



THE NATIONAL TREASURY AND ECONOMIC PLANNING

**REPORT ON KENYA'S ACCESSION TO THE ESTABLISHMENT AGREEMENT OF
THE GLOBAL GREEN GROWTH INSTITUTE (GGGI)**

JANUARY 2023

1 Table of Content

CHAPTER ONE	3
1. INTRODUCTION	3
1.1 Background	3
1.2 Objective	3
CHAPTER TWO	3
2. LEGAL, POLICY, AND INSTUTIONAL FRAMEWORK	3
2.1 Legal Instruments.....	3
2.2 Policy tools and other Statutory Instruments	4
CHAPTER THREE	6
3. GLOBAL GREEN GROWTH INSTITUTE (GGGI)	6
3.1 Overview of the Global Green Growth Institute (GGGI)	6
3.2 Objectives of the Global Green Growth Institute (GGGI).....	6
3.3 Activities of GGGI.....	6
3.4 Benefits of Membership to GGGI.....	7
3.5 Membership to GGGI	7
3.6 Kenya’s Introduction to The Global Green Growth Institute (GGGI).....	8
CHAPTER FOUR.....	9
4. THE AGREEMENT ON THE ESTABLISHMENT OF GGGI	9
4.1 Contents of the Agreement	9
4.2 Process of becoming a Member through Accession	10
4.3 Benefits of GGGI Membership for Kenya.....	11
4.4 Rationale and Justifications for Kenya’s Accession to the Agreement	11
4.5 Obligations of Kenya	13
4.6 Financial Implications.....	13
4.7 Other Implications	14
CHAPTER FIVE	14
5. RECOMMENDATIONS.....	14

CHAPTER ONE

1. INTRODUCTION

1.1 Background

Kenya's economy has been vulnerable to many shocks including fluctuations in global energy prices, global economic growth-slowdown and climate related shocks such as drought and floods among others. Continued vulnerability exacerbate the socio-economic gap on several fronts because the effects of these shocks are not uniformly distributed across the societies. Transition to Green Economy entails addressing the drivers of natural resources change and providing support for green and eco-friendly technologies and related research and innovation activities. As such Green Economy is expected to strengthen the resilience of economic, social and environmental systems to the adverse effects of external shocks. Cognizant of the challenges facing the country, Kenya affirms her commitment to transition to a Green Economy as a means to ensure effective implementation of the outcomes of the third United Nations Conference on Sustainable Development (UNCSD) held in 2012 (Rio+20 summit). The outcome document of the summit, *The Future We Want*, regards the green economy as a tool which contributes to poverty reduction while encouraging sustained economic growth, enhancing social inclusion, improving human welfare and creating opportunities for decent employment and work, while maintaining the healthy functioning of the Earth's ecosystems.

1.2 Objective

This Report aims to provide the significance of the Global Green Growth Institute (GGGI) to Kenya, and the benefits of transiting to a Green Economy. The report also aims to provide the rationale for Kenya's decision to accede to the Agreement on the Establishment of the Global Green Growth Institute (GGGI).

CHAPTER TWO

2. LEGAL, POLICY, AND INSTUTIONAL FRAMEWORK

2.1 Legal Instruments

a) Constitution of Kenya, 2010

This theme reverberates in our legal instruments – statutory and international instruments to which we have ratified. To begin with, our *Constitution of Kenya (2010)* emphasizes the importance of sustainable development, socio-economic and environmental rights as noted in the

several articles. These include Article 28 on *Human Dignity*; Articles 42 on *Environment*; Article 43 on *Economic and Social Rights*; and Articles 69-72 on *Environment and Natural Resources dealing with obligations in respect of the environment, Enforcement of environmental rights*. There are also *Agreements relating to natural resources and legislation relating to the environment* and governed in the manner noted in Article 10 on *National Values and principles of governance* binding principles of the rule of law, social justice, good governance, integrity, transparency and accountability, and sustainable development.

