

Abstract

On February 17, 2026, Kenya formally launched its National Carbon Registry (KNCR), a sovereign digital ledger designed to track, verify, and manage carbon credits and Internationally Transferred Mitigation Outcomes (ITMOs) from domestic climate projects. The launch marks a defining moment in Kenya's climate governance trajectory and in the broader African push for carbon sovereignty. This paper examines the governance architecture underpinning the KNCR, assessing the institutional conditions under which it can deliver equitable climate finance while maintaining high-integrity market participation. Drawing on the political economy of natural resource governance, the carbon market integrity literature, and comparative case analysis of established frameworks, including Ghana's Carbon Registry (GCR), Costa Rica's National Forestry Financing Fund (FONAFIFO), and the evolution of Verra's Verified Carbon Standard (VCS), the paper develops a conditional analytical framework. The central argument is that Kenya's registry represents a genuine and significant governance advance, creating the structural preconditions for carbon sovereignty. Its long-term effectiveness in delivering equitable outcomes, however, is contingent upon resolving three interrelated institutional conditions: the independence and transparency of project authorization, the robustness of measurement, reporting, and verification (MRV) infrastructure, and the operationalization of community benefit-sharing mechanisms. Since no projects have yet been deposited into the registry, the present moment offers Kenya an unprecedented opportunity to entrench governance principles that turn initial promise into enduring institutional credibility.