RWANDA CARBON MARKET PROFILE 2026

Executive Summary

Rwanda is one of Africa’s leading policy-ready and institutionally credible carbon market hosts, with a clear intent to deploy carbon markets as an integrity-driven instrument in support of national climate and development objectives. The country enters the Article 6 era with a proven track record in mobilising climate and nature finance, and market participation is framed to prioritise national interest, environmental integrity, and long-term value creation.

Rwanda’s NDC 3.0 sets out an economy-wide mitigation contribution through 2035, covering all sectors, including expanding renewable energy and e-mobility, promoting efficient cookstoves, integrating land use, land use change and forestry (LULUCF), recovering landfill gas and improving industrial processes, and adopting a net emissions accounting approach. Rwanda commits to an unconditional reduction of 7% (1.84 $MtCO_2e$) in BAU emissions by 2035, delivered through domestic policy measures and public investment. A conditional reduction of 46% (13.02 $MtCO_2e$) below BAU by 2035, contingent on the mobilisation of international finance, technology transfer, and capacity support. Both amount to a 53% (14.86 $MtCO_2e$) reduction below BAU by 2035 in net mitigation outcomes. With modest historical year emissions totalling 8.7 million tonnes of carbon dioxide equivalent (tCO2e), this level of ambition is material relative to its development trajectory and is explicitly designed to support the country’s Vision 2050 objective of achieving a carbon-neutral and climate-resilient economy.

Delivery is, however, finance constrained as Rwanda estimates a total cost of implementing its NDC 3.0 priorities over the 2025-2035 period at approximately USD 12 billion, with USD 5 billion required for mitigation and USD 7 billion for adaptation. Domestic public resources and concessional finance alone are insufficient to meet these requirements at scale. Thus, carbon markets are embedded as a financing mechanism within Rwanda's broader green growth and climate and nature finance architecture.

Mitigation opportunities in priority sectors are well aligned with national development priorities and capable of delivering high-integrity, measurable outcomes with strong social, health, and economic co-benefits. Mitigation potential exceeds what can be absorbed domestically within the NDC alone, creating a credible basis for limited, rules-based export of mitigation outcomes under Article 6. Rwanda is therefore positioning itself as a supplier of high-quality mitigation outcomes, as carbon market participation is linked to NDC delivery and fiscal sustainability. Emphasis is on integrity and national benefit with safeguards to prevent the erosion of domestic mitigation ambition.

A National Carbon Market Framework is in place, institutional mandates are clearly defined, and integration with national MRV systems and climate finance planning is on track. Support for operationalising transaction-level authorization procedures, corresponding adjustment workflows, registry infrastructure, and governance systems, while anchoring the framework through a small number of high-integrity flagship transactions, is what's now needed. This would enable Rwanda to move to first Article 6 transactions, establish a regional benchmark for integrity-led carbon market participation, and unlock scalable, long-term climate finance aligned with Vision 2050 objectives.

Table 1: General Dashboard

Dimension	Key Metric	Current Status	Comments
NDC Ambition	Total Target (2035)	53% reduction vs BAU by 2035 (14.86 $MtCO_2e$ net)	High ambition for Rwanda relative to the development pathway and Vision 2050
	Unconditional	7% vs BAU by 2035 (1.84 $MtCO_2e$)	Credible domestic effort anchored in policy and public investment
	Conditional	46% vs BAU by 2035 (13.02 $MtCO_2e$)	Clear demand signal to international finance and Article 6 partners
	Gases covered	CO_2, CH_4, HFCs, N_2O.	All relevant gases covered including hydrofluorocarbons
Investment Gap	Total NDC cost	USD 12.0 billion	Scale exceeds public budgets and concessional flows.
	Conditional share	82% (USD 9.9 billion)	Structural reliance on external and private finance.
	Mitigation	USD 5.0 billion	Core space for carbon markets and results-based finance.
	Adaptation	USD 7.0 billion	Water resources is a major focus