2.2 Policy tools and other Statutory Instruments

a) Green Economy Strategy and Implementation Plan (GESIP)

The Ministry of Environment and Natural Resources (as it then was named [now Ministry of Environment, Climate change and Forestry]) and United Nations Environment Programme (UNEP), produced a Green Economy Assessment Report in 2014, which proposed alignment of Green Economy activities across the social, economic and environmental spheres of society. The report therefore confirmed that Kenya would derive long-term benefits by transitioning to a green economy, hence the *Green Economy Strategy and Implementation Plan (GESIP, 2016-2030)*.

The GESIP 2016 - 2030 is geared towards enabling attainment of a higher economic growth rate consistent with the Vision 2030, which firmly embeds the principles of sustainable development in the overall national growth strategy. The Strategy guides Kenya's transition to a sustainable path in five thematic areas, namely: sustainable infrastructure development; building resilience; sustainable natural resources management; resource efficiency; and social inclusion and sustainable livelihood. In addition, the strategies within GESIP recognize the urgency for domestic actions as a contribution to keeping global temperatures below 2 degrees Celsius (or 1.5 degrees Celsius) in line with the Paris Agreement, while building resilience of the economy, social and environmental systems to external shocks. This will meet the aspirations of the Rio + 20 summit and Sustainable Development Goals (SDGs).

Although the country requires Kshs. 2.4 Trillion to fully implement the Strategy, Kenya has still made strides in the implementation of the identified strategic objectives in GESIP within the context of scarce financial resources, The Medium Term Review of the GESIP notes that more efforts are yet needed to actualize the various strategic objectives of GESIP. Strengthening of collaboration and institutional coordination in delivery of GESIP objectives and strategies, as well as building capacity of Green Growth Unit at the Ministry of Environment, Climate Change and Forestry to enable it monitor and coordinate implementation of GESIP, is highly recommended.

It was in line with her long-term economic blueprint – Vision 2030, Kenya also had to pursue a low carbon climate resilient development pathway by relying on ambitious policies and measures

dealing with the sustainable development agenda. The second Medium Term Plan (MTP II, 2013-2017) identified the development of a national *Green Economy Strategy* as one of the priorities to implement the Vision 2030.

b) The Climate Change Act (Number 11 of 2016)

The *Climate Change Act (Number 11 of 2016)* provides for the development of National Climate Change Action Plans to guide the mainstreaming of climate change into sector functions. The Act is implemented through the National Climate Change Action Plans (NCAAPs).

c) The National Climate Change Action Plan 2018-2022

The second *National Climate Change Action Plan 2018-2022 (NCCAP, 2018-2022)* provides a solid legal and institutional framework that has guided mechanisms in the realization of low carbon climate resilient development and emphasizes sustainability, while prioritizing adaptation and enhanced climate resilience for vulnerable groups, including women, youth, persons with disabilities, and marginalized and minority communities. Kenya's mitigation or low-carbon actions in the *NCCAP 2018-2022* sought to help to keep Green House Gas (GHG) emissions lower than the projected trajectory, and further sought to deliver co-benefits, including sustainable development, green growth, and resource efficiency.

d) The Environmental Management and Co-ordination Act, 1999 (EMCA)

The Act as amended through *EMCA (Amendment Act) 2015* as the framework for environmental legislation. It establishes appropriate legal and institutional mechanisms for the management of the environment. Recent Green Economy law and policy includes the Sustainable Solid Waste Management Act, Number 31 of 2022; E-waste management strategy 2019 -2024, and Extended Producer Responsibility Regulations (EPR), 2021.

e) The Sustainable Waste Management Act, No. 31 of 2022

The Act seeks to provide for the sustainable management of waste through creation of extended producer responsibility schemes as well as a circular economy for the reduction of waste. There is also the *National Sustainable Waste Management Policy* being developed by the Ministry of Environment and Forestry, to advance Kenya towards a more sustainable and circular, green economy towards realization of the Zero Waste principle.

f) National Policy on Climate Finance, (Sessional Paper No. 3) 2018

The Policy is based on the principle of inclusiveness: To create business opportunities for private investors and communities, including small, medium and large-scale enterprises, to fully participate in national development and climate change mitigation, adaptation and green growth. This will in turn support the government's employment and wealth creation initiatives and promotes a circular economy.

