

# GLOBAL FUND FOR CORAL REEFS

2022 ACTION REPORT







Coral reefs play a vital role in the resilience of marine life and coastal communities around the world. **Supporting healthy coral reefs not only safeguards more than twenty-five percent of life in the ocean, it also benefits livelihoods, food security, and protection from coastal storms for more than one billion people.** Yet we know that unsustainable human activities are depleting coral reefs at an alarming rate.

More than ever, scientists are ringing alarms and the world is waking up. We clearly understand what is at stake: the potential loss of entire coral reef ecosystems and the services they provide by 2050.

In December of 2022, 188 state parties to the Convention on Biological Diversity convened, with lessons learned and a heightened sense of urgency, to adopt the [Kunming-Montreal Global Biodiversity Framework \(GBF\)](#). **This historic deal for nature provides an unprecedented level of ambition to advance the effective conservation and management of at least 30% of the ocean** while emphasising the need for innovative finance to accelerate implementation of nature-positive solutions.

With this new guiding global framework, greater public and private sector will, and the Global Fund for Coral Reefs (GFCR) already financing actions to scale solutions for coral reefs, **there is a renewed sense of hope for coral reefs** as a critical ecosystem to ensure the health of the ocean at large. With this roadmap, we can reverse the current trajectory and reach a turning point in favour of the longevity of coral reef ecosystems.

Powered by a coalition of states, nations, philanthropies, impact investors, UN Agencies, and organisations, the GFCR offers an investment-ready vehicle for triple bottom-line returns: social, environmental, and economic. **GFCR focuses on utilising blended public and private finance to address local causes of coral reef loss through solutions such as pollution management, sustainable aquaculture and agriculture, ecotourism enterprises, and sustainably financed Marine Protected Areas.** These science-based interventions will increase coral reef resilience

while ensuring local development gains, including sustainable livelihoods and increased food security, empowering women’s economic participation, reducing poverty, and strengthening the resilience and adaptive capacities of local communities to climate change impacts.

Although still in its capitalisation phase, the GFCR coalition witnessed immense progress in 2022. **Over the course of the year, GFCR expanded its portfolio to implementation of reef-positive solutions in twelve coral nations, mobilised more than \$30 million USD, launched a knowledge acceleration platform, and generated greater global awareness for the urgency to scale coral reef innovation.**

**2022 built a roadmap for hope. Moving into 2023, our focus prioritises effective and measurable implementation.** If we are to achieve the targets of the ambitious GBF, and ensure the resilience and adaptation of reefs, and that of the people and economic systems that depend on them, we must accelerate resources and solutions. For coral reefs, the investment pathway is clear. GFCR is well placed to scale the solutions that are desperately needed for both coral reefs and humanity.

**Collectively, let’s use this decade of action to ensure a future #ForCoral.**



**Briony Coulson**  
Head, International Sustainable Blue Finance, Department for Environment, Food and Rural Affairs, Government of the United Kingdom, & GFCR Executive Board Co-Chair



**Leticia Carvalho**  
Head, Marine and Freshwater, United Nations Environment Programme, & GFCR Executive Board Co-Chair

The blue economy represents a multi-trillion dollar market, yet **SDG 14, or Life Below Water, remains the least invested of all development goals.** Fortunately, momentum is changing and there is increasing recognition that the oceans, which cover over a third of the earth’s surface and provide food and jobs for countless people, are an important part of the investment landscape.

In particular, in our view, coral reefs and related coastal ecosystems harbor the greatest opportunity in nature to improve climate resilience, biodiversity, fish stocks, and incomes for the most climate-vulnerable communities on the planet.

Pegasus Capital Advisors is thrilled to lead the large-scale private investment arm of the Global Fund for Coral Reefs coalition, **and bring a much-needed capital infusion to fill the investment gap in key, growing markets** that that have the opportunity to reduce threats to, and promote sustainable solutions on behalf of, coral reef habitats in the developing tropics.

In 2022, we solidified a \$125 million first-loss commitment from the Green Climate Fund, intended to represent 25% of our investment fund size and encourage new investors to the blue economy to expand their mandates and support proven business models that can help recover the world’s oceans.

In the fourth quarter, we agreed to the first transaction for the Investment Fund, and launched in Grand Bahama what will be a global model for sustainable ecotourism, creating local jobs, sourcing local products and services, and contributing financially to the recovery and protection of critical coral reef and other natural infrastructure.

This coastal development project represents just one of the areas in which we intend to invest, support new sustainable business opportunities, and help companies transition to a more responsible growth strategy. In our rapidly expanding pipeline we are also targeting sustainable wild-caught fisheries and aquaculture, and the reduction of pollution and plastics into coastal waters. **These**

**investments have the potential to provide market-rate financial returns for investors while increasing the incomes of many thousands of first-mile fishers and farmers, and improving the management and protection of millions of hectares of coastal habitat.**

We encourage you to participate in the Global Fund for Coral Reefs coalition however you can – as an investor, a donor, an advocate, a partner – **the need is urgent to raise awareness and bring resources to ensuring a sustainable future for coral reefs, coastal marine habitats, and all the resources for people and nature that implies.**



**Craig Cogut**  
Founder, Chairman, & Chief Executive Officer, Pegasus Capital Advisors





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**Antha Williams**  
 Environment Programmes Leader,  
 Bloomberg Philanthropies

“ Working together as a coalition to accelerate private investment in these crucial ecosystems and pioneer innovative solutions is necessary to support the resilience of coral reefs and coastal communities around the world.

Launched in 2020, the GFCR is a unique coalition dedicated to conservation and restoration of the world’s most climate-resilient coral reefs and supporting the resilience of the coastal communities that depend on them through reef-positive businesses and financial mechanisms. Achieving this objective through a blended finance approach is only possible through the convening of a diverse coalition of partners committed to saving coral reefs globally.

