



**NAIROBI**  
FRAMEWORK PARTNERSHIP

# NAIROBI FRAMEWORK PARTNERSHIP

2018 Annual Report

## 1. OVERVIEW

### 1.1. About the Nairobi Framework Partnership

The Nairobi Framework Partnership (NFP) was initiated a decade ago by the United Nations Secretary-General, Kofi Annan, at the second Conference of the Parties serving as the meeting of Parties to the Kyoto Protocol. Its original goal was to support developing countries in improving their level of participation in the clean development mechanism (CDM) through inter-agency cooperation and collaboration. Members of the NFP have since evolved to embrace a much more ambitious role in the climate change arena. Today the NFP, through its partners<sup>1</sup> and cooperating organizations,<sup>2</sup> has positioned itself as a recognized global platform with an extended and solid inter-agency collaboration track record for ongoing market-based climate action.

### 1.2. Purpose of the report

The purpose of this report is to document the activities completed by partner agencies and cooperating organizations of the NFP during 2018. It includes both the activities included in the 2018 workplan and activities that were additionally developed throughout the year.

## 2. GOVERNANCE

In 2018, the NFP partners confirmed that the UNFCCC secretariat will continue to coordinate the activities or act as secretary in line with the Term of Reference (ToR).<sup>3</sup> There are two levels of membership in the NFP: partners and cooperating organizations. As indicated in the ToR, decisions are taken by partners, whereas cooperating agencies have the status of observer. All partners take decision by consensus. Partners reiterated the importance to have dedicated meetings during the year in conjunction with Climate Weeks or UN climate change conferences, and if needed to have dedicated stand-alone meetings during the year.

In 2018, the NFP held two in-person governance meetings in which major decisions were taken. The first meeting took place in August in the margins of the Climate Week in Montevideo and took stock of Climate Week experience during 2018 and highlighted memberships issues. The second meeting, held in October in Bonn, commenced a critical review of the NFP with the aim to make it a better fit for purpose and opportunities presented by the

---

<sup>1</sup> African Development Bank Group, Asian Development Bank, International Emissions Trading Association, United Nations Conference on Trade and Development, United Nations Development Programme, United Nations Environment Programme (UNEP), UNEP DTU Partnership, United Nations Economic and Social Commission for Asia and the Pacific, United Nations Framework Convention on Climate Change and World Bank Group.

<sup>2</sup> Low Emission Development Global Partnership (LEDS GP), including LEDS Africa and LEDS Latin America and the Caribbean, Development Bank of Latin America, Institute for Global Environmental Strategies, Inter-American Development Bank, Latin American Energy Organization and the Climate Markets & Investment Association.

<sup>3</sup> [http://unfccc.int/files/playground/application/pdf/nairobi\\_framework\\_partnership\\_tor\\_230516\\_final.pdf](http://unfccc.int/files/playground/application/pdf/nairobi_framework_partnership_tor_230516_final.pdf)

expected outcome of the UN Climate Change Conference held in Katowice. Additional information on the meetings is given in the sub-sections below.

Each partner or cooperating organization of the NFP contributes staff time (in-kind contribution) to work on joint activities and contributes financially to cover staff travel cost to the NFP events and regular meetings. In addition, for organizing the regional climate weeks each partner or cooperating organization made both financial and in-kind contributions to cover staff and participants' travel cost and logistics cost for the event. Under the UNFCCC secretariat's coordination, partners and cooperating organizations contributed to the development of the agenda of the regional climate weeks and took lead to deliver assigned sessions.

### **2.1. Meeting in Montevideo**

NFP partners met on the last day of the Climate Week in Montevideo (23 August 2018). The meeting was the first opportunity to review the implementation of the 2018 Climate Weeks, considering that it was the first year following the approval by the partners in 2017 to evolve the Carbon Forums into Climate Weeks. In particular, the meeting reviewed the two main agreements reached in Barcelona at the high-level meeting (23 May 2017), attended by senior directors and executives of NFP partners, regarding the future direction and implementation strategy<sup>4</sup> of the NFP, as follows:

- a) Future of the regional Carbon Forums: The respective director of each partner member endorsed the organization of the Carbon Forums under the "Climate Week" umbrella. In the proposed design, the week would include a series of events that are related to climate change, including negotiation aspects by engaging key regional negotiators and policy makers, and technical discussions on mitigation and adaptation. Partners agreed that this goal will be achieved by:
  - i) engaging with more agencies or other departments within the partner agencies;
  - ii) running the event jointly with a meeting of the NDC Partnerships;
  - iii) establishing an organizing committee comprised of NFP partners and representatives of other organizations to develop a common agenda.
  
- b) Joint work programme and thematic areas: In Barcelona, the development of a joint work programme between the Carbon Forums and the Climate Weeks was agreed and three thematic areas were identified. The three thematic areas were:
  - i) carbon market frameworks;
  - ii) monitoring, reporting and verification (MRV) and transparency with regard to the establishment of market-based mechanisms to implement NDCs;
  - iii) finance using carbon market tools.

The Montevideo meeting confirmed that the organization of the Climate Week in accordance with point (a) above was the focus of work in 2018 and therefore there were delays in the implementation of the work plan in accordance with point (b) above. It was proposed to adjourn the issue and discuss the issue again before the end of the year.

---

<sup>4</sup> The NFP Mid-Term Strategy was adopted at the high-level meeting on 15 November 2016 in the margins of the twenty-second meeting of the Conference of the Parties in Marrakech. The high-level meeting in Barcelona on 23 May 2017 endorsed the implementation of the Mid-Term Strategy.

The United Nations Framework Convention on Climate Change (UNFCCC) secretariat provided suggestions on how to approach future Climate Weeks (programme format, duration of events, budget and tentative schedule for 2019 and 2020, etc.), including desired outcomes and expected impact of the regionally organized events.

The UNFCCC secretariat proposed that the Climate Week should become 'the place to be' for all types of stakeholders involved in climate change matters for the implementation of the Paris Agreement at a regional level. In 2018, the importance given to these types of events was emphasized by the continuous participation of the UNFCCC Executive Secretary.

The UNFCCC secretariat proposed that, rather than taking the approach of making the Carbon Forum part of the Climate Week (back-to-back), the Carbon Forums should transform into Climate Weeks and the agenda should be opened up to a variety of topics, while still including (but not limited to) carbon markets and the CDM. Raising the profile of the Climate Weeks would not only increase participation in volume but also in quality.

Also, the secretariat indicated that the programme of events needs to be better coordinated amongst partners. A proposed approach would be to have thematic areas, identifying priorities and recurring topics. The secretariat also stressed the importance of having a distinction between commercial and non-commercial activities and the need for a fundraising strategy.

The NFP partners raised the following issues:

- a) The partners should first agree on a specific partnership framework for the new model by discussing the plans in detail, and the new model should fit the purpose;
- b) The new model could impact the roles of the different partners within the partnership;
- c) It will be necessary to recalibrate the roles of the partners;
- d) The NFP has become UNFCCC secretariat-centric; it is important to ensure that the partners have a common interest and that all are equally involved;
- e) An evaluation of the past 10 years of the NFP was recommended;
- f) Opening up the partnership to too many organizations would be dangerous, since it would be difficult to coordinate;
- g) The process for evolving Carbon Forums into Climate Weeks still needs to be defined in detail;
- h) The conceptual framework and organizational structure of new Climate Weeks need to be defined;
- i) Communication should be improved for each step in the process of choosing the host country;
- j) The partners need to collectively find a definition of the new Climate Weeks.

The meeting therefore proposed a series of ideas and raised issues both in terms of the evolution of the NFP and the Climate Weeks that required a dedicated meeting planned for October 2018 in Bonn.