CHAPTER THREE

3. GLOBAL GREEN GROWTH INSTITUTE (GGGI)

3.1 Overview of the Global Green Growth Institute (GGGI)

The Global Green Growth Institute (GGGI), established in 2012, is a treaty-based international, inter-governmental organization that is headquartered in Seoul, Republic of South Korea. The Institute was effected through the ratification of the Agreement on Establishment of GGGI hereinafter referred to as the ‘Agreement’, at Rio de Janeiro, Brazil on 20th June, 2012. It’s mission is to facilitate a global transition toward a model of green growth through supporting and promoting strong, inclusive and sustainable economic growth in developing countries and emerging economies. The thematic areas of focus include Waste, Solar Energy, Sustainable Transport, Green Buildings and Industry, Forest (Sustainable) Landscapes, and Gender and Inclusive Development.

The Institute has offices in United Arab Emirates, Indonesia & Hungary. Further, the GGGI currently hosts Member States from Australia, Cambodia, Costa Rica, Denmark, Ethiopia, Fiji, Guyana, Hungary, Indonesia, Jordan, Kiribati, Republic of Korea, Democratic People’s Republic of Lao, Mexico, Mongolia Nepal, Norway, Papua New Guinea, Paraguay, Peru, Philippines, Qatar, Rwanda, Senegal, Sri Lanka, Thailand, Tonga, United Arab Emirates, Turkemenistan, United Kingdom, Vanuatu and Vietnam.

3.2 Objectives of the Global Green Growth Institute (GGGI)

Article 2 of the *Establishment Agreement* notes that the objectives of the GGGI aims to promote sustainable development of developing and emerging countries, including the least developed countries, by:

- i. supporting and diffusing a new paradigm of economic growth: green growth, which is a balanced advance of economic growth and environmental sustainability;
- ii. targeting key aspects of economic performance and resilience, poverty reduction, job creation and social inclusion, and those of environmental sustainability such as climate change mitigation and adaptation, biodiversity protection and securing access to affordable, clean energy, clean water and land; and
- iii. creating and improving the economic, environmental and social conditions of developing and emerging countries through partnerships between developed and developing countries and the public and private sectors.

3.3 Activities of GGGI

In order to accomplish the above noted objectives, the GGGI engages in the following types of activities, in line with Article 4 of the said *Establishment Agreement*:

- i. supporting developing and emerging countries with capacity building to design and implement green growth plans at the national, provincial, or local level to facilitate poverty reduction, job creation and social inclusion;
- ii. pursuing research to advance the theory and practice of green growth, drawing particularly from the experience of governments and industries;
- iii. facilitating public-private cooperation to foster an enabling environment for resource-efficient investment, innovation, production and consumption, and diffusion of best practices;
- iv. disseminating evidence-based knowledge and enhancing public awareness of green growth and sustainable development; and.
- v. performing any other activities relevant to the objectives of the GGGI.

3.4 Benefits of Membership to GGGI

Kenya stands to benefit from her membership to GGGI in so many ways, but of utmost importance include the following – the gaining of:

- i. Access to knowledge sharing and good practice. All Members have access to knowledge products for scaling up green growth solutions, and involvement in knowledge exchange to identify good practices and approaches that may be applied in different country contexts.
- ii. Technical assistance delivered through a mix of global, regional and country-specific programming guided and funded through voluntary core and program and project earmarked contributions from GGGI’s growing number of partners.