Over the course of 2022, the GFCR Coalition experienced a remarkable expansion, growing to nearly 50 members, including new partner countries, philanthropies, impact investors, UN Agencies, organisations, and alliances. Among the new Coalition members are renowned institutions such as Builders Vision, Bloomberg Philanthropies, Coral Research & Development Accelerator Platform (CORDAP), UN Decade of Ocean Science for Sustainable

Development, Race to Resilience led by the High-Level Climate Champions, Fondo Acción, Mesoamerican Reef (MAR) Fund, Konservasi Indonesia, as well as partner countries including Indonesia, Mexico, Belize, Honduras, Guatemala, and the United States of America through the United States Agency for International Development (USAID).

The strengthened Coalition represents a resolute convening, determined to make game-changing global achievements in coral reef conservation. By catalysing private sector investments utilising philanthropic and international development assistance resources, and diverse expertise, the GFCR is actively contributing to the global movement for a sustainable blue future aligned with and in support of the Kunming-Montreal Global Biodiversity Framework (GBF) and the resilience goals of the Paris Agreement.



## Building a Reef-Positive Investment Ecosystem

Comprising two interconnected core vehicles, the Grant Fund and the Investment Fund, the GFCR is building a "Reef-Positive Investment Ecosystem" by creating enabling conditions and de-risking private sector investments to demonstrate the viability of business approaches and models, and facilitating the design and implementation of financial mechanisms, that benefit coral reefs and coastal communities. Working collaboratively, the two vehicles aim to have sustainable conservation impacts on coral reefs by:

- Facilitating the efficient use of capital;
- Sharing expertise and resources to build capacity and demonstrate scalable solutions;
- Developing synergistic and complementary actions to systematically address local drivers of coral reef degradation; and
- Attracting additional private sector actors and wider sources of conservation investment.

## The Grant Fund

The GFCR Grant Fund is equipped with an array of funding modalities and services beyond traditional grants, including recoverable grants, concessional loans, technical assistance, and guarantees. Capitalised through grants from private and public donors, the Grant Fund aims to create an enabling environment for market-based investments and facilitate the establishment of financial mechanisms. Through global, national, and local partnerships, the GFCR demonstrates how blended finance can unlock sustainable revenue streams and attract greater investment for biodiversity conservation, restoration, and management actions.

To strengthen enabling environments, the GFCR Grant Fund supports country and regional programmes through diverse partner consortiums led by "Convening Agents." These blended finance programmes leverage scientific and local knowledge, engage stakeholders, foster public-private partnerships,

advise on policy and regulatory frameworks, support pipeline incubation, and build capacity for sustainable conservation action.

## The Investment Fund

In pursuit of the GFCR's mission to mobilise greater public and private capital for Sustainable Development Goal 14, Life Below Water (SDG 14), a significant milestone was reached in April of 2022 with the formal establishment of the GFCR Investment Fund. The Investment Fund aims to focus on new greenfield projects or growth capital in GFCR's primary impact sectors, utilising primarily private equity or hybrid debt instruments, with a limited venture capital component to generate market-based financial returns while addressing local drivers of coral reef degradation and delivering positive outcomes for coral reefs, associated ecosystems, and climate-vulnerable communities.

With a goal of developing a diversified portfolio of 10 to 15 investee companies across Latin America and the Caribbean, Africa, Middle East, South Asia, and the Pacific Islands, the Investment Fund targets investments ranging from \$5 to \$75 million USD per project, aiming to provide commercial returns for investors. These investments are expected to create jobs in sustainable local businesses, benefit the wider supply chain and local economy, and preserve critical ecosystem services provided by coral reefs.

The Investment Fund is managed by Pegasus Capital Advisors (PCA), a global private markets impact investment manager with a focus on sustainable and inclusive growth. With over \$2.6 billion USD invested in impact-focused funds, PCA has partnered with Deliberate Capital to manage the GFCR Investment Fund. Deliberate Capital brings experience in investing for the ocean and coastal communities in engaging markets, while PCA specialises in larger ticket opportunities, including in climate-vulnerable islands.

The Investment Fund's first commitments took place in late 2021 and in June of 2022. Leading the charge was the Green Climate Fund (GCF), emerging as the anchor investor through a pledge of up to \$125 million USD in the form of a concessional, first loss tranche.

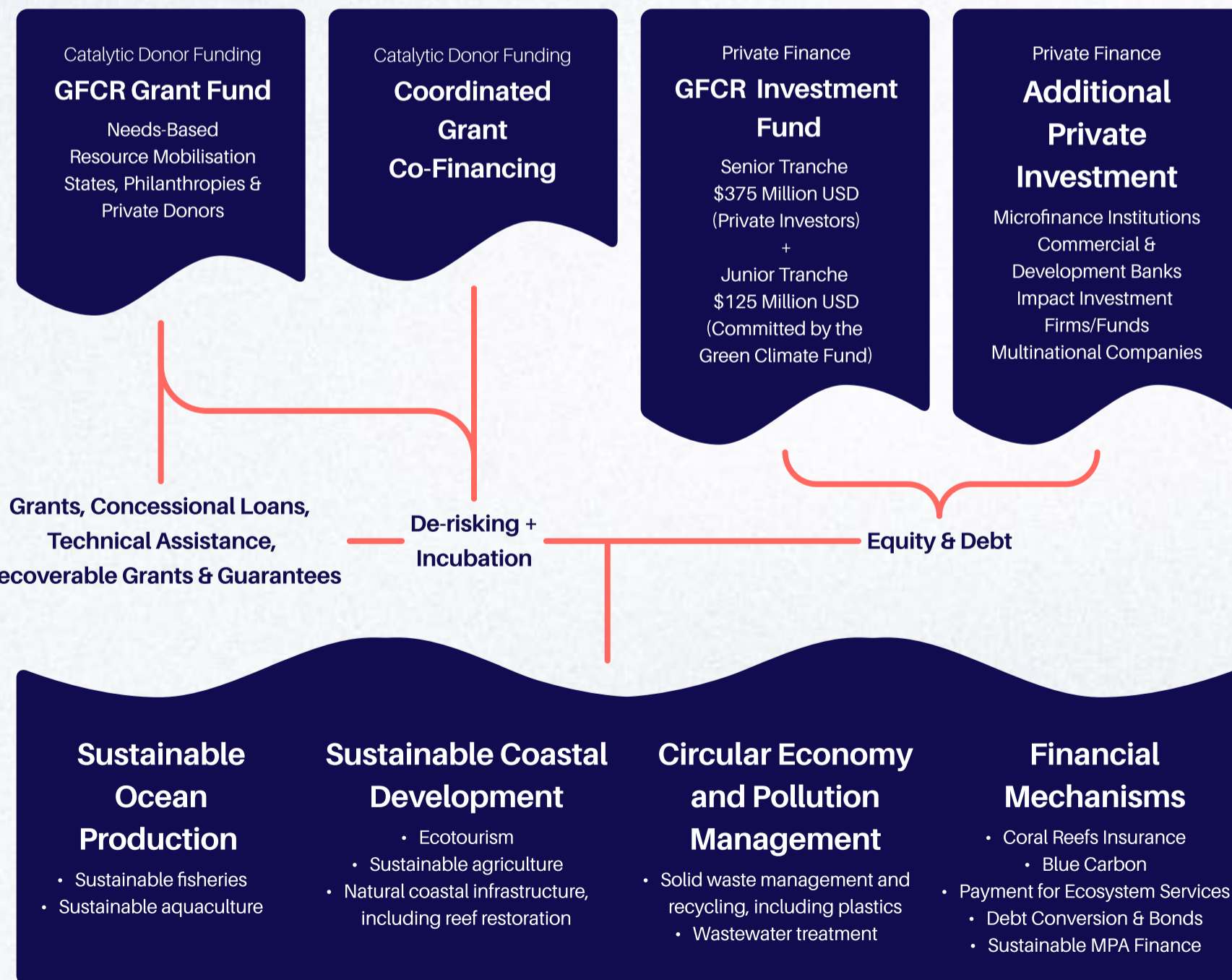
This first at-scale commitment to the blue economy from the GCF aims to ignite a wave of commercial-scale, private sector participation. The \$5 million USD commitment from Builders Vision constituted the first private investment to the senior tranche of the GFCR Investment Fund.



