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IMPLEMENTING ARTICLE 6 IN KENYA: WHAT ROLE FOR REDD+?



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"Enhancing Indigenous Resiliency"



CLIFFE DEKKER HOFMEYR

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LIST OF ABBREVIATIONS

BAU	Business-As-Usual
BTRs	Biennial Transparency Reports
CACs	Corresponding Adjustment Credits
CADEP	Capacity Development Project for Sustainable Forest management in the Republic of Kenya
CARP	Centralized Accounting and Reporting Platform
CARTA	Climate Ambition Raising Through Article 6
CCD	Climate Change Directorate
CERs	Certified Emission Reductions
CDM	Clean Development Mechanism
Ci-Dev	Carbon initiatives Developers
CMO	Carbon Market Office
CMA	Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
COP	Conference of the Parties
DNA	Designated National Authority
ERs	Emission Reductions
ERRs	Emission Reduction and Removals
ET	Emissions Trading
ETS	Emissions Trading Schemes
FCPF	Forest Carbon Partnership Facility
FRL	Forest Reference Level
GCFRP	Ghana Cocoa Forest REDD+ Programme
GHG	Greenhouse Gas
G2G	Government-to-Government
GOK	Government of Kenya

INDC	Intended Nationally Determined Contribution
IPCC	Intergovernmental Panel on Climate Change
ITMOs	Internationally Transferred Mitigation Outcomes
JCM	Joint Crediting Mechanism
JFJCM	Japan Fund for the Joint Credit Mechanism
JI	Joint Implementation
J-REDD	Jurisdictional REDD+ Programme
KTDA	Kenya Tea Development Authority
LOA	Letter of Authorization
LULUCF	Land Use, Land-Use Change and Forestry
MCUs	Mitigation Contribution Units
MESTI	Ministry of Environment, Science, Technology and Innovation
MOPA	Mitigation Outcome Purchase Agreement
MoU	Memorandum of Understanding
MRV	Monitoring, Reporting and Verification
NDA	National Designated Authority
NDCs	National Determined Contributions
NCCAP	National Climate Change Action Plan
NCCC	National Climate Change Council
NCSD	National Council for Sustainable Development
NEG	National Experts Group
NEMA	National Environmental Management Authority
NFMS	National Forest Monitoring System
OIMPs	Other International Mitigation Purposes
PACM	Paris Agreement Crediting Mechanism
PDD	Project Design Document
REDD+	Reducing Emissions from Deforestation and Forest Degradation in Developing Countries plus the Sustainable Management of Forests, and the Conservation and Enhancement of Forest Carbon Stocks

RGC	Royal Government of Cambodia
SB	Supervisory Body
SBM	Supervisory Body for the Mechanism
SEA	Swedish Energy Agency
SIS	Safeguards Information System
TAC	Technical Advisory Committee
TER	Technical Expert Review
UK PACT	UK Partnering for Accelerated Climate Transitions Programme
UNFCCC	United Nations Framework Convention on Climate Change
VCM	Voluntary Carbon Market

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Executive Summary



The Paris Agreement, adopted in 2015 under the United Nations Framework Convention on Climate Change (UNFCCC), aims to limit global temperature rise to well below 2°C, with a goal of 1.5°C. It requires State Parties to submit Nationally Determined Contributions (NDCs) outlining their national plans to mitigate and adapt to climate change.

To allow parties to co-operate in meeting their NDCs and as such allow the possibility for higher ambition in their mitigation and adaptation actions whilst promoting sustainable development and environmental integrity, the Paris Agreement introduced Article 6. The cooperative approaches under Article 6 include three components: Article 6.2, which focuses on supporting emission reduction trading between State Parties based on the transfer of Internationally Transferred Mitigation Outcomes (ITMOs) from one country to another; Article 6.4, which establishes a centralized trading mechanism subject to UNFCCC supervision; and Article 6.8, which focuses on non-market approaches that promote mitigation and adaptation without the transfer of mitigation outcomes from one country to another.

State Parties have reached consensus on key issues related to implementing Article 6 following negotiations over successive Conference of the Parties (COPs), with the green light

to proceed more actively on Article 6 now informed by the breakthrough reached in 2024 at COP29, settling outstanding issues related to the framework. Based on these developments, this report explores the role that REDD+ could play in the implementation of Article 6 in Kenya and pinpoints the opportunities and challenges for leveraging Article 6 approaches to secure funding for REDD+ activities.

Key findings

The report notes that the Article 6 framework has potential to provide significant economic and environmental benefits, enabling countries to implement their NDCs at reduced cost and facilitating enhanced climate action, provided it is well-designed and implemented. There is potential for REDD+, which is recognized in Article 4 of the UNFCCC and Article 5 of the Paris Agreement, to be financed under Article 6 cooperative approaches, thus promoting activities aimed at curbing deforestation and forest degradation, and those aimed at conservation, sustainable forest management, and the enhancement of forest carbon stocks.

Since emission reductions and removals (ERRs) from all sectors are eligible under Article 6 of the Paris Agreement, Parties can choose to engage in Article 6.2 transactions of REDD+ ERRs, as long as the requirements under Article 6.2 guidance are met. Some of these requirements include that activities must be voluntary, authorized by participating Parties, promote sustainable development and ensure environmental integrity, transparency, and the application of robust accounting to avoid double counting, among others. In the case of Article 6.4, the mechanism is governed by decisions of the Supervisory Body (SB), as such it must assess and approve eligible methodologies for each specific activity. This means that REDD+ activities are eligible under Article 6.4, pending the approval of specific methodologies by the SB.

Kenya has ongoing REDD+ projects across both terrestrial and coastal ecosystems, including the Kasigau, Chyulu Hills, Vanga Blue Forest, and Mikoko Pamoja REDD+ projects. These projects are however currently financed through the Voluntary Carbon Market (VCM), as Kenya finalizes its REDD+ readiness to enable eligibility for receipt of results-based financing. Kenya has not leveraged Article 6 financing for its REDD+ activities, though the country is actively engaging with Article 6 implementation through pilot projects such as the Joint Crediting Mechanism (JCM) with the Japanese Government, World Bank Carbon Initiatives Developers (Ci-Dev) program, and the Swedish Energy Agency (SEA) Virtual Pilot Program. The country also has ongoing discussions with Switzerland and Sweden on Article 6 and has signed a Memorandum of Understanding (MOU) with Singapore to develop a bilateral agreement under Article 6.2 of the Paris Agreement.

The Climate Change Act, 2016 (Cap. 387 A) and the Climate Change (Carbon Markets) Regulations, 2024 (Legal Notice 84 of 2024) are the principal instruments which provide the basis for the institutional and governance framework for Article 6, laying the groundwork for cooperative action and ensuring Kenya's alignment with international commitments. The framework provides for critical issues such as the approval process for all carbon projects in Kenya, introduce requirements for the issuance of Letters of Authorization and the application of corresponding adjustments, and the establishment of a National Carbon

Registry and Sectoral Registries such as a REDD+ registry. The National REDD+ Strategy, Forest Conservation and Management Act, 2016 (Cap. 385), and regulations thereunder, also offer a basis for managing forest-related carbon projects, facilitating the integration of REDD+ within the broader climate governance framework and use of market approaches.

However, the report highlights that while the existence of enabling policies, laws and regulations guide the implementation of Article 6 and REDD+ in Kenya presenting an opportunity for the country to engage in Article 6 trades that include nature to meet global and national climate goals, challenges do exist that need to be addressed if this integration is to be successful. The challenges are threefold. They relate to the lack of finalization of the fundamental REDD+ Readiness elements required for Kenya to be compliant with international requirements including the Warsaw Framework for REDD+ and the Cancun Safeguards; the lack of clarity on the strategy Kenya intends to use to meet its NDC while pursuing Article 6 as the design and implementation of Kenya's Article 6 framework is still at a nascent stage; and the lack of clear guidance on the approaches the country shall take to incorporate REDD+ within Kenya's Article 6 framework.

In light of these findings, the report makes the following recommendations:

- a. **Finalize and operationalize REDD+ national and international requirements** – For a REDD+ project to be eligible for Article 6, it must fulfil the Warsaw requirements and align to the Cancun Safeguards at a minimum. It is therefore important for Kenya to fully implement the National REDD+ Strategy which is a key component of the country's REDD+ Readiness. Kenya needs to urgently operationalize the Safeguards Information System (SIS) and develop a Summary of Information to ensure compliance with environmental and social safeguards. Kenya also needs to finalize updating of the Forest Reference Level (FRL) to establish a baseline for emissions reductions and ensure eligibility for results-based payments and ITMOs. Completing the current revision of the National Forest Monitoring System (NFMS) is crucial for effective monitoring, reporting, and verification (MRV) of REDD+ emissions, ensuring that Kenya meets the Paris Agreement's transparency requirements. Finally, establishing a regulatory framework for the nesting of REDD+ projects will also enable Kenya to benefit from REDD+ implementation at multiple scales.
- b. **Clarify, establish and align key components of Kenya's Article 6 framework** – Article 6 allows parties to cooperate in meeting their NDCs by enabling them to enhance their ambition in mitigating and adapting to climate change. Countries participating in Article 6 must however ensure that they do not do so at the expense of their NDC. To ensure that Kenya meets its NDC target, a key focus should therefore be on managing the risk of overselling hence the need for a clear risk mitigation strategy. This requires technical decisions to be made on which technologies and sectors are priority for Article 6; whether Kenya will establish a national buffer account to shore up the risk of overselling against the NDC target or contribute overall mitigation of global emissions; and the criteria used to determine what percentage of carbon credits from a carbon project is to be retained for use for Kenya's NDC, if any. Additionally, there is need to establish the requisite carbon registries for tracking Article 6 transactions and also establish the Climate Change Fund envisioned under Section 25 of the Climate Change Act, as this fund is required to receive

a portion of the corresponding adjustment fees paid by project proponents, but it is as yet non-existent. Kenya should also align its current policy frameworks, such as the National Climate Change Policy of 2016, to reflect its Article 6 approach.

- c. **Provide guidance on the integration of REDD+ into Kenya's Article 6 framework** – Though the National REDD+ Strategy highlights that there is need to strengthen the national and county government capacities to develop REDD+ programmes within the framework for Article 6, there is no guidance on the modalities of this integration. Kenya's Article 6 framework should therefore explicitly highlight the role of REDD+, if any, as it is currently unclear the policy position that Kenya intends to take on this. One of the channels that can be useful in clarifying the use of REDD+ in Article 6 is Kenya's whitelist which is envisioned under the Climate Change Act to be a list highlighting priority activities or technologies that can deliver mitigation outcomes as provided for in the NDC and that are preferred by the Government of Kenya for Article 6.2 bilateral cooperation. The whitelist has not been published yet. This presents an opportunity for Kenya to carry out a technical analysis on the possibilities for REDD+ in Article 6 and consider REDD+'s inclusion in the Whitelist and the development of guidance on what REDD+ projects should fulfil, to be included, if at all, in implementing Article 6 in Kenya.



1

An Overview of Article 6

1.1 Article 6 Background

The Paris Agreement, adopted in 2015 under the UNFCCC, provides a unified framework for nations to limit global temperature rise to well below 2°C above pre-industrial levels, with an aspirational target of 1.5°C.¹ Central to the Paris Agreement is the requirement for parties to develop NDCs, which outline their climate action plans, including their intended mitigation targets.² While these pledges are not legally binding, parties are expected to implement domestic measures to achieve them.³ To provide flexibility in meeting these targets, the Paris Agreement introduced approaches for international cooperation under Article 6.⁴

Article 6 of the Paris Agreement provides a pathway for international cooperation in achieving global climate goals, by allowing countries to transfer carbon credits generated from ERRs, facilitating collective efforts to combat climate change. Article 6 provides three distinct pathways: Article 6.2, which supports bilateral or multilateral trading of ERRs between countries; Article 6.4, which creates a centralized mechanism for trading that is governed by the Supervisory Body for Article 6.4, and is fully accountable to the Parties to the Paris Agreement; and Article 6.8, which provides a pathway for non-market approaches, such as finance, technology transfer, and capacity building, for mitigation and adaptation

¹ Paris Agreement, adopted by the Conference of the Parties 12 December 2015, FCCC/CP/2015/L.9/Rev.1

² *Ibid*, Paris Agreement, Article 3

³ *Ibid*, Paris Agreement, Article 4(2)

⁴ *Ibid*, Paris Agreement, Article 6

without involving trading.⁵ Together, these approaches are projected to generate additional global reductions of 4 to 12 billion tons of CO₂ equivalent by 2030.⁶

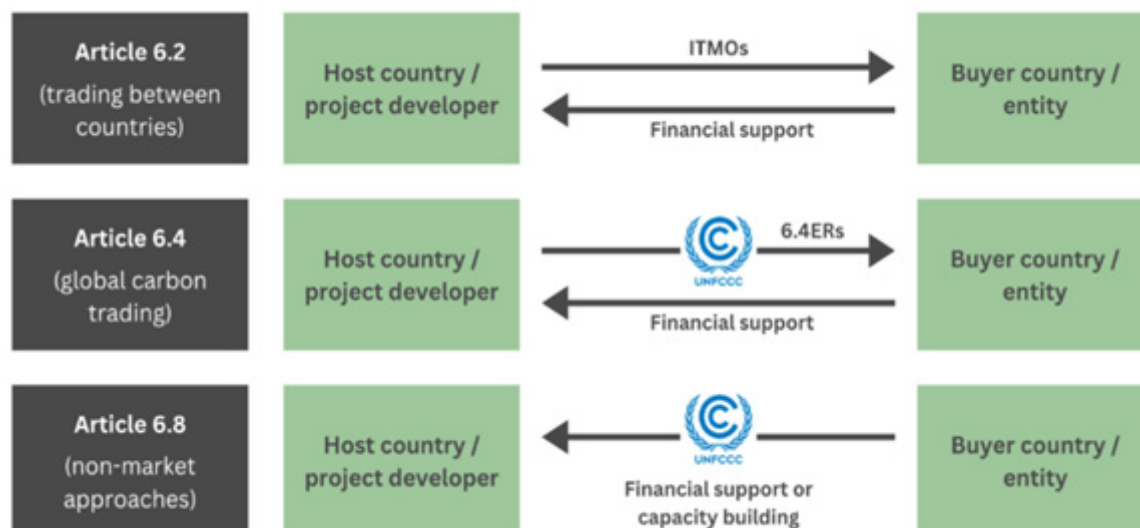


Figure 1: Forms of cooperation under Article 6⁷

The origins of the use of market approaches to deal with climate change issues can be traced back to the broader climate change framework established under the UNFCCC, adopted in 1992.⁸ The UNFCCC serves as the foundation for international efforts to combat climate change by aiming to stabilize greenhouse gas (GHG) concentrations at levels that prevent dangerous interference with the climate system.⁹ Nearly all countries have ratified the convention, reflecting a near-universal commitment to tackling this pressing global issue.¹⁰ With respect to market approaches, the UNFCCC highlights that efforts to address climate change may be carried out cooperatively.¹¹ The Convention further calls upon Parties to cooperate and promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, in order to enable them to better address the problems of climate change.¹²

In 2004, the parties to the UNFCCC negotiated the Kyoto Protocol, an international treaty designed to advance the Convention's goals by establishing binding negotiated emission reduction commitments.¹³ The Protocol marked a significant step in the global fight against

⁵ *Ibid*, Paris Agreement

⁶ Hoch S et al, The Landscape of Article 6 Implementation, (Climate Finance Innovators, 2023).

⁷ Zero Carbon Analytics, Article 6 of the Paris Agreement at COP29: What is at stake? (Zero Carbon Analytics, 2024)

⁸ UN General Assembly, United Nations Framework Convention on Climate Change: resolution / adopted by the General Assembly, 20 January 1994, A/RES/48/189

⁹ *Ibid*, United Nations Convention on Climate Change

¹⁰ Geraud L, Article 6.2 of the Paris Agreement: How to Oversee the International Transfers of Mitigation Outcomes, [2018] Center for International Governance Innovation

¹¹ UN General Assembly, United Nations Framework Convention on Climate Change: resolution / adopted by the General Assembly, 20 January 1994, A/RES/48/189

¹² *Ibid*, United Nations Convention on Climate Change

¹³ UNFCCC, Kyoto Protocol, adopted by the Conference of the Parties 11 December 1997, 2303, UNTS 162

climate change by requiring developed countries to reduce their GHG emissions. The Kyoto Protocol introduced three market mechanisms in order to achieve its goals, the Clean Development Mechanism (CDM), Joint Implementation (JI), and Emissions Trading (ET).

