



IPSAS 51, *Tangible Natural Resources Held for Conservation*

This summary provides an overview of IPSAS 51, *Tangible Natural Resources Held for Conservation*

Project Objective:

To develop an IPSAS Standard that provides guidance on the recognition, measurement, presentation, and disclosure of tangible natural resources held for conservation.

Approved:

The International Public Sector Accounting Standards Board® (IPSASB®) approved IPSAS 51, *Tangible Natural Resources Held for Conservation*, in December 2025. It was issued in January 2026.

Project History:

The IPSASB initiated the Natural Resources project in 2020 after constituents strongly supported the development of financial reporting guidance on natural resources in the IPSASB's strategy consultation in 2018. In May 2022, the IPSASB released its preliminary views in the Consultation Paper, *Natural Resources*. After considering the feedback received, the IPSASB issued Exposure Draft 92, *Tangible Natural Resources* (ED 92), in September 2024. ED 92 proposed accounting guidance on tangible natural resources which did not fall within the scope of other existing IPSAS Standards.

In developing IPSAS 51, the IPSASB considered constituents' feedback to ED 92 and decided to:

- (a) Revise the scope of the final pronouncement to focus on tangible natural resources held for conservation purposes;
- (b) Clarify that the current value of tangible natural resources held for conservation is measured using current operational value because such resources are held for their operational capacity; and
- (c) Provide additional non-authoritative guidance on matters such as the measurement of the assets within the scope of the IPSAS Standard.

Project Overview

The purpose of the Natural Resources project is to develop a new IPSAS Standard on the accounting of tangible natural resources held for conservation.

IPSAS 51 fills an important gap in the IPSASB's literature, as many natural resources which are held for conservation are often not considered in financial reporting, even though some may be recognized as assets within the IPSASB's Conceptual Framework.

Why the IPSASB Undertook this Project

Natural resources are prevalent in many jurisdictions and, if recognized, could make up a significant proportion of a country's financial position. Prior to the development of IPSAS 51, there was no explicit guidance on natural resources in IPSAS Standards or any other international accounting framework, especially for the resources held for conservation, so these resources were typically not reported in the general-purpose financial statements.

The development of guidance on tangible natural resources held for conservation will result in better information on these resources in the financial statements and encourage better informed fiscal and environmental decisions for many governments.

Benefits of IPSAS 51

IPSAS 51 is the primary component of the IPSASB's broader Natural Resources project. The IPSAS Standard proposes a definition of tangible natural resources held for conservation, as well as guidance on their recognition, measurement, presentation and disclosure in the general purpose financial statements.

In addition to IPSAS 51, an IFRS alignment component comprising of IPSAS 50, *Exploration for and Evaluation of Mineral Resources*, and *Stripping Costs in the Production Phase of a Surface Mine (Amendments to IPSAS 12)*, was also undertaken. Given the more straightforward nature of the alignment component, the IPSASB approved the two alignment pronouncements in September 2024. These two pronouncements provide guidance on extractive activities and are aligned with private sector guidance.

Key Principles in IPSAS 51

IPSAS 51 provides guidance on the recognition, measurement, presentation, and disclosure of tangible natural resources held for conservation.

Definition and Scope

IPSAS 51 is applicable to items which meet the definition of a tangible natural resource held for conservation.

IPSAS 51 defines a 'tangible natural resource held for conservation' as a naturally occurring tangible asset that is managed to prevent its degradation.

Tangible natural resources held for conservation, rather than for their use or disposal, can provide service potential in achieving the objectives of a public sector entity. For example, a government could have an objective to conserve a tangible natural resource that is perceived to provide cultural or ecological value to its citizens in current and future generations. The service potential to provide this cultural or ecological value could give rise to an asset within the IPSASB's Conceptual Framework.

Recognition Criteria

Under IPSAS 51, a tangible natural resource held for conservation is recognized as an asset if:

- It is probable that the service potential associated with the resource will flow to the entity;
- The entity controls the resource as a result of past events; and
- The resource can be measured reliably.

Measurement Guidance

If control of a tangible natural resource held for conservation was obtained in a transaction in an orderly market, the resource is initially measured at cost. If control was obtained in a transaction or event not part of an orderly market (e.g., a non-exchange transaction or the exercise of sovereign rights), the resource is measured at current value. After initial measurement, an entity can choose to measure a class of tangible natural resources held for conservation at historical cost or current value.

Because tangible natural resources held for conservation are held for their operational capacity, the current values of these resources are measured at their current operational values.

Presentation, Disclosures and Other Requirements

The presentation and disclosures requirements in IPSAS 51 are consistent with those in the relevant IPSAS Standards for other tangible non-current assets.

Presentation and Disclosure

IPSAS 51 requires an entity to present tangible natural resources held for conservation as a separate line in the statement of financial position.

Consistent with the guidance in the IPSAS Standards on other tangible non-current assets, IPSAS 51 requires an entity to disclose information such as:

- A narrative description of the recognized tangible natural resources held for conservation;
- The measurement model and basis used for determining their gross carrying amount, with additional requirements on the determination of current value, if applicable;
- A reconciliation of the carrying amounts at the beginning and end of the period; and
- The existence of restrictions on title or use, as well as other stewardship responsibilities relating to a resource, if applicable.

IPSAS 51 also includes specific disclosure requirements for tangible natural resources held for conservation which are not recognized as they cannot be reliably measured.

Other Guidance

In addition to the guidance on recognition, measurement, presentation, and disclosure, IPSAS 51 provides guidance on the derecognition of tangible natural resources held for conservation from events such as a loss of control or, more rarely, from the sale or disposal of conserved resources.

Furthermore, a public sector entity's primary reason for holding a tangible natural resource could change over time. As a result, IPSAS 51 also provides guidance on the reclassification of an asset into and out of the scope of the Standard.

Effective Date and Project History

The effective date of IPSAS 51 is January 1, 2028.



Effective Date

The effective date of IPSAS 51 is January 1, 2028, with earlier application permitted.

The IPSASB selected this effective date because it allows public sector entities sufficient time to identify the impacts of, and to prepare for the implementation of IPSAS 51.

Project History

To learn more about the project history, and to view the consultation documents and responses, please visit:

<https://www.ipsasb.org/consultations-projects/natural-resources>

Application of IPSAS 51, *Tangible Natural Resources Held for Conservation*

The flowchart below may assist entities with the key considerations when applying IPSAS 51:

