

Rwanda is seeking to attract more investment into carbon projects while ensuring that communities involved in protecting forests and other natural resources receive a share of the revenue generated, as the country works to strengthen its national carbon market.

Environment Minister Dr Bernadette Arakwiye said Rwanda had established a national carbon market framework to clarify project approval procedures, define institutional responsibilities and guide developers through the process of generating carbon credits.

Speaking at a press conference following the opening of the Carbon Markets Africa Summit in Kigali, Arakwiye said the framework was intended to make the process more predictable for developers while helping prevent unnecessary delays.



Minister Arakwiye

“By having a clear national framework and by having all these steps defined, by clarifying which institution is responsible for what, we believe this has helped us in streamlining the process,” she said.

The minister acknowledged that carbon markets remain a developing field and said Rwanda would continue improving its systems as it gains experience.

But beyond attracting investors, the country faces the challenge of ensuring that carbon projects deliver tangible benefits to the people whose activities contribute to conserving natural resources.

Arakwiye said Rwanda’s framework includes revenue-sharing provisions for relevant land-based projects, particularly those involving forests and community participation. She said approximately 30 per cent of revenue from the relevant projects was designated for communities.

The arrangement is intended to give local people a stake in projects that depend on protecting natural resources, although the precise application of the revenue-sharing provision depends on the relevant project rules.

Maxwell Gomera, UNDP Resident Representative in South Africa and Director of the UNDP Africa Sustainable Finance Hub, said discussions about carbon markets could

lose sight of the communities whose work helps protect forests and other natural resources.

“We are trying to reduce emissions and to fight climate change,” Gomera said, stressing the need to combine credible climate projects with appropriate financing and transparent arrangements for distributing revenue.

He called for international partners to work with African countries on project preparation and capacity-building, which are important for developing projects capable of attracting investment.



Climate financing needs

Rwanda sees carbon markets as one potential source of funding for climate action as it works towards a low-carbon, climate-resilient economy.

Under its third Nationally Determined Contribution, known as NDC 3.0, Rwanda targets a 53 per cent reduction in net greenhouse gas emissions by 2035 compared with a business-as-usual scenario. Implementing the plan is estimated to require \$12 billion through 2035 for mitigation and adaptation measures.

Arakwiye identified sustainable landscape management, climate-smart agriculture and climate-resilient infrastructure as priority areas. Potential interventions include landscape restoration, improved irrigation, better post-harvest management, waste management, solar energy and electric mobility.

For such projects to attract financing, developers must demonstrate credible emissions reductions and comply with safeguards governing the generation and transfer of carbon credits.

Rwanda is also working with Singapore on international carbon trading under Article 6.2 of the Paris Agreement. Rwanda’s lead negotiator said the two countries had established project eligibility criteria and a joint committee to help safeguard transactions and prevent double counting of emissions reductions.

Gomera said predictable approval timelines and coordinated procedures were important for attracting investment, while warning that faster processing should not weaken standards.

“Faster approval, however, must still be credible approval,” he said.

Rwanda’s challenge is to turn its carbon market rules into projects that can attract financing, deliver verifiable emissions reductions and provide a clear share of the proceeds to the communities involved in protecting natural resources.