



Mainstreaming Nature in Policy and Investment Decisions

Pilot Project Fact Sheet Colombia

Compensation mechanisms to protect nature and support stewardship



Country context

Colombia is home to almost 10% of the world’s biodiversity. It is also culturally, linguistically, and geographically diverse, encompassing a range of unique ecosystems. In 2021, the country developed a roadmap to conserve 30% of its land and sea by 2030: the National Policy for the Consolidation of the National System of Protected Areas-SINAP (known as CONPES 4050). Yet a substantial increase in funding is needed. An innovative aspect of CONPES 4050 is its focus on shared responsibility: recognizing that economic sectors such as energy, tourism, forestry, and agriculture, and municipalities with higher incomes and population benefit from the ecosystem services provided by protected areas, it proposes compensation mechanisms to generate new financing streams for nature protection. This financing would include compensating communities for their stewardship of protected areas and the constraints on their economic activities.

What will this pilot project do?

This project directly supports CONPES 4050 by applying natural capital assessments and accounting (NCAA) to estimate the economic value of the flows of ecosystem services originating in protected areas. This information is a key component in the adoption of equitable compensation schemes and financing mechanisms. The project is also aligned with the objectives of Colombia’s Climate Action Law, which promote the adoption of the principles and standards of the System of Environmental-Economic Accounting — Ecosystem Accounting (UN-SEEA-EA). This would provide a standardized and scalable approach to accounting and monitoring for the benefits of ecosystems to Colombian people and economy. This project grew out of [previous collaborations](#).

Note that this is an iterative process and the specifics of the project may evolve.

Key steps

Define NCAA methodology for the economic valuation of the contributions of nature to the energy, agriculture, forestry, and tourism sectors, and to high income/population municipalities.

Implement a pilot at the subnational scale to assess the benefits of SINAP in the Northeastern Andes region, in the municipalities of Tunja, Sogamoso and Duitama and for the strategic sectors of energy, agriculture, tourism, and forestry.

Generate lessons and methodological contributions to advance the implementation of the Environmental Economic Accounting System — Ecosystem Accounting in Colombia, led by the National Department of Statistics (DANE).



Departamento Nacional de Planeación - DNP



Key Collaborators:

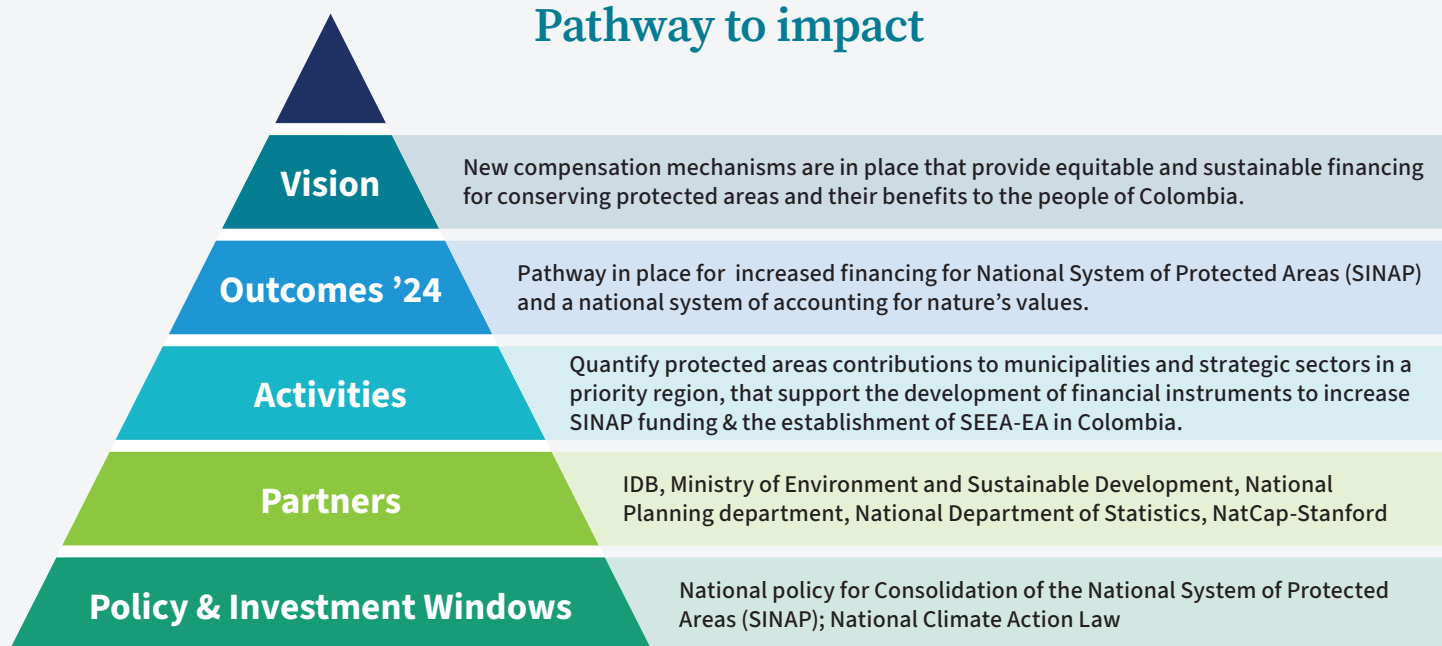
Ministry of Environment and Sustainable Development
National Department of Statistics (DANE)



Project-at-a-glance

Type of policy or finance mechanism this will inform:	Compensation instruments to increase funding for the national system of protected areas
Planned methods for natural capital approach:	Mapping and economic valuation of prioritized ecosystem services to key sectors and high income/ population centers
Key issues:	Terrestrial
Geographic scale:	Regional
Ecosystem services to be assessed:	Water supply (quantity and quality), visitation, carbon storage and sequestration

Pathway to impact



For more information, please visit the project page: bit.ly/peopleplanetprosperity.
Please contact naturalcapitalproject@stanford.edu with questions about this project!



Key Collaborators:
Ministry of Environment and Sustainable Development
National Department of Statistics (DANE)