Table 1: Market Mechanisms under the Kyoto Protocol¹⁴

	Market Mechanism	Implementation
1	Clean Development Mechanism (CDM)¹⁵	The CDM under the Kyoto Protocol allows countries with binding emission reduction commitments to invest in projects that reduce GHG emissions in developing countries. These projects, such as rural electrification using solar panels or installing energy-efficient technologies, aim to foster sustainable development while reducing carbon footprints in host countries. In return, they generate Certified Emission Reductions (CERs), with each unit equivalent to one tonne of CO ₂ . These credits can be used by industrialized nations to meet their Kyoto targets. The CDM's success is reflected in the registration of over 8,000 projects and its significant contribution to climate action in developing countries.
2	Joint Implementation (JI)¹⁶	The Joint Implementation (JI) mechanism under the Kyoto Protocol enables countries with emission reduction targets to collaborate by investing in emission reduction projects within other countries that also have binding commitments. Unlike the CDM, which focuses on projects in developing nations, JI fosters cooperative efforts exclusively among countries with established commitments to limit GHG emissions. JI pioneered the possibility of two countries with commitments to limiting their GHG emissions to work cooperatively towards achieving their objectives."
3	Emissions Trading Scheme (ETS)¹⁷	The ETS established under the Kyoto Protocol created a mechanism for countries to trade carbon units based on their emission reduction needs and achievements. Signatory countries were allocated specific quotas for carbon emissions, with those exceeding their limits required to purchase additional carbon credits to meet their obligations. Conversely, countries that reduced emissions beyond their quotas could sell surplus units, including those generated from projects under the JI or the CDM, as well as from forestry-related removals.

However, the Kyoto Protocol's sole focus on developed nations revealed a critical limitation: it excluded emission reduction obligations for developing countries.¹⁸ As emissions from these nations grew rapidly, the inadequacy of the Kyoto Protocol in addressing the global nature of climate change became evident, leading to the development and adoption of the Paris Agreement in 2015.¹⁹

The Paris Agreement serving as a successor to the Kyoto Protocol adopts a different and more inclusive approach. It moves away from the system of obligations being limited to

¹⁴ *Ibid*, Kyoto Protocol [1997]

¹⁵ United Nations Framework Convention on Climate Change, A guide to UN Market Based Mechanisms, (UNFCCC, 2022)

¹⁶ *Ibid*, UNFCCC [2022]

¹⁷ *Ibid*, UNFCCC [2022]

¹⁸ Horowitz C, *Introductory Note to the Paris Agreement*, [2016] International Legal Matters Journal, Volume 55 Issue Number 30

¹⁹ *Ibid*, Horowitz C [2016]

developed nations and shifts from binding, mutually negotiated reduction requirements.²⁰ Instead, it allows all parties to make their own emission reduction pledges with significant flexibility in defining their stringency.²¹ While the Agreement does not impose enforceable obligations to meet these targets, it relies on transparency through regular reporting and collective stock-taking exercises.²²

Article 6 of the Paris Agreement offers transformative pathways for global collaboration in addressing climate change. By enabling countries to work together through the transfer of carbon credits and the adoption of both market and non-market approaches, it creates opportunities to achieve emission reduction goals while fostering innovation and inclusivity.²³ These approaches go beyond mere compliance, building bridges between nations, enhancing resource mobilization, and empowering developing countries to access the tools and technologies needed for sustainable growth.²⁴ Through Article 6, the Paris Agreement not only strengthens international solidarity but also charts a practical course for achieving climate goals in a manner that benefits all.

1.2 Operationalizing Article 6

After the entry into force of the Paris Agreement in 2016, the 22nd COP decided that the detailed implementation rules, the Paris Agreement Rulebook, should be developed and agreed upon before the end of 2018.²⁵ This is because 55 countries had already indicated in their NDCs that they wanted to use international market approaches, and 35 countries were considering this option. However, despite the high global interest in the Article 6 market approaches, the technical complexity of negotiations and political sensitivity of using market approaches slowed down the negotiation process,²⁶ and the Article 6 rulebook was officially agreed upon in 2021 (COP26).²⁷

Over successive COPs, including COP26 in Glasgow, parties have reached consensus on foundational rules, culminating in Decisions 2/CMA.3 and 3/CMA.3, which set the stage for implementing Article 6.2 on cooperative approaches and 6.4 on a centralized market mechanism.²⁸ However, this consensus was followed by several challenges.²⁹ A key issue at COP28 was defining a Cooperative Approach, particularly whether it could be established solely through a unilateral host country authorization of ITMOs or if bilateral or multilateral processes were necessary.³⁰ Additional disagreements arose regarding

²⁰ UNFCCC, *Paris Agreement*, adopted by the Conference of the Parties 12 December 2015, FCCC/CP/2015/L.9/Rev.1

²¹ *Ibid*, Paris Agreement

²² *Ibid*, Paris Agreement

²³ UNFCCC, *Paris Agreement*, adopted by the Conference of the Parties 12 December 2015, FCCC/CP/2015/L.9/Rev.1

²⁴ *Ibid*, Paris Agreement

²⁵ Michealowa A et al, *Negotiating cooperation under Article 6 of the Paris Agreement*, (European Capacity Building Initiative, 2019)

²⁶ *Ibid*, Michalowa A [2019]

²⁷ UNFCCC, *Draft Text on Matters relating to Article 6 of the Paris Agreement: Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement*, November 2021

²⁸ UNFCCC, Decision 2/CMA.3 *Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement* and UNFCCC, Decision 3/CMA.3 *Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement* adopted in November 2021, FCCC/PA/CMA/2021/10/Add.1

²⁹ Zaman P, et al, COP 28: *The failure to reach an Article 6 Decision*, (HFW, 2023)

³⁰ *Ibid*, Zaman P. et al [2023]

the secondary trading of ITMOs, specifically whether such trades should be allowed for NDC use without formal participation in a Cooperative Approach.³¹ Further complexities involved the timing, procedures, and minimum requirements for ITMO authorizations, along with questions about whether such authorizations could be revoked and under what conditions.³² Moreover, Parties faced difficulties in agreeing on the use of ITMOs when material inconsistencies in annual reporting by participating countries were identified, raising accountability concerns.³³

These challenges further delayed agreements on critical components of Article 6. Nevertheless, the discussions between Parties over these COPs laid the groundwork for the detailed discussions that took place at COP29. Held in November 2024, COP29 marked a pivotal moment where significant agreements were reached on Article 6.2, Article 6.4, and Article 6.8.³⁴

a. Article 6.2 Decisions at COP 29

The COP29 decisions on Article 6.2 focus on clarifying key aspects such as ITMOs authorizations, first transfer processes, transparency frameworks and registries.³⁵ Regarding ITMOs authorization, the CMA underscored that they are a cornerstone of the Article 6.2 process, ensuring the integrity and accountability of emission reductions transferred between parties.³⁶ Authorization involves formal approval by the transferring and acquiring parties, specifying whether ITMOs will be used to achieve the acquiring party's NDC or for other international mitigation purposes (OIMPs).³⁷ The decision established clear content requirements for authorization, including unique identifiers, the purpose of use, duration, and details of corresponding adjustments.³⁸ Importantly, it also addressed the processes and conditions under which changes to an ITMO's authorization may occur, emphasizing robust accounting measures to prevent double counting and maintain investor confidence.³⁹

The COP29 decision also clarified the concept of the first transfer of an ITMO, defining it as the initial international transfer or, in the case of OIMPs, the earlier authorization, issuance, use or cancellation of the mitigation outcome.⁴⁰ This distinction provides flexibility for ITMOs used in OIMPs while ensuring greater transparency and predictability for ITMOs utilized to meet NDCs. The decision highlights that first transfers occur only after the ITMO has been authorized and specifies deadlines for recording such transfers.⁴¹ These deadlines align with biennial transparency reporting requirements under Article 13 of the Paris Agreement, reinforcing the broader accountability framework.

³¹ *Ibid*, Zaman P. et al [2023]

³² *Ibid*, Zaman P. et al [2023]

³³ *Ibid*, Zaman P. et al [2023]

³⁴ United Nations Framework Convention on Climate Change Decision, CMA 6: *Matters relating to cooperative approaches referred to in Article 6, paragraph 2 of the Paris Agreement*, adopted in November 2024

³⁵ *Ibid*, CMA 6

³⁶ *Ibid*, CMA 6

³⁷ *Ibid*, CMA 6

³⁸ *Ibid*, CMA 6

³⁹ *Ibid*, CMA 6

⁴⁰ *Ibid*, CMA 6

⁴¹ *Ibid*, CMA 6

Additionally, the decision introduced safeguards for managing changes in ITMO authorization after the first transfer.⁴² Such changes are permitted only if specified in the initial authorization and must follow established processes to ensure transparency and prevent disputes between parties.⁴³ This measure aims to provide stability and predictability for acquiring parties and private investors, while allowing transferring parties limited flexibility in cases where their mitigation commitments might be compromised.

The decision also emphasized the importance of transparency to enhance trust in the cooperative approaches under Article 6. A key action was the establishment of a Centralized Accounting and Reporting Platform (CARP) to host information on ITMO authorizations submitted by parties. This platform will publicly display authorization details, updates, and changes, fostering transparency and market confidence while allowing for independent scrutiny.⁴⁴ Furthermore, parties are required to submit comprehensive reports detailing the generation, transfer, and use of ITMOs. These reports include initial, annual, and Biennial Transparency Reports (BTRs), with data formats and submission guidelines specified to ensure uniformity and accountability.⁴⁵

Transparency also extends to the automated verification of data consistency across parties' carbon registries. COP29 mandated the UNFCCC Secretariat to conduct consistency checks on annual reports submitted by parties. Results of these checks—indicating whether the data is consistent, inconsistent, or unavailable—will be publicly accessible via CARP.⁴⁶ The Secretariat's findings will inform the Article 6 Technical Expert Review (TER), which will recommend measures to resolve inconsistencies. Persistent inconsistencies will be reported to the CMA and made public, with parties encouraged to resolve issues promptly to prevent double counting and ensure compliance with their NDCs.⁴⁷

A contentious issue resolved at COP29 was the establishment of a registry system for ITMOs. The Decision allows parties to link their national registries to the UNFCCC's registry or use the Secretariat's registry services if they lack domestic capacity.⁴⁸ This system will enable the issuance, certification, and transfer of ITMOs while ensuring compatibility with national systems.⁴⁹ While the UNFCCC Secretariat will provide capacity-building support to help parties establish their own registries, its registry services are intended as a temporary measure.

Whilst, core elements of the Article 6.2 approach have been agreed upon and operationalized, certain aspects require further work at the UN level. For instance, COP 29 tasked the UNFCCC Secretariat with several key actions to be completed before COP30 in 2025. These include developing a standardized template for ITMO authorizations, improving electronic submission systems for annual information, offering registry services for parties without national registries, organizing dialogues to share experiences on cooperative approaches, and updating the Article 6.2 reference manual.

⁴² *Ibid*, CMA 6

⁴³ *Ibid*, CMA 6

⁴⁴ *Ibid*, CMA 6

⁴⁵ *Ibid*, CMA 6

⁴⁶ *Ibid*, CMA 6

⁴⁷ *Ibid*, CMA 6

⁴⁸ *Ibid*, CMA 6

⁴⁹ *Ibid*, CMA 6

b. Article 6.4 Decisions at COP 29

Two key decisions were made regarding Article 6.4. On the first day, the COP endorsed the SB's proposed approach under which it would be able to approve and amend the standards for methodologies assessment and activities involving removals, a task that originally fell under the COP. With this endorsement, the standards for methodologies and emission removals under the Article 6.4 mechanism entered into force. These standards define the criteria for creditable emission reductions or removals, including additionality, compliance with rules and modalities, and safeguards for environmental and social impacts, such as addressing reversals and leakage.⁵⁰

The second decision, clarified rules for the authorization of A6.4 emission reductions (A6.4ERs).⁵¹ Host parties must issue a statement of authorization for emission reductions to qualify as A6.4ERs, enabling them to count toward NDCs or OIMP.⁵² The decision also introduced a process for converting Mitigation Contribution Units (MCUs) into A6.4ERs and provided exemptions from the 5% Share of Proceeds levy for LDCs and SIDS to promote equitable access to climate finance.⁵³

Additional provisions included the development of a national and international registry system to track A6.4ERs and prevent double counting.⁵⁴ The COP29 decision also provided a timeframe and conditions for the transition of certain CDM projects, such as afforestation and reforestation initiatives, into the Article 6.4 mechanism.⁵⁵ CDM activities must meet new standards and obtain approvals by December 2025 to be authorized as A6.4ERs.⁵⁶ This ensures continuity for legacy projects, while establishing robust mechanisms to operationalize Article 6.4 and support global carbon markets.

The COP29 decisions on Article 6.4 tasked the UNFCCC Secretariat with developing a template for the authorization statements required for A6.4ERs to count toward NDCs and implementing the Paris Agreement Crediting Mechanism (PACM) registry for use by all participants.⁵⁷ However, significant challenges remain, including the limited capacity of the Supervisory Body for the Mechanism (SBM), which has only 12 staff members, and a USD 3.1 million funding shortfall.⁵⁸ These constraints make it unlikely that the PACM will become fully operational before COP30 in 2025, with the registration of A6.4ERs contributing to NDCs, likely delayed until 2026.

c. Article 6.8 Decisions at COP 29

Negotiations on the Article 6.8 work programme concluded with finalized text and adopted conclusions, marking progress toward advancing non-market approaches under the Paris

⁵⁰ United Nations Framework Convention on Climate Change Decision - CMA 6: *Further guidance on the mechanism established by Article 6, paragraph 4 of the Paris Agreement*, adopted in November 2024 (Advance unedited Version)

⁵¹ *Ibid*, CMA 6

⁵² *Ibid*, CMA 6

⁵³ *Ibid*, CMA 6

⁵⁴ *Ibid*, CMA 6

⁵⁵ *Ibid*, CMA 6

⁵⁶ *Ibid*, CMA 6

⁵⁷ *Ibid*, CMA 6

⁵⁸ *Ibid*, CMA 6

Agreement. Key outcomes included acknowledgment of the platform's low uptake, with only one non-market approach submitted so far, but an expectation of increased engagement over time.⁵⁹ The second phase will focus on implementing activities through a learning-by-doing approach informed by the first phase, with enhanced engagement of stakeholders, including Indigenous Peoples.⁶⁰ Spin-off groups will continue, with topics identified in advance, and outreach efforts will be scaled up to boost participation.⁶¹ Parties are encouraged to provide input on non-market approaches, and submissions by March 2025, which will explore barriers, solutions, and ways non-market approaches can support NDC implementation.⁶² The conclusions were adopted by the Subsidiary Body for Scientific and Technological Advice with a draft decision recommended for CMA6 adoption.

Overall, while COP29 made progress on various aspects of Article 6, several unresolved issues remain. The decision to pause further negotiations on the Guidance on Cooperative Approaches referred to in Article 6 of the Paris Agreement, including any unresolved issues in the existing guidance, until 2028, leaves key questions unanswered, creating some uncertainty for countries looking to engage in international carbon markets.⁶³ This delay may slow the development of bilateral agreements and hinder investment in mitigation activities that rely on clear accounting and authorization rules. However, to counter this, countries must in the meantime focus on strengthening their domestic frameworks and enhancing monitoring and reporting systems to ensure readiness for future negotiations. Furthermore, during the UNFCCC Bonn meeting in June 2024, countries agreed that negotiations around the eligibility of conservation enhancement under Article 6 will resume in 2028.⁶⁴ However, REDD+ is already eligible under Article 6.2 and potentially 6.4 (once the SBM approves the inclusion of REDD+ methodologies and standards) since they fall under the Intergovernmental Panel on Climate Change (IPCC) definitions of emission reductions and emission removals.⁶⁵

Despite these pauses, progress on the integration of REDD+ and Article 6 remains possible as COP29 clarified key aspects of Article 6, particularly addressing previous challenges stemming from divergent views on accounting rules, environmental integrity, and the prevention of double counting. These advancements have provided a clearer framework for implementing cooperative approaches under Article 6. Building on this progress, several countries and corporations have already started engaging in these approaches, supported by approximately USD 1.8 billion mobilized to advance and engage in Article 6 trades.⁶⁶ This demonstrates growing momentum toward operationalizing the approach, even as the technical and abstract elements for the Article 6.4 mechanism continue to evolve.

⁵⁹ United Nations Framework Convention on Climate Change Decision - CMA 6: Work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement and in decision 4/CMA.3, adopted in November 2024 (Advance unedited Version)

⁶⁰ *Ibid*, CMA 6

⁶¹ *Ibid*, CMA 6

⁶² *Ibid*, CMA 6

⁶³ United Nations Framework Convention on Climate Change Secretariat Mitigation Division, Key Outcomes from COP29: Article 6 of the Paris Agreement, (UNFCCC, 2024)

⁶⁴ The Nature Conservancy, Key Takeaways on Article 6 at COP 29, (The Nature Conservancy, 2024)

⁶⁵ *Ibid*, The Nature Conservancy [2024]

⁶⁶ Hoch S et al, *The Landscape of Article 6 Implementation*, (Climate Finance Innovators, 2023).

