# PARLIAMENT OF KENYA





# THE NATIONAL ASSEMBLY 11<sup>TH</sup> PARLIAMENT, 2<sup>ND</sup> SESSION

# INTER-PARLIAMENTARY AND INTERNATIONAL FORUMS

# REPORT OF THE KENYA DELEGATION TO THE 2014 WORLD SUMMIT OF LEGISLATORS (WSL2014) ON CLIMATE CHANGE, FORESTS AND NATURAL CAPITAL ACCOUNTING

(June 6-10, 2014- Mexico City, Mexico)

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# **CONTENTS**

EXECUTIVE SUMMARY
ABBREVIATIONS AND ACRO-NAMES
INTRODUCTION
The Global Legislators Organisation (GLOBE)6
The World Summit of Legislators
The 2014 World Summit of Legislators
KEY HIGHLIGHTS OF THE WSL2014 10
The 2015 Climate Change Agreement10
Role of National Legislation in 2015 Climate Change Agreement10
The 4th Global Climate Change Legislation Study12
Ingredients for Good Climate Change Legislation13
Recommendations for good Climate Change Legislation14
The Globe Forest Legislation Initiative
Natural Capital Accounting and Legislation
Why is incorporating Natural Capital Accounting into national accounts important for a country?21
How do countries put natural capital accounting into place?
THE SUMMIT'S RESOLUTION
The General Resolution24
Kenya's Contribution to the final Resolution25
RECOMMENDATIONS TO THE KENYA NATIONAL ASSEMBLY27
Post 2015 Climate Change Agreement27
Parliamentary Oversight on Carbon Credits and REDD+ Financing27
Climate Change Law
Establishment of Kenya Chapter of GLOBE International
ANNEXURE
The WSL2014 Final Resolution29

# REPORT OF THE KENYA DELEGATION TO THE 2014 WORLD SUMMIT OF LEGISLATORS

## EXECUTIVE SUMMARY

The 2<sup>nd</sup> World Summit of Legislators convened in Mexico City at the Mexican Congress, at a crucial moment in the international processes on the replacement Millenium Development Goals (MDGs), the new Sustainable Development Goals (SDGs) and the key United Nations Climate Change Negotiations. Amongst the high level dignitaries in attendance included the representatives of the United Nations, World Bank vice President and other officials of the bank, high level Mexican officials from the Government and the Congress and members of parliament from 60 countries.

The Summit focused on key role and need for parliamentarians to urgently formulate national climate change polices and legislation and to actively participate and give national input on the ongoing Climate Change Agreement which will be signed b Heads of State on Paris in September, 2015. The Summit also discussed the need for the establishments form national capital accounting systems as part of the natural accounts, the low carbon growth initiative and the Global Forest (REDD+) Initiatives in carbon dioxides emissions mitigations.

The Kenya delegation to the Summit was as follows-

(i) The Hon. (Dr.) Joyce Laboso, MGH, MP- Deputy Speaker and Leader of Delegation;

(ii) The Hon. Wilbur Ottichilo, MP;

(iii)The Hon. Kathuri Murungi, MP; and,

(iv)The Hon. Mohamed Haji, MP.

The delegation was accompanied by Mr. Samuel Njoroge, Deputy Director, Legislative & Procedural Services and Ms. Emma Induswe, Public Communications Officer.

The delegation makes key recommendations, including a expediting the consideration of the Climate Change Bill, 2014 proposed by the Member for Emuhaya and a proposal to form the Kenya Chapter of the GLOBE International as well as the establishment of a national natural capital accounting system.

This Report is an account of the proceedings of the 2<sup>nd</sup> World Summit of Legislators, covering the global and national perspectives and recommendations for the Parliament of Kenya.

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# THE HON. (DR.) JOYCE LABOSO, MGH, MP- DEPUTY SPEAKER LEADER OF THE KENYA DELEGATION TO THE 2014 WORLD SUMMIT OF LEGISLATORS

(June 10, 2014)

# ABBREVIATIONS AND ACRO-NAMES

CDM:	Clean Development Mechanism of the Kyoto Protocol
COP :	Conference of the parties to the UN Framework Convention on Climate Change
ETS:	Emissions Trading System
GEF:	Global Environment Facility
GLOBE:	Global Legislators Organisation
MRV:	Measurement, Reporting and Verification
PES:	Payments for Ecosystem Services
REDD+:	Mitigation measures related to "Reducing Emissions from Deforestation and Forest Degradation (REDD)" that also includes conservation, sustainable management of forests and enhancement of forest carbon stocks, thus REDD+

- UNDP: United Nations Development Programme
- **UNEP:** United Nations Environment Programme