**Craig Cogut**  
 Founder, Chairman, Chief Executive Officer, Pegasus Capital Advisors

“As the largest blended finance initiative dedicated to Sustainable Development Goal 14 focusing on the oceans, seas and marine resources, the Global Fund for Coral Reefs will play a critical role in addressing the resiliency of coral reefs and coastal communities. We are grateful to the GCF and its host countries for their support of this innovative fund.

Over the course of 2022, GFCR has identified several key challenges and lessons learned while building a "Reef-Positive Investment Ecosystem." Varying from the complexity of developing blended finance solutions for emerging markets, to the need for greater government engagement, the GFCR Investment Fund and Grant Fund continue to work jointly to address challenges and share lessons learned.





## Early Challenges & Lessons Learned

### 1 Programme Complexity

Developing blended finance programmes that address environmental, social, and financial objectives is complex. Investment-ready blue economy opportunities are limited, and this challenge is exacerbated by the need to incubate the subset of opportunities that are specific to coral reefs within the geographic scope of climate refugia. To overcome this challenge, support at the global-level and collaboration between programmes is needed to promote best practices and replication for identification and incubation of solutions.

### 2 Local Community Engagement

Engaging with local communities requires socialisation of the concepts of blended finance and responsible marine resource management, while upholding measures to respect the long-standing custodianship local communities hold over the marine ecosystems. It is important to build on existing structures such as fishery associations and cooperatives as nodes of engagement.

### 3 Official Development Assistance (ODA) Countries Risk Profile

Despite interest in impact investing, the investment risk profile in ODA countries remains a barrier, even with grant and concessional financial support. High borrowing costs and regulatory challenges pose significant obstacles.

### 4 Government Engagement

Increased and consistent government engagement is crucial for creating an enabling environment for reef-positive business growth and establishment of financial mechanisms. For a blended finance programme, it also requires engagement across several ministries to communicate how a GFCR programme can bring benefits for nature, communities, and the economy. Closer relationships with governments at the programme level are further required to support GFCR's global policy engagement and implementation of national priorities.

### 5 Early Stage of Pipeline

The pipeline of investment-ready projects in the blue economy that have the potential for positive impact on marine ecosystems is limited. Overcoming regulatory challenges and high borrowing costs takes time, and tailored technical assistance is needed for the growth of individual reef-positive businesses.

### 6 Investment Size

Country/regional Grant Fund programmes require investments that are smaller than those preferred by large institutional investors but larger than what individual impact investors typically allocate. Opportunities for investment from local financial institutions should be pursued to fill this gap in the investment continuum. The GFCR will offer enhanced guidance to support the development of investment strategies for country/regional Grant Fund programmes.

### 7 Investment Fund

The Investment Fund requires flexible technical assistance to address sector-specific needs and provide deal-specific support. Harmonising data presentation and standardising impact monitoring across the portfolio are essential for communicating achievements.

### 8 Impact Monitoring

The reality of coral reef science is that baselines data is often out of date and localised, and methodology is not standardised. Updating baselines and standardising the presentation of data and results across the portfolio is crucial to measure and communicate progress effectively, requiring harmonisation and capacity building in monitoring environmental, social, and financial indicators. The GFCR's core-partner, the [United Nations Environment Programme \(UNEP\)](#), seeks to address this through capacity building for country and regional programmes as well as supporting the impact monitoring of the Investment Fund.

### 9 Delays in Implementation

Select Grant Fund programmes have faced delays in implementation due to team establishment and onboarding of experts. However, once operational, there is considerable acceleration in implementation and pipeline incubation.

