CLIMATE CHANGE ACT (CAP 387A)

DRAFT CLIMATE CHANGE (CARBON REGISTRY) REGULATIONS, 2025

THE CLIMATE CHANGE ACT (Cap. 387A)

IN EXERCISE of the powers conferred by section 23G and section 36 (1) (2) (bc) of the Climate Change Act, the Cabinet Secretary for Environment, Climate Change and Forestry makes

the following Regulations —

DRAFT CLIMATE CHANGE (CARBON REGISTRY) REGULATIONS, 2025

Regulation	Provision	Marginal Note
PART I: PRELIMINARY		
1.	These regulations may be cited as the Climate Change (Carbon Registry) Regulations, 2025	Citation
2.	**Act -** means the Climate Change Act, Cap 387A Laws of Kenya. **Carbon Registry –** means a secure electronic system established for the purpose of recording, tracking, and managing information on mitigation outcomes, particularly Internationally Transferred Mitigation Outcomes **Interoperability** – means the ability of different registry systems or products to connect and communicate with one another in a coordinated manner, thus reducing efforts from the user and helping secure efficient and well-coordinated data exchange, and improved flow and tracking of information across registries. **Internationally Transferred Mitigation Outcomes** –means real, additional and verified reduction in greenhouse gas emissions or removal of greenhouse gases from the atmosphere, measured in tC02eq and representing one tC02eq per methodologies approved under the Paris Agreement Rules and generated by a specific mitigation activity from 2021 onwards.	Interpretation
3.	The Objectives of these Regulations are to: a) Provide for the operation and effective administration of the National Carbon Registry and related sector registries. b) Provide for access to information of carbon projects for enhanced public confidence and market integrity.	Objectives of the Regulations
4.	These Regulations shall apply in: a) Design, setting up, administration and management of the National Carbon Registry b) Design, setting up, administration and management of the Sector Registries	Application of the regulations

PART II: GOVERNANCE FRAMEWORKS		
5.	The National Registrar of the National Carbon Registry shall be as provided under Regulation 11 of the Climate Change (Carbon Markets) Regulations, 2024.	National Registrar
6.	The Designated National Authority appointed under Section 8(2A) of the Act shall- a) Oversee the establishment and operations of the National Carbon Registry and Sector Registries b) Be the custodian of the National Carbon Registry c) Ensure that the design of the carbon registry and its operations comply with Kenya's international obligations and align to national development priorities.	Designated National Authority
7.	a) The National Registrar shall perform the following functions- i. Keep, maintain and update the National Carbon Registry and the registers provided for under section 23G(3) of the Act; ii. Implement measures to ensure the access to information under these Regulations iii. Maintain accounts for Internationally Transferred Mitigation Outcomes as necessary. iv. Record all actions relating to Internationally Transferred Mitigation Outcomes, including authorization, first transfer, transfer, acquisition, use towards Nationally Determined Contributions , authorization for other international mitigation purposes, and voluntary cancellation including for overall mitigation in global emissions, where applicable v. Track and maintain records of Internationally Transferred Mitigation Outcomes using unique identifiers. vi. Produce, maintain, and compile records, information, and data consistent with the annual reporting requirements in the agreed electronic format. vii. Ensure interoperability of the registry with the international registries viii. Implement appropriate structures and procedures to mitigate risks to consistency of data	National Registrar

	ix. Submit periodic reports to the Cabinet Secretary on the status and operations of the national carbon registry. x. Monitor and report suspicious activities related to money laundering in the National and Sector registries to the Financial Reporting Center.	
8.	The Designated National Authority Shall recruit or designate such technical and administrative staff as shall be necessary to ensure effective performance of the carbon registry functions while ensuring the mainstreaming of the climate change action plan and other climate change statutory functions	Staff of the National Carbon Registry
9.	a) The sector Cabinet Secretary shall appoint one Sector Registrar for each of the following sectors: i. Agriculture; ii. Energy; iii. Forestry and land use; iv. Industrial processes and product use; v. Transport; and vi. Waste b) The Sector Registrars shall be responsible for keeping, updating, maintenance and operations of sector registers under overall guidance of the National Registrar. c) Each Sector Registrar shall submit to the National Registrar quarterly reports on the operation of the sector registry under their control.	Sector Registrars
PART III: OPERATIONS OF NATIONAL CARBON REGISTRY		
10.	a) The National Carbon Registry shall be a secure electronic system established for the purpose of recording, tracking, and managing information on carbon projects. b) Track, accounts for Internationally Transferred Mitigation Outcomes and record the actions relating to Internationally Transferred Mitigation Outcomes. c) keep, maintain and update records including unique identifiers d) The National Carbon Registry shall be designed to reflect the mitigation sectors including: energy, transport, agriculture, forestry and land use, industrial processes and product use and waste. e) The National Carbon Registry shall: i. Record information related to carbon project design and implementation,	National Carbon Registry