## **2.2. Meeting in Bonn**

NFP partners agreed to convene their next face-to-face planning meeting on 29-30 October 2018 in Bonn. The meeting was intended to bring together partners and cooperating organizations to continue discussions on the following overarching topics:

- a) The future of the NFP;
- b) The strategic direction of the Climate Weeks in terms of the content, the substantive focus of attention and the themes to be agreed upon for the upcoming year(s);
- c) The planning for 2019 regional events, including financial commitments to the Climate Weeks, agreement on the logistical aspects of the three regional events (including leading partner organization, host country, tentative dates and commitment).

The key outcomes and agreed way forward from the meeting included:

- a) The NFP is to revisit the overarching role of the partnership to respond to the changing circumstances. This process is estimated to take approximately one year;
- b) A working group will be formed to steer discussions around membership(s), terms of reference, Climate Weeks and a focus for 2020. The following five organizations will form the working group: UNEP DTU Partnership, United Nations Development Programme, United Nations Environment Programme, UNFCCC and the World Bank;
- c) In the new partnership, non-state actors and civil society (with a global reach/wider scope of activities, e.g. the World Business Council for Sustainable Development) are expected to play an active role, in addition to the global and regional United Nations and multilateral organizations. At least one non-state actor organization might be asked to join the core group;
- d) The membership structure of the new partnership (levels: core partners, associate partners, etc.) must be discussed in the one-year period. No new membership request will be considered during this period;
- e) The process will entail revisiting of the NFP governance processes such as defining clearly differentiated roles and responsibilities of core partners, associated partners and sponsors/donors based on balancing contributions and mandates, etc.;
- f) While the partnership strives to have a collective work programme, it is important to distinguish between activities delivered jointly and potential collaborations, recognizing the different approaches and mandates of the different partners' organizations. The members of the partnership are responsible for upholding the principles of the same;
- g) Reporting both internally and externally plays a key role in ensuring communication between the partners and to the world about the activities of the partnership;
- h) Feedback was provided to the UNFCCC secretariat on new areas requiring attention from the partners to enhance the regional distribution (balance in geographical coverage) of NFP activities and avoid duplication of efforts.

Partners agreed on the following scope and direction of Climate Weeks:

- a) Supporting countries in the implementation of nationally determined contributions (NDCs);
- b) Ensuring the transparency and continuity of mitigation actions originated through the CDM;
- c) Supporting countries in the creation and implementation of carbon markets, including exploring the future of the CDM as the basis for new markets;
- d) Contributing to the dissemination of green technologies;
- e) Financing for climate actions, considering the use of the CDM;
- f) Supporting countries to develop climate policies.

When planning, it is fundamental to ensure the host government's support and understand what is expected from the host country (host country commitments).

The use of a modular structure (e.g. clusters) can facilitate the distribution of responsibilities and areas of interest among partners. It was also agreed that preferably all Climate Weeks would be delivered by mid-September to use the outcomes of all three regional events (Africa, Asia and the Pacific, and Latin America and the Caribbean) to feed into the United Nations Secretary-General's Summit 2019 to be held in New York in September.

### **3. NAIROBI FRAMEWORK PARTNERHSIP ACTIVITIES IN 2018**

A summary of the activities carried out under the NFP in 2018 is presented in the following sub-sections.

#### **3.1. Climate Week Survey**

This survey, one of the recommendations that emerged from the experience gained in 2018, was conducted to support the preparation of the Climate Weeks in 2019. It was sent to thousands of stakeholders including designated national authorities (DNAs), UNFCCC National Focal Points and representatives of intergovernmental organizations (IGOs) and non-governmental organizations (NGOs).

The results have shown that key themes to explore include:

- a) Education and training;
- b) Land use, land-use change and forestry;
- c) Agriculture;
- d) Water;
- e) Renewable energy and energy efficiency.

In terms of cross-cutting topics that are considered most relevant, the following were identified:

- a) UNFCCC process;
- b) Finance;
- c) Resilience;
- d) NDC implementation and integration;
- e) Capacity development and enhancement.