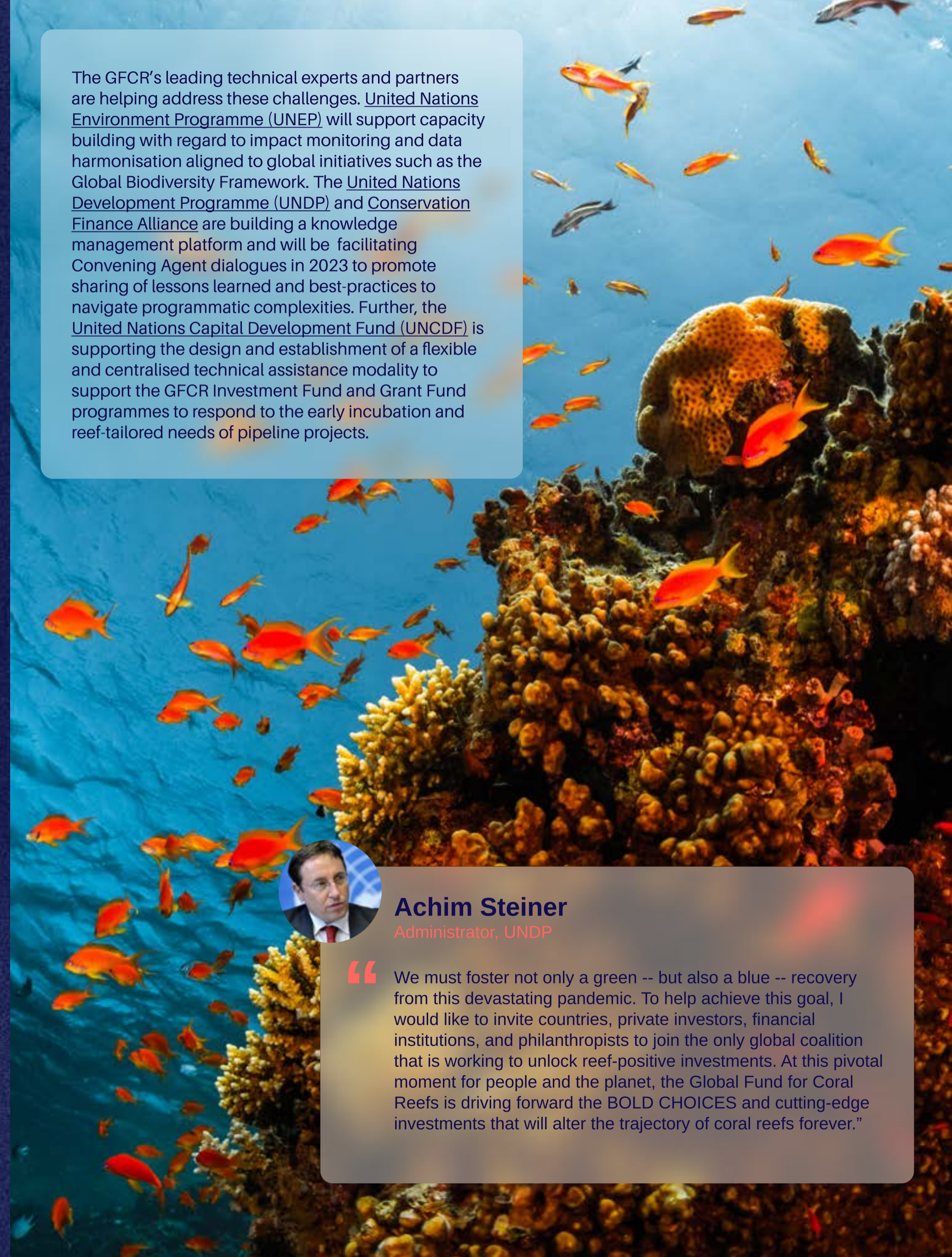
The GFCR's leading technical experts and partners are helping address these challenges. [United Nations Environment Programme \(UNEP\)](#) will support capacity building with regard to impact monitoring and data harmonisation aligned to global initiatives such as the [Global Biodiversity Framework](#). The [United Nations Development Programme \(UNDP\)](#) and [Conservation Finance Alliance](#) are building a knowledge management platform and will be facilitating Convening Agent dialogues in 2023 to promote sharing of lessons learned and best-practices to navigate programmatic complexities. Further, the [United Nations Capital Development Fund \(UNCDF\)](#) is supporting the design and establishment of a flexible and centralised technical assistance modality to support the GFCR Investment Fund and Grant Fund programmes to respond to the early incubation and reef-tailored needs of pipeline projects.



**Achim Steiner**

Administrator, UNDP

“ We must foster not only a green -- but also a blue -- recovery from this devastating pandemic. To help achieve this goal, I would like to invite countries, private investors, financial institutions, and philanthropists to join the only global coalition that is working to unlock reef-positive investments. At this pivotal moment for people and the planet, the Global Fund for Coral Reefs is driving forward the BOLD CHOICES and cutting-edge investments that will alter the trajectory of coral reefs forever.”







## Grant Fund Portfolio Overview

Over the course of 2022, the GFCR Grant Fund expanded its portfolio to 18 country and regional programmes, covering 23 coral nations across Africa, Latin America and the Caribbean, Middle East, South Asia, and the Pacific Islands. By the end of 2022, 8 programmes were under implementation in 12 countries, while 10 additional programmes progressed in the development stage. The programmes under implementation included three newly launched initiatives, following GFCR Executive Board approval, for the Mesoamerican Reef Region (Belize, Guatemala, Honduras, Mexico), Indonesia, and Colombia.

## Convening Agents and Implementing Partners

In 2022, the GFCR Secretariat maintained a diverse and balanced approach to the composition of Convening Agents, ensuring partnership with local organisations to enhance in-country capacity. As the lead implementer of Grant Fund programmes, Convening Agents establish a consortium of diverse partners to deliver on a shared blended finance vision for local coral reef conservation and community resilience.

At local levels, the eight approved GFCR programmes have established over 30 implementing partnerships with non-profit and private sector entities, as well as additional strategic and investment partners, reflecting the multidisciplinary nature of GFCR initiatives. These partnerships span development, conservation, and finance sectors, creating a foundation of expertise for successful blended finance programmes.



### Leticia Carvalho

Head, Marine and Freshwater, UNEP, & GFCR  
Executive Board Co-Chair



In 2022, GFCR made incredible advances to increase protection for Earth's most climate-resilient coral reefs through the strengthening of a 'Reef-Positive Investment Ecosystem.' This blended finance approach is utilizing multidisciplinary expertise and a wide variety of innovative partnerships to catalyze greater private investment for coral reefs globally.