	including the issuance of letters of no-objection and approval, as well annual progress reports to be submitted by project proponents. ii. Record the following actions related to carbon projects and programs: a) approvals in accordance with Regulation 22(4) (a) of the Climate Change Carbon Markets Regulations 2024 b) authorization c) first transfer d) Track e) transfer f) acquisition g) holdings h) use towards Nationally Determined Contributions ~~i)~~ Voluntary cancellation ~~j)~~ ~~A~~dministrative cancellation iii. Track and maintaining records and accounts of carbon units. iv. Providing access of records to the public and authorized entities, as determined by the registry administrator. v. Producing, maintaining, and compiling records, information, and data consistently with the annual information Kenya submits to the United Nations Framework Convention on Climate Change in the agreed electronic format. vi. Recording Community Development Agreements f) In order to secure the registry, two separate web applications shall be developed, both hosted on a site with a Secure Sockets Layer security certificate and shall include: i. Management website: • which offers restricted access used for carrying out all project related approval and authorization actions, as well as for managing users, among other tasks. • Access to the management website shall be reserved for the registry administrator and sector registrars. • All of the registry's functions shall be developed for this management website.	

	ii. Public website which shall be accessible via the Internet from anywhere in the world and enable: • Users to manage and view their accounts. • Any member of the public to access the public reports (non-registered user). • The administrator of the platform to access the parameters and configuration of the public website. g) The Registry shall contain the following details, including: i. Types of accounts. ii. Names and addresses of account holders iii. Know Your Customer details as provided in Regulation 12 iv. Status of accounts. v. Project details including project name, location and project type. vi. Methodologies used to measure the carbon reduction. vii. Project status, that is, whether it is approved, pending approval, under review or closed. viii. Number of carbon credits issued to a project. ix. A unique credit identification number for each carbon credit issued. x. Ownership details of the carbon credits both present and past. xi. Timeframe within which the credits must be used or retired xii. Details of buyers and sellers xiii. Transaction dates and volume of carbon credits transferred xiv. Details of authorization of any transaction of carbon credits xv. Information on whether credits are traded in voluntary or through compliance markets xvi. Cancellation and retirement logs.	
11.	a) Sector Carbon Registries shall be established to maintain and record all carbon projects in the following sectors: energy, transport; agriculture;	Sector Carbon Registries

	forestry and land use; industrial processes and product use; and waste. b) Sectors may establish Sector Carbon Registries in accordance with Section 8(2)(i) of the Act. c) The Sector Carbon Registries established shall record, update and maintain all carbon projects and shall be interoperable with the National Carbon Registry. d) The design and contents of the Sector Registries shall correspond with those of the National registry to enable transfer of data and interoperability. e) Each county government may establish its own sector carbon registry in accordance with the Act and these regulations. f) The National Registrar will develop manual on the establishment of sector carbon registries.	
12.	a) All applicants seeking to open an account in the registry shall be required to provide; i. Verified identification documents, including national identity card, passport, or legal registration certificate; ii. Proof of physical address; iii. Details of authorized representatives with supporting documentation. b) The Registrar shall conduct a Know Your Customer process involving a set of checkpoints designed to verify clients' identities, help prevent fraud, money laundering, and other illicit activities through: i. Identity Verification: Legal name, registration documents, tax identification numbers. ii. Ultimate Beneficial Owner Checks: Identifying individuals behind corporate entities. iii. Sanctions Screening: Checking against global sanction lists iv. Anti-Money Laundering and Counter-Terrorism Financing Screening: Ensuring entities are not involved in money laundering or financing terrorism. v. Reputation & Compliance Checks: Evaluating past compliance history in carbon markets.	Know Your Customer Access Requirements

