The GH2L will give preference to law firms with demonstrable experience in large-scale and complex project financing (traditional and blended) and drafting and negotiation of host government agreements for energy production and offtake contracts.

## Funding the GH2L

GH2 is seeking funding for GH2L from among the members of the GH2, philanthropic organisations, and bilateral partners and multilateral financial institutions or organisations with a mandate to support government capacity building in the sphere of sustainable development, climate action and energy transition.

## Background

The Green Hydrogen Organisation (GH2) is a Swiss non-profit foundation working with government, industry, and civil society to dramatically accelerate the production and use of green hydrogen and its derivatives across a range of sectors globally. GH2 brings together government, industry, and civil society to enable the rapid uptake of green hydrogen globally. It has developed the Green Hydrogen Standard, currently piloted by six large developers; it runs the Roundtable on Development Finance Institutions for Green Hydrogen; it runs Good Green Hydrogen Contracting – for People and Planet; runs the Africa Green Hydrogen Alliance, has a presence in Beijing, Chennai, London, Nairobi, Oslo, and Perth, in addition to its office in Geneva; and is convening a network of think tanks and civil society organisations. GH2 is a member of the Global Renewables Alliance.