7  
Latin America  
& Caribbean

6  
Africa & the  
Middle East

4  
South Asia

6  
Pacific  
Islands

### Eight Programmes Under Implementation

#### The Bahamas

The Nature Conservancy (TNC)

#### Colombia

Fondo para la Acción Ambiental y la Niñez

#### Fiji

United Nations Development Programme

#### Indonesia

Yayasan Konservasi Cakrawala

#### Kenya & Tanzania

Wildlife Conservation Society

#### Mesoamerican Region (Belize, Guatemala, Honduras & Mexico)

Mesoamerican Reef Fund

#### Papua New Guinea

United Nations Development Programme

#### Philippines

Blue Finance

### Ten Programmes Under Development

#### Brazil

Fundo Brasileiro para a Biodiversidade

#### Indonesia

Yayasan Konservasi Alam Nusantara

#### Maldives

United Nations Development Programme

#### Micronesia Region (Marshall Islands, Micronesia, Palau)

The Nature Conservancy

#### Mozambique

Fundação para a Conservação da Biodiversidade

#### Jordan

United Nations Development Programme

#### Egypt

United Nations Development Programme

#### Seychelles

Seychelles Conservation and Climate Adaptation Trust

#### Solomon Islands

World Wildlife Fund

#### Sri Lanka

International Union for Conservation of Nature

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## Country Programme

## Fiji



## Investing in Coral Reefs and the Blue Economy

Fiji's Reef system, which includes the Great Sea Reef (GSR) spanning over 450 km and comprising 1,200 km<sup>2</sup> of diverse reef systems, offers a vital biodiversity hotspot and cultural hub. It also supports the livelihoods of a third of Fiji's population and attracts tourists, providing revenue for local communities.

As GFCR's first approved programme, the Fiji country programme *Investing in Coral Reefs and the Blue Economy*, co-financed by the [UN Joint SDG Fund](#), aims to mobilise private and public investment to support the resilience of Fijian coral reefs and local communities. [Matanataki Pte Ltd](#), a Fiji-based company led by women, has refined the investment criteria of the Technical Assistance Facility. This refinement aims to facilitate reef-positive impact for each enterprise that receives support through the programme. By the end of 2022, seven businesses supporting or delivering reef-positive solutions were selected for programme support, including incubation services:



- **Mango Fish** is a turn-key commercial recirculating aquaculture systems (RAS) system for tilapia, which helps serve as an alternative source of protein from overharvested reef fish stocks while contributing to a 3000 sq km Marine Managed Area with coral gene bank through an envisioned CSR Fund.
- **Sealink Enterprises** is a sustainable agriculture and fish distribution company that partners with Fijian farmers and fishers, promoting sustainable practices and meeting regional demand, resulting in reduced chemical runoff that affects coral reefs, healthier soil, carbon sequestration, and increased biodiversity.
- **Siga Dami Unc** is a company owned by the traditional custodians of an extensive fishing area of over 180,000 ha which includes the Northern third of the GSR. The company tackles the overexploitation of wild sea cucumbers crucial for healthy reefs by revitalising populations through hatchery and in-ocean farming, fostering business capacity and prosperity in rural Fijian communities.
- **Yavahuna Pte Ltd** is an indigenous-owned limited liability company that implements

regenerative practices in agriculture, fisheries, and eco-tourism, including no-take fishing areas, invasive seaweed removal, coral restoration, regenerative farming, and restoration of dry tropical forest.

- **The Fertile Factory & Co** aims to produce non-synthetic, organic certified fertiliser integrated with circular economy principles, reducing erosion and eutrophication of Fiji's sugar cane industry to better protect coral reefs.
- **Vulavula Sara** aims to address Fiji's waste management challenges, preserving coral reefs by diverting waste from leaking, unsanitary dumpsites that have degraded mangrove and coral reef ecosystems. This solution aims to be complemented by rehabilitation of old dumpsites and integrating informal waste pickers into the formal workforce through partnership with Waste Recyclers Fiji and the Pacific Recycling Foundation.

Within the framework of the Fiji country programme, the UNDP assumes the central role as the Convening Agent, fostering collaboration with UNCDF, UNEP, [Beqa Adventure Divers](#), [Blue Finance](#), [Matanataki](#), and other local stakeholders.



# The Bahamas

## Impact Funding for Bahama Reefs

The Bahamas is home to 35% of the Caribbean's coral reefs, providing essential ecosystem services for local communities. In addition to impacts of the climate crisis, local threats and unsustainable activities are degrading these vital ecosystems. To help address this, the GFCR supports *the Impact Funding for BahamaReefs* initiative led by The Nature Conservancy (TNC) which utilises innovative financial mechanisms and blended finance to combat local threats causing coral reef loss and support restoration activities.

With programme support, the Elizabeth Harbour Conservation Partnership in Exuma is combating pollution threats and anchoring damage through mooring and pump-out services. TNC is also actively working on a parametric reef insurance mechanism, engaging government authorities, the private sector, and local communities. Stakeholder consultations, site prioritisation, and assessment of response capacity and mangrove insurance are underway.

Further, the Perry Institute for Marine Science (PIMS) has received GFCR support to scale up its Reef Rescue Network operations and create a financially sustainable business model. The funding will be used to explore alternative revenue streams for financing coral restoration and build local capacity within the dive industry to restore degraded reefs. The capacity building efforts of PIMS will prioritise empowering women as PADI Dive Masters and Instructors.

In partnership with the Government of The Bahamas, the BahamaReefs programme is supporting the development of a Blue Carbon initiative to protect coral reefs, generate conservation revenue, and enhance coastal protection. Through this initiative, TNC's focus includes mapping mangrove habitats, conducting feasibility studies, establishing a restoration partnership, facilitating work planning sessions, and finalising carbon project documents.

In addition to the GFCR Grant Fund programme, the GFCR Investment Fund is in active discussions with the BahamaReefs programme partners to synergise solutions and scientific approaches with an ecotourism resort planned for Grand Bahama. The resort aims to create a resilient coastline, adopt sustainable energy and waste management practices, and recognise the value of coral reef

conservation through payments for ecosystem services. The generated revenue will support tourism, stable fish populations, and coastal protection. Collaboration with the Grant Fund Programme and engagement of key stakeholders such as Coral Vita, Access Accelerator Small Business Development Centre (ASSBDC), Bahamas Protected Areas Fund (BPAF), Bahamas National Trust (BNT), and Blue Finance ensure lasting impact.