Emissions Profile	Economy-wide mitigation potential	14.86 $MtCO_2e$ (to 2035)	Sufficient to meet the NDC and allow export under Article 6
	Emissions per Capita	0.17 metric tons of CO2,	Average for the region
	Annual Emissions	8 kt of CO2 equivalent	Coming from diverse sectors
Sectors Allocations	Energy: Clean cooking, transportation, and system-level energy	43%	Fast delivery, high integrity, strong co-benefits
	Agriculture: Smart AFOLU, landscape approaches	42%	High food security benefit and conservational land-use
	Waste & circular economy waste-to-energy plants, Mechanical and biological treatment	13%	Urban relevance and cleaner cities
	IPPU	2%	Industrial processes
Revenue & Market Upside	Expected carbon revenue potential	USD 20-30 million per year	Conservative pricing at 10$ per credit; selective export volumes

Development Impact	Direct beneficiaries	1.5-2.5 million people	Households, SMEs, urban services, rural livelihoods, farmers
	Co-benefits	Cleaner energy access and cities, food security, and Land conservation	Sustainable development
Carbon Market Track Record	Projects numbers	4 CDM projects and 12 PoAs, VCM (300+ listed), Article 6 (2 approved)	Deep delivery history; transition to Article 6 is open and backed by large portfolio
	Total Credits Issued	>25 million tCO_2e (recorded across all mechanisms)	Demonstrated scale delivery, and strong MRV capabilities
Article 6 Readiness	Institutional maturity	Advanced (75%) EAA rating	Beyond readiness, the execution and sequencing phase
	Key execution gaps	Registry update & testing, CA workflows, pilot transactions	Reduces regulatory risk; increases buyer confidence.
Market Positioning	Regional status	Policy and governance frontrunner	Reference host for disciplined Article 6 participation

National Climate & Development Context

Climate impacts impose material costs on growth, livelihoods, and public finances in the country, while future development pathways will determine whether emissions and climate exposure remain manageable as the economy expands.

1. Agriculture continues to anchor rural livelihoods, where 61.6% of workers engage in agriculture as their main economic activity thus contributing significantly to food security and export earnings. The sector is highly climate-sensitive, where more unpredictable weather patterns affect productivity and incomes.
2. Household energy use remains dominated by biomass, with 93.8% of households using firewood (75.0%) and charcoal (18.8%) for cooking, linking energy access directly to public health outcomes, gender equity, forest pressure, and emissions.
3. Rwanda’s power system is predominantly renewable, with over 52% of electricity coming from hydropower, complemented by methane-to-power from Lake Kivu, solar, and peat.
4. Rapid urbanisation is emerging as a defining feature of Rwanda’s climate profile. Urban population growth, rising transport demand, and increasing solid waste generation are driving new sources of emissions and climate risk, particularly in Kigali, where floods and infrastructure stress already generate recurrent fiscal costs.
5. Rwanda has a strong institutional and public finance integration where climate objectives are embedded across national development strategies, supported by climate budget tagging, a dedicated green fund, and a growing climate and nature finance architecture.

These features together position carbon markets in Rwanda as a targeted, performance-based instrument to accelerate climate-resilient development while reinforcing NDC delivery. As reflected in the Rwanda National Carbon Market Framework, Article 6 engagement is explicitly designed to align mitigation transfers with national development priorities and avoid undermining domestic targets. Agriculture is transitioning toward climate-smart intensification, irrigation, and land restoration, consistent with the long-term pathway. At the same time, scaling clean cooking reduces biomass dependence, lowers deforestation pressure, and delivers high-integrity mitigation outcomes aligned with the Climate and Nature Finance Strategy. Although Rwanda's electricity mix is relatively low-carbon, hydropower dependence exposes the system to climate variability, making diversification, grid resilience, and demand-side efficiency central to both mitigation and adaptation. Urban transport, buildings, and waste are increasingly prioritised towards a greener future. In short, carbon markets in Rwanda are embedded within structural reform priorities with strong government backing, thus creating premium opportunities for a wider range of developers.

Table 2: Climate and Economy Nexus.