2

Article 6 in Kenya



2.1 Article 6 Pilots in Kenya

Despite African countries historically missing out on carbon markets in the Kyoto Protocol era, Kenya has been participating actively in carbon market activities and has been at the forefront.⁶⁷ The country has experienced significant growth in the number of carbon market projects, and was in 2022 the second largest issuer of VCM carbon credits in Africa, after the Democratic Republic of the Congo.⁶⁸ The country's involvement began with the registration of initial CDM projects during the Protocol's first commitment period (2008–2012), with the first CDM project registered around 2010 under the compliance market.⁶⁹

Kenya had also put in place a legal and institutional framework for overseeing carbon market activities during the Kyoto Protocol era under its National Guidelines on the CDM of 2001.⁷⁰ The country has also shown strong interest in participating in the implementation of Article 6, with pilots such as the Joint Crediting Mechanism (JCM), World Bank Carbon Initiatives Developers (Ci-Dev) program activities and the Swedish Energy Agency (SEA) Virtual Pilot Program.

⁶⁷ World Bank Group and Kenya Private Sector Alliance, *A Carbon Market Guidebook for Kenyan Enterprises*, (World Bank, 2024)

⁶⁸ *Ibid*, World Bank Group [2024]

⁶⁹ *Ibid*, World Bank Group [2024]

⁷⁰ Government of Kenya, *National Guidelines on the Clean Development Mechanism of 2001*, (Government of Kenya, 2001)

Table 2: Some of Kenya's Article 6 Pilot Projects

	Project Name	Project Details
1	The SEA Virtual Pilot Project⁷¹	The Kenya-SEA Virtual Pilot aims to accelerate the development of Kenya's geothermal energy sector by leveraging upfront co-funding through Article 6 cooperative approaches. It seeks to establish a dedicated funding facility, supported by donors, to de-risk greenfield projects and create cost-sharing Public-Private Partnerships (PPPs) with developers to expand geothermal capacity by approximately 200 MW. A share of emission reductions generated by geothermal plants would be tradable as ITMOs under a Mitigation Outcome Purchase Agreement (MOPA). Building on methodologies from the CDM, the project aims to ensure robust emission reduction measurements, with potential to transition between Article 6.4 and 6.2 mechanisms over time.
2	SimGas Biogas Programme of Activities⁷²	The SimGas Biogas Program of Activities, an Article 6 pilot project, addresses indoor air pollution and deforestation in rural Kenyan farming communities by promoting biogas as a clean cooking fuel. It aims to distribute biogas stoves and biodigesters, developed by Dutch social enterprise SimGas BV, to 75,000 families. These innovative systems, made from recycled plastic, convert manure and organic waste into clean fuel and nutrient-rich fertilizer, reducing reliance on firewood, GHG emissions, and deforestation while improving household savings and energy security. The project generates emission reductions, which are purchased by Ci-Dev through results-based payments, subsidizing the cost of biodigesters and stoves and ensuring affordability for low-income households.
3	Kenya Tea Development Authority (KTDA) Small Hydro Programme of Activities⁷³	Kenya aimed at supporting the country's goal of universal electricity access while promoting private-sector investment in clean energy. Developed by KTDA Power Company Limited and registered under the CDM in 2012, the program involves constructing 10 run-of-river small hydropower plants with a combined capacity of 16.2 MW. These plants will supply renewable electricity to nearly 40 tea factories, over 350,000 small farms, and the national grid through sales to the Kenya Power and Lighting Company. Carbon revenues from CERs, purchased by the World Bank's Ci-Dev under an Emission Reductions Purchase Agreement will complement commercial debt financing, including \$25 million from the International Finance Cooperation and syndicated loans from FMO Bank and Proparco. This results-based financing will enhance the program's commercial viability, enabling its expansion and replication while increasing the share of renewable energy in Kenya's electricity grid.
4	JCM⁷⁴	Kenya entered into a bilateral carbon trading Corporation with Japanese Government through the JCM in 2013. The overall objective of the JCM project is to reduce GHG emissions through diffusion of low-carbon low-emission technologies, products, systems, services and infrastructure for sustainable development. Kenya has engaged bilaterally with the Japanese Government under the JCM scheme that allows diffusion of low carbon technologies in the country, implementation of mitigation actions, and GHG emission reductions or removals used by Japan to achieve its emission reduction target. Japan anticipates continuing to operate the JCM under Article 6.2. This is important since the JCM helps contribute to the NDC of Japan and Kenya and is also relevant as it allows to build experience with comprehensive oversight functions by host governments as well as with crucial NDC features such as reinterpreting additionality in light of NDCs, avoiding double counting or overall mitigation of global emissions.

⁷¹ Climate Focus, *Kenya SEA Virtual Pilot Brief for Policy Makers*, (Climate Focus, 2019)

⁷² Carbon Initiative for Developers, *Kenya Biodigesters: Program Overview*, (CIDEV, 2020)

⁷³ World Bank Group and Kenya Tea Development Authority, *Project Information Document (Concept Stage)*, (World Bank Group, 2017)

⁷⁴ Joint Crediting Mechanism, *Kenya-Japan Bilateral Agreements*, (JCM, 2025) last accessed at JCM Kenya - Japan on 31st January 2025

The CMA, at its sixth session, decided that project activities and programs of activities (PoAs) registered under the CDM may transition to the Article 6.4 mechanism, provided they meet specified requirements.⁷⁵ To operationalize this transition, the SBM, at its fifteenth meeting, adopted a revision of the "Procedure: Transition of CDM activities to the Article 6.4 mechanism."⁷⁶ This procedure establishes the process for eligible CDM project activities and PoAs to transition.⁷⁷ Project participants interested in transitioning must submit their transition request no later than 31 December 2025.⁷⁸ Failure to meet this deadline will result in exclusion from the transition process.⁷⁹ The projects when making their transition request must ensure to align with the updated rules and methodologies under the Article 6 framework. This includes compliance with corresponding adjustment requirements, obtaining host country authorization, and fulfilling reporting obligations. As such, Kenya needs to make the necessary steps to ensure the transition of its CDM projects to the Article 6.4 mechanism.

In addition to the pilot projects, Kenya is in the process of negotiating bilateral agreements with other countries for Article 6.2. Progress to this end includes a signed MoU with Singapore to establish a framework for the trade of carbon credits between the two countries under Article 6.⁸⁰ This agreement will enable Kenya to transfer carbon credits earned from the reduction or removals of GHG emissions, helping Singapore meet its NDCs.⁸¹ Additionally, Kenya has initiated discussions with Switzerland, aiming to enter into a bilateral agreement for cooperation under Article 6.2.⁸² Kenya is also currently negotiating a bilateral agreement with the Swedish Government.⁸³ The Swedish Energy Agency has announced a transformative \$28.2 million initiative under the Climate Ambition Raising Through Article 6 (CARTA) program.⁸⁴ This agreement aims to support global carbon emissions reduction efforts while promoting poverty alleviation in African countries.⁸⁵

2.2 The policy and legal framework for Article 6 in Kenya

Kenya has established a policy and legal framework to guide its engagement with Article 6 of the Paris Agreement, reflecting its commitment to leveraging both market and non-market approaches to achieve its climate goals. This framework spans various sectors, including forestry, finance, and climate governance, ensuring an integrated approach to

⁷⁵ United Nations Framework Convention on Climate Change, *Transition of CDM activities*, (UNFCCC, 2025) last accessed at Transition of CDM activities | UNFCCC on 17th March 2025.

⁷⁶ *Ibid*, UNFCCC [2025]

⁷⁷ *Ibid*, UNFCCC [2025]

⁷⁸ *Ibid*, UNFCCC [2025]

⁷⁹ *Ibid*, UNFCCC [2025]

⁸⁰ Ministry of Foreign Affairs Singapore, *Transcript of Remarks by Prime Minister Lee Hsien Loong at Joint Press Conference with Kenyan President William Ruto*, (Ministry of Foreign Affairs Singapore on Thursday, 18 May 2023)

⁸¹ *Ibid*, (Ministry of Foreign Affairs Singapore 2023)

⁸² Switzerland Federal Council for the Environment, *Statement of Intent on a Bilateral Cooperation under Article 6 of the Paris Agreement between the Swiss Federal Council and the Government of the Republic of Kenya*, (Federal Council for the Environment Switzerland, 2023)

⁸³ Presentation on the Status of Operationalizing the Carbon Market Framework made by Kombi Ressa to the Carbon Markets Association of Kenya on Wednesday 15th January 2025

⁸⁴ United Nations Development Programme, *Sweden Deploys USD 28 million to Amplify Private Climate Investments in Africa*, (UNDP, 2024)

⁸⁵ *Ibid*, UNDP [2024]

addressing GHG emissions and enhancing climate resilience. By aligning its policies with the requirements of the Paris Agreement, Kenya has positioned itself to effectively participate in international carbon markets while safeguarding its domestic mitigation objectives and promoting sustainable development.

2.2.1 Policy framework

In alignment with the Paris Agreement's requirement for countries to submit NDCs⁸⁶, Kenya submitted its **Nationally Determined Contribution, 2020** which was an update of its 2015 Intended Nationally Determined Contributions (INDC).⁸⁷ The updated NDC aims to reduce the country's GHG emissions by 32% by 2030, relative to a Business-As-Usual (BAU) scenario of 143 MTCO₂eq, marking an increase from the 30% target set out in the 2015 draft.⁸⁸ Kenya intends to finance 21% of the mitigation cost, amounting to USD 3,725 million, from domestic sources, while the remaining 79%, or USD 14,000 million, is expected to come from international support in the form of finance, technology development and transfer, and capacity building.⁸⁹ Notably, Kenya highlights its intention to utilize market and non-market approaches under Article 6 of the Paris Agreement should the country exceed its enhanced NDC target.⁹⁰ The NDC notes that Kenya will develop national legislation and institutional frameworks governing such activities. Additionally, Kenya commits to accounting for any ITMOs in accordance with the UNFCCC's transparency and accounting framework.⁹¹ Kenya is in the process of developing an updated NDC which shall outline the country's climate action plans and targets extending up to the year 2035 and plans to submit this to the UNFCCC by the extended deadline of September 2025.

Kenya has also submitted to the UNFCCC its first **Biennial Transparency Report, 2024** which captures the country's progress in implementing its first updated Nationally Determined Contribution (NDC).⁹² The report highlights the various climate actions of state and non-state actors, demonstrating concerted efforts to reduce GHG emissions and respond to the impacts of climate change across sectors.⁹³ The report states that Kenya has developed a stand-alone inventory report that includes a national inventory document and common reporting tables.⁹⁴ The inventory report has been prepared in line with the modalities, procedures, and guidelines for the enhanced transparency framework provided in the annex to decision 18/CMA.1.⁹⁵ According to the report's estimations, Kenya's total greenhouse gas emissions were equivalent to 113,366 GgCO₂ eq, including the LULUCF Sector in 2022.⁹⁶ Total CO₂ emissions for the year 2022 are estimated to be

⁸⁶ Government of Kenya, *Nationally Determined Contributions*, (Government of Kenya, 2020)

⁸⁷ Government of Kenya, *Intended Nationally Determined Contributions*, (Government of Kenya, 2015)

⁸⁸ Government of Kenya, *Nationally Determined Contributions*, (Government of Kenya, 2020)

⁸⁹ *Ibid*, Government of Kenya, 2020

⁹⁰ *Ibid*, Government of Kenya, 2020

⁹¹ *Ibid*, Government of Kenya, 2020

⁹² Government of Kenya, *Kenya's first Biennial Transparency Report (BTR): First BTR to The United Nations Framework Convention on Climate Change*, (Government of Kenya, 2024)

⁹³ *Ibid*, Government of Kenya, 2024

⁹⁴ *Ibid*, Government of Kenya, 2024

⁹⁵ *Ibid*, Government of Kenya, 2024

⁹⁶ *Ibid*, Government of Kenya, 2024

66,519.7 GgCO₂ eq without contribution from the LULUCF sector.⁹⁷ The BTR highlights that Kenya will assess the implementation and achievement of its NDC target by accounting for its national GHG emissions and removals using the 2006 IPCC guidelines.⁹⁸ It reports that Kenya had not participated in cooperative approaches that involve the use of ITMOs under Article 6 as of 2022.

The *National Climate Change Action Plan (NCCAP) (2023-2027)* commits towards ensuring that Kenya meets its NDC target and emphasizes that the country is working towards complying with the provisions of the Paris agreement.⁹⁹ The NCCAP highlights that Kenya is part of the Eastern Africa Alliance on Carbon Markets and Climate Finance, formed in 2019 to enable the country and other six East African countries to shape and enhance their readiness to participate in the market approaches set out under Article 6 of the Paris Agreement.¹⁰⁰ The plan encourages the country to participate in the development of market-based approaches domestically and internationally and enhance capacity to engage in carbon market activities.¹⁰¹ It also emphasizes on "the importance of adhering with the Paris Agreement's Enhanced Transparency Framework and the need to establish MRV mechanisms such as the National Climate Change Registry, and the MRV systems that will be used to prepare GHG inventories and track mitigation actions for NDC reporting and accounting".¹⁰²

Kenya's *National Policy on Climate Finance, 2017* seeks to position Kenya to better access climate finance from a variety of mechanisms and sources.¹⁰³ The policy was formulated to enable Kenya transit to a low carbon resilient development and considers climate finance to include all finance that specifically targets low carbon or climate resilient development.¹⁰⁴ It encourages the government to generate carbon finance through the facilitation and implementation of initiatives that enhance climate resilience, reduce GHGs, and generate carbon credits through the compliance and VCM.¹⁰⁵ The policy underscores the importance of cautious implementation of market approaches under Article 6 of the Paris Agreement to ensure that Kenya's engagement in market-based approaches aligns with its national mitigation objectives.¹⁰⁶ It also notes that Kenya's NDC sets a specific mitigation target that necessitates domestic emissions reductions, however, transferring mitigation outcomes or trading emission reductions under the new mechanism could limit the availability of domestic reductions that count toward achieving the country's NDC target.¹⁰⁷ The policy concludes that if the Article 6 implementation framework is not managed effectively, it could constrain Kenya's mitigation options, leaving the government with only higher-cost pathways to pursue its GHG emissions reduction goals.¹⁰⁸ To prevent this risk, the country needs to come up with a

⁹⁷ *Ibid*, Government of Kenya, 2024

⁹⁸ *Ibid*, Government of Kenya, 2024

⁹⁹ Government of Kenya, *National Climate Change Action Plan (2023-2027)*, (Government of Kenya, 2023)

¹⁰⁰ *Ibid*, Government of Kenya, 2023

¹⁰¹ *Ibid*, Government of Kenya, 2023

¹⁰² *Ibid*, Government of Kenya, 2023

¹⁰³ Government of Kenya, *National Policy on Climate Finance, 2017*, (Government of Kenya, 2017)

¹⁰⁴ *Ibid*, Government of Kenya, 2017

¹⁰⁵ *Ibid*, Government of Kenya, 2017

¹⁰⁶ *Ibid*, Government of Kenya, 2017

¹⁰⁷ *Ibid*, Government of Kenya, 2017

¹⁰⁸ *Ibid*, Government of Kenya, 2017 See page 12

clear mitigation strategy. This could entail making technical decisions on which technologies and sectors are priority for Article 6; whether Kenya will establish a national buffer account to shore up the risk of overselling against the NDC target or contribute overall mitigation of global emissions; and the criteria used to determine what percentage of carbon credits from a carbon project is to be retained for use for Kenya's NDC, if any.

The country's *National Climate Change Framework Policy, 2016* focuses on appropriate mechanisms to enhance climate resilience and adaptive capacity, and the transition to low carbon growth.¹⁰⁹ The policy defines carbon markets as a trading system through which countries or other entities may buy or sell units of GHG emissions in an effort to meet their national limits on emissions, either under the Kyoto Protocol or under other agreements, such as that among member states of the European Union, and is among the first policies to offer a definition for carbon markets in the country.¹¹⁰ It also highlights the need to develop policies and strategies that will enhance Kenyan capacity to engage in carbon asset activities, strengthen the viability of domestic carbon asset production and increase access to international carbon markets.¹¹¹ There is however need to update the policy to align it with the Article 6 framework under the Paris Agreement, as it makes no mention of this and focuses on the Kyoto Protocol.