# Kenya & Tanzania



## Miamba Yetu

### Sustainable Reef Investments

The [Wildlife Conservation Society \(WCS\)](#) has been working for 30 years to conserve coastal and marine resources in Kenya and Tanzania. With support from GFCR, they are now leading implementation of the [Miamba Yetu](#) regional programme focused on the proposed Transboundary Conservation Area between southern Kenya and northern Tanzania, identified as a coral climate refuge. Launched in early last year, the programme collaborates with conservation finance experts, [Okavango Capital Partners \(OCP\)](#), [Conservation Capital](#), and other stakeholders.

Miamba Yetu collaborates with OCP and WCS to create a Special Purpose Vehicle (SPV) that will support early-stage companies with reef-positive business models, attracting co-investments and blended finance for conservation impact and community benefits. The SPV and financing facility are expected to be established by mid-2023. In addition, the programme partners with [International Union for Conservation of Nature \(IUCN\)](#), [Ocean Hub Africa](#), and [TechnoServe](#) to develop a regional venture studio concept, offering funding and incubation support to smaller businesses. The programme aims to back emerging start-ups from the Venture Studio and foster partnerships with experienced organisations.

Additional programme activities include:

- In Tanzania's Pemba Island, covering 6,500 hectares of marine biodiversity, the programme is also supporting the establishment of the Kwanini Project to enhance coral reef ecosystems through community fisheries closure, using ecotourism revenues. Led by [Blue Finance](#), the initiative will support nature-based tourism initiatives, marine equipment, and the construction of an underwater room for hotel guests to support revenue for the Kwanini Foundation.
- Aiming to help address solid waste and wastewater pollution, GFCR supports collaboration with [Sanivation](#), a company that has mobilised \$12 million USD of public financing since 2014 to manage waste in partnership with local governments, international institutions, and development partners. Miamba Yetu aims to support Sanivation in mitigating solid waste and wastewater pollution, safeguarding Kenya's coral reefs.
- WCS is further exploring programme partnership with [Mr. Green Africa](#), a tech-based plastic recycling company, to double waste collection and processing in areas like the Mombasa Marine Park and Reserve to address the issue of plastic pollution in coral reef protected areas.





# Philippines



## Mamuhunan sa Mga MPAs

*Responsible Investments in MPAs*

Situated at the apex of the Coral Triangle, the Philippines is known for its rich marine biodiversity with diverse coral species, reef fish, seagrasses, and mangroves, providing livelihoods, income, and valuable ecosystem for local communities, particularly fishers, and contributing to sustainable tourism.

In the Philippines, GFCR is supporting a programme led by [Blue Finance](#) to enhance the management of Marine Protected Areas (MPAs). The *Mamuhan sa mga MPAs* (Responsible Investments in MPAs) programme aims to establish well-managed and financially sustainable MPAs in areas with significant coral reefs. Blue Finance has devised an innovative blended finance facility leveraging support from GFCR, other donors, and impact investors to provide initial capital for sustainable MPA establishment. Implementing partners and stakeholders include UNCDF, [Blue Alliance](#), [Blueyou](#) and [Uba Sustainability Institute](#).



The initiative started with a pilot site in North Oriental Mindoro, where long-term management agreements were signed between local governments and Blue Alliance, a sister company of Blue Finance responsible for MPA management. Through the GFCR-supported programme, financial sustainability is targeted through tangible revenue streams reinvested directly back into each MPA.



In Puerto Galera, the programme engages responsible tourism stakeholders to promote voluntary donations. In this respect, dive resorts partner with the programme, highlighting conservation efforts and offering donation opportunities to scuba divers. Non-divers can experience audio/visual visitor centres with fees supporting MPA management. Immersive dive experiences are also being developed for the San Teodoro Punta Ilag MPA and infrastructure options are being explored for Calapan Harka Piloto MPA, an area that has exceptional dive potential.

To finance the Blue Alliance SPE, GFCR-supported programme partners with local communities and Uba Sustainable Institute to restore and conserve mangroves for Blue Carbon Credits. A mangrove crab hatchery is also being established to provide crablets to fishpond owners and local communities, preventing over-exploitation of wild stocks and regenerating mangroves. Further, a sea cucumber hatchery and nursery project is being developed for grow-out approaches in shallow coastal areas.



# Papua New Guinea

## **Gutpla Solwara, Gutpla Bisnis**

*Good Oceans, Good Business*

Located in the Coral Triangle, Papua New Guinea (PNG) is home to significant marine ecosystems and a vast coastline hosting a population heavily reliant on coral reefs and their ecosystem services. Led by UNDP in partnership with UNCDF and local actors, the *Gutpela Solwara, Gutpela Bisnis* (Good Oceans, Good Business) programme aims to incubate ten businesses across two pilot sites by 2025 and develop a gender-sensitive, five-year business and revenue plan. The programme is developing a national Blue Economy Investment Strategy to inform PNG's strategy for developing a sustainable blue economy and catalysing private sector opportunities.

To help address these issues, the programme-supported PNG Blue Economy Enterprise Incubation Facility (BE-EIF) launched in 2022 to accelerate sustainable livelihoods for local communities in Kimbe Bay. The BE-EIF aims to showcase the potential of the blue economy by empowering nature-positive Micro, Small, Medium or Enterprise (MSME) businesses and creating employment opportunities. To be housed within the PNG National Biodiversity and Climate Fund, the BE-EIF establishes a vital pathway to accelerate funding and support over the next year to identified reef-positive MSMEs in and around Kimbe Bay, with a special emphasis on women-led enterprises. Feasibility studies are underway for the National Blue Economy Investment Strategy, as well as for MPA gazettal plans that explore sustainable financing through private sector involvement.

