



Eastern Africa Alliance  
On Carbon Markets And  
Climate Finance

# Carbon Market development in the Central African Region

22 - 25 January 2024  
Yaoundé, Cameroon

**Burundi**   
**Ethiopia**   
**Kenya**   
**Rwanda**   
**Sudan**   
**Tanzania**   
**Uganda** 



Regional Collaboration Centre - Kampala  
Promoting Action Against Climate Change



Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH

## Objective

Promoting a long-term position and participation of Eastern Africa countries in international carbon markets and increasing the region's capacities to access climate finance for NDC implementation.

## Members

Burundi, Ethiopia, Kenya, Rwanda, Sudan, Tanzania, Uganda

## Vision

Promoting a Regional Approach for Carbon Markets and Climate Finance

## Rationale

### **Eastern African Interest in Article 6 Mechanisms:**

- Many Eastern African countries are enthusiastic about participating in Article 6 mechanisms of the Paris Agreement.

### **Opportunity for NDC Implementation:**

- Article 6 is seen as an opportunity to implement Nationally Determined Contributions (NDCs) by unlocking additional climate finance and facilitating technology transfer for sustainable development.

### **Learnings from Clean Development Mechanism (CDM):**

- Past experiences with the Clean Development Mechanism of the Kyoto Protocol provided valuable lessons for the Eastern African region.

### **Ensuring Regional Priorities:**

- Eastern African countries learned that they must ensure their interests and priorities are considered during the implementation of Article 6.



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## **Formation of Eastern Africa Alliance:**

- Burundi, Ethiopia, Kenya, Rwanda, Tanzania, and Uganda formed the Eastern Africa Alliance in June 2019, with Sudan joining as the 7th member in 2020.

The Alliance is open to all interested countries in the Eastern African region.

## **Supporting Entities:**

- The Alliance is supported by the German Federal Ministry of Economic Affairs and Climate Action (BMWK).
- The interim secretariat is the UNFCCC Regional Collaboration Center Kampala and GIZ Uganda.
- The secretariat is assisted by the Alliance coordinator, supported by the Collaborative Instruments for Ambitious Climate Action Project (CI-ACA).

## **Purpose of Alliance:**

- The Alliance aims to promote a common vision for the Eastern Africa region on carbon markets and climate finance.
- It seeks to build a strong coalition of countries for the implementation of Article 6, considering both national and regional priorities.



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In order to support member countries efficiently, countries have identified **Alliance National Focal Points** who are responsible for **raising country needs and coordinating Alliance activities within their national context.**

The Alliance applies the following four pillar approach and supports countries on many aspects related to carbon markets and climate finance:

- 1. The Alliance aims at enhancing Article 6 readiness in the region, which includes public and private sector capacity building activities.**
- 2. Supports countries with the transition from the Clean Development Mechanism under the Kyoto Protocol into Article 6 of the Paris Agreement.**
- 3. Fosters active and better-coordinated participation of delegates from the region in the UNFCCC negotiations on market mechanisms, climate finance as well as other international fora.**
- 4. Promotes regional exchange on experiences and lesson learned on carbon markets and climate finance.**

All activities are based on requests submitted by Alliance member countries.



## Activities

- Organise workshop to prepare Eastern African negotiators and Alliance National Focal Points for Article 6 negotiations during COPs.
- Hold trainings for public sector stakeholders on technical topics such as corresponding adjustments
- Organise a regional private sector workshop to build stakeholders' knowledge base on carbon markets and strengthen their capacity to engage in Article 6 carbon markets.
- Organise national private sector workshop to improve engagement in Article 6 carbon markets and promote public-private dialogues.
- Developed an Article 6 Negotiations Handbook for Eastern Africa

## Addressing the specific needs identified by Alliance member countries

- Commissioned a synthesis report to assess the **institutional and legal capacity, study in best available technologies** of countries in Eastern Africa to engage in global carbon markets.
- Developed **carbon market profiles** catered to each Alliance member country.
- Developed an Article 6 blue print



## **Increasing and building capacity on carbon pricing and climate finance**

- Delivered a synchronous course on carbon taxation for regional public sector stakeholders.
- Launched an e-learning module on carbon taxation in an African context. This is part of an e-course hosted by the World Bank Group's Open Learning Campus
- Held a national (Rwanda) training on improving access to climate finance.
- Held a national (Kenya) training for young professionals on carbon markets.

## **Promoting regional exchange and South to South peer learning**

- The Alliance has served as a platform for country representatives across the region to share experiences and learn from each other.
- The Eastern Africa Alliance has collaborated with the West Africa Alliance on Carbon Markets and Climate Finance on numerous events, including events at Africa Climate Week and Innovate4Climate.
- The Alliance is a member of the Carbon Pricing Leadership Coalition and contributes to the Africa Working Group.



## Challenges and Lessons Learned:

- **Divergent national contexts:** Each member country has its own economic, political, and environmental realities, necessitating flexible and adaptable approaches.
- **Limited technical capacity:** Building expertise on carbon markets within member countries required targeted capacity-building initiatives.
- **Navigating the evolving landscape of Article 6:** The dynamic nature of international carbon market regulations demanded constant adaptation and strategic adjustments.

**Despite these challenges, the EAA has garnered valuable lessons:**

- 1. The power of regional collaboration:** Working together strengthens individual countries' positions and allows for collective learning and action.
- 2. The importance of capacity building:** Investing in knowledge and skills is crucial for informed policy development and effective implementation.
- 3. The need for flexibility and adaptability:** Remaining open to adjusting strategies in response to changing circumstances is key to success.





## Recommendations for Central Africa:

- **Start with shared vision and interests:** Identifying common challenges and opportunities can provide a strong foundation for regional collaboration. Central African states could focus on areas like renewable energy development, deforestation mitigation, and adaptation strategies as initial areas of joint focus.
- **Embrace inclusivity and flexibility:** Different countries will have different needs and priorities. A flexible structure that allows for tailored programs and accommodates diverse perspectives will be key to long-term success.
- **Invest in regional knowledge exchange:** Sharing best practices, technical expertise, and lessons learned is vital for accelerated progress. Establishing a platform for knowledge exchange and capacity building will empower all member states.
- **Seek strategic partnerships:** Leverage the expertise and resources of international organizations, development partners, and private sector players to complement regional efforts and amplify impact.
- **Resource Mobilization Strategies:** Develop robust strategies for resource mobilization, including innovative financing mechanisms and partnerships with international organizations, to sustain Alliance activities over the long term.



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Merci  
Thank you

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