Sector	Statistics	Climate Risk	Leverage Point

Agriculture & Land Productivity	58% of the total land area; contributes 25% of GDP; Key crops produced coffee, tea, maize, beans (123 index points), Livestock 87 index points.	Rainfall variability, floods and droughts affect yields	Climate-smart agriculture and soil carbon programmes aligned with productivity gains
Forestry & Landscapes	11% of land area covered, 2,790 Sq.Km, 50 kha (10%) lost since 2000	57% of Loss by localised deforestation pressures with 36 Mt of CO_2e emissions, 2001-2024	Jurisdictional landscape-scale REDD+ is consistent with national accounting

Household Energy & Clean Cooking	In rural areas, firewood remains the dominant cooking fuel (92.5%), while 51% of urban households use charcoal. Only 5% of households use modern stoves like gas or electric.	Indoor air pollution, forest pressure, and gender burden	Strong policy backing since the biomass energy strategy to National Strategy for Transformation (NST2)

Electricity & Power System	The use of electricity for lighting increased from 34% in 2016/17 to 72% in 2023/24. Half of Rwandan households are connected to the national grid of which 52% is hydro generation, methane gas 82.4MW from L.Kivu and 22% use solar power, and 1% access both.	Hydropower exposure to climate variability, environmental challenges from methane and peat	Renewable expansion, efficiency, methane projects; Bilateral cooperations

Urban Systems: Transport & Waste	Rapid urbanisation growth, 18% population of 14.3 million, public transport accessibility 54% in urban and 17% of rural. Bicycle ownership is higher in rural areas (16%) compared to urban (12%). 512 full electric & 6,660 hybrid cars registered in 2024. Over 5,200 motorbikes.	Flooding from plastic blockages, waste emissions, traffic congestion with exhaust pollution and 12.5 litres of gasoline per capita/yr	Waste-to-value and low-emission transport with tax exemptions (0% VAT) and a 45% increase in take home income. Established WtE projects like Musanze, Nduba and Kivu methane to electricity project

Public Finance & Governance	Climate budget tagging; FONERWA operational; integration across NST2, GGCRS, NDC 3.0, CNFS Poverty rate 27.4% with $1029 GDP per Capita	Investment needs exceed public budgets and concessional flows	Results-based carbon finance embedded within national planning architecture

Carbon Market Track Record

Rwanda has a deep and credible carbon market track record, anchored in early participation under the CDM and reinforced by a diversified VCM portfolio. Rwanda's engagement demonstrates long-term delivery capacity and robust MRV performance, particularly in energy and household-level interventions. Under the CDM, Rwanda successfully issued close to 2 million CERs so far from the 1 PA & 4 PoA registered with issuances. These activities established national experience in baseline setting and programmatic implementation. This legacy provides a strong technical and institutional foundation that continues to inform current market engagement. In the VCM, projects span clean cooking, household energy, forestry, and waste-related interventions. With over 23 million units issued to date among the major standards like Verra and the Gold standard. Clean cooking has remained a core strength, reflecting Rwanda's policy focus and alignment with global buyer demand for high-integrity credits with clear social co-benefits. Forestry and landscape-based interventions are

emerging more cautiously, with emphasis on permanence and national accounting alignment. Project viability, developer capability, and market demand have never been the main binding constraints for the country. But now the primary constraint is the intentional tightening of regulatory control as the country transitions into the Article 6 era. Rwanda has deliberately slowed volume-led expansion in favour of establishing clear authorization rules, corresponding adjustment procedures, and alignment between voluntary and compliance markets. As a result, the pace of new issuances is now defined by governance readiness and transaction selectivity. Rwanda enters Article 6 with a proven supply base, an existing pipeline suitable for transition, and a policy posture that prioritises quality, national benefit, and long-term market credibility over short-term volume.