3.5 Membership to GGGI

Membership to GGGI is open to any member state of the United Nations or regional integration organization that subscribes to the objectives of the Institute, in accordance with Article 5.1 of the *Establishment Agreement*, namely: promoting sustainable development of developing and emerging countries, including the least developed countries. Since its establishment as an international organization in 2012, GGGI's membership has grown to 44 Members as of October, 2022. Article 3 of the *Establishment Agreement* provides for different membership as follows:

- i. ***Contributing member*** means a Member of the GGGI that has provided a multi-year financial contribution of core funding of no less than USD 15 million over three years or USD 10 million over the first two years. The level and nature of contribution required to qualify as a contributing member shall be kept under review by the Assembly, and may be adjusted by the Assembly by consensus to support the growth of the GGGI over time; and
- ii. ***Participating member*** means a Member of the GGGI that is not a contributing member under paragraph a;

All Members serve on the Assembly, the supreme organ of GGGI that meets once a year back-to-back with the Council. Members may stand for election and serve on the Council, GGGI's executive organ. Membership does not require any obligatory (annual) financial contributions. *However, Members are encouraged to support the GGGI and ensure its financial stability through voluntary contributions, active engagement in activities or other appropriate means.*

3.6 Kenya's Introduction to The Global Green Growth Institute (GGGI)

The Republic of Kenya, vide letter to GGGI Ref:OPM1/GK1/01(18) dated 12th July, 2012, through the Office of the Prime Minister (as it was then constituted), expressed interest on becoming a member of the GGGI which was at the time when the Institute was newly established. At that time, Kenya was in a transitory phase embracing a devolved governance structure; due to several events, the efforts to join the GGGI were somehow disrupted and not revived until the year 2020, when Kenya's Ambassador to South Korea revived the inert discussions and in 2020 communicated to the Ministry of Foreign and Diaspora Affairs (MFDA) about the possibility of Kenya becoming a Participatory (as opposed to a Contributory) member of GGGI.

The GGGI through the MFDA, then shared Kenya's initial *Draft letter of Intent and Draft Agreement* for Kenya's consideration. The Ministry of Foreign and Diaspora Affairs then shared the same (draft letter of Intent and draft Agreement) with the National Treasury and Economic Planning. The National Treasury then shared the draft Agreement with the State Law Office seeking its' legal opinion. The State Law Office in approving the matter agreed that the National Treasury and Economic Planning ought to draft a *Cabinet Memorandum to advice on Kenya's Accession to the Agreement to Establish the GGGI*, and seek input from the relevant Ministries on the same, while leading the process.

It is against this background, that the Principal Secretary for the National Treasury appointed the Inter-Agency Committee in April, 2022 with a mandate to advise on Kenya's accession *to the Agreement on the Establishment of the GGGI*. The Climate Finance and the Green Economy Unit of the National Treasury is mandated to coordinate the process and serve as the Secretariat to the Inter Agency Committee. The Committee's membership was drawn from various ministries which include: Ministry of Environment, Climate Change and Forestry, Ministry of Foreign and Diaspora Affairs, the National Treasury and Economic Planning's several Departments (including the Budget Department, Financial and Sectoral Affairs Department, and Resource Mobilization Department) and the Directorates (including the Public Investments and Portfolio Management Directorate and Public Private Partnerships Directorate) as well as the State Law Office.

The Terms of Reference of the Inter- Agency committee were to:

- i. Review the documents related to Kenya's accession to GGGI;
- ii. Develop a report on the rationale for Kenya's accession to the GGGI;

- iii. Develop and approve the work plan for the GGGI Committee; and
- iv. Develop a Cabinet Memorandum on Kenya's accession *the Agreement on the Establishment of the Global Green Growth Institute (GGGI)* and thus becoming a participatory member of the GGGI.

CHAPTER FOUR

4. THE AGREEMENT ON THE ESTABLISHMENT OF GGGI

4.1 Contents of the Agreement

The Agreement on the Establishment of GGGI is annexed to this report. The following are some salient features of the Agreement: -