	vi. Project Due Diligence: Ensuring the legitimacy of carbon projects, carbon unit ownership and credit origination. c) Account holders shall be required to update their information every three years, or whenever either there is a change of the particulars required under sub-rule (i) above or at any other time as directed by the National Registrar. d) The National Registrar shall implement an automated Information Technology system for Know Your Customer data management in the event of high user volumes.	
13.	a) The National Registrar shall put in place mechanisms to ensure that data entered in the registry is accurate. b) The National Registrar shall prepare and adopt standard operating procedures to ensure quality assurance and quality control of the registry processes.	Accuracy of Data
14.	a) All information within the National Carbon Registry shall be subject to data protection requirements in accordance with the Data Protection Act 2019. b) The Registrar shall implement essential security measures for registry systems to safeguard registry data from unauthorized access, modification, or deletion including use of a fixed IP addresses for registry systems, implementation of secure sockets layer protocols to protect data transmission, employment of trusted certificate authorities to authenticate communication. c) Personal and corporate data collected in the registry shall only be used for the intended regulatory and market functions. d) The Registrar shall ensure a robust cybersecurity measures such as encryption protocols, secure access controls, regular security audits and real-time threat detection to ensure the integrity and availability of data, while protecting the Registry from potential cyber threats, in order to maintain trust in the operations of the National Registry. e) The registry system may incorporate the following cybersecurity measures; i. Automatic alerts for regulatory breaches; ii. Multi-factor authentication for account access; iii. Session timeouts to prevent unauthorized access;	Registry System Security and Data Protection

	iv. Mandatory periodic password renewals; v. Emergency shutdown capabilities in case of cyber threats; vi. Periodic intrusion tests to assess system vulnerabilities; and vii. External audits of the registry's security infrastructure.	
15.	a) The National Registrar shall ensure that all confidential information obtained in the course of performing functions under these Regulations, including account holder details, transaction records, and any other sensitive data, is protected from unauthorized disclosure. b) Such information shall not be disclosed except as expressly permitted under these Regulations or any other applicable written law. c) The duty of confidentiality shall extend to all persons acting under the authority or direction of the National Registrar	Data Confidentiality
16.	a) The registry shall maintain an exhaustive inventory of publicly available information as provided in First Schedule. b) A person seeking access to additional information not publicly available and held in the registry shall; i. Submit a request in the prescribed form as set out in the Second Schedule; and ii. Pay the applicable fees as may be determined by the Registrar. c) Upon receipt of a request under sub-regulation (b), the Registrar shall; i. Review the application and determine its admissibility within 14 days; and ii. Notify the applicant in writing of the decision to approve or reject the request. d) Where a request is approved, the requested information shall be made available to the applicant in accordance with these Regulations, subject to compliance with applicable data protection laws. e) Where a request is rejected, the Registrar shall provide the applicant with a written notice stating the reasons for the rejection.	Public Access to Information
17.	a) The National Carbon Registry shall be designed to integrate with the international registry to facilitate market linkages and seamless international collaboration.	Interoperability with the International Registry

	b) The National Registry system shall be designed so as to ensure that it is able to receive relevant carbon project data from Sector Registries c) The National Carbon Registry shall facilitate interoperability between it and the International Carbon Registry to facilitate exchange of information across transactions of carbon projects, including ITMOs. d) The Registrar shall ensure that the registry adheres to interoperability standards that enable seamless data exchange and recognition of carbon projects across jurisdictions through the following standardization mechanisms: i. unified data collection and formatting protocols ii. unified validation and verification protocols iii. unified reporting standards iv. compatible systems across sector registers v. compatible systems across international registries	
18.	a) The Registrar may suspend an account in the registry if; i. the account holder engages in fraudulent or suspicious activities; i. the account has remained inactive for a period exceeding 12 months; ii. the account holder fails to pay the requisite fees within the prescribed time; iii. there is non-compliance with Know Your Customer requirements, including failure to provide or update required documentation; iv. the account is used for unauthorized transactions or activities contrary to these Regulations; or v. an investigation is initiated against the account holder for breach of registry rules or applicable laws. b) Where an account is subject to suspension, the Registrar shall; i. issue a written notice to the account holder stating the reason for suspension; ii. require the account holder to rectify the breach or non-compliance within 60 days; and iii. temporarily restrict access to the account until compliance is achieved. c) If the account holder fails to remedy the violation within the stipulated period in 18.b,	Suspension of Accounts