The *National REDD+ Strategy, 2021* calls upon the government to strengthen the national and county governments capacities to develop and implement programmes within the Article 6.2 and 6.4 of the Paris Agreement.¹¹² The strategy proposes that REDD+ projects may participate in Article 6, but it does not lay out a clear framework for achieving the same. The strategy does not specify the necessary steps, institutional arrangements, or methodologies that would enable REDD+ projects to generate and transfer mitigation outcomes under Article 6. As a result, while the strategy signals intent, it leaves a gap in terms of practical implementation. In noting the importance of Article 6 and the need to build capacity and to enable the implementation of viable programmes, the Strategy calls upon the government to lobby for incentives for entrepreneurs and enhance access to international and domestic voluntary and compliance carbon markets.¹¹³ The Strategy also notes the progress that site-scale projects have made in raising finance for conservation through monetizing emission reductions and removals in the VCM, and calls for the establishment of a jurisdictional REDD+ programme (J-REDD).¹¹⁴ Kenya's J-REDD programme could potentially be designed to be part of Article 6 following review of whether the programme meets the key Article 6 rules against double counting and other elements of environmental integrity.

2.2.2 Legal and regulatory framework

Based on a policy framework that envisages an important role for low carbon climate resilient development, Kenya has enacted laws and regulations to provide a legally binding framework that governs the country's participation in market and non-market approaches. The *Climate*

¹⁰⁹ Government of Kenya, *National Climate Change Framework Policy, 2016*, (Government of Kenya, 2016)

¹¹⁰ *Ibid*, Government of Kenya, 2016

¹¹¹ *Ibid*, Government of Kenya, 2016

¹¹² Government of Kenya, *National REDD+ Strategy*, (Government of Kenya, 2021)

¹¹³ *Ibid*, Government of Kenya, 2021

¹¹⁴ *Ibid*, Government of Kenya, 2021

Change Act, 2016 (CAP. 387A) (Act) provides for a regulatory framework for an enhanced response to climate change and provides for mechanisms and measures to achieve low carbon climate resilient development.¹¹⁵ While the Act on enactment in 2016 made no explicit references to carbon markets or Article 6, it lays the foundation for Article 6 and Kenya's participation in the carbon markets as it creates Kenya's first institutional framework for dealing with climate change matters, highlights the role of national and county government and sets out requirements for climate change financing including the establishment of a national climate change fund.

In 2023, the country amended the Act to incorporate provisions addressing Article 6 of the Paris Agreement. Later in 2024, Kenya adopted the **Climate Change (Carbon Markets) Regulations, 2024 (Legal Notice 84 of 2024)** (Regulations) which operationalize the provisions of the Act and provide guidance on Article 6 authorizations for carbon projects. Following this amendment, the Act now explicitly incorporates Article 6, providing a robust legal foundation for Kenya's participation in carbon markets. The Act highlights that the Cabinet Secretary shall develop regulations on carbon trading, carbon registry and non-market approaches.¹¹⁶ Kenya is in the process of developing these regulations and has published, for public participation, the proposed Climate Change (Carbon Trading) Regulations, 2025 (Draft Carbon Trading Regulations) and the Climate Change (Non-Market Approaches) Regulations, 2025 (Draft Non-Market Approaches Regulations).¹¹⁷ The proposed regulations have a bearing on Article 6.

The Draft Carbon Trading Regulations call upon the National Climate Change Council (NCCC) to, upon the advice of the Cabinet Secretary, determine the carbon budget for trading every NDC implementation period.¹¹⁸ The carbon budget for trading is defined as the approved maximum quantity of GHG emission reductions and/or removals allocated for trading within carbon markets. In advising the NCCC on the carbon budget for trading,¹¹⁹ the Cabinet Secretary shall take into consideration, among other factors, the emission reductions that have been achieved over and above the NDC target and any reductions that have been achieved through implementation of conditional mitigation actions of the NDC.¹²⁰ The Draft Carbon Trading Regulations also elaborate further on the issuance of Letters of Authorization, and call for the establishment of a carbon exchange for the trading of carbon credits in both the voluntary and compliance markets which shall be operated and regulated in accordance with the Capital Markets Act.¹²¹ The Draft Carbon Trading Regulations indicate that additional regulations under the Capital Markets Act will provide further details on the governance of carbon trading through a carbon exchange. Specifically, these regulations will outline the notification requirements for licensees concerning trades settled at the carbon exchange. The notification process will ensure that all transactions are properly recorded in the National Carbon Registry.¹²²

¹¹⁵ Section 3, Climate Change Act, 2016

¹¹⁶ Section 23A, Climate Change Act, 2016

¹¹⁷ Ministry of Environment, Climate Change and Forestry, *Public Participation Notice and Call for Comments on the Draft Climate Change (Carbon Trading) Regulations, 2025*, (Government of Kenya, March 2025); Ministry of Environment, Climate Change and Forestry, *Public Participation Notice and Call for Comments on the Draft Climate Change (Non-Market Approaches) Regulations, 2025*, (Government of Kenya, March 2025).

¹¹⁸ Section 6 (a), Draft Climate Change (Carbon Trading) Regulations, 2025

¹¹⁹ Section 2, Draft Climate Change (Carbon Trading) Regulations, 2025

¹²⁰ Section 6 (b) (i), Draft Climate Change (Carbon Trading) Regulations, 2025.

¹²¹ Section 8, Draft Climate Change (Carbon Trading) Regulations, 2025

¹²² Section 8 (6), Draft Climate Change (Carbon Trading) Regulations, 2025

The Draft Non-Market Approaches Regulations define non-market approaches as approaches that aim at promoting mitigation and adaptation ambition, enhancing public and private sector participation in the implementation of nationally determined contributions; and enabling opportunities for coordination across instruments and relevant institutional arrangements.¹²³ Aiming at facilitating and supporting national and international cooperation in implementing non-market approaches for sustainable development, the Draft Non-Market Approaches Regulations call for the establishment of a national web-based platform for non-market approaches.¹²⁴ The platform shall facilitate the recording, exchange and provision of information to the public as well as project proponents on identified opportunities for cooperation in non-market approaches.¹²⁵

Kenya's current legal and regulatory framework covers the following salient requirements of Article 6:

a. Article 6 Fundamentals

The Act mandates that carbon trading must adhere to strict standards, ensuring that transactions contribute to the reduction of GHG emissions, with mitigation outcomes reported in tonnes of carbon dioxide equivalent,¹²⁶ to ensure proper accounting. It also requires that carbon offset projects maintain emissions out of the atmosphere for a reasonable period, in line with relevant carbon standards, and that all emission reductions are meticulously documented,¹²⁷ to ensure permanence and enhance environmental integrity. Environmental integrity is further reinforced by requirements in the Act for the use of appropriate accounting terms, applying corresponding adjustments, ensuring avoidance of double counting, and adhering to transparency.¹²⁸

To support these efforts, the Act establishes the National Carbon Registry which will be publicly accessible, fostering transparency and accountability in Kenya's carbon market activities.¹²⁹ The National Carbon Registry will serve as a comprehensive database, recording details such as carbon credit projects and programs, Kenya's carbon budget, GHG reduction units, and the issuance, transfer, and cancellation of carbon credits.¹³⁰ It will also track corresponding adjustments and maintain records of carbon credits recognized by Kenya from national and international GHG registry accounts,¹³¹ and shall be managed by the DNA.¹³² The Act also establishes sector carbon registries in the energy, transport, agriculture, forestry and land use, industrial process and product use, and waste sectors which shall feed into the National Carbon Registry.¹³³ While the National Carbon Registry not only strengthens Kenya's capacity to manage carbon trading but also ensures that the

¹²³ Section 2, Draft Climate Change (Non-Market Approaches) Regulations, 2025

¹²⁴ Section 3 (d), Draft Climate Change (Non-Market Approaches) Regulations, 2025

¹²⁵ Section 5, Draft Climate Change (Non-Market Approaches) Regulations, 2025

¹²⁶ Section 3, Climate Change Act, 2016

¹²⁷ Section 23B, Climate Change Act, 2016

¹²⁸ Section 23B, Climate Change Act, 2016

¹²⁹ Section 23G, Climate Change Act, 2016

¹³⁰ Section 23G, Climate Change Act, 2016

¹³¹ Section 23G, Climate Change Act, 2016

¹³² Regulation 11, Climate Change (Carbon Markets) Regulations, 2024

¹³³ Regulation 13, Climate Change (Carbon Markets) Regulations, 2024.

country's efforts in emission reduction are accurately documented and aligned with global standards, it is yet to be developed.

The Act also provides that the country should develop guidance on the technologies and projects that shall be included in its whitelist.¹³⁴ The government has defined the whitelist as a non-binding, non-exhaustive periodic list of activities or technologies that can deliver mitigation outcomes as provided for in the NDC and that are preferred by the Government of Kenya for Article 6.2 bilateral cooperation.¹³⁵ This definition indicates that the country is willing to engage in Article 6.2 transactions which may include REDD+ and this creates a pathway for Kenya to engage in REDD+ ITMOs under Article 6.2, facilitating bilateral carbon transactions involving REDD+ mitigation outcomes. When applying for authorization, carbon projects must demonstrate and specify how their project aligns to the country's whitelist, if at all.¹³⁶ Although not explicitly stated, carbon projects that fail to make this specification or misrepresent the nature of their project may have their Letters of Approval and Authorization cancelled.¹³⁷ The whitelist is yet to be published and it is currently unclear which projects shall be enumerated in it.

To further ensure adherence to these principles, the Act sets out strict measures, which include requirements for reporting as well as offences and penalties. Project proponents must prepare and submit to the DNA annual progress reports providing key information on the project activities implemented during the reporting period.¹³⁸ Projects proponents that fail to comply with the reporting requirements commit an offence. In addition to this offence, the Act highlights that persons who: willingly conduct unauthorized trade in carbon credits; knowingly gives false or misleading information with respect to environmental or financial gains from the carbon market investment; manipulates carbon credit measurements in order to claim addition measurements; engages in money laundering through carbon trading; knowingly sells carbon credits to unauthorized entities; or fails to maintain carbon records commits an offence and is liable, on conviction, to a fine not exceeding five hundred million shillings or to imprisonment for a period not exceeding ten years or to both.¹³⁹

b. Institutional framework

Kenya's institutional framework for implementing Article 6 of the Paris Agreement is multisectoral, involving coordinated efforts across government bodies, regulatory agencies, and technical committees. This collaborative structure facilitates compliance with the Paris Agreement's environmental integrity principles while integrating carbon trading into Kenya's broader climate action and sustainable development agenda. The table below outlines the roles and responsibilities of key institutions involved in operationalizing Article 6 approaches.

Table 3: Kenya's Article 6 Institutional Framework

¹³⁴ Section 23A, Climate Change Act, 2016

¹³⁵ Section 2, Climate Change Act, 2016

¹³⁶ Sixth Schedule, Climate Change (Carbon Markets) Regulations, 2024

¹³⁷ Regulation 27, Climate Change (Carbon Markets) Regulations, 2024

¹³⁸ Regulation 29, Climate Change (Carbon Markets) Regulations, 2024

¹³⁹ Section 33 (1A), Climate Change Act, 2016

	Institution	Key Article 6 Roles
i	Cabinet Secretary Ministry of Environment Climate Change and Forestry	The Regulations provide that the Cabinet Secretary for Environment, Climate Change and Forestry is to appoint the DNA and must concur with the entity's approval and issuance of letters of approval to project proponents. ¹⁴⁰ The Cabinet Secretary must also approve the DNA's authorization of international transfer ¹⁴¹ of mitigation outcomes. As such all letters of approval and letters of authorization can only be issued following the Cabinet Secretary's approval. ¹⁴² The Cabinet Secretary is also tasked with advising the NCCC on the carbon budget for trading, based on Kenya's international obligations. ¹⁴³
ii	Cabinet Secretary Ministry of Finance	The Cabinet Secretary responsible for finance is tasked with collaborating with the Cabinet Secretary responsible for climate change to provide fiscal incentives for the development of carbon projects. ¹⁴⁴
iii	National Cabinet	Cabinet is tasked with approving agreements entered into by the Cabinet Secretary for Environment, Climate Change and Forestry with private entities to offset carbon emissions, as well as agreements to trade in a carbon market established or overseen by an internationally recognized entity that is approved by a recognized credible international body. ¹⁴⁵
iv	National Climate Change Council (NCCC)	The NCCC is tasked with advising the national and county governments on legislative, policy and other measures necessary for climate change response and attaining low carbon climate change resilient development. ¹⁴⁶ The Council must also provide guidance and policy direction on carbon markets to the national and county governments, the public and other stakeholders, and set the target for the regulation of GHGs. ¹⁴⁷
v	Climate Change Directorate (CCD)	The CCD is tasked with advising the government on measures and the control of carbon market activities being carried out by stakeholders in order to ensure compliance to these Regulations; coordination and mobilization of sectoral stakeholders for the effective control and management of carbon markets; coordination of public participation and awareness on carbon markets and facilitation of research on carbon markets. ¹⁴⁸ The CCD is also tasked with advising the Cabinet Secretary of the Ministry of Environment, Climate Change and Forestry on ITMOs, prior to their approval by the Cabinet Secretary. ¹⁴⁹

¹⁴⁰ Regulation 22 (9) (a), Climate Change (Carbon Markets) Regulations 2024

¹⁴¹ Regulation 23 (2), Climate Change (Carbon Markets) Regulations 2024

¹⁴² Regulation 23 (2), Climate Change (Carbon Markets) Regulations 2024

¹⁴³ Section 8 (2), Climate Change Act, 2016

¹⁴⁴ Regulation 35 (1), Climate Change (Carbon Markets) Regulations 2024

¹⁴⁵ Section 23 (c) (2) (b) and (c), Climate Change Act 2016

¹⁴⁶ Section 6, Climate Change Act 2016

¹⁴⁷ Section 6, Climate Change Act 2016

¹⁴⁸ Regulation 8, Climate Change (Carbon Markets) Regulations, 2024

¹⁴⁹ Sixth Schedule, Climate Change (Carbon Markets) Regulations, 2024

	Institution	Key Article 6 Roles
vi	Designated National Authority (DNA)	The DNA plays a central role in overseeing Kenya's carbon market activities and is tasked with providing critical information and guidance to project proponents, including operationalizing Article 6.2 and Article 6.4 of the Paris Agreement. ¹⁵⁰ This includes reviewing carbon project concept notes, issuing letters of approval or no objection, and submitting project design documents to ad hoc committees for evaluation. ¹⁵¹ The DNA monitors compliance with regulations, ensures projects adhere to recognized carbon standards, and advises on eligibility criteria, corresponding adjustments, and international rules. ¹⁵² Additionally, the DNA maintains an updated list of approved carbon standards and appoints project-specific ad hoc committees to assess concept notes and design documents. ¹⁵³ Pursuant to Gazette Notice number 7621, the Cabinet Secretary appointed the National Environmental Management Authority (NEMA) as the DNA with effect from 12th June 2024.
vii	Multisectoral Technical Committee	The multi-sectoral technical committee shall consist of membership drawn from ministries, counties, departments and agencies and comprise of all sectors of the IPCC to provide technical advice to the DNA on carbon project assessment. ¹⁵⁴ Member of the committee shall possess technical expertise in energy, transport, agriculture, forestry and land use, industrial processes and product use and the waste sector. ¹⁵⁵
viii	Sector Registrar	The sector registrars shall head registries of the sectors and shall keep, maintain and update a sector register of their respective carbon projects; implement measures to ensure the confidentiality of information collected under the regulations, and submit to the registrar quarterly reports of the information maintained in the sector registers established under the regulation. ¹⁵⁶
ix	Ad Hoc Committees	The ad-hoc committees are tasked with reviewing project design documents and providing recommendations to the DNA. The committees must also provide technical advice to the DNA on carbon projects. ¹⁵⁷
x	County Governments	The Sixth Schedule of the Regulations mandates that applications for letters of authorization shall be accompanied by letters of approval from respective county governments. For carbon projects to receive letters of approval their submission of the project's Project Design Document (PDD) must be accompanied by county government approvals, ¹⁵⁸ and a letter of support from the county government where the project is situated. ¹⁵⁹

c. Article 6 authorization process

Participation in carbon credit trading is authorized through bilateral or multilateral agreements, partnerships with private entities, or VCM, creating diverse pathways for Kenya to engage in global carbon trading initiatives. These agreements must prioritize the dual goals of reducing GHG emissions and promoting sustainable development, while also incentivizing public and private sector participation in emission reduction efforts. The

¹⁵⁰ Regulation 7, Climate Change (Carbon Markets) Regulations, 2024

¹⁵¹ Regulation 7, Climate Change (Carbon Markets) Regulations, 2024

¹⁵² Regulation 7, Climate Change (Carbon Markets) Regulations, 2024

¹⁵³ Regulation 7, Climate Change (Carbon Markets) Regulations, 2024

¹⁵⁴ Regulation 9, Climate Change (Carbon Markets) Regulations, 2024

¹⁵⁵ Regulation 9, Climate Change (Carbon Markets) Regulations, 2024

¹⁵⁶ Regulation 14, Climate Change (Carbon Markets) Regulations 2024

¹⁵⁷ Regulation 12, Climate Change (Carbon Markets) Regulations 2024

¹⁵⁸ Regulation 22 (4) (a), Climate Change (Carbon Markets) Regulations 2024

¹⁵⁹ Regulation 16 (m), Climate Change (Carbon Markets) Regulations 2024

government is required to report any emission reductions achieved through these agreements in Kenya's national communications to the UNFCCC, ensuring transparency and alignment with international climate commitments.