Table 3: Historic Carbon Market Summary

Standard / Mechanism	Status	Project Types	No. of Projects	Credits Issued	Key Takeaways
CDM (UNFCCC)	Legacy	EE household (stove & lighting), Solar	PA 1, PoA 4 with Issuances	1985463 CERs issued, 1099547 NDC eligible	Demonstrated large delivery and strong MRV capacity
Verra (VCS)	Active	Energy demand, Energy industries, Forestry (AFOLU)	18 project ID, 8 Issued	15,976,313 VCUs. 3725358 SDG tagged	Largest issuances; pipeline suitable for selective Article 6 transition

Gold Standard	Active	Energy efficiency, Biogas heat, Solar thermal, A/R.	289 GSID (174 Certified project, 61 design, 54 listed)	7,072,170	High SDG signalling; builds on Rwanda’s CDM household energy experience
Article 6	Upcoming	Clean cooking, Buildings, E-mobility, AFOLU etc	2 requests approved; PoA 10699 and PoA 6207	–	Improved livelihoods, enhanced biodiversity, reduced pollution, energy security, and jobs as targeted co-benefits
Total	–	Multi-sector	300+ listed with unique IDs	25+ million units	Deep delivery track record; execution-ready for Article 6 under controlled scale

Priority Sectors & Flagship Pipeline

Rwanda’s government has deliberately prioritised certain sectors where emissions reduction, development impact, and market credibility align, and where mitigation outcomes can be governed, measured, and integrated into national accounting systems without diluting NDC ambition. Clean cooking is the

immediate and policy-aligned mitigation opportunity. Rwanda's existing delivery capacity and alignment with buyer demand positions this sector as a Tier-1 entry point for early transactions. Waste and circular economy interventions, particularly landfill gas capture and organic waste management, are emerging as an urban mitigation pillar. Rapid urbanisation and rising waste volumes create both an emissions challenge and a scalable mitigation opportunity with strong city-level aggregation potential. Renewable energy and system efficiency remain relevant as grid resilience, diversification, and demand-side efficiency measures capable of generating durable mitigation outcomes aligned with national energy planning. AFOLU and landscape-based interventions, including agroforestry and sustainable land management, offer longer-term mitigation and resilience benefits consistent with Rwanda's land-use and green growth strategies. Collectively, these sectors form a wide and balanced portfolio. They allow Rwanda to demonstrate early functionality, attract private capital, and scale gradually without compromising national mitigation balance.

Table 4: Priority Carbon Sectors

Priority Sector	Mitigation Potential $MtCO_2e/yr$	Strategic Priority	Investment Opportunity (≈ Million $)	Exemplary Projects	Merits
Energy: Clean Cooking 28%, transport 36%, Hydropower 11%, Efficiency 4%, modal shift 13%	5.52	#1	Over 30	Electric pressure cookers and LPG in schools, Likano Project Development GmbH, DelAgua Clean Cooking Project	Strong policy backing and MRV familiarity

Waste: Landfill 57%, Composting 11%, MBT-EPR 14%, Energy 14%	1.62	#2	10	Nduba Landfill Gas & Valorization Project	Centralised assets; alignment with urban planning
Agriculture land use: Compost 17%, Terracing 23%, Mulching 32%, Rotation 15%, Livestock 3% Conservation 8%,	7.47	#3	50	Agroforestry, ARR, CIFOR – climate smart agriculture for improved rural livelihoods and climate resiliency	Strong resilience co-benefits
IPPU substitutions : F-Gas 54%, Clinker 46%	0.29	#4	5		Emerging priority; aligned with industrial transition

Article 6 Readiness & Institutional Capacity

Rwanda is at an advanced stage of readiness for Article 6, with bilateral cooperation arrangements, 1 implementation agreements signed with Singapore and 1 MOU with Sweden and moving towards a rules-based system of integrating Article 6 into national climate governance, NDC accounting, and public finance management. The UNEP article 6 pipeline shows that 7 CDM transition requests have been made of which 2 of the PoA are approved. Political commitment and technical understanding have evolved, with formally designated institutional responsibilities for carbon market oversight anchored within the Ministry of Environment and its implementing agencies, notably the Rwanda Environment Management Authority as DNA. These institutions are transitioning from CDM-era supervision

toward Article 6 functions, guided by an adopted National Carbon Market Framework that clarifies scope, eligibility, and the hierarchy between voluntary and compliance markets. The country has also gone ahead to initiate developing Article 6 Projects resulting from the bilateral arrangements. With core policy elements largely in place, what remains is transaction-level operationalisation, including standard operating procedures for host country approvals, digital registry improvements, live testing of corresponding adjustment workflows, and integration of Article 6 functions within national MRV and reporting systems. Rwanda has already authorized certain credits and are intentionally learning by doing while these systems are being finalised, signalling a strong governance posture to markets. Given Rwanda's existing institutional depth, it is positioned to move into live Article 6 transactions and establish itself as a reference host country for integrity-led carbon market participation. Rwanda has issued 7 Article 6 authorisations as below;

