CONGO BASIN
LANDSCAPES INITIATIVE

Natural Capital Accounting Explainer

MAY 2025

What is Natural Capital Accounting?

Natural capital refers to the renewable and non-renewable natural resources and stocks that provide benefits to people, both directly and indirectly.

The importance of Natural Capital Accounting (NCA) lies in its ability to make nature's capital visible in decision-making processes. Traditional economic measures often overlook the critical role that natural resources play in supporting economic activities and human well-being. This oversight can lead to unsustainable resource use and environmental degradation. NCA bridges the gap between environmental science and economics.

It provides a standardized framework for countries to account for their natural assets, much like they account for produced capital (e.g., buildings and machinery) and human capital (e.g., education and skills). This approach enables countries to track changes in their natural capital over time, assess the sustainability of their development paths, and make policy decisions that balance economic growth with environmental conservation.

Africa's natural capital endowment like the Congo Basin rainforest, peatlands, river ecosystems, agricultural systems, biodiversity, ecosystem services and mineral resources supports more than 70% of the livelihoods of the people in Sub-Saharan Africa (FAO and UNEP 2020). These natural assets are, however, unsustainably exploited, exacerbating climate change, pollution, environmental degradation, and natural capital depletion (Bedair et al. 2023).

However, if adequately assessed, measured and valued through innovative tools and approaches such as natural capital accounting (NCA), these natural capital assets can be well conserved, restored and managed, supporting an environmentally/ecologically, socially and economically sustainable development and helping the countries to achieve the commitments made under the Paris Agreement, the Agenda 2063 and the Kunming-Montreal Global Biodiversity Framework.

At the core of effective NCA implementation is the System of Environmental-Economic Accounting—Ecosystem Accounting (SEEA-EA), which provides the standardized, globally recognized statistical framework for measuring and valuing ecosystem assets and services. Adopted by the UN Statistical Commission in 2021, SEEA-EA offers a consistent methodology for countries to account for biodiversity and ecosystems alongside economic indicators in national accounts. While NCA remains a wider term encompassing various approaches to valuing natural capital, SEEA-EA brings essential structure and comparability to these efforts.

The Congo Basin is part of Africa's natural capital endowment supporting 70% of livelihoods for people in Sub-Saharan Africa

70%

About the Congo Basin Landscapes Initiative

The Congo Basin Landscapes Initiative is working with governments and partners to preserve the Congo Basin rainforest and peatlands through transformational landscape approaches created together with local communities, forest-dependent people, and the private sector, ensuring meaningful benefits for all involved.

The UNEP-led multi-partner and multi-country Congo Basin Landscapes Initiative includes the GEF-funded Congo Forest Integrated Programme and the IKI-Funded Congo Basin Peatlands Project.

The GEF-funded Congo Forest Integrated Programme, being delivered under the UNEP-led multi-country and multi-partner Congo Basin Landscapes Initiative, comprises two flagship initiatives, including the GEF-7 Congo Basin Impact Programme (2021-2026), and the GEF-8 Congo Critical Forest Biome Integrated Programme (2025-2032).

The main aim of these two GEF-funded programmes is to catalyse transformational change in the conservation and sustainable management of critical forests in transboundary and national landscapes of the Congo Basin.

Led by: **UN environment programme**

Supported by: **gef**