Carbon project proponents may request the DNA for authorization of ITMOs.¹⁶⁰ This request must be submitted in the format outlined in the Sixth Schedule of the Regulations.¹⁶¹ Once the application is received, the DNA, with the approval of the Cabinet Secretary, may issue a Letter of Authorization (LoA). The LoA, which follows the template provided in the Seventh Schedule, serves as the official document permitting the transfer of ITMOs.¹⁶² The request for a LoA is to be accompanied by the letter of approval (which is issued to indicate that the carbon project has been approved and may begin operations for new carbon projects or may continue operations for existing carbon projects), Project Design Document (PDD), and the agreement entered into with the buyer for the authorized carbon credits where existing.¹⁶³ Details of the project approval process are detailed in the table below.

Table 4: Carbon project approval process and requirements

Step	Requirements	
Application for Letter of No Objection. ¹⁶⁴	Requirements ¹⁶⁵	A project proponent who wishes to engage in a carbon project shall apply to the DNA for approval of the carbon project. The application shall be in Form PCN set out in the First Schedule; accompanied by minutes of the proponent's meeting approving the project; and accompanied by the fees specified in the Second Schedule.
	DNA Decision ¹⁶⁶	Approval: Where the DNA is satisfied that the project proponent has fulfilled the requirements for approval under the Act and these Regulations, the DNA shall, within fourteen days of receipt of the application, issue a letter of no objection in the manner set out in the Third Schedule, to the project proponent.
		Rejection: Where the DNA declines an application, the DNA shall within fourteen days of its decision notify, in writing, the project proponent of the refusal and provide reasons for such refusal. Reasons for refusal shall include incomplete particulars provided in the application; failure to provide appropriate safeguards for environmental protection and where the project proponent is in violation of any provision of the Act and these Regulations
		Resubmission of particulars: Where the DNA declines an application due to incomplete particulars the DNA shall, in writing, request the project proponent to provide any missing particulars within sixty days of the decision. Where the project proponent fails to submit the particulars requested within the stipulated time, the Designated National Authority shall cancel the application.

¹⁶⁰ Regulation 23, Climate Change (Carbon Markets) Regulations 2024

¹⁶¹ Regulation 23, Climate Change (Carbon Markets) Regulations 2024

¹⁶² Regulation 23, Climate Change (Carbon Markets) Regulations 2024

¹⁶³ Sixth Schedule, Climate Change (Carbon Markets) Regulations 2024

¹⁶⁴ Regulation 21, Climate Change (Carbon Markets) Regulations, 2024

¹⁶⁵ Regulation 21 (2), Climate Change (Carbon Markets) Regulations, 2024

¹⁶⁶ Regulation 21 (4) to (7), Climate Change (Carbon Markets) Regulations, 2024

Step		Requirements
	Fees ¹⁶⁷	Citizens shall pay a total of KES. 10,000 whereas non-citizens shall pay a total of KES. 100,000. (Citizens are defined as body corporate which is wholly owned by one or more citizens or a trust where all of the beneficial interest of the trust is held by persons who are citizens.)
Application for a Letter of Approval¹⁶⁸	Requirements ¹⁶⁹	Upon receipt of the letter of no objection project proponents are required to develop a PDD to be submitted to the DNA within twelve months of obtaining the letter of no objection. The PDD shall provide a detailed description of the project activity, a detailed description of the baseline and monitoring methodology, and the carbon credit period. The PDD shall be accompanied by the requisite national and county government approvals; a stakeholder report; a community development agreement for land-based carbon projects on public and community land in the manner set out in the Fourth Schedule; a project validation report; and the fees set out in the Second Schedule.
	DNA Decision ¹⁷⁰	The DNA shall within seven days upon receipt of the PDD submit it to the ad hoc committee for recommendation. The ad hoc committee shall within thirty days of receipt of the project design document review it and submit its recommendation to the DNA. The DNA shall then within fourteen days of the receipt of the report and recommendations of the ad hoc committee either issue the letter of approval or a rejection with written reasons.
	Fees ¹⁷¹	Carbon PDD fees: Citizens shall pay a total of KES. 100,000 whereas non-citizens shall pay a total of KES. 200,000 for the carbon project design document.
		Administrative fees: Upon approval of the PDD, a carbon project with projected annual issuance of 15,000 carbon credits per annum or less shall pay administrative fees of KES 150,000 and a carbon project with projected annual issuance of more than 15,000 carbon credits per annum shall pay administrative fees of KES 300,000 <i>The fixed administrative fee paid by a project proponent will be deducted from the administrative fee payable by a project proponent at first issuance</i>
		Upon issuance administrative fees: Project proponents shall upon issuance and within thirty days of the issuance pay: the Kenya Shilling equivalent of USD 0.10 per carbon credit issued for the first 15,000 tonnes of CO ₂ equivalent for which issuance is requested in a given year; and the Kenya Shilling equivalent of USD 0.20 per carbon credit issued for any amount in excess of 15,000 tonnes of CO ₂ equivalent for which issuance is requested in a given year.

The DNA shall upon request by a project proponent apply corresponding adjustments to ensure that there is no double counting of mitigation outcomes. A corresponding adjustment fee of the Kenya shilling equivalent of USD 4 per unit of ITMO is to be paid to the DNA by the project proponent, where a corresponding adjustment is applied. The

¹⁶⁷ Second Schedule, Climate Change (Carbon Market) Regulations, 2024

¹⁶⁸ Regulation 22, Climate Change (Carbon Markets) Regulations, 2024

¹⁶⁹ Regulation 22 (4) and (5), Climate Change (Carbon Markets) Regulations, 2024

¹⁷⁰ Regulation 22 (7) to (9), Climate Change (Carbon Markets) Regulations, 2024

¹⁷¹ Schedule 2, Climate Change (Carbon Markets) Regulations, 2024

corresponding adjustment fees paid by the project proponents are to be paid into the Climate Change Fund established under Section 25 of the Act. The fund is however yet to be operationalized.

The LoA includes a critical authorization statement specifying the quantity of ITMOs that a project is allowed to transfer within a defined period.¹⁷² To ensure environmental integrity and prevent double counting or double claiming, the LoA contains a declaration by the Kenyan government.¹⁷³ This declaration confirms that the emission reductions authorized as ITMOs will not be counted toward Kenya's NDC.¹⁷⁴ Additionally, it guarantees that Kenya will apply corresponding adjustments to its emissions accounting, in line with the requirements of the Paris Agreement. This ensures that the transferred emission reductions are accurately reflected in both Kenya's and the acquiring country's climate targets.¹⁷⁵

The LoA also introduces a provision requiring carbon projects to allocate a percentage of their total carbon credits for two specific purposes: contributing to Kenya's NDC targets and addressing global emissions.¹⁷⁶ However, the Regulations do not specify the exact percentage of this contribution or identify which projects will be subject to this requirement. These details are expected to be determined on a case-by-case basis, with further guidance to be provided by the DNA in the future.

¹⁷² Seventh Schedule, Climate Change (Carbon Markets) Regulations 2024

¹⁷³ Seventh Schedule, Climate Change (Carbon Markets) Regulations 2024

¹⁷⁴ Seventh Schedule, Climate Change (Carbon Markets) Regulations 2024

¹⁷⁵ Seventh Schedule, Climate Change (Carbon Markets) Regulations 2024

¹⁷⁶ Seventh Schedule, Climate Change (Carbon Markets) Regulations 2024



3 The Linkage between REDD+ and Article 6

3.1 Status and Trends

REDD+ refers to the reduction of emissions from deforestation and forest degradation in developing countries plus the sustainable management of forests, the conservation of forests and enhancement of forest carbon stocks.¹⁷⁷ It is a program that was conceived at COP 13 in Bali as a voluntary nationally driven framework for high-income countries to pay low- and middle-income countries for the reductions in forest emissions.¹⁷⁸ As currently conceptualized, REDD+ recognizes the carbon and non-carbon benefits of keeping trees standing, whilst addressing the land uses that drive deforestation and degradation and enables implementing countries to not only preserve their globally important forests to help remove GHGs and mitigate climate change but also provide forest-dependent communities with new streams of benefits.¹⁷⁹

After several years of negotiations and discussions at the international level, the COP during its 16th meeting, adopted the Cancun Agreement which sets out seven key safeguards that

¹⁷⁷ United Nations Framework Convention on Climate Change (UNFCCC), Report of the Conference of Parties on its 13th Session, held in Bali from 3 to 15 December 2007, Decision 1/CP.13, FCCC/CP/2007/6/Add.1 (UNFCCC 2007). In 2010 at COP 16, there was an "agreed outcome" in the form of the Cancún decision on REDD+ which was adopted to expand the role of forests in mitigating climate change to include conservation of forest carbon stocks, sustainable management of forests and enhancement of forest carbon stocks, as envisioned by the Bali Action Plan.

¹⁷⁸ Parrotta J. et al, (eds.), *Forests, Climate, Biodiversity and People: Assessing a Decade of REDD+*, International Union of Forest Research Organizations (IUFRO) World Series Volume 40, (IUFRO, 2022).

¹⁷⁹ *Ibid*, Parrotta J. et al [2022]

must be adhered to during REDD+ implementation.¹⁸⁰ The Cancun Agreement indicates that REDD+ activities should actively pursue benefits beyond carbon emission reductions, such as enhancing land tenure security, enhancing biodiversity and other ecosystem services, improving forest governance and empowering relevant stakeholders by ensuring participation.¹⁸¹

The COP later, at its 19th meeting in December 2013, adopted the 'Warsaw Framework for REDD+'.¹⁸² The Warsaw Framework builds on previous COP decisions and clarifies and consolidates the requirements countries must meet in order to access results-based finance, as well as prior guidance developed by the COP.¹⁸³ According to the Warsaw Framework, developing country Parties aiming to receive results-based finance for REDD+ must have in place a: national strategy or action plan; national forest reference emission level and/or FRL; a robust and transparent NFMS; and a system for providing information on how the safeguards are being addressed.¹⁸⁴

The role of forests in addressing the dual challenges of climate mitigation and adaptation is explicitly recognized under Article 5 of the Paris Agreement which calls upon Parties to take action to conserve and enhance these sinks and reservoirs, particularly forests, as part of broader efforts to meet global climate goals.¹⁸⁵ This commitment is further reinforced in Article 4 of the UNFCCC which underscores the necessity of conserving and enhancing natural sinks and reservoirs of GHG, including forests, oceans, and other ecosystems not governed by the Montreal Protocol.¹⁸⁶ Collectively, these frameworks establish a robust framework for REDD+, ensuring its role as a cornerstone in achieving sustainable, equitable, and effective climate action.

a. Insights from COP Decisions

REDD+ and Article 6 of the Paris Agreement are intrinsically linked through their shared goal of enhancing climate action by leveraging both market and non-market approaches. The Article 6 rule book developed at COP26 defines criteria for cooperative approaches and corresponding adjustments, and the rules under Article 6.2 as well as the modalities for Article 6.4 activities.¹⁸⁷ The rulebook's provisions embrace all sectors and do not exclude any activities or methodologies.¹⁸⁸

¹⁸⁰ Decision 1/CP.16 *The Cancun Agreements: Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention*, (UNFCCC, 2010).

¹⁸¹ *Ibid*, (UNFCCC, 2019)

¹⁸² Decisions 11/CP.19: 12/CP.19; 13/CP.19 *The Report of the Conference of Parties on its nineteenth session, held in Warsaw from 11 to 23 November 2013*, FCCC/CP/2013/10/Add.1 (UNFCCC, 2013)

¹⁸³ *Ibid*, (UNFCCC, 2013)

¹⁸⁴ *Ibid*, (UNFCCC, 2013)

¹⁸⁵ UNFCCC, *Paris Agreement*, adopted by the Conference of the Parties 12 December 2015, FCCC/CP/2015/L.9/Rev.1

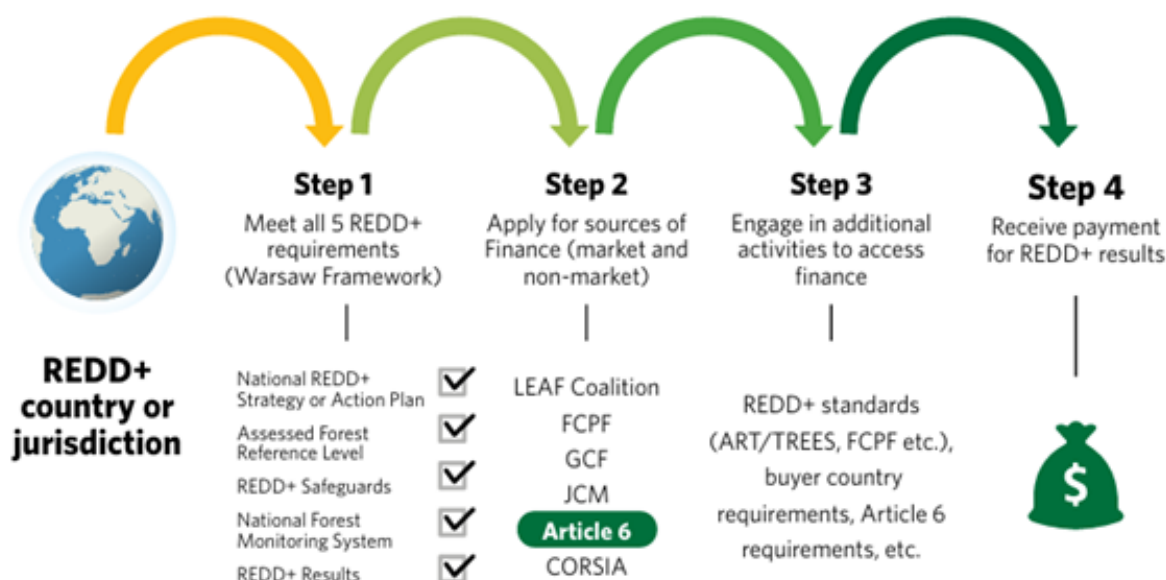
¹⁸⁶ UN General Assembly, *United Nations Framework Convention on Climate Change: resolution / adopted by the General Assembly, 20 January 1994, A/RES/48/189*

¹⁸⁷ UNFCCC, *Report of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement on its third session, held in Glasgow from 31 October to 13 November 2021 UNFCCC, Decision 2/CMA.3 Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement and, Decision 3/CMA.3 Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement adopted in November 2021*, FCCC/PA/CMA/2021/10/Add.1

¹⁸⁸ *Ibid* (UNFCCC 2021)

REDD+ activities, such as avoided deforestation or avoided conversion, afforestation and reforestation, or sustainable forest management, can be developed under both implementation modalities of Article 6 (Art. 6.2 and 6.4), so long as they comply with the respective international and national rules. REDD+ can fulfill the requirements of Article 6.2 by providing measurable, reportable, and verifiable emission reductions through its activities, including reducing emissions from deforestation, forest degradation, and enhancing forest carbon stocks.¹⁸⁹ These activities fall within the scope of ITMOs, which are the units under Article 6.2, and can be used for cooperative approaches between countries.¹⁹⁰ While the Warsaw Framework and the Cancun Safeguards provide a strong foundation for REDD+ programs, host countries must demonstrate compliance with additional Article 6 requirements, as they would do with ERRs from any other sector, to ensure the eligibility of these mitigation outcomes.¹⁹¹

Figure 2: Linking REDD+ with Article 6¹⁹²



The SB has been deliberating on the inclusion of jurisdictional methodologies, alongside project-based approaches, within the Article 6.4 approach.¹⁹³ At COP29, the parties requested the SB, referencing decision 3/CMA.3, paragraph 5(b)(i), to expedite the revision of the baseline and monitoring methodologies employed for the CDM under Article 12 of the Kyoto Protocol, with the intention of implementing them with necessary revisions, in accordance with decision 3/CMA.3 for activities under the framework established by Article 6, paragraph 4.¹⁹⁴ These methodologies once approved will

¹⁸⁹ Coalition for Rainforest Nations, REDD+ under Article 5.2 and Article 6.2 of the Paris Agreement: Primer Report, (Coalition for Rainforest Nations, 2024)

¹⁹⁰ *Ibid*, Coalition for Rainforest Nations [2024]

¹⁹¹ *Ibid*, Coalition for Rainforest Nations [2024]

¹⁹² Granziera B et al, *Article 6 Explainer: Questions and Answers about the Cop Decisions on Carbon Markets and What They Mean for NDCs, Nature, and the Voluntary Carbon Markets*, (The Nature Conservancy, 2024)

¹⁹³ *Ibid*, Granziera B [2024]

¹⁹⁴ UNFCCC, Conference of the Parties serving as the meeting of the Parties to the Paris Agreement Sixth Session Draft Decision on Matters relating to Article 6 of the Paris Agreement Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement and referred to in decision 3/CMA.3, adopted in November 2024

provide the standards and procedures to guide trading in REDD+ activities under Article 6.4 approach.