- 1) **Article 1** provides that GGGI is established as an international organization based in Seoul Republic of Korea
- 2) **Article 2** provides for the Objectives, for the promotion of sustainable development in developing countries by supporting and diffusing a new paradigm of economic green growth which balances economic growth and environmental sustainability
- 3) **Article 3** contains the Definitions, but of utmost importance is the distinction between a “contributing member” and a “participating member” which it states in relevant part as follows: For the purposes of this Agreement:
 - a. contributing member means a Member of the GGGI that has provided a multi-year financial contribution of core funding of no less than 15 million USD over three years or 10 million USD over the first two years. The level and nature of contribution required to qualify as a contributing member shall be kept under review by the Assembly, and may be adjusted by the Assembly by consensus to support the growth of the GGGI over time;
 - b. participating member means a Member of the GGGI that is not a contributing member under paragraph a;
 - c. members present and voting means members present and casting an affirmative or a negative vote. A quorum for any decision of the Assembly or Council shall be a simple majority of the members of the respective organ. For the avoidance of doubt, signatory States and regional integration organizations under Article 5.3 shall be counted for the purposes of quorum at the first session of the Assembly;
- 4) **Article 4** points to the Activities which support the objectives, in relevant part these are noted as:
 - d. supporting developing and emerging countries with capacity building to design and implement green growth plans at the national, provincial, or local level to facilitate poverty reduction, job creation and social inclusion;

- e. pursuing research to advance the theory and practice of green growth, drawing particularly from the experience of governments and industries;
 - f. facilitating public-private cooperation to foster an enabling environment for resource-efficient investment, innovation, production and consumption, and diffusion of best practices;
 - g. disseminating evidence-based knowledge and enhancing public awareness of green growth and sustainable development; and
 - h. performing any other activities relevant to the objectives of the GGGI.
- 5) **Article 5** provides for the Membership from States or Regional Integration Organizations. *It relays that no liability attaches for Member States by reason for acts, omissions or obligations arising from participation in the GGGI.*
 - 6) **Articles 6 to 10** provides for the *Organs of GGGI*, which includes the Assembly, Council, Advisory Committee and Secretariat. The Assembly is the supreme organ of the GGGI.
 - 7) **Article 12** titled *Finance* is of extreme importance because it notes the manner in which GGGI obtains its financial resources which is thru the voluntary contributions, provided by Members, Non-governmental sources and sales of publication and other revenues, interest from trust and any other sources in accordance with financial rules.
 - 8) **Article 13** titled *Disclosure* notes that the organs of the GGGI develops a comprehensive disclosure policy, including documents received and adopted by the Assembly, criteria on which non state entities are granted Observer status *and the GGGI's annual audited financial statements.*
 - 9) **Article 14** notes the legal personality of GGGI as an entity that can contract, acquire and dispose of immovable and movable property as well as institute legal proceedings.
 - 10) **Article 15** deals with *privileges and immunities* while **Article 16** deals with *cooperative partnerships*; **Article 18** deals with *depository* provisions.
 - 11) **Article 20** provides for ratification, acceptance and approval. While **Article 21** provides for Accession. It provides that the Agreement shall be open for accession by any state or regional integration organization, which has not signed the Agreement. Article 28 deals with the termination of the agreement, which can only be by a **consensus in the assembly of the members, and after twelve months of the reaching of such consensus.**
 - 12) Article 23 and Article 24 allows for Amendments, Article 25 allows for withdrawal from the Agreement after a notification issued and a six-month wait passed. Articles 27 and 28 allow for consultations and termination respectively.

4.2 Process of becoming a Member through Accession

The steps toward becoming a member include signing of the *Establishment Agreement* to have the force of law of a *treaty* and submission of a letter of intent. Membership to GGGI requires

member states of the United Nations or regional integration organization to complete the formalities for the *Establishment Agreement* to have the force of law of a *treaty*. The Member State of the United Nations or regional integration organization becomes a Member of GGGI on the thirtieth day after the deposit of its Instrument of Accession to the Director-General of GGGI.

As provided for in the *Establishment Agreement*, GGGI seeks privileges and immunities for the proper functioning in Member countries. The *Agreement* on privileges and immunities provides a framework to facilitate GGGI's presence, operations and activities in the country. The *agreements* confer on GGGI and its personnel privileges, immunities and exemptions customarily afforded to international organizations to enable it to function efficiently in the country as an international organization.