In close collaboration with the National Investment Promotion Authority and SME Corporation, the BE-EIF aligns with PNG's first government-supported provincial SME incubation facility, complementing terrestrial business development efforts. To mitigate risks, programme partner UNCDF is laying the groundwork for a blue risk guarantee, providing stability for BE-EIF businesses. Additionally, the programme engages in activities such as developing the National Blue Economy Investment Strategy and assessing potential pilot sites for MPAs, with an emphasis on exploring private sector investment for sustainable financing.





# Indonesia



## Meizani Irmadhiany

Chair of the Board, Konservasi Indonesia

Indonesia represents among the most significant opportunities for global coral reef conservation and resilience. Through the support of the GFCR, TeKSI seeks to mobilize and deploy blended financing at multiple scales and through multiple modalities to promote the mutually reinforcing objectives of coral protection, economic recovery, and inclusive, equitable reef-positive development and sustainable livelihoods in Indonesia.

## Terumbu Karang Sehat Indonesia

Indonesia's Healthy Coral Reefs

Indonesia, located in the heart of the Coral Triangle, possesses an exceptional diversity of marine life, with over 574 coral species. These marine ecosystems are crucial for supporting a significant fisheries industry and serving as the primary source of protein for local communities. However, escalating ocean temperatures and local pressures are posing significant challenges to these reefs.

To address local drivers of degradation, the *Terumbu Karang Sehat Indonesia* (Indonesia's Healthy Coral Reefs) programme, led by [Yayasan Konservasi Cakrawala Indonesia \(KI\)](#) and funded by GFCR, focuses on two critical coral reef sites: the Bird's Head Seascape (BHS) and Palau Sumba. In the BHS, the programme aims to diversify sustainable revenue streams for the MPA network and promote responsible marine tourism to mitigate threats to reefs and benefit local communities. In Palau Sumba, the programme seeks to transform the rapidly growing seaweed mariculture industry into profitable and reef-positive models, aligning with the Indonesian Government's conservation and sustainable blue economy goals.

Seaweed mariculture has been identified as a climate-resilient and sustainable development opportunity in East Sumba. However, some farms may have direct negative impacts on coral reefs, and seaweed diseases have led to habitat clearing. Through the programme, research is underway to address industry risks, reinforce sustainable seaweed mariculture and transitions to halt negative consequences for coral reefs. The programme aims to develop evidence-based frameworks and a roadmap for investment in reef-positive seaweed development.

Furthermore, a mooring system is being designed to reduce coral reef damage caused by liveaboard boats in Raja Ampat. Mooring points have been identified, and a draft of the Governor's Regulation will regulate the system. A business and financial plan is being developed, and GFCR investment will be channelled through [PT EON](#), a private entity that executes the mooring system implementation, for maintenance and repair. Revenue generated will be used for capacity building and education activities for the community.

Implementing and strategic programme partners also include [Conservation International Ventures](#), [Microfinance Innovation Centre for Resources and Alternatives](#), [State University of Papua](#), [Nusa Cendana University](#), [Artha Wacana Christian University](#), and [University of Mataram](#).





# Belize, Guatemala, Honduras & Mexico



**Carlos Vijil**  
President, MAR Fund

“ GFCR is the enabler that allows the creation and structuring of MAR+Invest so local actors can bridge the gap between conservation and investment through innovative market approaches that address the challenges faced by the largest transboundary coral reef ecosystem and generate revenue.



The Mesoamerican Reef (MAR) region, encompassing Belize, and the Caribbean coasts of Guatemala, Honduras and Mexico, is home to the largest barrier reef in the Western Hemisphere, stretching almost 700 miles. The MAR thrives with over 60 hard coral species, including the last healthy populations of staghorn and elkhorn corals, and provides sanctuary and sustenance to hundreds of fish species, marine turtles, and sharks. However, the region faces challenges including a surge of tourists and large-scale agriculture, placing strain on the fragile coastal marine ecosystems.

To address these local stressors, the GFCR-funded *MAR+ Invest programme* was launched in late 2022 as a finance and development facility for the region. Led by the MAR Fund, MAR+Invest aims to foster the development and scaling of enterprises or projects with a positive impact on coral reefs. Local programme co-implementers include New Ventures, Viwala, Healthy Reefs for Healthy People, Sureste Sostenible, and Fondo Mexicano Para La Conservación De La Naturaleza. Early initiatives identified for support from MAR+Invest include:

- A sustainable fishery and ecotourism project in Honduras, implemented in collaboration with GOAL, targets 14,650 hectares of coral reefs and aims to benefit fisher organisations.

- The Caribbean King Crab mariculture project in Mexico's Arrecife de Puerto Morelos National Park, piloted by MAR+Invest partner HRI, covers 1,596 ha of coral reefs, generates income for the local community, and engages fishers in sustainable mariculture practices.
- Seaweed farming is supported as a restorative solution to reduce pressure on coral reefs and provide ecosystem benefits, aiming to establish 17 new seaweed groups/associations in the MAR, with a focus on women-led associations in Belize.
- Resiliencia Azul, another partner of MAR+Invest, conducts a feasibility study to assess interconnected marine-coastal ecosystems, addressing the loss of mangroves in the MAR region and identifying potential ventures based on ecosystem services in the four MAR countries.
- To mitigate the threat posed by shrimp farming to coral reefs and marine ecosystems, particularly in Belize, MAR+Invest supports the modernisation of shrimp farms through environmentally friendly practices. The Royal Mayan Shrimp Farm aims to raise \$5 million, create around 1000 jobs, and protect the environment.





# Colombia



## Fi Wi Riif

Our Reef

Colombia, the only South American country with both Pacific and Caribbean coasts, is home to a diverse array of coral reef areas and species, boasting at least 26 coral reef areas and 80 coral reef species. Unfortunately, these valuable ecosystems have suffered significant losses due to various local stressors, including unsustainable coastal development, overfishing, and climate change.

In the last quarter of 2022, the GFCR's Executive Board approved the *Fi Wi Riif* (Our Reef) country programme led by *Fondo Acción*, which focuses on investing in the protection and recovery of coral reefs and associated ecosystems in the islands of San Andrés, Providencia, and Santa Catalina, including the Seaflower Biosphere Reserve in the Caribbean. Additionally, the programme will extend its efforts to the Gorgona and Malpelo areas within the Eastern Tropical Pacific Marine Corridor.

