



# Assessing use of carbon credits

Climate Action Tracker assessment on use of carbon credits under Article 6 of the Paris Agreement

June 2026



## KENYA



**Kenya intends to sell emission reductions under Article 6, but it is unclear whether such cooperation would lead to additional mitigation outcomes beyond its NDC. The government has provided insufficient information, and there is a real risk that selling low-cost or non-additional mitigation options will leave Kenya with more costly options for domestic mitigation or create hot air with no additional climate benefits. While its regulatory framework does not include a grievance or complaints mechanism, it does include stakeholder consultation and mandatory benefit sharing for local communities.**

Kenya intends to participate in Article 6 of the Paris Agreement as a host (seller) country. The country has signed four Bilateral Agreements (BAs), with Japan, Singapore, Sweden and Switzerland. It does not currently have a quantitative target regarding the number of credits that it plans to sell.

Under Article 6 of the Paris Agreement, countries can trade emission reductions through bilateral agreements ([Article 6.2](#)) or the UN-supervised Paris Agreement Crediting Mechanism (PACM) ([Article 6.4](#)). These are called Internationally Transferred Mitigation Outcomes (ITMOs), with 1 ITMO equalling 1 tCO<sub>2e</sub>.

Article 6 was agreed as a means to enhance climate action and ambition through cooperation. However, in practice, Article 6 risks weakening global climate action by enabling wealthier countries to substitute or delay domestic emission cuts, rely on low-quality or non-additional carbon credits, and shift mitigation responsibility to lower income host countries, undermining ambition, equity, and environmental integrity. A responsible use of Article 6 requires a combination of high (domestic) ambition, adequate levels of climate finance, high-quality projects, and robust accounting practices.

To learn more about risks and responsible engagement in Article 6, see our [Article 6 briefing](#).

## Summary of Kenya's participation and planned activities for Article 6

Article 6 participation	
<b>Role</b>	Host
<b>Expected to engage in Article 6.2</b>	Yes
<b>Expected to engage in Article 6.4</b>	Yes
<b>Stated purpose of Article 6 participation</b> (according to NDC)	"Kenya will engage in voluntary cooperation under Article 6 of the Paris Agreement as part of her efforts to implement the Nationally Determined Contribution (NDC). This approach aims to enhance ambition and promote sustainable development while ensuring environmental integrity"

Article 6 activities	
<b>Signed Article 6.2 agreements</b>	Yes, as a host country
<b>Number of Article 6.2 agreements signed</b>	4 agreements
<b>Article 6.2 projects in pipeline</b>	4 activities
<b>Article 6.4 projects in pipeline</b>	0 activities
<b>Transitioning <a href="#">CDM projects</a> into Article 6.4</b> (only for host countries)	Yes, Kenya has approved 16 CDM project to transition into Article 6.4
<b>Volume of credits transferred to date from Article 6 projects</b>	0 ITMOs
<b>Planned volume of Article 6 credits</b>	N/A

### Legend:

- **Article 6.2**, also known as "cooperative approaches", mostly sets the accounting framework for the transfer of emission reductions based on bilateral agreements between countries.
- **Article 6.4**, also known as the Paris Agreement Crediting Mechanism (PACM), is a project-based mechanism under the supervision of the UN Climate Secretariat (UNFCCC). It allows for the participation of private actors.

## Evaluation



### Prerequisites

It is not clear whether Kenya meets the prerequisites for a responsible engagement in Article 6 as a host country. While Kenya frames participation in Article 6 as part of the implementation of its NDC, it remains unclear whether and how such cooperation would lead to additional mitigation outcomes beyond its NDC.

Furthermore, none of Kenya's bilateral partners have adopted NDC targets aligned with a 1.5°C pathway. This creates at best a zero-sum dynamic that undermines the potential of such cooperation to deliver net global emissions reductions or meaningfully enhance overall climate ambition.



### Domestic mitigation context

Kenya commits to a 35% reduction in emissions by 2035 below a business as usual (BAU) scenario. The country plans to achieve 80% of the mitigation action needed to reach its [NDC](#) target "through a combination of international support, including finance, (...) and participation in carbon markets" and only 20% through domestic funding. This statement does not provide sufficient information to assess the role of Article 6 in Kenya's NDC, since Article 6 should only be used to deliver mitigation beyond existing NDC commitments, and ITMOs can, once transferred, no longer be counted towards the own target achievement.

Kenya faces a particular risk of generating and transferring non-additional mitigation outcomes, as its projected emissions under a Current Policies Projection (CPP) scenario are below its NDC targets. This indicates that Kenya could sell mitigation outcomes that would have occurred even in the absence of Article 6.

The potential sale of low-cost or non-additional mitigation options could create a risk of overselling, leaving Kenya with more costly options, or weaken integrity by creating reductions on paper only and without atmospheric benefit ("hot air").



### Safeguards

Kenya adopted its Climate Change (Carbon Markets) Regulations in 2024, establishing the legal and procedural **framework** for the operationalisation of Article 6 transactions. The regulations provide formal templates for the different phases towards authorisation of entities and projects, and introduce a fee catalogue to ensure that Kenya captures part of the financial flows generated through Article 6 activities.

The regulatory framework does not include a **grievance or complaints mechanism** to raise concerns related to adverse social or environmental impacts of carbon market activities. However, it mentions **stakeholder consultations** as mandatory part of project concept notes and community development agreements.

A notable feature of Kenya's framework is the introduction of mandatory **benefit-sharing requirements** for local communities. Depending on project type, developers must allocate a minimum of 25–40% of project profits to local communities, typically formalised through community development agreements. These provisions strengthen the social integrity of Article 6 activities at the local level.

Kenya has not yet established a **positive or negative list** to exclude project types associated with higher environmental or social risks. Recently however, the government announced the development of a positive list (whitelist) and the

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plan to set an export cap of 10 million ITMOs from 2026 to 2030, to reduce the risk of overselling.

Kenya mentions integrity principles such as environmental integrity, additionality, and permanence, but does not define these concepts in national terms. Instead, it relies solely on international carbon standards and methodologies.

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### Projects

Current activities in Kenya's Article 6 pipeline are concentrated primarily in renewable energy and transport-related projects.

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