Survey results have also indicated the types of stakeholders that are critical to engage during the Climate Weeks. They included:

- a) NGOs;
- b) IGOs;
- c) Academia, research and think tanks;
- d) State actors: negotiators, ministers, governmental agencies, etc.

These results were crucial for designing the Climate Weeks.

#### **3.1.1. Regional Climate Weeks**

As mentioned in section 2.1 above, the future direction of the regional climate weeks has been endorsed by the respective director of each partner member, and the Carbon Forums were organized under the “Climate Week” umbrella. In 2018, most regional climate weeks took place in parallel or back-to-back with other relevant climate events in the region.

The series of events in 2018 provided an excellent platform for the exchange of knowledge and best practices across the region relating to NDC implementation, the role of carbon markets and economic instruments to achieve cost-effective mitigation and adaptation and scaled-up ambition, and the role of capital markets to finance the implementation of NDCs.

A major component of regional events included dedicated CDM sessions. Specific dialogues and roundtables were conducted in all three regional climate weeks to promote discussions among all types of stakeholders, with a particular focus on project developers, investors and DNAs.

#### **3.1.1.1. Africa Carbon Forum**

The First Africa Climate Week was held in Nairobi from 28 to 30 June 2018. The objective of the Climate Week was to provide a platform for sharing information aimed at advancing the implementation of climate actions. Its participants focused on how to strengthen cooperation between governments and other stakeholders in key sectors of Africa – notably energy, agriculture and human settlements, including the role of future carbon markets in boosting climate action and sustainable development.

The event was a resounding success, registering over 1,300 participants. The forum included a high-level ministerial segment hosted by the Government of Kenya, in which Ministers and high-level officials discussed the mobilization of financial resources to tackle climate change. The event welcomed the active participation of UNFCCC Executive Secretary Ms. Patricia Espinosa and Mr. Tomasz Chruszczow, the twenty-fourth session of the Conference of the Parties (COP 24) High-Level Champion.

“The Africa Climate Week demonstrated that Parties to the Paris Agreement know that success of the Paris Agreement will require broad-based, ambitious effort from all sectors of society, both public and private”, said Ms. Espinosa. “We need a massive and swift ramping up of ambition to get on track.”

An important feature of this Africa Climate Week was its harvesting of views for consideration in the official climate negotiations through the Talanoa Dialogue process, which was launched in December 2017 at COP 23 in Bonn. The Talanoa Dialogue was hosted by the Government of Ghana and attended by key regional stakeholders, such as leaders at UN Environment and UN-Habitat.

In addition, a dedicated session was held to further promote the CDM in Africa. The session was very well attended and provided clarity to stakeholders on opportunities for using certified emission reductions (Climate Neutral Now; aviation sector), CDM tools (CDM methodologies and standardized baselines) and financing, including through the Green Climate Fund.

#### **3.1.1.2. Asia-Pacific Climate Week**

The 2018 edition of the Asia-Pacific Climate Week (APCW) was held in Singapore from 10 to 13 July. The APCW covered topics such as regional climate action, MRV and transparency, updates on carbon markets, and finance and investment for climate actions. It was complemented by a High-Level Segment for Climate Action, which witnessed the participation of several regional ministers, who highlighted and discussed strategies for accelerating global climate action by realigning financial flows in the Asia-Pacific region.

Nearly 700 participants registered for the event, among them several high-level representatives from both the public and the private sectors. The event was highly successful and was directly supported by Minister Masagos Zulkifli, Ministry of the Environment and Water Resources (Singapore), Minister Inia Seruiratu (Fiji), High Level Climate Champion for COP 23, UNFCCC Executive Secretary Patricia Espinosa and Mr. Bambang Susantono, Vice President for Knowledge Management and Sustainable Development at the Asian Development Bank. Building on the key messages delivered during the sessions, the APCW 2018 resulted in a roadmap intended to set the pace for regional climate action in the years to come.