- Sep 2023 – SPOUTS Water Purifier Programme Rwanda (GS 11639): The programme generated 38,702 tCO_2e for the period 11 July 2023 to 31 May 2024. 6% (2,322 tCO_2e) was retained for Rwanda's NDC, while 36,380 tCO_2e was designated for OIMP.
- Oct 2023 – Improved Cookstoves, BB Energy Pte Ltd (VCS 3654): The project accounted for 298,801 tCO_2e in 2023 and 1,050,130 tCO_2e in 2024. 7.5% was retained for Rwanda's NDC, with the first transfer completed on 20 November 2024.
- Nov 2023 – Improved Cook Stoves Programme, atmosfair (GS Ref. 1023): The programme was authorised for OIMP, and Gold Standard presents it as Rwanda's first credit aligned with Article 6.
- Dec 2023-Jun 2024 – DelAgua Tubeho Neza Cookstoves (VCS 2749, 3699, 4150): The programmes initially reported 62,651 tCO_2e under VCS 2749 and 136,792 tCO_2e under VCS 4150, with 10% retained for Rwanda's NDC.

- 28 Jul 2025 – Amazi Meza Safe Water Supply for Schools, Virridy (Gold Standard): The project is expected to generate over 700,000 tCO_2e over five years. Rwanda authorised the credits as ITMOs, and the project is eligible for CORSIA.
- Aug 2026 – Rwandan Improved Cookstove Project, Econetix with Likano (VCS 2984): The project covers up to 1.77 million tCO_2e for the period September 2022 to August 2027. The credits are authorised as ITMOs and are eligible for CORSIA.

In July 2026, Rwanda confirmed their first corresponding adjustments for the value of 5,690,481 credits from vintages 2021 to 2024 for clean cooking of DelAgua under VCS which are eligible for CORSIA.

Table 5: EAA Article 6 Readiness 10-Step Framework

Step	Component	Status	Remaining Gap	Priority Action (2026–2027)
1	National Article 6 Strategy	Established / Operationalising	Translate the framework into sector-specific implementation guidance	Issue implementation guidance and sectoral eligibility/screening criteria; align pipeline development with NDC 3.0
2	Legal / Policy Framework	Established	Continued operationalisation of subsidiary instruments and procedures	Complete remaining implementing instruments and procedures
3	Designated National Authority	Established & Operational	Scaling transaction-management capacity as the pipeline grows	Strengthen the Article 6 function within REMA, with dedicated technical capacity
4	Host Country Approval & LoA	Operational	Build transaction track record and streamline processing across project types	Apply and refine authorization, Letter of Approval and ITMO authorization procedures

5	Institutional & Human Capacity	Strengthening	Need for deeper transaction-level, NDC accounting and Article 6.2 expertise	Expand specialised capacity in authorization, corresponding adjustments, MRV, NDC accounting
6	Article 6-Linked MRV	Operationalising	Full integration of project MRV with national inventory, NDC accounting and Article 6 reporting	Establish end-to-end MRV and accounting workflows linking project data, NDC tracking, BTR reporting and ITMO accounting
7	Supporting Market Structures	Developing	Limited depth of domestic transaction, validation and advisory services	Develop a stronger domestic ecosystem of validators/verifiers, legal advisers, carbon-market specialists and financial intermediaries
8	Private Sector Engagement	Active / Scaling	Converting policy certainty and bilateral opportunities into a larger investment pipeline	Expand developer outreach, standardise transaction documentation and develop bankable project/offtake structures
9	National Carbon Registry	Operational	Modernisation and linkage with international systems as well as regulatory backing	Scale registry use, strengthen interoperability and integrate registry data with MRV, authorization and NDC accounting
10	International Cooperation – Article 6.2	Advanced / Transaction Pipeline	Move from bilateral frameworks and project calls to executed transfers	Implement the Rwanda–Singapore agreement, advance eligible projects through authorization and facilitate additional bilateral partnerships