UNFCCC: United Nations Framework Convention on Climate Change

# REPORT OF THE KENYA DELEGATION TO THE 2014 WORLD SUMMIT OF LEGISLATORS

### **INTRODUCTION**

### The Global Legislators Organisation (GLOBE)

- 1. GLOBE International is an international organisation comprising national parliamentarians from over 80 countries committed to developing and overseeing the implementation of laws in pursuit of sustainable development. It is a non-party political organisation that supports legislators through national chapters to develop and advance laws on climate change, natural capital accounting and forests.
- 2. GLOBE was established in 1989 by cross party legislators from the EU, Japan, Russia and the USA, the aim of reaching out and capacitating politicians to prioritise the campaign on mitigating against climate change. Currently, GLOBE International is the world's largest organisation of legislators dedicated to advancing laws on climate change, forests/REDD+ and natural capital accounting. It is reported that Legislators from 86 countries have participated in GLOBE's dedicated policy initiatives and legislators from 40 countries work through formal national and regional chapters of the organization. It has its headquarters in Great Britain, offices in 8 countries and over 25 locallyrecruited policy advisors across a global network. GLOBE is developing a unique international network of legislators committed to practical action. Its mission is to create a critical mass of legislators that can agree and advance common legislative responses to the major global sustainable development challenges.
- **3.** It is supported by the United Nations and the World Bank Group under a programmed titled "The Partnership For Climate Legislation" which aims at –

6

- (i) Sharing best legislative practice (through the annual GLOBE Climate Legislation Study) national case studies and the convening of GLOBE Climate Legislation Summits;
- (ii) Providing a dedicated international process that supports legislators on a demand-led basis - to develop and implement climate change legislation;
- (iii) Exploring how commitments made in national legislation can be recognised within the architecture of an international climate change agreement;
- (iv) Developing a Climate Legislation Resolution to be agreed at the World Summit of Legislators and to be taken by legislators to their respective national parliaments;
- (v) Supporting legislators to obtain, use and exchange relevant climate data; and,
- (vi) Supporting legislators to ensure they are equipped to effectively oversee the implementation of the law by national governments, including ensuring national budgets are consistent with climate goals, as well as assessing the impact of climate-related laws on the national economy and key sectors of society.

## The World Summit of Legislators

4. The 1st World Summit of Legislators convened in June, 2012 under the auspices of GLOBE International in the Brazilian Capital and was attended by over 300 legislators from 86 countries. It was supported by the United Nations and launched a new international process for legislators dedicated to scrutinising and monitoring governments on the delivery of the Rio agenda as well as supporting them to advance relevant legislation. The Summit established the GLOBE Climate Legislation Initiative (GCLI) involving 33 countries, the

GLOBE Natural Capital Initiative (GNCI) involving 25 countries and the GLOBE Forest Legislation Initiative (GFLI) involving 6 countries. All three initiatives were to report to the 2nd Summit (2014), and provide examples of national legislation that has been advanced by GLOBE legislators since the 1st Summit.

## The 2014 World Summit of Legislators

- 5. The 2<sup>nd</sup> World Summit of Legislators 2014 (WSL2014) convened in the Mexican Congress, in Mexico City, Mexico at a crucial moment in the international processes on the replacement Millennium Development Goals, the new Sustainable Development Goals and the key United Nations Climate Change Negotiations. Amongst the high level dignitaries in attendance included the representatives of the United Nations, World Bank vice President and other officials of the bank, high level Mexican officials from the Government and the two congress and members of parliament from 60 countries. Just to mention a few, the Summit was graced by the Vice President of Peru, President of Globe International, the Mayor of Mexico, the Minister for Environment, the Speakers of the Mexican Houses of Congress, the President of the German Bundestag, amongst other Speakers of visiting Parliaments, the Deputy Secretary General of the United Nations, and the UNFCC Secretary General.
- 6. Legislators from over 60 countries meet to put a political test a new model for an international climate change agreement that has national legislation at its heart. The legislators debated the principles of what makes good climate legislation on mitigation, adaptation and forests/REDD+ as well as natural capital accounting. The Summit was convened ahead of the crucial United Nations Leaders' Summit to be hosted by Secretary General, Ban Ki-moon in September in New York.

- 7. The WSL2014 convened at a time when climate laws are being advanced at an increasingly rapid pace. GLOBE's 4th Climate Legislation Study of laws in 66 nations clearly highlights this trend. At the time of the Copenhagen climate conference there were only 47 laws in the 66 study countries. At the end of 2013, those same countries now have 487 laws. In a speech delivered on his behalf, the GLOBE International President and House Chairperson of the National Assembly of South Africa, Hon. Cedric Frolick MP said: 'This is a positive trend that will be crucial to underpinning the climate negotiations in Lima and Paris. Importantly, further analysis presented at the WSL2014 showed that, regardless of the progress in the international processes, an increasing number of countries, from developed to developing, are placing significant commitments into national legislation on climate change.
- 8. WSL2014 was the biggest ever engagement of legislators on climate change with delegations from over 60 countries, many attending at the level of President or Speaker of Congress/Parliament. The outcome of the Summit detailed actions that legislators can take now in their domestic legislatures as well as challenge the international process to recognise the positive trend in national laws. The outcome also focused on what enabling mechanisms parliaments need from the UN climate process to further support the advancement of national climate change laws. The Summit also focused on key themes for parliaments, i.e. Legislation, Scrutiny and Budgets and the role of Parliaments in creating conditions for international agreements by governments in 2015.

