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Public-Private Action for Greener Outcomes

Implementing in Lockstep

EXCERPTS OF A KEYNOTE ADDRESS DELIVERED AT THE AFRICA CLIMATE FORUM

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I. Introduction

Where Public and Private sector deploy strategically to target community from policy to statutory obligation to action the combination will intentionally create innovation close gaps and drive measurable environmental outcomes, climate financing gaps, and transition toward greener more sustainable economies.

In Africa, Nigeria officially launched its National Carbon Market Framework during the Abu Dhabi Sustainability Week, aiming to generate $2.5 billion to $3 billion annually and turn climate action into a major economic driver. We don't have any details of how this is going to be funded but that is the wish.

We can only glean from anything made public what the key details of Nigeria's Carbon Market.

The National Carbon Market Activation Policy and a centralized National Carbon Registry anchor it - to track, verify, and report emissions reductions.

The promised Financial Scale is said to be designed to unlock $2.5–$3 billion per year and catalyse wider green industrialisation and climate investments worth $20 billion to $30 billion annually. Ambitious talk.

• Target Sectors: Incentivizes projects across renewable energy, clean cooking, forestry and reforestation, climate-smart agriculture, and sustainable infrastructure.

• First International Milestone: In March 2026, Nigeria authorized its first international carbon credit export—transferring 5.2 million carbon credits from clean cooking projects under Article 6 of the Paris Agreement for use under CORSIA (aviation offsets).

• Institutional Backing: Overseen by the National Council on Climate Change (NCCC) alongside a $2 billion Climate Change Fund.

Apparently, the Nigerian Security and Exchange Commission NGX and JSE have partnered to enhance carbon markets development, governance and sustainability in Africa.

NGX Group highlighted the potential of the partnership with JSE to contribute to market development, particularly in areas like private markets, innovation, and technology.

financing initiatives: a climate investment platform for climate-resilient infrastructure; a national climate platform aiming to support capital investment; and a sub-regional green bond. While these policy statements are laudable what do we really need to actualities real public sector platforms for innovative and certain private sector contributions towards a greener economy.

II. A Legally Anchored Carbon Economy – for private participation

In Nigeria for example its National Carbon Market Framework (NCMF) serves as a critical transitional mechanism within the orbit of the Climate Change Act (2021) but there still is left a lot to be desired. For this reason, we should always continue to support the idea that the proposed Decarbonization Bill (DB), is a tool for linking national coordination with operational execution.

While the NCMF outlines the policy vision for establishing a transparent, inclusive, and efficient carbon market system. It identifies key pathways for stakeholder engagement, voluntary carbon trading, and alignment with international standards such as Article 6 of the Paris Agreement. However, as it stands, the NCMF remains a policy directive rather than a legal mandate, which means it lacks the statutory authority required to compel compliance or enforce accountability.

Its reliance on administrative discretion, inter-agency coordination, and voluntary participation leaves the system exposed to institutional fragmentation, regulatory under performance, and fiscal uncertainty, thereby limiting its ability to attract large-scale private and international climate finance.

III. Moving Beyond the Voluntary Carbon Market (VCM):

The VCM relies on voluntary corporate offsets and has suffered from low pricing, greenwashing concerns, and inconsistent community benefits. Mandatory (compliance) systems enforce legal caps and binding emissions accounting, creating predictable, higher-value revenue streams. So, the true method of achieving proper private sector participation in the public duty of greener outcomes is a Mandatory carbon trading mechanism (without necessarily strangling the energy or industrial sector)

However, consider the effect of poor carbon emissions policy from weak regulation and a voluntary carbon market on gas flaring; an archaic and decadent behaviour largely carried out by the public and private sector together.[2]

Carbon Dioxide Volume: Gas flaring released approximately 13.8 million tons of (CO2) in 2024, showing an increase compared to the previous two years.

- Cumulative Emissions: Between 2002 and 2024, cumulative emissions from gas flaring reached roughly 714.62 million tonnes of (CO2 equivalent (including 625.23 million tonnes of (CO2) and 89.37 million tonnes of methane (CH4)

- Sector Share: The gas flaring and oil production sector accounts for a major portion of Nigeria's industrial and national greenhouse gas (GHG) footprint.[3]

- Global Standing: Nigeria remains one of the top countries globally in terms of gas flaring volume and associated emissions, driven largely by infrastructure deficits in capturing or processing associated natural gas in the Niger Delta.

- Reduction Targets: Under its updated Nationally Determined Contributions (NDCs) and the World bank Zero Routine Flaring by 2030 initiative, Nigeria has committed to reducing fugitive emissions and cutting routine flaring, though enforcement and infrastructure bottlenecks persist – but without a decarbonisation policy and law with teeth this remains an empty commitment.

2. While the government collected over N521.87 billion in gas-flaring penalties in 2025 alone, civil society analyses from BudgIT Nigeria show that commercializing that same gas would have generated over ₦2.73 trillion in value
3. Whereas in Nigeria gas flared an estimated 301.6 billion cubic feet of gas between January 2025 and June 2026, bleeding out nearly $888 million in direct market value

IV. The Case for Mandatory Carbon Trading in Africa

• Closing the Climate Finance Gap: Africa contributes only about 2% to 4% of global greenhouse gas emissions yet faces severe climate impacts. The continent requires trillions in green investment (with estimates around $2.4 trillion through 2030), but current climate finance flows fall severely short.