CORSIA Participation

Rwanda’s engagement with CORSIA exists since 2020 and is being aligned with its broader Article 6 and climate finance architecture. Rwanda is also listed for voluntary participation from 1 January 2026 Phase 2 (2027-2035). The RCATS -04.015: Technical Standards for Carbon Offsetting and Reduction Scheme for International Aviation is related to CORSIA Scheme implementation. The Government has prioritised establishing clear authorization rules, corresponding adjustment workflows, and national control over mitigation outcome use before committing supply to sector-specific compliance demand. This reflects alignment with Article 6.2 accounting requirements and host country authorization provisions under the Paris Agreement. The country has a very active VCM pipeline with project types aligned with airline buyer preferences. With technical alignment, some existing or pipeline projects could be transitioned to CORSIA-eligible standards. Rwanda’s aviation emissions are minimal and domestic offset demand is not the primary driver. The strategic opportunity lies in positioning Rwanda as a supplier of high-integrity mitigation outcomes to international airlines, once national authorization and accounting systems are fully operational and aligned with Article 6.2 requirements. Any participation is expected to be selective and rules-based to protect Rwanda’s mitigation balance, avoid premature corresponding adjustment commitments, and support price discipline. Rwanda’s CORSIA opportunity exists because the country can credibly supply quality-assured, policy-aligned credits into a compliance market that increasingly prioritises integrity, transparency, and host country consent.

Table 6. CORSIA Status and Outlook

Element	Status	Actions Required

Voluntary Participation	Communicated its voluntary participation in June 2020	Submit formal notification to ICAO Council to opt into Phase 2 (2027-2035), once Article 6 authorization systems are operational
Eligible Project Pipeline	Over 5.69M units from DelAgua alone already deemed eligible	Screen and transition other clean cooking, waste, AFOLU projects to CORSIA-eligible standards
State Action Plan	Last submitted in March 2022	Update State Action Plan aligned to new international policies and accounting systems
Strategic Opportunity	Medium-low but integrity-led	Position Rwanda as a premium supplier of CORSIA-eligible credits, subordinated to NDC priorities and national authorization controls

Benefit-Sharing & Integrity Safeguards

Benefit-sharing and integrity safeguards are design features of a carbon market architecture that prioritises national ownership, social legitimacy, and long-term credibility. Rwanda’s approach reflects its broader governance philosophy: carbon markets must reinforce development outcomes, fiscal discipline, and environmental integrity simultaneously. The National Carbon Market Framework and Climate and Nature Finance Strategy explicitly anchor carbon market participation in high-integrity principles, national alignment, and value

retention. Benefit-sharing is therefore treated as a governance function. The objective is to ensure that carbon revenues deliver benefits to local actors while maintaining sufficient commercial incentives to attract developers. Benefit-sharing principles emphasise equitable value distribution, transparency, and accountability, with expectations for community participation and revenue flow disclosure. Developers pay $1,000 to open a carbon market account, $1,500 for project registration and a non-objection letter, and $3,000 for final approval. Issuance confirmation fees are $0.2 per credit under Article 6 and $0.1 under the VCM, alongside a $2 per credit corresponding adjustment fee. Transaction-related costs include an authorisation fee of 2% of emission reductions, with up to 15% allocated as a share of proceeds for national climate priorities and 2% for global mitigation (OMGE). For land-based projects specifically, while administrative fees remain the same, there is a stronger equity requirement of at least 30% of revenues or credits must go to communities and landowners, plus 1% of credits set aside in a national buffer account to manage risk. The moves away from fixed revenue-sharing formulas and instead applies minimum thresholds complemented by regulatory oversight, allowing flexibility across sectors and project types while still safeguarding community benefits. At the same time, Rwanda's MRV architecture is structured to integrate project-level data into national GHG inventories and biennial transparency reports, ensuring full traceability, environmental integrity, and alignment between Article 6 transactions and VCM activities. Early transactions are therefore expected to meet a higher bar than minimum compliance, setting a precedent that protects national reputation, reduces buyer risk, and supports price order. By embedding these safeguards at system level, Rwanda reduces reputational risk, strengthens buyer confidence, and creates the conditions for measured, durable market scale-up. The system is structured to withstand scrutiny from compliance buyers, development partners, and domestic stakeholders alike.

