**LEADING FINANCIAL INSTITUTIONS PARTNER WITH UNECA AND FSD AFRICA TO FORM THE AFRICAN NATURAL CAPITAL ALLIANCE (ANCA)**

**New alliance aims to coordinate policies and practices at financial institutions, companies, regulators and policymakers towards the growth and protection of Africa’s natural resources**

**8th June 2022: Nairobi –** A group of leading financial institutions from across Africa has come together with Ghana’s **Ministry of Environment, Science, Technology & Innovation (MESTI),** and the UK-funded financial sector development agency **FSD Africa** as founding members of the African Natural Capital Alliance (ANCA).

The alliance, in partnership with the **United Nations Economic Commission for Africa (UNECA),** will act as an African-led collaborative forum for mobilizing the financial community’s response to nature-related risks and opportunities across the continent. The ultimate aim of ANCA is to help grow and protect Africa’s natural capital by shifting financial flows from destructive activities for short-term gain to long-term stewardship of nature for sustainable economic growth.

Among the founding members are **Access Bank**, the **Development Bank of Southern Africa (DBSA)**, **Ecobank**, **Equity Bank**, **FirstRand**, **Investec**, **Sanlam,** **Standard Chartered** and **Zanaco**. FSD Africa is acting as coordinator for the alliance with global management consultancy **Oliver Wyman** acting as execution and knowledge partner. **The Cambridge Institute for Sustainability Leadership (CISL)** is also joining ANCA as a knowledge partner while initial support for the alliance is being provided by UNECA and the United Kingdom’s **Department for Environment, Food & Rural Affairs (DEFRA)**.

ANCA is also working with the **Taskforce on Nature-related Financial Disclosures (TNFD)** to provide an African voice in the development of its ‘beta’ reporting framework for nature-related risk and opportunities and is taking part in TNFD’s pilot testing programme. Announcements about other members joining ANCA from the public and private sectors are expected over the next few months.

The need to integrate nature into financial decision-making is particularly acute in Africa as over 60% of the continent’s GDP is highly or moderately dependent on nature and yet between 1970 and 2016 the stock of natural capital for African countries actually fell by an average of 65%.[[1]](#footnote-1)

ANCA aims to ensure policies and practices at financial institutions, companies, regulators, and policymakers integrate the risks and opportunities tied to Africa’s natural capital. It will do this through three pillars of activities: influencing global standards for nature-related risk management, so they reflect African contexts; facilitating peer learning to help financial institutions better reflect the connection between their portfolios and nature; and supporting approaches to policy, regulation, and investment that maximise the opportunities for sustainable growth from Africa’s natural capital.

One of the initial activities conducted under ANCA is the first developing country pilot programme for the TNFD’s beta framework, undertaken by a limited group of ANCA founding members. Results from these pilots will directly inform the development of the TNFD’s recommendations.

ANCA members will also be joining with other leading figures representing the finance and policy sectors on 23rd June 2022 at a landmark event to discuss why African leadership on nature will be critical to its economic development, the economic opportunities that could be unlocked by shifting capital into nature-positive activities and the risks of inaction and continued nature destruction.

The event will also be the first chance to hear the results of a major study by Vivid Economics and FSD Africa for ANCA which, for the first time ever, quantifies how nature-related opportunities and risks could impact the value of African financial institution portfolios.

[Click here to register](https://cvent.me/vzernw)

Commenting on their decision to join ANCA:

**Jean-Paul Adam, Director of The Technology, Climate Change, and Natural Resource Management Division at UNECA** said:

“Economic and social development of Africa is one of the primary mandates of UNECA – and nature is critical to enabling this growth. We believe that to deliver on this mandate we have an obligation to advocate for responsible management of Africa’s natural capital. We are committed to partnering and working with the African Natural Capital Alliance as we embark on the journey to become the Voice for Africa on nature and ensure a prosperous and sustainable future for Africa.”

**Rachael Antwi, Group Head of ESG at Ecobank** said:

“At Ecobank, we are committed to preserving Africa’s natural capital and enabling its resilience. We are convinced that responsible management of Africa’s natural capital can be a competitive advantage at the same time that it creates fantastic opportunities and contributes to the growth and development of the continent.