9

### KEY HIGHLIGHTS OF THE WSL2014

#### The 2015 Climate Change Agreement

- 9. During the COP 17 held in Durban, parties agreed to develop a new Climate Change Agreement to be concluded by 2015, which would take effect from 2020. The Parties are yet to agree on the text of the legal document. During the Doha Cop 18, Parties agreed to develop the text in 2014, with a view to making it available before May 2015 and later adopt the final agreement at COP 21 in Paris in 2015.
- **10.** The World Summit of Legislators endeavoured to explore the role of National Legislations of different countries in informing the 2015 Climate Change Agreement, with a view to enhancing the capacity of legislators in understanding the key elements of such an Agreement and its place in National Legislation.
- 11. The Kenya delegation noted regions such as the European Union and the Americas have already taken positions and commenced debate with regional and national parliaments. In this regard, the delegation undertook to raise national awareness of the proposed Agreement and engage the Executive in ensuring that the Kenya forges a proactive and leadership role in the region and ensures that the national and regional interests are considered in the Agreement.

## Role of National Legislation in 2015 Climate Change Agreement

12. Discussing a Report on the Role of National Legislation in the 2015 Climate Change Agreement, the Summit noted that-

- (i) There is a correlation between strong domestic climate change legislation and high international ambition at the United Nations Framework Convention on Climate Change (UNFCCC);
- (ii) Although the factors that determine a country's negotiating position are many and complex, advancing domestic climate change legislation has a positive influence on such ambition;
- (iii) National climate change legislation is not just something that should underpin an international agreement after it has been reached, rather it is an enabler that creates the political space for a deal; and
- (iv) National legislation could form the basis of an "outcome with legal force" in 2015 under the Durban Platform of the UNFCCC;

13. The Summit was of the view that, the advance of national legislation combined with strengthened engagement of legislators, should be actively supported between now and 2015. The Summit therefore highlighted the following key recommendations to governments-

- Need to support international processes for engaging legislators, to help inform the development of climate change legislation, promote good practice and develop peer groups;
- Routinely engage with legislators before, during and after the annual UNFCCC meetings (as a minimum) to exchange views and build common understanding;

 Encourage the creation of cross-party parliamentary groups on climate change, supported with policy and analytical capacity.

# The 4th Global Climate Change Legislation Study

- 14. This study involves carrying out an audit of climate-related legislation; developing amendments to existing legislation to ensure consistency with climate goals and terminology and considering whether new legislation is needed. One key finding of the study carried out in November 2013 was that, Legislators learn from and are motivated by each other. The study indicated that almost 500 national climate laws have been passed in the 66 countries covered by the study, which included Kenya. These countries also account for 88% of global emissions. Further, 64 of the 66 countries, Kenya included, have progressed or are progressing significant climate and/or energyrelated legislation. In addition, much of the substantive progress on legislative activity on climate change in 2013 took place in emerging economies, including China and Mexico, which will provide the motor of global economic growth in coming decades. Whilst the legislative approach often differs (whether directly inspired by climate change, energy efficiency, energy security or competitiveness), national legislation is achieving similar results, i.e.- improved energy security, greater resource-efficiency and cleaner, lower carbon energy security, greater resource-efficiency and cleaner, lower carbon economic growth.
  - 15. The Summit was of the view that, while current national legislation does not yet add up to what needs to be done to avoid dangerous climate change, it is putting in place the mechanisms to measure, report and verify emissions, a prerequisite for a credible global climate treaty. Further, there is an urgent need for those countries that have not yet passed climate legislation to do so as a matter of urgency.

16. The Kenya delegation undertook to engage the Leaderships of the National Assembly with a view to ensuring the Climate Change Bill sponsored by the Member for Emuhaya (Dr. W. Ottichillo) is considered, soonest.

# Ingredients for Good Climate Change Legislation

- 17. Discussing an expert paper on "What makes a good climate change legislation" the Summit observed that tackling climate change is a complex challenge, requiring systemic changes to the way economies produce and use energy, manage land and adapt to the impacts;
- 18. Legislators noted that, if the international community is to meet the agreed goal of limiting global average temperature rise to 2 degrees Celsius above pre-industrial levels, there is an urgent need for a response that includes a combination of a new international agreement and domestic legislation, policies and regulations. National legislation and international agreements are mutually reinforcing: in the short-term, ahead of the 2015 Paris climate change negotiations, advancing national legislation will help to create the conditions for a more ambitious international deal.
- **19.** Whilst acknowledging that there is no "one size fits all" approach to climate change legislation, the Summit agreed that, such legislation must be nationally appropriate and take into account factors such as economic structure, the stage of development, exposure to climate risk, legislative culture, public opinion and political leadership.
- 20. The Kenya Delegation, in their contribution, noted that effective climate legislation will set long-term goals, supported by short- and medium-term

targets to reduce greenhouse gas emissions consistent with the agreed goal of limiting global average temperature rise to 2 degrees Celsius. Further, national legislation will help to correct "market failure" by appropriately pricing carbon in the economy as well as deliver a clear and credible signal to investors and stakeholders to reduce the risk of making medium and long-term investments in high carbon energy, products and services. The delegation also informed the Summit that, such legislation, which is underway in the National Parliament, would strengthen resilience to climate risk, including disaster risk reduction and deliver associated benefits such as greater energy and health security, improved resource efficiency, contribute to greater access to energy and help build competitive advantage for the country as new and growing market for low carbon technologies and green economy. .