• Aligning with International Commitments: A mandatory framework helps nations operationalize Article 6 of the Paris Agreement (such as Internationally Transferred Mitigation Outcomes or ITMOs), allowing countries like Ghana and Rwanda to trade credits under strict sovereign oversight rather than ad-hoc private deals.

• Economic Transformation: Structured carbon pricing and trading can fund domestic renewable energy rollouts, rural electrification, sustainable agriculture, and ecosystem restoration (such as mangrove and forest conservation)

Enter – a proposed Decarbonization legislation across Africa which could actually unlock the vast pools of international climate and carbon finance currently seeking credible, verifiable, and rule-based investment destinations. Global capital, both public and private, is increasingly conditioned on legal certainty, transparent governance, and enforceable emission reduction frameworks. By providing these through statutory mechanisms, the Decarbonization legislation positions nations as credible players in the global decarbonization economy, enabling it to mobilize billions of dollars in green investment for infrastructure, energy transition, and community resilience

Mandatory Decarbonization legislation Bill represents the logical and necessary evolution of this policy framework into a rule-based legal system. It would establish a legally recognized National Decarbonization Authority (NDA) to centralize oversight, licensing, compliance, and enforcement functions. By codifying Monitoring, Reporting, and Verification (MRV) standards, fiscal incentives, and penalties for non-compliance, the Bill creates the statutory backbone that can make in Nigeria's for instance a carbon market credible, measurable, and bankable. It would also embed a just transition framework, ensuring that vulnerable communities benefit equitably from climate finance, technology transfer, and green job creation.

V. The African Union 'Africa Action Plan on Carbon Markets'

African Union (AU) recognises the vital role of carbon markets in facilitating the transition towards a low-carbon economy. The African Union Action Plan on Carbon Markets (AAPCM), endorsed by the African Heads of State and Government in February 2025, is a landmark initiative aimed at harnessing the potential of carbon markets to enhance environmental protection, stimulate economic growth, and foster social equity across the continent.[4]

In further justification of public sector private sector action the AAPCM directs the establishment and aligning policy regulatory and institutional arrangements. And then directs the establishment of local mandatory markets for governments to introduce domestic compliance markets.[5]

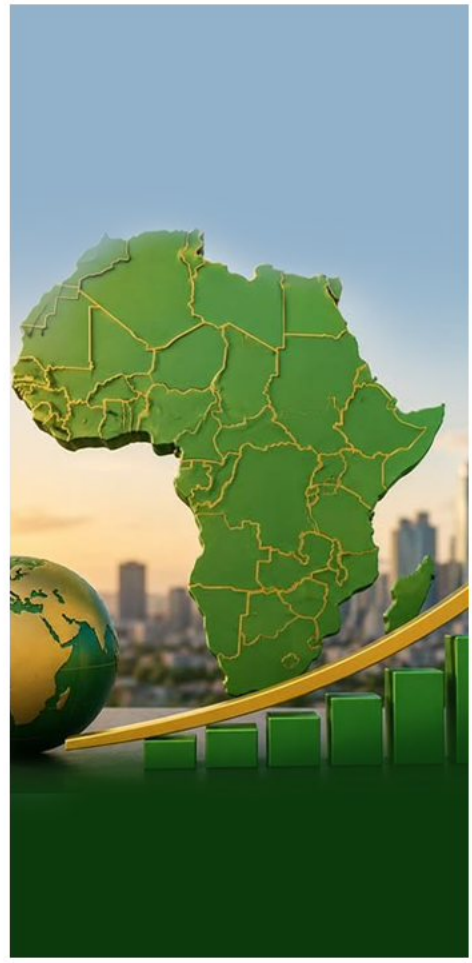
VI. African Policy measures:

- Enabling Policy & Regulation: Governments set clear rules, green taxonomies, and carbon pricing frameworks to lower investment risks and discourage brown development models.

- Financing & Risk-Sharing: Public climate finance, development aid, and multilateral banks use blended finance tools to mobilize private-sector capital into high-impact areas like renewable energy and climate-smart agriculture.

- Project Pipelines & Implementation: Platforms like the Africa Climate Forum connect government climate commitments directly with private investors to turn policy ideas into bankable projects.

- Capacity Building & Symmetrising Skills: Public agencies and international bodies—such as the UNDP's Nature Positive Project in Nigeria—train and certify micro, small, and medium enterprises (MSMEs) to access global green markets.



4. See H.E. Moses Vilakati Commissioner for Agriculture, Rural Development, Blue Economy and Sustainable Environment, African Union Commission
5. AAPCM @ para 4.1 page 15

VII. Local Community partnerships

- Renewable Energy & Infrastructure: Most private climate finance currently targets renewable energy, supported by co-funded infrastructure projects and public frameworks.

- Local Community & Education Greening: State-level initiatives, such as State Government's campaign to green schools and integrate climate skills, demonstrate how local public authorities' partner with communities and private stakeholders.

- Circular Economy & Waste: Transforming industrial waste into valuable business models and jobs relies heavily on private enterprise operating under supportive municipal waste policies.



Conclusions

The public and private sectors can act in voluntary lockstep for greener outcomes, but historical evidence and economic realities show that voluntary action alone is rarely enough to achieve deep, systemic sustainability without mandatory compliance.

Regulation levels the playing field, so all competitors face the same baseline costs
Legal legislative decarbonisation mandates turn green practices into legal requirements, aligning compliance with fiduciary duty.

Africa Action Plan on Carbon Markets (AAPCM) is an international legal that institutes a broader action rather than viewing the issue as a strict choice between purely voluntary or purely mandatory action, modern environmental policy relies on co-regulation.

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