REDD+ outcomes can also play a role in supporting non-market approaches under Article 6.8, fostering global collaboration and financial flows to forest-rich developing countries.¹⁹⁵ By integrating REDD+ into these approaches, countries can finance forest conservation, enhance carbon stocks, and achieve their NDC targets more effectively.¹⁹⁶

b. Incorporation of REDD+ into NDCs

Since the adoption of the Warsaw Framework for REDD+, 65 developing countries have reported efforts to reduce deforestation and forest degradation to the UN Climate Change Secretariat.¹⁹⁷ The REDD+ efforts implemented by these developing countries cover a forest area of about 1.35 billion hectares which is approximately 62% of forest area in developing countries, and 33% of the global forest area.¹⁹⁸ Furthermore, about 13 REDD+ host countries have met the Warsaw Frameworks requirements and have reported a reduction of 9.03 billion tons of carbon dioxide, enabling them to obtain results-based finance.¹⁹⁹ As of September 2020, six funding proposals (Brazil, Chile, Colombia, Ecuador, Indonesia and Paraguay) for REDD+ results-based payments had been approved by the Green Climate Fund, totalling USD 361 million.²⁰⁰

These REDD+ host countries emphasize the critical contribution of forest-related activities within the Land Use, Land Use Change and Forestry (LULUCF) sector in enabling them to meet their NDC goals.²⁰¹ The sector accounts for 25% of committed emission reductions, second only to the energy sector, underscoring the growing recognition of forestry-related activities in global climate strategies.²⁰² Notably, 8% of all current NDCs explicitly refer to REDD+ implementation.²⁰³ Furthermore, ninety per cent of the updated NDCs that were submitted to the UNFCCC in 2020 include the LULUCF sector within their scope, as compared to just 76 per cent of the first NDCs submitted.²⁰⁴

Specific REDD+ related measures captured under countries NDCs include, for example, the expansion of early warning systems for deforestation, the drafting and implementation of zero-deforestation agreements, integrating REDD+ into their national economy or multi-

¹⁹⁵ Coalition for Rainforest Nations, *REDD+ under Article 5.2 and Article 6.2 of the Paris Agreement: Primer Report*, (Coalition for Rainforest Nations, 2024)

¹⁹⁶ *Ibid*, Coalition for Rainforest Nations [2024]

¹⁹⁷ United Nations REDD+ Programme, *REDD+ Cooperative Approaches in support of NDCs, Presentation at the UNREDD Second Executive Board Meeting held in Rome Italy from 18th to 19th October 2018*, (UN-REDD, 2018).

¹⁹⁸ Food and Agriculture Organization of the United Nations, *From Reference Levels to Results Reporting: REDD+ under the United Nations Framework Convention on Climate Change*, (FAO, 2020).

¹⁹⁹ *Ibid*, FAO, [2020]

²⁰⁰ *Ibid*, FAO, [2020]

²⁰¹ United Nations REDD+ Programme, *REDD+ Cooperative Approaches in support of NDCs, Presentation at the UNREDD Second Executive Board Meeting held in Rome Italy from 18th to 19th October 2018*, (UN-REDD, 2018).

²⁰² *Ibid*, UNREDD [2018]

²⁰³ *Ibid*, UNREDD [2018]

²⁰⁴ United Nations REDD+ Programme, *Global Info Brief Linking REDD+, the Paris Agreement, Nationally Determined Contributions, and the Sustainable Development Goals: Realizing the Potential of Forest for NDC Enhancement and Implementation*, UN-REDD, [2022]

sectoral targets, setting specific REDD+ targets, and implementing targeted activities such as REDD+ projects, zero-deforestation agriculture, and agroforestry.²⁰⁵

Although the LULUCF sector has taken on a more prominent role in the new and updated NDCs, only around 26 percent of these NDCs feature measurable targets for the sector, such as the area of land reforested.²⁰⁶ Even fewer, about 8 percent of the initial NDCs, set GHG-based targets or specify carbon dioxide equivalent reductions.²⁰⁷ This lack of standardized targets complicates efforts to assess the sector's overall mitigation potential. Nevertheless, global studies suggest that, if fully implemented, the sector will contribute the total emission reductions planned for it by 2030.²⁰⁸ This emission reduction may be achieved by reducing the annual rate of permanent forest loss by 65% by 2030 and 72% by 2035.²⁰⁹

c. Receipt of REDD+ funding through Article 6

Article 6 of the Paris Agreement provides a vital framework for mobilizing international funding to support REDD+ initiatives, offering both market-based and non-market-based avenues for forest conservation and emission reduction. By enabling co-operative approaches under Article 6.2 and the establishment of a centralized mechanism under Article 6.4, countries can channel financial resources into REDD+ projects that align with their NDCs. These approaches facilitate the transfer of emission reductions while ensuring environmental integrity and transparency, making REDD+ an attractive option for achieving climate goals.

Countries such as Japan have already leveraged Article 6 to finance REDD+ operations, exemplifying its potential to scale up support for forest-rich developing nations. Japan has utilized Article 6 to channel funding toward REDD+ projects through its JCM program, which aligns with the co-operative approaches under Article 6.2 of the Paris Agreement.²¹⁰ The country established the Japan Fund for the Joint Credit Mechanism (JFJCM), managed by the Asian Development Bank, to support GHG emission reduction projects in developing nations.²¹¹ Through partnerships with 27 countries, Japan has extended its JCM program to include financing REDD+ operations in Laos and Indonesia.²¹² These projects contribute to Japan's NDC while promoting forest conservation and sustainable land-use practices in partner countries.

REDD+ host countries are also entering agreements to sell carbon credits under Article 6.2 that have been developed using the UNFCCC REDD+ framework. Suriname has entered into an agreement with ITMO Ltd and BancTrust Investment Bank and is offering 1.5 million

²⁰⁵ United Nations REDD+ Programme, *REDD+ Cooperative Approaches in support of NDCs, Presentation at the UNREDD Second Executive Board Meeting held in Rome Italy from 18th to 19th October 2018*, (UN-REDD, 2018).

²⁰⁶ *Ibid*, UNREDD [2022]

²⁰⁷ *Ibid*, UNREDD [2022]

²⁰⁸ *Ibid*, UNREDD [2022]

²⁰⁹ Boehm S. et al, *By the Numbers: The Climate Action we Need in This Decade*, World Resources Institute, 2024 last accessed at: Sectoral Emissions Reductions Needed in 2030 and 2035 | World Resources Institute, on 17th March 2025

²¹⁰ Asian Development Bank, *Establishment of the Japan Fund for the Joint Crediting Mechanism*, (Asian Development Bank 2014)

²¹¹ Government of Japan, *Recent Developments of the Joint Crediting Mechanism (JCM)*, (Government of Japan, 2024)

²¹² Ministry of Environment Japan, *JCM Financing Programme by MOE Japan (FY2013-2024)*, (Government of Japan 2024)

fully UNFCCC REDD+ nationally and internationally verified and validated carbon credits.²¹³ There has been strong investor interest and robust demand for Suriname's forest carbon ITMOs, with reports indicating that 65 companies have already expressed interest.²¹⁴

d. Development and Inclusion of REDD+ in Article 6 frameworks

Countries are actively developing Article 6 frameworks to align with the cooperative approaches under the Paris Agreement, with some integrating REDD+ into these frameworks. This integration ensures that emissions reductions from forests and land-use activities contribute meaningfully to global climate goals. Key components being incorporated include robust MRV systems, forest reference levels, and safeguards to ensure transparency, accountability, and environmental integrity. Countries are also establishing legal and institutional frameworks, such as authorization processes for carbon credits, nested accounting systems to harmonize project-level and national activities, and benefit-sharing mechanisms to ensure equitable distribution of revenues. Ghana and Cambodia offer examples of how to structure integration of REDD+ into Article 6.

Ghana has established a comprehensive Article 6 framework to facilitate participation in international carbon markets while aligning with its climate commitments under the Paris Agreement. The framework provides clear policy, strategic, and operational guidance for both market and non-market transactions, covering essential aspects such as institutional roles, authorization processes, carbon accounting, and transparency mechanisms. Central to this framework is the recognition of REDD+ as a key mitigation strategy in Ghana's NDC, with specific REDD+ initiatives explicitly set out as eligible either for Article 6.2 or Article 6.4. Further details on Ghana's Article 6 institutional structure, authorization process, and REDD+ considerations are outlined in the table below.

Table 5: Ghana's Article 6 framework

Ghana ²¹⁵	Institutional Framework	The National Designated Authority (NDA), represented by the Ministry of Environment, Science, Technology, and Innovation (MESTI), oversees the issuance of Corresponding Adjustment Credits (CACs) in alignment with Ghana's NDC and climate goals. Supporting the NDA, the Technical Advisory Committee (TAC) provides technical assessments of projects, reviewing methodologies and evaluating their impact on national climate targets. The country also ensures transparency through its reporting mechanisms, including BTRs, and participates actively in the refinement of Article 6 guidance through Structured Dialogue with the UNFCCC. The Carbon Market Office (CMO) is hosted within the climate change unit of the Environmental Protection Agency
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²¹³ Carbon Herald, *ITMO and BancTrust announce first offering of Suriname carbon credits under Article 6 of the Paris Agreement*, ITMO And BancTrust Announce First Offering Of Suriname Carbon Credits Under Article 6 Of The Paris Agreement accessed on 31st January 2025; also see Sale of 1.5M Sovereign Credits a Significant Milestone for Carbon Markets, and Suriname offers 1.5m t of UN REDD+ units as ITMOs

²¹⁴ Clear Blue Markets, *Sale of 1.5 million Sovereign Credits a significant milestone for carbon markets*, Sale of 1.5M Sovereign Credits a Significant Milestone for Carbon Markets accessed on 31st January 2025

²¹⁵ Government of Ghana, *Ghana's Framework on International carbon markets and non-market approaches*, (Government of Ghana, 2022)

		and deals with day-to-day management of Article 6 authorizations. This includes implementing policies on transactions, MRV, registry operations, creation and transfer of ITMOs, reporting, and applying corresponding adjustments. The Carbon Market Technical Committee provides support to the Carbon Market Committee (CMC) and CMO on authorization, approved methodologies, validation and verification entities, and issuances of mitigation.
	Authorization Process and Requirements	<p>Project proponents seeking to engage in cooperative approaches must submit a request for LoA to the CMO administrator. The request for LoA must state the name of the mitigation authority as well as the technology, sector and location where the project is to be implemented. It must also indicate whether the ITMOs generated from the activity shall be used for meeting an NDC target, Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), or any other mitigation purposes for a voluntary carbon offset commitment. Once the request for LoA is approved the CMO administrator issues the LoA and an authorization statement to the project proponent.</p> <p>Project proponents must meet the pre-conditions for authorizing mitigation outcomes for international transfers. The project must: be listed among Ghana's mitigation programmes approved and authorized to participate in Article 6; be within the country's conditional or unconditional NDC mitigation programmes; have received a sustainable development letter from the DNA; comply with all the baseline approaches and methodological requirements including additionality and crediting periods as may be applicable in the sector; and be an approved project.</p>
	REDD+ Considerations	Ghana's Article 6 framework underscores the critical role of REDD+ activities in achieving its NDC. The framework lists REDD+ as one of its Article 6 activities and highlights the Cocoa Forest REDD+ Programme and the Shea Landscape REDD+ Emission Reduction as some of its unconditional mitigation programmes eligible for Article 6.4. The two projects are, however, not eligible for Article 6.2 and are listed on the Article 6.2 red list, which enumerates projects Ghana does not wish to have participating in Article 6.2. Categorized as emission removal projects, REDD+ projects participating in the LEAF coalition and the Tullow Voluntary Forest Carbon Offset REDD+ project are however listed as eligible for Article 6.2 even though no ITMOs have been issued so far.

Cambodia has established a structured institutional framework for participating in international carbon markets under Article 6 of the Paris Agreement, with the Ministry of Environment serving as the DNA responsible for issuing key approvals and overseeing cooperative approaches. The framework sets out a rigorous authorization process, requiring project proponents to meet stringent criteria, including alignment with Cambodia's positive list of eligible GHG ER activities, reserving a portion of ERs for domestic use, and ensuring environmental integrity through verified additionality and safeguards against non-permanence risks. REDD+ activities are explicitly included, with proponents eligible to seek LoAs under Cambodia's Article 6 framework, though they are subject to additional monitoring fees and must comply with national REDD+ regulations. Further details on Cambodia's institutional framework, authorization process, and REDD+ considerations are outlined in the table below.

Table 6: Cambodia's Article 6 framework

Cambodia ²¹⁶	Institutional Framework	<p>The Ministry of Environment serves as the designated permanent National Authority and is empowered to act on behalf of the Royal Government of Cambodia (RGC). This authority is responsible for issuing key documents such as letters of no objection, LoAs, and positive examination for eligible GHG ER projects in Cambodia. Furthermore, it represents the RGC in cooperative approaches under Article 6 with other Parties to the Paris Agreement.</p> <p>The National Authority comprises the Chair of the National Authority which is led by the Chair of the National Council for Sustainable Development (NCSD) or the Minister of Environment. This position holds the sole authority to sign LoAs for the international transfer of GHG ERs, based on the recommendations of the Co-ordinator. The Co-ordinator of the National Authority oversees the authorization process, monitors compliance, recruits technical experts, and submits relevant reports to the UNFCCC. The technical group of the National Authority conducts technical assessments of GHG ER project requests, providing findings and recommendations to the co-ordinator.</p>
	Authorization Process and Requirements	<p>The authorization process in Cambodia for Article 6 involves several steps to ensure that GHG ERs generated by projects align with national and international requirements. Project proponents must first submit an authorization request form, along with a validation report, to the National Authority (NA) Secretariat. The Secretariat verifies the completeness of the request within five working days and may request additional documentation if needed. The request is then forwarded to the NA Coordinator and the Chair of the NA Technical Group, who designates members of the NA Technical Review Panel within ten working days. The panel assesses the request against the established authorization criteria within 30 working days and submits a report with its findings to the Chair of the NA Technical Group. Based on this report, the Chair provides a final technical recommendation to the NA Coordinator within five working days. The NA Coordinator makes the final decision within ten working days, either issuing a Letter of Authorization for successful requests or a Letter of Rejection with recommendations for modifications. Upon approval, the NA Secretariat submits an Article 6 initial report to the UNFCCC for the relevant cooperative approach, marking the project's formal entry into the international carbon market framework.</p>
	Authorization Criteria	<p>To seek a LoA for GHG ERs under Cambodia's Article 6 framework, project proponents must meet a stringent set of criteria designed to align with both national policy priorities and the requirements of Article 6 of the Paris Agreement. These criteria ensure that projects contribute meaningfully to Cambodia's climate goals without jeopardizing the achievement of its current or future NDC targets. Projects must be included in a designated "positive list" of eligible GHG ER activities and reserve a portion of their ERs for domestic use. Authorization periods must correspond with the Article 6.4 crediting periods, and the ERs must be issued by recognized carbon standards. Additionally, the ERs must be real, verified, and demonstrate additionality, with projects generating reductions from</p>

²¹⁶ Royal Government of Cambodia, *Operations Manual for the Implementation of Article 6 of the Paris Agreement on Climate Change in Cambodia*, (Royal Government of Cambodia, 2024)

		2021 onward. Environmental integrity is emphasized through the establishment of conservative baselines, measures to mitigate non-permanence risks, and alignment with Cambodia's sustainable development priorities.
	REDD+ Considerations	REDD+ project proponents can seek LoAs under the RCG Article 6 framework. REDD+ related GHG ER projects are, however, charged an additional fee to cover the costs associated with the monitoring and evaluation of REDD+ related GHG ER projects. REDD+ GHG ER project proponents must also refer to the relevant REDD+ regulations and ensure that they meet the REDD+ requirements prior to applying for the Article 6 LoA.

By incorporating REDD+ into Article 6 approaches, countries can mobilize financial and technical support, enhanced cooperation, and achieved their NDC targets more effectively. It is fundamental to note that whilst REDD+ projects have multiple benefits for both climate mitigation, adaptation, and other vital ecosystem services secured by biodiversity,²¹⁷ when implemented without a clear structure and framework they can inadvertently marginalize vulnerable communities, exacerbate existing inequalities, or even cause ecological harm, such as the introduction of invasive species or disruption of local ecosystems.²¹⁸ As demonstrated by Ghana and Cambodia, it is fundamental that countries implementing REDD+ and participating in Article 6 strengthen their legal and policy frameworks to ensure that there is a clear understanding of what is required for REDD+ to be include in Article 6 approaches in a sustainable manner. It is important that technical analysis is carried out at the onset to be clear that a country can meet its NDC and does not run the risk of overselling, and its REDD+ participation in Article 6 meets the requirements of additionality, non-double counting and other parameters of environmental integrity.