Table 7: Example of a Benefit-Sharing Framework

Stakeholder	% Allocation	Primary Purpose	Integrity Function
Communities / End Users	30% land based	Direct benefits (energy cost reduction, livelihoods, local services, health and gender outcomes)	Builds social legitimacy and permanence
Project Developers / Investors	50% after all deductions	Capital recovery, risk-taking, technical delivery	Ensures commercial viability and sustained delivery capacity
Administration & Systems	2%	Authorization, registry operation, administration, paid per credit issued	Protects credit quality and transparency
National Oversight	17%	Country Climate priorities. 15% proceeds, 2% OMGE	Ensures Article 6 compliance and accounting integrity
Buffer / Risk Management	1%	Non-permanence and reversal risk coverage, insurance	De-risks credits and protects environmental integrity

Strategic Roadmap & Investment Need

Rwanda’s pathway to a high-integrity, investable carbon market centres on converting policy maturity into controlled, transaction-level delivery. The country has already established climate ambition, institutional architecture, and defined market rules. It now needs to demonstrate early transactions that set a quality benchmark and scale only where national priorities, and buyer demand align.

Phase 1 (2026-2027): Controlled entry & first transactions

Priority actions focus on operationalising existing frameworks. Key actions include finalising transaction-level authorization procedures, issuing standardised Letters of Authorization for Article 6, and deploying a functional national registry integrated with MRV systems and NDC accounting. Institutional focus will shift from policy formulation to execution, including internalising corresponding adjustment workflows and transaction review protocols. Aim to authorise a few flagships, high-integrity transactions where MRV robustness and development co-benefits are strongest.

Phase 2 (2028-2030): Selective scaling & market deepening

With systems tested and governance proven, the emphasis shifts to predictability and depth. Rwanda will formalise bilateral cooperation, expand issuance in priority sectors, and establish clear authorization timelines that reduce transaction risk. This phase is critical for crowding in private capital. As regulatory uncertainty declines and price discovery improves, projects become bankable, enabling larger pipelines, longer-term offtake agreements, and programmatic approaches. The objective is repeatable transactions and

disciplined growth anchored in integrity safeguards.

Phase 3 (2031-2035): Integration & strategic maturity

At this stage, carbon markets function as a routine, performance-based financing instrument supporting NDC implementation. Market operations become fully integrated with national planning, budgeting, and climate finance mechanisms. Sectoral coverage expands cautiously, and carbon revenues contribute meaningfully to closing the NDC financing gap while maintaining a mitigation balance. Rwanda becomes a reliable, integrity-led supplier within international carbon markets.

Roles & responsibilities

- Government of Rwanda: Maintain regulatory discipline, oversee authorization and corresponding adjustments, integrate carbon revenues into national planning, and protect mitigation balance.
- Development partners: Provide finance and technical support to de-risk early transactions and accelerate execution.
- Private sector & project developers: Deploy capital and delivery capacity in screened priority sectors and structure projects for scale and integrity.
- Carbon buyers & partner governments: Anchor demand through early purchases and bilateral cooperation, reinforcing price signals and market confidence.

The Investment need

The investment request is to support registry advancement, transaction-level authorization systems, MRV&VVB structure, corresponding adjustment integration, and the piloting of first Article 6 transactions. It can unlock a pipeline of investable mitigation activities and positions Rwanda to mobilise hundreds of millions of dollars in climate finance over the following decade.

For partners and buyers seeking high-integrity supply, disciplined authorization, and durable development impact, Rwanda represents a time-bound opportunity to shape a reference carbon market from the first Article 6 transaction onward since the framework is credible and institutions are capable.

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