# Recommendations for good Climate Change Legislation

21. The Summit recommended a three pronged approach, based on Process, Content and Financing, as follows-

## (a) The Process:

- (i) First, completing a detailed audit of existing related legislation to understand the current legislative base and to identify gaps;
- (ii) Second, developing and proposing amendments to existing legislation to ensure consistency with climate goals and terminology; and
- (iii)Third, considering whether new legislation is needed and, if so, whether that should be a framework and/or specific and narrower pieces of legislation.
- (b) Content

An effective legislative response to climate change consists of several layers:

(i) **Information.** This serves as the basis for decision making. Information may include: Greenhouse gas inventory – supported and maintained by compulsory, timely systematic reporting of greenhouse gas emissions by emitters from all sectors National periodic risk assessment – for consideration of adaptation measures to climate related risks.

- (ii) **Targets**. This involves setting the trajectory towards a long-term goal and sending a political signal that the economy will be transforming away from high carbon to low carbon. Targets may be such as Compulsory greenhouse gas emission reduction targets; Sectoral targets (e.g. energy intensity, renewable energy, energy efficiency, transportation, deforestation rate, emissions from agriculture) and a national adaptation plan.
- (iii)**Policies**: This involves addressing country-specific challenges, such as
  - (a) Mitigation policies to reduce emissions of greenhouse gases. Such policies may include-
    - Pricing Carbon (and other greenhouse gases) a uniform carbon price across all emitters is the most cost-effective way to reduce greenhouse gas emissions. This can be achieved either by taxation or by a trading scheme. Initial appropriate price gradually rising. In either case, the price must be high enough to steer investment decisions away from high carbon to low carbon alternatives.
    - <u>Promoting Innovation</u>: Measures to promote innovation and deployment of efficient low carbon technologies-
    - <u>Economic measures</u> to encourage deployment of low carbon technologies, for example - renewable energy subsidies (feed-in tariffs); differentiated vehicle taxation.

- <u>R&D support</u> promoting research and development of new low carbon technologies.
- Measures to <u>overcome barriers to efficiency</u> including spatial planning; measures to tackle greenhouse gas emissions from land use, including Reduced Emissions from Deforestation and Forest Degradation (REDD+) and agriculture; energy efficiency standards in building regulations; energy efficiency standards for appliances; etc.
- Measures to support <u>structural changes</u> including retraining schemes for workers; temporary compensation schemes for carbon-intensive industries; education, etc.

# (b) Adaptation policies to reduce the risks and damages imposed by climate change

- Policies on climate-sensitive public goods –for example, reinforcement of coastal defences; natural resources protection; investment in adaptation-specific infrastructure (e.g. flood control); research (e.g. on crops and drugs)
- Providing social protection supporting vulnerable groups (poor, elderly); health and emergency services; empowering communities to increase their resilience
- Removing barriers to adaptation for example, investment in information and early-warning information distribution systems; addressing market imperfections – for example, constraints to insurance schemes
- Creating incentives to adaptation including spatial planning (for example, avoiding building in risk-prone areas); building codes to ensure more durable buildings; water pricing

- (iv) Institutional arrangements: This is about facilitating the formulation, delegation, and oversight of implementation of policy and legislation. Institutional arrangements may include-
  - Forming and maintaining an independent expert, apolitical advisory board, which is responsible for providing transparent advice to government on the policies and measures needed to meet the targets set out in the legislation, and requiring a formal public response by the government;
  - Delegation of responsibilities to the relevant authorities, taking an inter-ministerial and multilevel approach as appropriate. For example, while energy production issues are likely to be dealt with by a central authority, many adaptation issues are likely to be devolved and should be delegated to the relevant counties for the case of Kenya;
  - Parliamentary oversight A requirement for the ministers responsible for climate change to report to parliament, at least on an annual basis, on the progress of the government towards the targets in the legislation, and for a full parliamentary debate.
  - Including clear provisions for enforcement and monitoring in legislation and ensuring interaction between legislation and relevant policy to ensure consistency and to avoid conflicting signals or incentives.
- (c) **Financing:** This involves securing sufficient funding for enabling implementation of policies to meet the targets and may involve-

- (i) Establishing processes for efficiently accessing international climate funds (e.g. GEF, GCF);
- (ii) Ensuring adequate funding in national budgets to implement climate change policies;
- (iii) Creating national development institutions/banks and enabling public-private partnerships to channel investment into relevant climate initiatives.