	the suspension may remain in effect until compliance is confirmed or further regulatory action is taken.	
19.	a) An account may be closed if; ii. the account holder submits a formal request for closure and settles all outstanding obligations; iii. there is repeated non-compliance with the provisions of these Regulations despite prior warnings; iv. the account holder is found to have engaged in fraudulent activities, money laundering, or other illegal conduct; or v. the entity or individual operating the account ceases to exist or is legally dissolved. b) The Registrar shall review and approve requests for voluntary closure upon verification that; i. all outstanding transactions have been completed; and ii. there are no pending regulatory or legal actions against the account. c) Where an account is closed due to non-compliance or regulatory violations, the Registrar shall; i. issue a closure notice to the account holder, specifying the reasons and effective date of closure; ii. ensure that any remaining carbon credits in the account are either transferred or retired in accordance with these Regulations; and iii. maintain records of the closed account for audit and compliance purposes.	Closure of Accounts
PART IV: GENERAL PROVISIONS		
20.	A person who contravenes the provisions of these Regulations shall be liable on conviction, to a fine of not exceeding one hundred thousand shillings or to imprisonment for a term not exceeding six months or to both such fine and imprisonment.	General Penalty
21.	Any dispute arising under these Regulations shall be resolved in the manner provided under section 23H of the Act.	Dispute Resolution

FIRST SCHEDULE
INFORMATION TO BE MADE PUBLICLY AVAILABLE ON THE NATIONAL CARBON REGISTRY

Category	Information
The registry	• Steps to open an account, including the mandatory information and documentation required as per the 'Proceeds of Crime and Anti-Money laundering Act' and any other applicable law. • Account creation notice • Account suspension notice • Account closure notice
Legislation	• The Constitution • The Climate Change Act, Cap.387A and its attendant legislations • Paris agreement
Carbon markets projects	• • Bilateral or multilateral agreements • Memoranda of Understanding • Community Development Agreement • Whitelist
Templates	• Project Concept Note (PCN) • Letter of No-objection • Community Development Agreement • Letter of Approval • Recommendation report • Request for extension of PDD submission deadline • Notice of commencement (project implementation) • Notice of withdrawal (from project implementation) • Request for additional time to commence project implementation • Request for authorization • Letter of authorization • Notice of issuance • Notice of transfer • Annual Progress Report • Request for additional information • Rejection report • Notification of application/process cancellation • Notification of project cancellation • Notice of Transfer • Annual Progress Report • Approval/Rejection Notice • Penalty Notice • Appeal Request Form • Appeal Approval/Rejection Notice • Invoice

Category	Information
	• Receipt Template • Notice of Corresponding Adjustment Fees
Public reports	• To be determined jointly by the national registrar and the Designated National Authority

SECOND SCHEDULE
REQUEST FOR ACCESS TO INFORMATION FORM

To:
The National Registrar

A. Applicant's Details
1. Full Name: _____
2. National ID/Passport/Company Registration No.: _____
3. Postal Address: _____
4. Physical Address: _____
5. Telephone Number: _____
6. Email Address: _____

B. Details of Information Requested
7. Description of the Information Sought (Specify details to facilitate identification of the information):

_____
_____

8. Purpose of Request:
☐ Personal Use
☐ Research/Academic Purposes
☐ Business/Commercial Use
☐ Legal Proceedings
☐ Other (Specify): _____

C. Mode of Access
9. Preferred Mode of Access (Tick as applicable):
☐ Inspection of records at the Registry Office
☐ Certified Copies of Documents
☐ Electronic Copy via Email
☐ Other (Specify): _____

D. Declaration
I, the undersigned, confirm that the information provided herein is accurate to the best of my knowledge. I understand that my request is subject to the applicable fees as provided in the First Schedule and that access to certain information may be restricted in accordance with the law.

Applicant's Signature: _____ Date: _____

E. For Official Use Only
Request Received By: _____ Date: _____
Reference Number: _____
Fee Paid (if applicable): _____
Mode of Payment: ☐ Cash ☐ Bank Transfer ☐ Mobile Transfer _____

Decision on Request:
☐ Approved
☐ Denied (Reason): _____
Authorized Officer: _____ Signature: _____ Date: _____