4.3 Benefits of GGGI Membership for Kenya

Membership to the GGGI entitles Kenya to some benefits which include:

- i. Giving Kenya an excellent position to lead on the new development paradigm that focuses on a green growth model which simultaneously tackles poverty reduction, social inclusion, environmental sustainability, and sustainable green economic growth.
- ii. Access support to mainstream Green Growth and Climate Change actions into the national development plans.
- iii. Share and gain knowledge through multi-country cooperation based on sound analytical foundations and a focus on a search for solutions.
- iv. Bridge the gap between finance and projects through development of bankable projects, national financing vehicles and risk reducing instruments. Access supports the development of policy instruments that catalyze investment flows towards green growth.
- v. Leverage public and private sector investment in green growth projects and programs at a scale which can bring about required transformational change.
- vi. Realize increased green investment flows.

4.4 Rationale and Justifications for Kenya's Accession to the Agreement

There are several reasons that ought to propel the Government of Kenya to accede to the *Agreement*:

- i. The Government of Kenya's relation to Green Finance as a pillar in development: Kenya continues to place Green Finance as a critical pillar in the realization of our national development goals and obligations, towards championing for transition to a green, low-carbon, and climate resilient economy development path, in line with the *Paris Agreement* and Sustainable Development Goals (SDGs).
- ii. The Government of Kenya's strides in creating an enabling policy, legislative and institutional frameworks: Over the past decade, Kenya has made great strides, by creating an enabling policy, legislative and institutional frameworks that will stir innovation and

inclusivity in the mobilization of long-term climate finance required for transitioning to Green Growth.

- iii. The importance of the Green Economy Strategy and Implementation Plan (GESIP 2016-2030) and other Policy Frameworks: These include Green Economy Strategy and Implementation Plan (GESIP 2016-2030), National Policy on Climate Finance, 2018; and Kenya Sovereign Green Bond Framework. In addition, Kenya through its Climate Change Action Plan, 2018-2022 actively supports global transition to a low carbon economy through its domestic policies, international climate diplomacy and international climate finance.
- iv. Kenya's relationship to other Global conventions and the role of Articles 2 (5) and 2(6) in the legal architecture of the country: Kenya is committed to the *global conventions* tackling climate change through its updated NDC, and by being Party to and supporting the implementation of a number of International Agreements relating to the environment. These include the Rio+ 20 Summit, *United Nations Framework Convention on Climate Change (UNFCCC)*, *its Kyoto Protocol and Paris Agreement; Copenhagen Accord; Convention on Biological Diversity (CBD)*, and *the United Nations Convention to Combat Desertification (UNCCD)*.
- v. Kenya's National Determined Contributions Financing needs: Kenya's NDC financing needs is approximately USD 62 Billion for mitigation and adaptation actions across sectors by 2030, with 85% being conditional to international support in the form of finances, technology development and transfer, and capacity building. Therefore, as a member to GGGI, Kenya stands to benefit from access to knowledge sharing and good practice on scaling up green growth solutions, and technical assistance delivered through a mix of global, regional and country-specific programming, guided, funded through voluntary core and (program and project) earmarked contributions) from GGGI's growing number of partners. Thus, GGGI presents a good opportunity for supporting Kenya's initiatives in mobilizing additional green finance for meeting the NDC needs.
- vi. The medium term review of the GESIP noted that more efforts are still needed to actualize the various strategic objectives of GESIP and recommended the strengthening of collaboration and institutional coordination in delivery of GESIP objectives and strategies. Therefore, membership to GGGI presents an opportunity for Kenya to actualize the above objective. Kenya's accession to the GGGI provides an opportunity to advance the green growth and sustainable financing agenda as GGGI promotes sustainable development of developing and emerging countries. The objectives of the GGGI aligns with and compliments Kenya's development and climate change policies, strategies and plans given that green growth and circular economy is central to delivery of the country's development needs as well as climate change mitigation and adaptation goals.
- vii. The GGGI African Program currently has 40 projects in implementation with green investment Project Portfolio of USD 1.87 Billion in capital cost requirement. The

beneficiary member countries include Burkina Faso, Cote d'Ivoire, Ethiopia, Rwanda, Senegal, Morocco and Uganda. This presents an opportunity for Kenya to tap into in terms of green investments in key areas of Waste, Solar Energy, Sustainable Transport, Green Buildings and Industry, Forest (Sustainable) Landscapes, and Gender and Inclusive Development.