## The Globe Forest Legislation Initiative

- 22. The GLOBE Forest Legislation Initiative (GFLI) seeks to strengthen legislation and parliamentary scrutiny functions in forested developing countries to support efforts to Reduce Emissions from Deforestation and forest Degradation (REDD+), promote Sustainable Forest Management (SFM), and safeguard the rights of local communities and indigenous peoples. The initiative is supported by the Global Environment Facility (GEF), the United Nations Environment Programme (UNEP), and the government of Norway.
- 23. The initiative works directly with legislators to improve forest governance, law enforcement, financial scrutiny, accountability and policy coordination while facilitating progressive and early engagement of national parliaments with REDD+. As a working method, the Initiative normally identifies a cross-party group of legislators and holds a series of capacity building workshops aimed at improving understanding and raising awareness on key REDD+ and forest issues. This engagement also assists parliamentarians in identifying priority interventions such as advancing legislation, scrutinizing policy or reviewing budgetary processes. A central objective is to promote a constructive dialogue between legislators and national REDD+ stakeholders, including national and

sub-national government, civil society, forest communities, indigenous peoples' representatives, and the private sector.

- 24. In order to encourage parliamentary engagement at the national level, the GFLI develops research materials to assist legislators in the field of forest governance and REDD+. In this regard, they produced the 1st GLOBE Forest Legislation Study, carried in Brazil, DRC, Indonesia and Mexico. It was launched at COP 19 in Warsaw on 18 November 2013. The study assessed both the existence and implementation of legislation across the following analytical categories-
  - (i) Land, Forest and Carbon Tenure;
  - (ii) Spatial Planning;
  - (iii) Institutional Arrangements;
  - (iv) Benefit Sharing;
  - (v) Safeguards;
  - (vi) Public Participation ; and
  - (vii) Implementation and Enforcement.
- 25. The study showed that, although each country's national circumstances vary considerably, there is considerable <u>overlap</u> in terms of the challenges and barriers faced by legislators in their efforts to reduce deforestation and forest degradation. Further, whereas the individual countries have made important strides in introducing legislation relevant to most of the categories under study, there are many disparities in the levels of comprehensiveness across the countries and across the categories. In addition, the laws do not necessarily indicate effective implementation. Indeed, many general laws studied remain ineffective due to absence of implementation or secondary regulations to back them, low institutional capacities, poor political will, amongst other factors.

26. Arising form the study, the WSL2014 recommended governments to-

- (i) reform land tenure systems to with a view to clarifying the legal status of traditional rights and define their relationship with other rights (in particular those of the state) as an important element not only in providing clarity for REDD+ to be implemented, but for the broader goal of ensuring long-term sustainable land and forest management;
- (ii) legislate on carbon reduction, recognising international crediting systems and clearly addressing the questions of individual ownership and ownership rights. Such legislation should separate carbon rights from the land ownership rights.

# Natural Capital Accounting and Legislation

- 27. Natural capital accounting is the process of calculating the total stocks and flows of natural resources and services in a given ecosystem or region. Accounting for such goods may occur in physical or monetary terms. This process can subsequently inform government, corporate and consumer decision making as it relates to the use or consumption of natural resources and land, and sustainable behaviour.
- 28. Natural capital includes, first of all, the resources that are easily recognizable and measure such as minerals and energy, forest timber, agricultural land, fisheries and water. It also includes ecosystems producing services that are often 'invisible' to most people such as air and water filtration, flood protection, carbon storage, pollination for crops, and habitat for fisheries and wildlife. These values are not readily captured in markets, so their values are not really known, or how much they contribute to the economy and livelihoods. The concept of accounting for natural capital has been around for more than 30 years.

29. However, progress in moving toward implementation has been slow. A major step towards achieving this vision came recently with the adoption by the UN Statistical Commission of the System for Environmental and Economic Accounts (SEEA). The SEEA provides an internationally agreed method, on par with the current SNA, to account for material natural resources like minerals, timber, and fisheries. The challenge now is to build capacity in countries to implement the SEEA and to demonstrate its benefits to policy makers.

# Why is incorporating Natural Capital Accounting into national accounts important for a country?

**30.** Natural capital is a critical asset, especially for low-income countries like Kenya, where it makes up a significant share (36%) of total wealth. For these countries, livelihoods of many subsistence communities depend directly on healthy ecosystems. Incorporating natural capital into national accounts can support better decisions for inclusive development. Natural capital accounting can provide detailed statistics for better management of the economy. For example land and water accounts can help countries interested in increasing hydropower capacity to assess the value of competing land uses and the optimal way to meet this goal. Ecosystem accounts can help biodiversity-rich countries design a management strategy that balances tradeoffs among ecotourism, agriculture, subsistence livelihoods, and ecosystem services like flood protection and groundwater recharge. Ecosystems accounting not only provides a tool to maximize economic growth but is also a means to measure who benefits and bears the cost of ecosystem changes, helping governments gauge whether their growth is inclusive.