To further promote the CDM and create awareness among relevant stakeholders, a dedicated session was organized to discuss the following topics:

- a) Exploring the future of the CDM;
- b) From CDM to NDCs – ensuring transparency and continuity of mitigation actions;
- c) Promoting financing of CDM projects and use of CDM for financing climate action;
- d) CDM Marketplace.

#### **3.1.1.3. Latin American and Caribbean Climate Week**

The first edition of the Latin American and Caribbean Climate Week was held in Montevideo, from 19 to 23 August 2018. The event attracted over 800 participants.

The Climate Week was intended to showcase state-of-the-art climate change mitigation technologies and reach out to cooperating agencies, potential investors and service providers. It covered topics such as the promotion of regional climate action and climate finance, and the development of tracking systems to support transparency.

The Climate Week provided a platform to showcase regional actions underway to reduce greenhouse gases and build resilience to the unavoidable impacts of climate change. This event focused on challenges, opportunities and actions based on regional priorities and circumstances and brought together representatives from a wide variety of stakeholders, including multilateral development agencies, regional institutions, governments, the private sector, academics, NGOs and other civil society players.

Relevant discussions on the CDM included the following two roundtables:

- a) Options to Use the CDM for Other Purposes: More specifically, DNAs discussed how to address the question: “What is the role of the CDM in the context of Article 6 of the Paris Agreement?”. They also discussed any possibilities to replace the CDM, use it in parallel with other mechanisms and/or establish a path for a transition from the Kyoto Protocol to Article 6; and
- b) Regional Collaboration: The roundtable discussed how to enhance regional coordination in the Latin American and Caribbean regions and sub regions with the aim of strengthening the voice of the countries in future climate change negotiations and forums. In particular, it focused on the role of the UNFCCC Regional Collaboration Centres and how they might be best leveraged to meet CDM- and market-related needs of countries in the region.



## 4. CONCLUSION

Composed of dozens of international organizations, the NFP is the only partnership of its kind that promotes knowledge-sharing and services to support countries in the implementation of market-based approaches for the achievement of their NDCs, including the promotion of CDM.

In 2017, the NFP reached a new level of cooperation by agreeing to work towards a common objective by developing a joint work programme, to which each NFP partner actively contributed financially and in-kind. In 2018 the focus has mainly been on the development of the concept of the Climate Weeks and their delivery. At the end of 2018, the partners have agreed to re-focus on developing a workplan and using the NFP to deliver a series of critical activities for the promotion of market-based solutions to increase the ambition under the Paris Agreement by using its Article 6.

The two main agreements were reached in 2018. The first decision relates to the development of the Climate Weeks using the experience of those implemented in 2018 and the legacy of 10 years of Carbon Forums, with a view to raising ambition at the regional level by facilitating dialogue and access to the latest available information and tools for NDC implementation. As such, Climate Weeks will represent the only annual event on each of the continents that convenes both government and non-state stakeholders on climate issues. The second decision relates to the revision of the NFP activities in order to better respond to changes of focus by paying increased attention to a wider set of climate change issues than market mechanisms, which will still remain a central topic for the NFP to work on. The expected impact of the Climate Weeks is for countries, at all organizational levels (city/state, private/public sector), to have a solid understanding of the actions to be taken and create solid means of implementation related to their targets. The second decision regarding the development of a joint work programme also represented a major milestone for the NFP. Although the work is still ongoing, a close cooperation between all members has already commenced towards a common objective and thematic workplans have been agreed upon, taking into account experience gained from 10 years of partnership that started with the work on the CDM.

In conclusion, 2018 represented an important year for the partnership which provided a series of lessons learned. To ensure maximum impact over the long term, the NFP should focus on the development of a new ToR for itself, re-focus on creating a workplan that covers a broader range of activities than the Climate Weeks and improve its outreach activities.

----