3.2 Incorporating REDD+ in Kenya's Article 6 Framework

Kenya has been implementing various interventions across adaptation and mitigation to achieve a low-carbon, climate-resilient development pathway. With respect to the forestry sector, Kenya has been implementing REDD+ initiatives that focus on mitigating climate change while promoting sustainable forest management.

a. Background of REDD+ in Kenya

REDD+ plays a critical role in Kenya's efforts to achieve its ambitious forestry and climate goals. It supports the government's target of attaining a minimum of 30% forest cover nationally by 2032 and aligns with the National Tree Growing and Land Restoration Campaign. Under this campaign, the government aims to restore 10.6 million hectares of degraded landscapes, enhance biodiversity, and contribute to climate change mitigation and adaptation while striving to achieve land degradation neutrality by 2030 in fulfilment of its commitments to the United Nations Convention to Combat Desertification and the Paris Agreement. Kenya has made significant progress with respect to developing REDD+

²¹⁷ Seddon N. et al (2020) Global recognition of the importance of nature-based solutions to the impacts of climate change, Global Sustainability, Volume 3

²¹⁸ *Ibid*, Seddon N et al [2020]

projects and currently has four projects spanning across both the terrestrial and blue coastal landscapes.

These projects have been generating emission reductions from as early as 2008, with the Kasigau Corridor REDD+ project, being the world's first registered REDD+ project issued with Verified Carbon Units (VCU) under the Verified Carbon Standard (VCS),²¹⁹ and Chyulu Hills avoiding 3,066,110 tonnes of carbon emissions from its inception to 2023.²²⁰ Projects such as Mikoko Pamoja and Vanga Blue Forest have pioneered in the blue carbon space, issuing 25,207 credits.²²¹ Further details on the projects are highlighted in the table below:

Table 7: REDD+ Projects in Kenya.²²²

Project Name and location	Project Proponent	Size Hectare	Carbon Credits	Methods	Crediting Duration	Status
Kasigau Corridor REDD Project (Taita-Taveta County)	Wildlife Works Carbon LLC	30,169	150,859	Afforestation Reforestation Avoided Deforestation	2005– 2034 (Combined)	Ongoing
Mikoko Pamoja REDD+ Project (Kwale County)	Mikoko Pamoja Community Organization Association of Coastal Eco-System Services	117	2500	Afforestation Reforestation Avoided Deforestation	2013– 2023 (Phase One)	Ongoing
The Chyulu Hills REDD+ Project (CHRP) (Makueni, Taita-Taveta, and Kajiado Counties)	Chyulu Hills Conservation Trust Kenya Forest Service, Kenya Wildlife Service David Sheldrick Trust	410, 553	1,100,943	Afforestation Reforestation Avoided Deforestation	2013– 2043 (Combined)	Ongoing

²¹⁹ Bernard F. and Adkins B. (2014) *Implementing REDD+: Lessons from Kasigau Corridor project in Kenya*, ASB Partnership for the Tropical Forest Margins Policy Brief No. 44.

²²⁰ Conservation International, *Chyulu Hills REDD+ Project Impact Report: Q1-Q2 2023*, (Everland 2023)

²²¹ Eastern Africa Alliance on Carbon Markets and Climate Finance, *Carbon Market Profile - Kenya*, (Government of Kenya, 2023) at 5.

²²² CIFOR, International Database on REDD+ Projects and Programmes, (CIFOR, 2024) last accessed at International Database on REDD+ Projects and Programs - Idrecco on 17th March 2025; and REDD+ Impact, REDD+ Projects Around the World: Kenya, (REDD+ Impact, 2021).

Project Name and location	Project Proponent	Size Hectare	Carbon Credits	Methods	Crediting Duration	Status
Vanga Blue Carbon (Kwale County)	The Association for Coastal Eco-System	460	2637	Afforestation Reforestation Avoided Deforestation	2019– 2029 (Phase One)	Ongoing

Policy Framework

At the policy front, Kenya has developed its ***National Landscape Restoration Strategy 2023-2032 (NLRS)***.²²³ The NLRS aims to restore degraded landscapes across the country and highlights that the country is undertaking carbon trading activities in Narok, Trans Nzoia and Bomet.²²⁴ It also emphasizes on the need to conduct studies on the viability of emission reduction practices to aid development of carbon offset projects.²²⁵ The NLRS expects to tap into carbon trading through capacity building of site restoration committees, which will collect the carbon data and initiate the carbon trading schemes for specific sites.

The country has also developed a ***Forest and Landscape Restoration Implementation Plan (FOLAREP) 2023 -2027***.²²⁶ The FOLAREP aims to accelerate actions to restore deforested and degraded landscapes. The plan seeks to enhance resilient socio-economic development, improve ecological functioning and contribute to achieving national and international aspirations and obligations, respectively.²²⁷ It aims to achieve this by restoring 3.5 million hectares of degraded landscapes through integrated forest and landscape restoration approaches for improved ecological functionality and social, economic benefits by 2027. It recognizes the role that carbon trading may play in ensuring restoration of these landscapes and highlights the progress made by carbon trading projects in Narok, Bomet and Kitale.

Kenya has also been actively involved in the development of key REDD+ readiness instruments, starting in 2008 with the preparation of a Readiness Plan Idea Note. As a partner country to the UN-REDD Programme and participant of the FCPF, Kenya has received international support for its readiness initiatives, including the Kenya FCPF REDD+ Readiness Project. Through this process, key instruments have been developed, including the ***National REDD+ Strategy***,²²⁸ ***National Approach to Safeguards and SIS***,²²⁹ ***National FRL***²³⁰ and the ***NFMS***²³¹

²²³ Government of Kenya, *National Landscape and Ecosystem Restoration Strategy 2023 -2032*, (Ministry of Environment, Climate Change and Forestry, 2023)

²²⁴ *Ibid*, Ministry of Environment Climate Change and Forestry [2023]

²²⁵ *Ibid*, Ministry of Environment Climate Change and Forestry [2023]

²²⁶ Government of Kenya, *Forest and Landscape Restoration Implementation Plan (FOLAREP) 2023 -2027*, (Ministry of Environment, Climate Change and Forestry, 2023)

²²⁷ *Ibid*, Ministry of Environment Climate Change and Forestry [2023]

²²⁸ Government of Kenya, *National REDD+ Strategy, 2021*, (Government of Kenya, 2021)

²²⁹ Government of Kenya, (G.O.K), *Kenya's National Approach to Safeguards and a Safeguards Information System for REDD+ Implementation*, Ministry of Environment and Forestry (Ministry of Environment, Climate Change and Forestry, 2021)

²³⁰ Government of Kenya, *National REDD+ Strategy, 2021*, (Government of Kenya, 2021)

²³¹ *Ibid*, (Government of Kenya, 2021)

The Strategy identifies drivers of deforestation, describes the policies, laws and regulations supportive to the implementation of REDD+, proposes strategic options and highlights the MRV component for the implementation of REDD+. The Strategy recognizes REDD+ nesting and indicates an interest to pursue a jurisdictional and nested approach to REDD+ in Kenya.²³² While REDD+ nesting is not yet ongoing in the country, the Government of Kenya has taken various steps to develop its nesting approach. These include establishing a National Experts Group (NEG) on REDD+ Nesting,²³³ and setting out nesting as a policy goal in the National REDD+ Strategy.²³⁴ The NEG has developed Nesting Guidelines that make recommendations for Kenya based on a decentralized nesting model, whereby both approved site-scale REDD+ activities and the national programmes are eligible to generate carbon credits and receive proceeds from the sale of carbon credits directly.²³⁵

The National Approach to Safeguards provides an overall framework for Kenya's approach to safeguards and aims to meet Kenya's national circumstances to ensure that REDD+ activities contribute to the objectives of the National REDD+ Strategy.²³⁶ The Country Approach employed by Kenya retains the seven Cancun safeguards as the primary point of reference for all REDD+ actions in the country.²³⁷ However the SIS is yet to be automated, and there is need for its full operationalization in order to ensure that environmental and social safeguards are adhered to and integrated into project development and implementation.

Kenya has designed its NFMS with the support of Japan-funded Capacity Development Project for Sustainable Forest Management in the Republic of Kenya (CADEP) and the FCPF project supported stakeholder's consultation and technical review through a technical working group. The country has also submitted its FRL to the UNFCCC in 2020, based on historical analysis of emissions arising from the forest sector between 2002-2018. The FRL projected an emission trend based on the historical trend equivalent to 52,204,059 tCO₂/year under the Business-as-Usual scenario.²³⁸ The NFMS and FRL are however currently under review.

As such, while significant progress has been made, Kenya has not yet fully attained REDD+ Readiness as the SIS, the tool to monitor and evaluate the potential social and environmental impacts of REDD+ programs and projects, is yet to be operationalized due to inexistence of a technical and institutional framework. Further, the NFMS and FRL are undergoing review to address arising technical questions that would have a bearing on baseline allocations for REDD+ nesting.

²³² *Ibid*, (Government of Kenya, 2021)

²³³ Pollination, Kenya REDD+ Nesting Guidelines & Article 6 Authorization Process Recommendations for REDD+ Activities (Pollination, 2023)

²³⁴ Government of Kenya, *National REDD+ Strategy*, (GoK, 2021)

²³⁵ Pollination, Kenya REDD+ Nesting Guidelines & Article 6 Authorization Process Recommendations for REDD+ Activities (Pollination, 2023)

²³⁶ Government of Kenya, (G.O.K), *Kenya's National Approach to Safeguards and a Safeguards Information System for REDD+ Implementation*, Ministry of Environment and Forestry (MoEF, 2021)

²³⁷ *Ibid*, MoEF [2021]

²³⁸ Government of Kenya, (G.O.K), *Kenya's National REDD+ Strategy*, Ministry of Environment and Forestry (MoEF, 2021)

Legal Framework

The *Forest Conservation and Management Act, 2016 (Cap. 385) (FCMA)* is the primary legislation dealing with management and conservation of forests.²³⁹ It provides a comprehensive framework on forest tenure by providing classes of forests which include public, private and community forests and the management of the said classes.²⁴⁰ While it makes no explicit reference to REDD+, the FCMA defines a forest as “land which is declared or registered as a forest, or woody vegetation growing in close proximity in an area of over 0.5 of a hectares including a forest in the process of establishment, woodlands, thickets.”²⁴¹ This definition does not cover mangrove forests, dry lands and other types of forests which are essential in REDD+.

Additionally, Kenya intends to pursue REDD+ nesting, however while the National REDD+ Strategy provides an institutional and governance framework that may be essential for undertaking REDD+ nesting approvals, the FCMA does not establish this framework, and a policy alone cannot create institutions. Policies serve as guiding principles but lack the legal authority to establish institutions as well as to define institutional mandates, responsibilities, and enforcement mechanisms. Draft REDD+ Nesting Regulations have been developed as part of the UK-PACT workstream and there is need to enact them in order to establish a clear legal framework that formally sets out the institutional structure for REDD+ nesting approvals, ensuring legal certainty, coherence with national laws, and effective implementation in the FCMA.

The *Climate Change Act, 2016* defines REDD+ as “activities in the forest sector that reduce greenhouse gas emissions from deforestation and forest degradation, as well as the sustainable management of forests and the conservation and enhancement of forest carbon stocks at national and sub national levels.”²⁴² This definition is limiting as it makes no mention of site-scale REDD+ projects, yet these kinds of projects are in existence in Kenya. This may be an oversight on the part of the lawmakers, though alternatively, one may also apply a liberal interpretation of this definition and argue that the Climate Change Act envisions that all site-scale projects will eventually be nested into the national/sub-national REDD+ programme, as set out in the National REDD+ Strategy, hence the failure to mention them as stand-alone and a separate category in the definition of REDD+. The Act also envisions that the Cabinet Secretary shall authorize the establishment of the REDD+ Registry to feed into the National Carbon Registry. The REDD+ Registry is currently under development, and it is necessary that its development and operationalization is fast tracked as it is the system for tracking emission reductions generated and sold at the national level and from projects.

The legislative framework needs to be harmonized with REDD+ requirements, as current legislation such as the FCMA and the Climate Change Act have gaps. While the FCMA provides a broad framework for forest management, it excludes essential ecosystems like

²³⁹ Section 8, Forest Conservation and Management Act, 2016

²⁴⁰ *Ibid*, Forest Conservation and Management Act, 2016

²⁴¹ *Ibid*, Section 2 Forest Conservation and Management Act, 2016

²⁴² *Ibid*, Section 2 Forest Conservation and Management Act, 2016

mangroves and drylands critical to REDD+. Additionally, the definition of forests under the FCMA differs from the one used in the FRL for REDD+, which includes a broader variety of forest types. The Climate Change Act also limits REDD+ to national and sub-national levels, overlooking site-scale projects, which are already being implemented in Kenya. Furthermore, the lack of established carbon registries hinders effective tracking and management of emissions reductions from REDD+ projects.

b. The Status of REDD+ in Kenya's Article 6 Framework

Kenya has made significant progress with respect to implementing REDD+. The country currently has four REDD+ projects spanning across the terrestrial and coastal landscapes, with some generating emission reductions from as early as 2008. So far, the site-scale REDD+ projects have obtained financing from VCM buyers, as Kenya gears to obtain results-based financing from jurisdictional REDD+. There is currently no policy direction on whether Article 6 trades in Kenya will include ERRs from REDD+, though the National REDD+ Strategy envisions this happening, without further details on the modalities of integration.

It is important for countries to set out clearly whether REDD+ is part of a country's Article 6 implementation approach, to specific detail. An analysis of Ghana's Article 6 framework establishes how this can be done. The country has three lists: a red list that shows prohibited activities either under Article 6.2 or 6.4; a whitelist that highlights activities that may be pursued under Article 6.2 or 6.4; and eligibility list that highlights which activities that may be eligible for inclusion under Article 6.2 or 6.4. For instance, Ghana highlights that the Cocoa Forest REDD+ Programme and the Shea Landscape REDD+ Emission Reduction Programme, may only be authorized under Article 6.4 whereas REDD+ projects under the LEAF Coalition and the Tullow Voluntary Forest Carbon Offset initiative may be eligible for participation in Article 6.2.

It is therefore possible for a country to determine which of its projects may participate in Article 6 based on analysis of its carbon budget, strategies to meet its NDC and avoid the risk of overselling, and pipeline of carbon projects and their enhancement of sustainable development and environmental integrity. Once Kenya carries out this analysis focused on the suitability of REDD+ for Article 6, the country may integrate REDD+ into the Article 6 framework within the whitelist, which is envisioned under the Climate Change Act to be a list highlighting priority activities or technologies that can deliver mitigation outcomes as provided for in the NDC and that are preferred by the Government of Kenya for Article 6.2 bilateral cooperation. Once in the Whitelist, NEMA as the DNA should develop relevant guidance on the requirements for the application of REDD+ within Kenya's Article 6 framework. This guidance may enumerate the REDD+ specific approvals and licenses that are necessary for Article 6 authorization. For example, Cambodia's Article 6 framework highlights that REDD+ projects ought to attain all REDD+ approvals including nesting approvals before they apply for an LoA.



4 Conclusion

The Paris Agreement, adopted in 2015 under the UNFCCC, aims to limit global temperature rise to well below 2°C, with a goal of 1.5°C. It requires countries to submit NDCs outlining their climate action plans and mitigation targets. While these pledges are not legally binding, countries are expected to implement measures to achieve them. To enhance flexibility, the Paris Agreement introduced Article 6, which includes three approaches: Article 6.2, supporting emission reduction trading between countries; Article 6.4, establishing a centralized trading mechanism under COP supervision; and Article 6.8, focusing on non-market approaches like finance, technology transfer, and capacity building. These approaches are expected to contribute 4 to 12 billion tons of CO₂ reductions by 2030.²⁴³

Over successive COP, parties have reached consensus on foundational rules including the finalization of the Article 6 Rule book, which sets the stage for implementing Article 6.2 on bilateral and multilateral trading, and Article 6.4 on a centralized carbon crediting mechanism. The Article 6 rule book provisions do not explicitly exclude REDD+ activities or methodologies.²⁴⁴ As such, REDD+ activities, such as avoided deforestation or avoided conversion, afforestation and reforestation, or sustainable forest management, can be developed under both implementation modalities of Article 6 (Art. 6.2 and 6.4), so long as they also comply with the respective sector's international and national rules.

²⁴³ Hoch S et al, *The Landscape of Article 6 Implementation*, (Climate Finance Innovators, 2023).