# How do countries put natural capital accounting into place?

- **31.** Following the recent adoption of the System for Environmental and Economic Accounts, there is now wide acceptance of the need to put natural capital accounting into action. As a result, there is renewed momentum with finance ministries and ministries of environment who want to show the contribution of natural capital to national income.
- **32.**Countries that have started implementing the SEEA have a road map to guide them through this process. They begin by establishing institutional structures with clear lines of responsibility and commitments across government departments. Rather than taking on the challenge of compiling all natural capital accounts at once, countries are prioritizing which sub-accounts to begin with, based on important development challenges facing them.
- **33.** On 8th June 2014, 2<sup>nd</sup> Edition of the GLOBE Natural Capital Legislation Study was published, reviewing Natural Capital legislation in 21 countries. The study was produced in partnership with the University College London (UCL) Institute for Sustainable Resources. The Study, first launched in 2013, is the first and only annual review of Natural Capital legislation. It is designed to inform efforts by legislators to implement effective methods to measure natural capital and embed measurements within a country's legal and policy framework. The study highlighted initial steps that countries have taken to link natural capital accounting with broader strategies for natural capital management. It reviewed challenges and lessons learned in twenty-one countries and it outlines a vision for future action. Its overall aim is to improve the global knowledge-base concerning legal and policy options to actively manage natural capital.

- 34. A case study of Kenya found that there are 10 types of natural capital and ecosystem services measured from space at national and local levels including; habitat distribution and change; canopy structure and vegetation height; woody biomass and above-ground carbon stocks; primary productivity; and water cycling above-ground nitrogen
- **35.** The Summit discussed early findings of the study, which showed that there is no 'best practice' approach to legal and policy reform for natural capital accounting. Efforts to develop laws and policies for natural capital accounting rely on continued cooperation and diverse forms of support at international level and national level (government, communities and the private sector).
- 36. The delegates adopted a Resolution calling on their governments and governments everywhere, no later than 2020, to fully incorporate the value of natural capital into national accounting frameworks and to regulate to ensure that businesses make transparent and open to public scrutiny their environmental externalities, such as their impacts upon natural capital, in their annual reports to shareholders.

## THE SUMMIT'S RESOLUTION

#### **The General Resolution**

- **37.** The Legislators attending the WSL2014, summit considered and adopted a Resolution which is aimed at informing future Climate Change Initiatives, including the 2015 Climate Change Agreement. (See Annex for full text of the Resolution).
- **38.**The resolution asked all nations to undertake a comprehensive assessment of their existing national legislative responses to address, and prepare for the impacts of, climate change to ensure they are consistent with the international goal of limiting global average temperature rise to 2 degrees Celsius.
- 39. The resolution also called upon Governments and the United Nations to-
  - (a) Put legislators at the heart of their engagement on the sustainable development agenda, including in policy processes linked to climate change and the new Sustainable Development Goals, and specifically involve parliaments, as a matter of urgency, in drafting appropriate text for the new international climate change agreement to be concluded in Paris in 2015,
    - (b) Put legislators at the heart of their engagement on the sustainable development agenda, including in policy processes linked to the post-2020 climate change agreement and the new Sustainable Development Goals;
    - (c) Recognise the need to include natural capital accounting as a cross sectoral theme within the SDGs including a specific goal recommending that all countries implement national systems of

natural capital accounting by 2025, and should be provided adequate international support to do so,

- (d) Use their leverage with international financial institutions such as the World Bank and GEF to insist that they better support the work of Parliaments in developing national laws and regulatory, structures; specifically, that programmes on climate change, forests/REDD+ and natural capital accounting should engage in parallel with national parliaments to develop capacity, understanding of, and share best legislative practice;
- (e) Fully capacitate UNEP and consolidate all environmental issues and projects to be undertaken under the UN Environment Programme, with the support of all partners, and encourage all partners to set up mechanisms to assist the African nations, and other nations in need, to benefit from the global climate change financing opportunities
- (f) Support the GLOBE **Partnership for Legislation** and the UNOPS Legislation Fund.

## Kenya's Contribution to the final Resolution

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40. One of the main motives for attending international forum such as the WSL2014, is to advance regional and national interests in the final reports and resolutions and influence other participants to consider certain values and elements that are of national importance. In this regard, the Kenya delegation lived to this objective, by consistently making constant contributions and interjections throughout the Summit. The expertise of the Member for Emuhaya (Dr. W. Ottichillo) particularly on the technical areas of climate change laws, natural capital accounting and carbon crediting concepts greatly

elevated the competitive advantage of the Kenya delegation on debates on these topics. To this end, the delegation persuaded the African Group to debate and adopts its proposed text for inclusion in Group's report to the plenary. Eventually, Kenya's version was adopted with modifications to become the African Position, and included a reminder to all governments to involve their national Parliaments, as a matter of urgency, in drafting appropriate text to be incorporated in drafting the final Climate Change Agreement to be concluded in Paris in 2015. It also urged all countries to legislate on effective Climate Change laws, and in it, recognise and incorporate natural capital accounting concepts in accounting for their net natural resources as part of their total national capital.