“Ecobank’s vision on nature is part and parcel of our broader vision on sustainability, and we are embedding sustainable development at the core of our strategy and operations. Our Sustainable Finance Framework is a critical compass for our financing activities, and we are leveraging our pan-African network to act as a force for good.

“The value of Ecobank joining forces with the African Natural Capital Alliance (ANCA) is clear. We look forward to contributing to this platform of knowledge on nature-related risks and opportunities, steering institutional agendas towards nature-positive outcomes, and representing the African Voice in global discussions on nature.”

**Dr James Mwangi, Group Managing Director & CEO of Equity Bank** said:

“Equity Group’s strategy, outlined in our Africa Recovery and Resilience Plan, is to catalyse a natural-resources-led industrialisation of Africa. We understand that nature is a precious asset that drives our economies but also significantly impacts our lives and livelihoods. For this reason, we need to safeguard this asset but also find ways to utilise our natural capital in a sustainable way for the socio-economic prosperity of the people of Africa.

“We are therefore excited to be one of the founding members of the Africa Natural Capital Alliance to bring our experience and a voice to this critical global agenda of natural-related risk and opportunities management.”

**Mark Napier, CEO of FSD Africa**, said:

“The reliance of African nations on their rich natural capital is both a source of vulnerability and a competitive advantage. The case is clear for realigning investments to deliver a nature-positive future for Africa. To achieve this, we need financial institutions, companies, regulators, and policymakers working together. ANCA has a key role to play in creating the capacity and conditions for the financial sector to reflect the true value of nature and embrace long-term stewardship for sustainable growth.”

**Madeleine Ronquest, Head of Environmental and Social Risk, Climate Change at** **FirstRand** said:

“There is a strong relationship between people, the economy and nature. Natural capital, biodiversity and ecosystem services underpin daily life and many financial institution clients’ products, and services have the potential to give cause to significant systemic risk in the financial system. More than half of the global economy depends on functioning ecosystems which are in decline, for example through deforestation, land degradation, declining water quality and quantity, and declining and extinct species.

“This is putting livelihoods and businesses at risk. Just as the causes of nature, biodiversity loss and climate change are interrelated, so are the solutions. Nature-based solutions that protect and restore ecosystems provide feasible solutions for climate change mitigation and adaptation, and offer solutions for sustainable, resilient businesses that effectively manage nature-related risks and opportunities.

“Thank you for inviting FirstRand Ltd to become a member of the African Natural Capital Alliance in addition to working closely with FSD Africa. The group is positioned in the market as a thought leader on environmental and social risk management and participates in several regional and global programmes that are developing biodiversity and nature-related risk assessment processes, frameworks and policies relevant to both the financial sector and the African continent which has unique biodiversity and nature-related challenges.”

**Tanya Dos Santos, Investec’s Global Head of Sustainability** said:

“For more than a decade, Investec has believed in supporting conservation and valuing the economy of wildlife. Extending on this commitment, the group has agreed to participate as a founding member of the African Natural Capital Alliance. Nature and biodiversity are the bedrock of the healthy ecosystem required for business and society to thrive. The economic benefits of natural capital have historically been inequitably distributed and it is time a conscious and collective effort is made to incorporate the value of nature, and the communities who often protect that ecosystem, into the core of sustainability and climate-related strategies.”

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**About the African Natural Capital Alliance**

The African Natural Capital Alliance (ANCA) is an African-led collaborative forum for mobilizing the financial community’s response to the risk of nature loss in Africa. It brings together a core group of financial institutions, governmental organisations, intergovernmental partners, and civil society representatives. This group is joined by a wider set of members from both the public and private sectors who support ANCA’s aim of ensuring better integration of nature into financial decision making. The alliance was established by FSD Africa and has support from the United Nations Economic Commission for Africa (UNECA) and the United Kingdom’s Department for Environment, Food & Rural Affairs (Defra). It is also working with the Taskforce on Nature-related Financial Disclosures (TNFD) to provide an African voice in the development of TNFD’s reporting framework for nature-related risk and opportunities.

1. <https://www3.weforum.org/docs/WEF_New_Nature_Economy_Report_2020.pdf>; <https://africa.panda.org/our_news/blog/bending_the_curve_on_biodiversity_loss_in_africa___the_living_planet_index_2020/> [↑](#footnote-ref-1)