²⁴⁴ UNFCCC, Report of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement on its third session, held in Glasgow from 31 October to 13 November 2021 UNFCCC, Decision 2/CMA.3 Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement and, Decision 3/CMA.3 Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement adopted in November 2021, FCCC/PA/CMA/2021/10/Add.1

COP29 marked a pivotal moment where significant agreements were reached on Article 6.2, Article 6.4, and Article 6.8. The COP29 decisions on Article 6.2 focus on clarifying key aspects such as ITMOs authorizations, first transfer processes, transparency frameworks and registries.²⁴⁵ Article 6.4 decisions included the establishment of standards for methodologies and emission removals, and clarifying authorization rules for A6.4 emission reductions (A6.4ERs).²⁴⁶ The decisions on Article 6.2, particularly on ITMO authorizations, transparency frameworks, and registries, establish the necessary governance and reporting structures to ensure that REDD+ mitigation outcomes can be transferred and accounted for with environmental integrity. These measures help prevent double counting and enhance confidence in REDD+ credits within international markets.

Similarly, the decisions on Article 6.4, including the establishment of standards for methodologies and emission removals, provide a clear pathway for REDD+ activities to qualify under the approach. However, while COP29 made progress on various aspects of Article 6, key issues remain unresolved. For instance, negotiations on the Guidance on Cooperative Approaches under Article 6 paused until 2028.²⁴⁷ This creates uncertainty for countries engaging in international carbon markets and may slow bilateral agreements and investment in mitigation activities. To mitigate these challenges, countries should focus on strengthening domestic frameworks and improving monitoring and reporting systems to ensure readiness for future negotiations. Furthermore, during the UNFCCC Bonn meeting in June 2024, countries agreed that negotiations around the eligibility of conservation enhancement under Article 6 will resume in 2028.²⁴⁸ However, REDD+ is already eligible under Article 6.2 and potentially 6.4 (once the SBM approves the inclusion of REDD+ methodologies and standards) since REDD+ activities fall under the IPCC definitions of emission reductions and emission removals.²⁴⁹

REDD+ host countries have begun to integrate REDD+ into their Article 6 frameworks. Lessons from an analysis of Ghana's and Cambodia's Article 6 legal frameworks highlight the importance of developing institutional and policy mechanisms that align REDD+ activities with the operational requirements of Article 6. Furthermore, countries may integrate REDD+ into their Article 6 approaches by establishing clear frameworks. For instance, Ghana has incorporated REDD+ into its Article 6 framework by listing specific REDD+ programs as eligible mitigation activities under both Article 6.2 and 6.4, ensuring their inclusion in carbon market transactions.²⁵⁰ Cambodia has also structured its Article 6 framework to accommodate REDD+ by establishing authorization processes and criteria that recognize the unique characteristics of REDD+ projects.²⁵¹ For example, REDD+ projects must undergo a nesting process and receive approval confirming their compliance with nesting requirements before they can apply for

²⁴⁵ United Nations Framework Convention on Climate Change Decision, CMA 6: Matters relating to cooperative approaches referred to in Article 6, paragraph 2 of the Paris Agreement, adopted in November 2024

²⁴⁶ United Nations Framework Convention on Climate Change Decision - CMA 6: Further guidance on the mechanism established by Article 6, paragraph 4 of the Paris Agreement, adopted in November 2024 (Advance unedited Version)

²⁴⁷ United Nations Framework Convention on Climate Change Secretariat Mitigation Division, Key Outcomes from COP29: Article 6 of the Paris Agreement, (UNFCCC, 2024)

²⁴⁸ The Nature Conservancy, *Key Takeaways on Article 6 at COP 29*, (The Nature Conservancy, 2024)

²⁴⁹ *Ibid*, The Nature Conservancy [2024]

²⁵⁰ Government of Ghana, *Ghana's Framework on International carbon markets and non-market approaches*, (Government of Ghana, 2022)

²⁵¹ Royal Government of Cambodia, *Operations Manual for the Implementation of Article 6 of the Paris Agreement on Climate Change in Cambodia*, (Royal Government of Cambodia, 2024)

LoAs.²⁵² This approval is necessary to ensure that the projects are properly integrated within the national or jurisdictional REDD+ framework and aligned with the respective country's accounting and reporting systems. Only after receiving this nesting approval can projects in Cambodia proceed with LoA applications for participation in carbon markets.

In addition to integrating REDD+ into their Article 6 policy and legislative frameworks, countries have also been incorporating REDD+ into their NDCs. Notably, 8% of all current NDCs explicitly refer to REDD+ implementation.²⁵³ Furthermore, ninety per cent of the updated NDCs that were submitted to the UNFCCC in 2020 include the LULUCF sector within their scope, as compared to just 76 per cent of the first NDCs submitted.²⁵⁴ REDD+ host countries that have complied with both the REDD+ and Article 6 requirements are also entering agreements to sell carbon credits under Article 6.2 that have been developed using the UNFCCC REDD+ framework. Suriname has entered into an agreement with ITMO Ltd and BancTrust Investment Bank and is offering 1.5 million fully UNFCCC REDD+ nationally and internationally verified and validated carbon credits.²⁵⁵ There has been strong investor interest and robust demand for Suriname's forest carbon ITMOs, with reports indicating that 65 companies have already expressed interest.²⁵⁶ In addition some developed countries are funding REDD+ Article 6 projects. For example, Japan has utilized Article 6 to channel funding toward REDD+ projects through its JCM program, which aligns with the cooperative approaches under Article 6.2 of the Paris Agreement.²⁵⁷ Through partnerships with 27 countries, Japan has extended its JCM program to include financing REDD+ operations in Laos and Indonesia.²⁵⁸

Kenya shows strong interest in Article 6 implementation and is participating in pilot initiatives such as the JCM, World Bank Ci-Dev program, and the SEA Virtual Pilot Program. Kenya also has proposed Article 6 projects in its pipeline. These include an MoU with Singapore, which aims to establish a framework for carbon credit trading under Article 6, allowing the country to transfer carbon credits generated from GHG emission reductions to help Singapore meet its NDCs. Additionally, Kenya has initiated talks with Switzerland to establish a bilateral agreement for cooperation under Article 6.2.

Kenya has ongoing REDD+ projects spanning across the terrestrial and coastal ecosystems. These projects have been generating emission reductions from as early as 2008, with the Kasigau Corridor REDD+ project, being the world's first registered REDD+ project issued with Verified Carbon Units (VCU) under the Verified Carbon Standard (VCS),²⁵⁹ and Chyulu

²⁵² *Ibid*, Royal Government of Cambodia [2024]

²⁵³ *Ibid*, UNREDD [2018]

²⁵⁴ United Nations REDD+ Programme, Global Info Brief Linking REDD+, the Paris Agreement, Nationally Determined Contributions, and the Sustainable Development Goals: Realizing the Potential of Forest for NDC Enhancement and Implementation, (UN-REDD, 2022)

²⁵⁵ Carbon Herald, ITMO and BancTrust announce first offering of Suriname carbon credits under Article 6 of the Paris Agreement, ITMO And BancTrust Announce First Offering Of Suriname Carbon Credits Under Article 6 Of The Paris Agreement accessed on 31st January 2025; also see Sale of 1.5M Sovereign Credits a Significant Milestone for Carbon Markets, and Suriname offers 1.5m t of UN REDD+ units as ITMOs

²⁵⁶ Clear Blue Markets, Sale of 1.5 million Sovereign Credits a significant milestone for carbon markets, Sale of 1.5M Sovereign Credits a Significant Milestone for Carbon Markets accessed on 31st January 2025

²⁵⁷ Asian Development Bank, *Establishment of the Japan Fund for the Joint Crediting Mechanism*, (Asian Development Bank 2014)

²⁵⁸ Ministry of Environment Japan, JCM Financing Programme by MOE Japan (FY2013-2024, (Government of Japan 2024)

²⁵⁹ Bernard F. and Adkins B. (2014) *Implementing REDD+: Lessons from Kasigau Corridor project in Kenya*, ASB

Hills avoiding 3,066,110 tonnes of carbon emissions from its inception to 2023.²⁶⁰ Projects such as Mikoko Pamoja and Vanga Blue Forest have pioneered in the blue carbon space, issuing 25,207 credits.²⁶¹

Kenya's policy, regulatory, and legal framework plays a pivotal role in guiding the implementation of Article 6 and REDD+. The country's NDCs, Climate Change Act, 2016, and the Climate Change (Carbon Markets) Regulations, 2024, provide the institutional and governance framework for Article 6, laying the groundwork for carbon credit transactions and ensuring alignment with international commitments. With respect to REDD+, the National REDD+ Strategy, and Forest Conservation and Management Act, 2016 offer a legal structure for managing forest-related carbon projects, facilitating the integration of REDD+ within the broader climate governance framework.

This report's analysis of the existing policies, legislation, and regulations guiding Article 6 and REDD+ in Kenya reveals several opportunities for advancing the country's climate goals. The opportunities include the existence of a carbon project approval and authorization process as well as an institutional and governance framework for carbon markets. However, certain gaps also emerge, particularly in aligning policies with the Paris Agreement's Article 6 framework, the need for clear regulatory guidelines on the authorization of REDD+ projects, and the absence of fully operational fundamental technical frameworks such as the NFMS, FRL and SIS. The table below highlights the specific aspects that need to be implemented to address the arising gaps:

Table 8: Measures to facilitate the integration of REDD+ into Article 6

Recommendation	Specific Aspects
a. Finalize and operationalize REDD+ national and international requirements	<p>Implementation of the National REDD+ Strategy: The incomplete implementation of the National REDD+ Strategy, particularly its nesting provisions and governance framework, poses significant challenges to Kenya's REDD+ project's ability to fully engage with Article 6 of the Paris Agreement. Without codification of these elements in law or regulation, there is a lack of clarity and legal certainty for the approval and alignment of REDD+ projects within the broader national framework. This gap limits Kenya's readiness to authorize and transact ITMOs generated from REDD+ activities, which require robust institutional and governance structures to meet the requirements of Article 6.</p>
	<p>Operationalise the SIS: Operationalizing the SIS is critical to ensuring compliance with both national and international requirements under REDD+. The SIS plays a central role in ensuring that REDD+ activities are implemented in a manner that respects social and environmental safeguards, including the Cancun Safeguards. However, despite its establishment, the SIS is still yet to be operationalized. Without an operational SIS, Kenya risks non-compliance with safeguard obligations, which could hinder access to results-based payments and international market approaches under Article 6.</p>

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²⁶⁰ Conservation International, *Chyulu Hills REDD+ Project Impact Report: Q1-Q2 2023*, (Everland 2023)

²⁶¹ Eastern Africa Alliance on Carbon Markets and Climate Finance, *Carbon Market Profile - Kenya*, (Government of Kenya, 2023) at 5.

Recommendation	Specific Aspects
	<p>Finalize the update of the FRL: Completing the update of Kenya's FRL is crucial for effectively participating in REDD+ and aligning with Article 6 of the Paris Agreement. While Kenya submitted its initial FRL to the UNFCCC in 2020, it remains under review and requires finalization to incorporate updates that reflect current national circumstances, including accurate data on activity data and emission factors from diverse forest types. A finalized FRL is essential for establishing a baseline against which emission reductions from REDD+ activities can be measured and reported. Moreover, the FRL must integrate with Kenya's Article 6 framework to enable the transparent tracking of carbon credits, ensuring eligibility for results-based payments and ITMOs.</p> <p>Complete revision of the NFMS: Kenya has designed its NFMS with the support of Japan-funded CADEP. The FCPF project supported stakeholder's consultation and technical review of the NFMS through a technical working group. However, the NFMS is currently undergoing review in order to align it with the FRL. The NFMS plays a significant role in monitoring, reviewing and verifying REDD+ emissions and this data is important not only for tracking the country's emission reduction or removals but also for reporting. Transparent and accountable reporting forms an important part of the Paris Agreement's requirement for the submission of BTRs, and inconsistent reporting will be reported to the CMA, and made public. It is therefore fundamental that Kenya completes and begins operationalizing its NFMS.</p> <p>Amend the FCMA: While the FCMA provides a framework for forest tenure and management, it makes no mention of Article 6 of the Paris Agreement, or the REDD+ institutional framework outlined in Kenya's National REDD+ Strategy. Consequently, the Act does not incorporate the institutional and procedural structures necessary for the issuance of letters of approval for nested REDD+ projects, creating a critical gap in the governance and operationalization of REDD+ activities. There is also needed to revise the definition of forests under the FCMA in order to align it with that of the FRL which covers mangrove forests, dry lands and other types of forests which are essential in REDD+. Updating the FCMA to explicitly align with these frameworks would establish clarity and coherence, thereby strengthening Kenya's ability to implement REDD+ and leverage opportunities within Article 6 carbon markets.</p> <p>Enact REDD+ Nesting Regulations: Enacting REDD+ Nesting regulations is crucial for the effective implementation of REDD+ projects in Kenya, particularly in the context of Article 6. The regulations will provide the legal framework necessary to operationalize REDD+ nesting within the national climate and forestry frameworks. Specifically, the regulations will codify the institutional arrangements and approval processes for nested REDD+ projects, ensuring that these projects meet the requirements for REDD+ projects and are eligible for participation in carbon trading under Article 6. Draft REDD+ Nesting Regulations have already been developed under the UK-PACT workstream.</p>

Recommendation	Specific Aspects
b. Clarify, establish and align key components of Kenya's Article 6 framework	<p>Harmonize the Institutional Framework for REDD+ Article 6 Projects Approval:</p> <p>The Climate Change Act sets out the institutional framework for Article 6, whereas the FCMA provides the framework for REDD+. Both frameworks are integral to issuing approvals that are fundamental for the successful implementation of Article 6, particularly in the context of REDD+ projects. The DNA plays a key role in issuing letters of no objection, approval, and authorization, while the REDD+ Focal Point would be responsible for issuing letters of nested REDD+ project approval. These approvals are essential for REDD+ projects wishing to participate in a JNR programme as well as in the global carbon markets, leveraging Article 6. It is therefore crucial that the institutional frameworks be harmonized to ensure that they complement and align with each other. This harmonization would not only streamline the approval process for REDD+ projects under Article 6 but also ensure that the roles and responsibilities of the relevant authorities are clear, consistent, and effective.</p>
	<p>Update Kenya's NDC:</p> <p>Countries participating in Article 6 must ensure that they do not do so at the expense of their NDC. To ensure that Kenya meets its NDC target, a key focus should therefore be on managing the risk of overselling hence the need for a clear risk mitigation strategy. This requires technical decisions to be made on which technologies and sectors are priority for Article 6; whether Kenya will establish a national buffer account to shore up the risk of overselling against the NDC target or contribute overall mitigation of global emissions; and the criteria used to determine what percentage of carbon credits from a carbon project is to be retained for use for Kenya's NDC, if any.</p>
	<p>Update the National Climate Change Framework Policy, 2016:</p> <p>The climate change policy emphasizes mechanisms to enhance climate resilience, adaptive capacity, and the transition to low-carbon growth. It provides one of the earliest definitions of carbon markets in the country and highlights the need to build capacity for carbon asset activities, strengthen domestic carbon asset production, and access international markets. However, the policy is outdated, as it focuses on the Kyoto Protocol without addressing the Article 6 framework under the Paris Agreement. This gap underscores the need to update the policy to align with current international carbon market approaches and ensure its relevance in supporting Kenya's climate ambitions.</p>
	<p>Operationalize the Climate Change Fund:</p> <p>The Climate Change Fund is established under Section 25 of the Climate Change Act and is required to receive a portion of the corresponding adjustment fees paid by project proponents to the DNA. The fund is currently not in existence and there is an urgent need to operationalize it.</p>
	<p>Operationalise the National Carbon Registry and REDD+ Registry:</p> <p>The National Carbon Registry and the REDD+ Registry are a crucial component of Kenya's carbon market infrastructure, serving as the central platform for tracking and managing carbon credits, including those generated by REDD+ projects. The registries would allow for the registration of carbon credits from verified projects, facilitate the issuance of carbon credits upon successful MRV, and enable the transfer of credits both within Kenya and to international markets. For REDD+ projects, the registries would play a key role in ensuring that emission reductions from deforestation and forest degradation are accurately accounted for and traded in compliance with both national and international climate frameworks. It is also essential for maintaining the integrity of Kenya's carbon market by preventing double counting, ensuring that carbon credits issued are traceable.</p>

Recommendation	Specific Aspects
<p>c. Provide guidance on the integration of REDD+ into Kenya's Article 6 framework</p>	<p>Develop and operationalize the whitelist: One of the channels that can be useful in clarifying the use of REDD+ in Article 6 is Kenya's whitelist which is envisioned under the Climate Change Act to be a list highlighting priority activities or technologies that can deliver mitigation outcomes as provided for in the NDC and that are preferred by the Government of Kenya for Article 6.2 bilateral cooperation. This list has not been published yet. Kenya therefore needs to develop and publish this list, informed by a sound technical analysis of the potential for inclusion of REDD+ in Article 6 and the development of guidance on what REDD+ projects should fulfil to be included, if at all, in implementing Article 6 in Kenya.</p>



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