**41.** The resolution also called upon the United Nation and all its partners to fully support and capacitate UNEP and consolidate all environmental issues and projects to be undertaken under UNEP, with the support of all partners, including the European Commission, as opposed to the current multifaceted approach, where such issues are undertaken under different bodies under the UN. Finally, the African states resolved to establish GLOBE chapters in their respective national legislatures, with an African Regional Secretariat of GLOBE International, to be founded in one the countries of Africa.

# **RECOMMENDATIONS TO THE KENYA NATIONAL ASSEMBLY**

42. From the experience of the Summit, the delegation makes the following recommendations to the National Assembly-

## Post 2015 Climate Change Agreement

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- **43.** Noting that Article 2 of the Constitution of Kenya (2010), provides that any treaty or convention ratified by Kenya shall form part of the law of Kenya and that Kenya is party to the United Nations Framework Convention on Climate Change (UNFCC, ) the National Assembly, through the Departmental Committee on Environment and Natural Resources, as a matter of urgency commences engagements with the Ministry of Environment, to consider and have input on the Kenya's position on the final text of the 2015 Climate Change Agreement scheduled to be signed by Heads of State and Government during United Nation's COP 21 in September 2015 in Paris. This will enhance public participation and also involve Parliament in the process, thereby facilitating the process of ratification of the Agreement, if necessary.
- 44. The National Assembly should also commence engagements and debate the role of national legislation in a post-2020 climate change agreement and whether Kenya should be required to put its commitments into national laws after signing the Agreement. This should include debating relevant reports from the from the UNFCCC meetings in Lima in September 2014.

# Parliamentary Oversight on Carbon Credits and REDD+ Financing

45. Whilst Kenya was hailed amongst a few other African nations for taking a early advantage to tap into the financing opportunities presented by Carbon Crediting (Eg KenGen) and the REDD+ Financing systems under the UN and the World Bank, there has not been commensurate national information and oversight on the resources availed nationally and the opportunity cost of venturing into the two options. The National Assembly ought to offer relevant oversight into this area.

## Climate Change Law

**46.**Without further delay, the National Assembly ought to consider and pass the Climate Change Bill, 2014 proposed by the Member for Emuhaya. Although the factors that determine a country's negotiating position in UNFCC and the related 2015 Climate Change Agreement are complex, advancing domestic climate change legislation places Kenya at a competitive position.

# Establishment of Kenya Chapter of GLOBE International.

**47.**The National Assembly to urgently form a Kenyan Chapter of Globe International. This will position the Assembly and its Members to benefits from capacity building, leveraging on best-practices, and financing, amongst other benefits that come with being having a Chapter of GLOBE International.

**ANNEXURE** 

# THE WSL2014 FINAL RESOLUTION





# LEGISLATORS' RESOLUTION

Adopted by the 2<sup>nd</sup> World Summit of Legislators, Mexican Congress,

6<sup>th</sup> – 8<sup>th</sup> June 2014

# Preamble

Legislators from more than 70 parliaments,

*Recognising* that tackling poverty and the unsustainable use of natural resources are the biggest challenges facing humanity in the 21st century,

Welcoming progress that has been made by international processes to address these issues, however, noting with serious concern that the world remains on an unsustainable pathway and that there is a need for urgent action,

*Recognising* that legislators and parliaments can contribute significantly to achieving sustainable development objectives through:

- Informed legislative debate on the national consequences of failing to address sustainability issues, including the impacts of climate risk on national prosperity and security,
- o National domestic legislation to underpin the sustainable development agenda,
- o Effective scrutiny to monitor government delivery of international commitments,
- Mechanisms within UN and other international processes on sustainable development to recognise, strengthen and support national legislation and broader governance structures,
- The promotion of synergy between disaster risk reduction (DRR), climate change adaptation (CCA) and sustainable development and lead efforts to ensure coherence and mutual reinforcement in three landmark agreements set for 2015: a post-2015 framework for DRR, the Sustainable Development Goals and UNFCCC COPs 20 and 21; these processes and agreements have the common aim of fortifying development and making it sustainable; strong political ownership of and commitment to ambitious goals and accelerated implementation of these agreements is a global priority
- The promotion of enhanced information exchange and cooperation among legislators in the region to address the cross-border regional challenges
- Steering the transition towards a low-carbon economy to unlock the potential for job creation of clean technologies.

