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THE DEALS ISSUE

IT SEEMS NO ONE IS WILLING TO PUT UP WITH
A SLUMP IN DEALS FOR TOO LONG.

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2023 DEALMAKERS OF THE YEAR



ANDREW CHIZZIK

WEIL, GOTSHAL & MANGES

When Andrew Chizzik and his team were tasked with helping Brookfield Asset Management form the largest private fund dedicated to the facilitation of a global net-zero carbon economy, they knew they had a daunting task ahead of them, but they chose to view it as an opportunity.

The \$15 billion Brookfield Global Transition Fund, which attracted over 100 ESG-minded investors, focuses on clean energy investments in the transformation of carbon-intensive industries.

“The goal from the Brookfield perspective was to raise the largest transitions fund to date, and the largest first-time strategy to date,” says Chizzik, a private funds partner at Weil, Gotshal & Manges. “They set what we thought was an ambitious target to do that, and they ended up doubling that target.”

If the size and scale of forming the BGTF weren’t overwhelming enough for the 13-attorney team, the project was shrouded in regulatory challenges, such as navigating raising global capital under the Securities and Exchange Commission’s 506(c) rule, along with mastering evolving global ESG regulations, including the SEC’s “greenwashing” rules and Europe’s Sustainable Finance Disclosure Regulation (SFDR).

“The European regulatory regime was just unfolding at the time, and the obligations they’re under were still in flux. So we were figuring that out in real time,” Chizzik recalls. “And I think given the nature of the fund, as compared to more mature strategies, like private equity or real estate or infrastructure, there was less of a market. So there was a little bit more figuring things out as we go and trying to grapple with investor expectation and Brookfield expectation, as opposed to relying just on what’s market and what’s been done before.”

There was certainly a learning curve.

The team, which also had to grapple with working virtually amid COVID-19, was tasked with quickly becoming fluent in sustainability and carbon reduction protocols, including learning KPI reporting for carbon reduction and GHG accounting—all while simultaneously working on a number of other Brookfield flagship funds.

Challenges aside, Chizzik says the team was enthusiastic throughout the process, noting “the purpose of the vehicle is something that we all believe in separate and apart from the profit objective.”

“There was a real excitement around the Weil private funds group about this particular fund and its mission, and excitement about [chair] Mark Carney’s participation on the Brookfield end and the in-house counsel that we work with at Brookfield,” Chizzik says. “I think everyone had the feeling internally that they were a part of something special, and I think that really added to the experience from the Weil side.”

According to Chizzik, the fund was a prime example of the importance of having passion for your work.

“Without that passion, the scope of the transaction together with the scope of the other projects we were doing for Brookfield at the time might have felt overwhelming,” he says. “But when you’re sufficiently passionate about what you’re working on, and you’re excited about it, and you love what you’re doing—I think that was the key to being able to successfully get to the end.”

—Sarah Tincher-Numbers