- viii. GGGI presents an opportunity for Kenya to explore or tap into the benefit from the Green Growth or Green Economy which includes accelerate green financing, creation of Green/Decent jobs, production of competitive manufactured products, creation of a clean and healthy environment, safeguards existence of finite resources/Reduce biodiversity loss, Reduce severity of the climate change impacts, and many more opportunities that come along with sustainable development.
- ix. Kenya is a beneficiary of the GCF with a number of readiness and project financing accessed which has enabled the country to carry out its development objectives with a climate lens. GGGI as a Delivery Partner for GCF is a great opportunity for Kenya to leverage more project financing from GCF.

4.5 Obligations of Kenya

As stipulated in Article 4 it is noted that there is duty to invest in public participation awareness raising programmes. As stipulated in Article 7, it is noted that there is an obligation to attend the biennial ordinary sessions or as otherwise decided by the Assembly. Iterating here, that as per the Article 15 of the *Establishment Agreement* on Privileges and Immunities, the GGGI may enjoy such privileges and immunities in the member state in which it is headquartered, and may seek such privileges and immunities in other Members, as may be necessary and appropriate for the proper functioning of the GGGI in the territory of member states, in due consideration of such privileges and immunities as are customarily accorded to a similar types of international organization. Such privileges and immunities shall be specified in a separate *agreement* that may be concluded among the Members or between the GGGI and the individual Member.

Pursuant to Article 23, the GGGI does not allow for reservations in the Agreement, as such it must be adopted in whole. Article 24 however does permit for Amendments while **Article 25** permits for **withdrawal** from the Agreement after written notification of the intention to withdraw. The withdrawal however, takes effect 6 months after the receipt of such notice by the Secretariat.

4.6 Financial Implications

Kenya's accession to the GGGI **will not occasion an additional public expenditure.** However, Article 12 (1) of the *Establishment Agreement* provides for **voluntary contributions** of financial resources by Members.

4.7 Other Implications

The GGGI Agreement can be one of the key legal instruments that would strengthen national efforts to realize the objectives of the Constitution (2010). Kenya has already implicitly supported this idea of green growth since there are several statutory instruments and strategies already in effect including the Climate Change Act 2016m National Adaptation Plans *inter alia*. This is going to be run through the National Treasury's Climate Finance and Green Growth Unit and the Ministry of Environment and Forestry's Green Growth Unit. Accession would therefore advance the Green Growth and Sustainable Finance Agenda. The GGGI's African Program currently has 40 projects in implementation with the green investment project portfolio of USD 1.87 billion in capital cost requirements. The beneficiary member countries greatly benefit from this, presenting Kenya with the same opportunity.

CHAPTER FIVE

5. RECOMMENDATIONS

The Inter-Agency Committee makes the following recommendations on Kenya's accession to the GGGI:

- a) There is sufficient grounds for Kenya to accede to the Establishment Agreement of the GGGI and become a participating member of the GGGI;
- b) Kenya signs the *Agreement* and begin the depositary requirements and becomes a participating member, which means that it would be "a Member of the GGGI **that is not a contributing member with no financial obligations**, we're growing our capacity (financial, technical capacity and technology) to address challenges associated with climate and development.
- c) The accession will not cause an additional strain on public expenditure, but will allow Kenya to access support for Green growth economic agenda, which simultaneously tackles poverty reduction, social inclusion, and environmental sustainability; and
- d) Kenya strengthens the Climate Finance and Green Economy Unit of the National Treasury and the Green Growth Unit of the Ministry of Environment to spearhead the green growth agenda in Kenya, monitor and coordinate implementation of Green Economy Strategy and Implementation Plan (GESIP).