Emphasising that through the work of legislators, GLOBE International's systematic policy-focused engagement makes a difference by:

- Developing cross-party political support for legislation (reducing the political risk of policy reversals after elections) and deepening understanding of the national implications of current unsustainable use of resources, including water,
- Providing a platform to share experiences and learn from each other
- Delivering robust legislation in support of sustainable development, including climate change, natural capital and forests/REDD (legislators learn from, and are inspired by, each other - learning lessons and replicating successes leads to better laws),

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 Strengthening legislators' capacity to exercise effectively their oversight responsibilities (better informed and engaged legislators strengthens accountability and scrutiny of the Executive branch),

Encouraging legislators from all countries to endeavour towards having GLOBE chapters in their respective national legislatures, and establish regional secretariats,

*Committing*, following two and half days of active discussion at the 2<sup>nd</sup> GLOBE World Summit of Legislators held in the Congress of Mexico, to raise and, where appropriate, <u>pass</u>, <u>adopt or formally</u> to recognise this Legislators Resolution through parliamentary mechanisms within our national legislatures,

## Resolution

On climate change, *recognising* that well-informed climate legislation can bring significant national and local co-benefits, including strengthened energy security, improved health, reduced disaster risk, increased access to sustainable energy and investment into clean and domestic energy sources, including renewable energy, the creation of high-quality new jobs and better air quality,

#### Committing to:

- Undertake a comprehensive assessment of our existing national legislative responses to address and prepare for the impacts of climate change to ensure they are consistent with the international goal of limiting global average temperature rise to 2 degrees Celsius
- Where appropriate, strengthen the legislative responses in advance of the 21<sup>st</sup> Conference of the Parties to the UNFCCC in 2015, including the consideration of carbon pricing and incorporating natural capital accounting concepts in national accounting procedures
- Where already in existence, ensure the effective scrutiny of the implementation of climate legislation
- Debate the role of national legislation in a new climate change agreement and whether countries should be required to put their commitments into national laws

Committing, also, to use nationally appropriate parliamentary channels to:

- Structure an effective process to hold our governments to account on the implementation of the post-2020 climate agreement
- Hold national parliamentary debates to review the contributions to the United Nations Secretary General (UNSG)'s 2014 Climate Summit in September 2014; and governmental positions ahead of the UN climate change negotiations in Lima in 2014 and Paris in 2015
- Call on our heads of government to strongly support the international negotiations between now and Paris in 2015, the scheduled conclusion of negotiations on a new international climate agreement, taking into account the latest IPCC science to ensure that the increase of the global average temperature rise remains below 2 degrees Celsius above pre-industrial levels, starting with their participation at the UN Secretary General's 2014 Climate Summit in September and presenting their own ambitious
- Request relevant ministers and lead negotiators to report to Parliament ahead of the UNFCCC negotiations in Lima in 2014 and Paris in 2015, and to brief parliament on the outcomes

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On the 2015 Sustainable Development Goals (SDGs), *recognising* that the sustainable management of the Earth's natural capital is indispensable to attain not only our biodiversity preservation targets but also all sustainable development objectives, that depend on the continued flow of ecosystem services and natural resources that sustain human life,

Recognising reversing current unsustainable trends poses a serious challenge but also a significant opportunity to restructure our economies and review our regulatory frameworks in support of sustainable development, promoting equal opportunities and providing sustainable livelihoods,

Committing to:

- Hold national debates on the development of the new SDGs and scrutinise our governments' positions
- Identify appropriate legislative responses in support of the implementation of the future SDGs
- Examine what tools parliaments require to effectively oversee implementation of the SDGs
- Support the national implementation of the United Nations System of Environmental-Economic Accounting, Wealth Accounting and Valuation of Ecosystem Services and corporate sustainability accounting as soon as possible and by 2030 at the latest
- Transpose sustainable development commitments agreed in international fora into legislative frameworks that maximise the likelihood of implementation,

Calling upon Governments and the United Nations to:

- 1. Recognise that we need a new generation of international agreements on sustainable development that reinforce existing national legislation and requires countries to put into national laws the commitments and contributions they make in the international negotiations
- Put legislators at the heart of their engagement on the sustainable development agenda, including in policy processes linked to climate change and the new Sustainable Development Goals, and specifically involve parliaments, as a matter of urgency, in drafting appropriate text for the new international climate change agreement to be concluded in Paris in 2015
- 3. Recognise the need to include natural capital accounting as a cross-sectoral theme within the SDGs including a specific goal recommending that all countries implement national systems of natural capital accounting by 2025, and should be provided adequate international support to do so,
- 4. Use their leverage with international financial institutions such as the World Bank and GEF to insist that they better support the work of Parliaments in developing national laws and regulatory structures; specifically, that programmes on climate change, forests/REDD+ and natural capital accounting should engage in parallel with national parliaments to develop capacity, understanding of, and share best legislative practice,
- 5. Fully capacitate UNEP and consolidate all environmental issues and projects to be undertaken under the UN Environment Programme, with the support of all partners,
- 6. Encourage all partners to set up mechanisms to assist the African nations, and other nations in need, to benefit from the global climate change financing opportunities
- Support the GLOBE Partnership for Legislation and the UNOPS Legislation Fund.

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