The Colombia country programme aims to engage both the public and private sectors in establishing local governance and financial sustainability strategies. It also focuses on supporting local enterprises and alternative livelihoods to reduce the negative local impacts on significant coral reefs. Additionally, the programme emphasises active coral reef management by reinforcing MPAs, improving fisheries sustainability, restoring herbivorous populations, and removing excess algae and seagrasses. As part of the implementation, a long-term financial strategy includes a financial mechanism for the archipelago's MPA system and an investment account to support reef-positive business models. The programme also aims to foster a robust and participative governance system, creating ownership and sustainable development opportunities for local communities.





Country Programme

# Brazil



## Nossos Corais

*Our Corals*

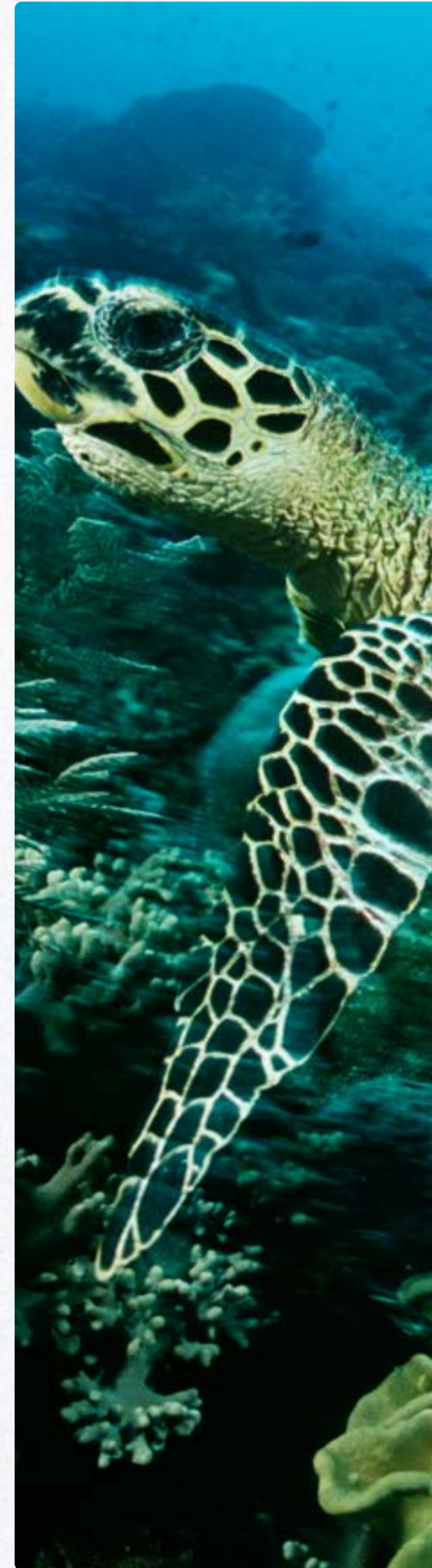
Stretching across 3,000 km of the Northeastern coast, Brazil has the most extensive and richest areas of coral reefs in the South Atlantic Ocean. The fauna of the reefs are characterised by high endemism and adaptations that differ from other coral reefs around the world. Brazil's reefs hold vital importance for local communities, serving as a significant resource. However, the human-induced factors impacting the Brazilian reefs compare to those endangering coral reefs worldwide, including unsustainable land-use practices leading to sedimentation, pollution from domestic and agricultural sources, overexploitation of reef resources, and unsustainable tourism.

Led by the Brazilian Biodiversity Fund (FUNBIO), the country programme, *Nossos Corais* (Our Corals), aims to restore and preserve the exceptional coral reef formations in Brazil, ensuring their continued provision of ecosystem services to the coastal communities that rely on them. The programme's pivotal operational component is an Impact Investment Facility which will aim to catalyse local economic transition and greater investment for the benefit of coral reefs and the local population.

Nossos Corais will focus on three specific locations: Fernando de Noronha, Costa dos Corais in Northeastern Brazil, and Abrolhos in Eastern Brazil. Collectively, they encompass Brazil's primary reef formations and ecological distinctiveness, while offering local potential development of reef-positive enterprises and blended finance solutions.

Country Programme

# Indonesia



## KORALESTARI

*Sustaining Indonesia's Coral Start Reefs through Bankable Conservation and Restoration Initiatives*

Recognising its significance as the largest coral reef area in Southeast Asia and home to the world's most diverse and biologically intricate marine ecosystems, the *KORALESTARI* programme aims to expand GFCR's impact in Indonesia through a second blended finance country programme to tackle key local factors contributing to coral reef decline. Led by Yayasan Konservasi Alam Nusantara (YKAN), the integrated programme approach will aim to address unsustainable fishing and aquaculture practices, unregulated coastal development, land and marine pollution, and invasive species. Through its role as programme Convening Agent, YKAN will also ensure effective multi-stakeholder collaboration, in close collaboration with the national and local government, to tackle challenges in policy development, research, and the establishment of financial mechanisms and reef-positive businesses for the benefit of Indonesia's MPAs.

This second GFCR-supported initiative for Indonesia will focus on three priority areas in the Coral Triangle region, namely Berau in East Kalimantan, Savu Sea in East Nusa Tenggara, and the Natuna Sea west of Borneo. This expansion extends the GFCR's funding support to cover a total coral reef area exceeding 1,600 km<sup>2</sup> in the country.





## Maldives

### Holistic Reef Management in Maldives

The coral reef systems of the Maldives are the seventh largest in the world and the fifth most diverse ecosystem of the world's reef areas. Phase one of the planned the *Maldives Resilient Reef Ecosystem and Economy for the Future* (Maldives RREEF) programme aiming to launch in early 2023 will focus on two United Nations Educational, Scientific and Cultural Organization (UNESCO) Biosphere Reserves, the Addu Atoll and Fuvahmulah Atoll in the southern region of the country.

As a large island in the southern part of the Maldives, Fuvahmulah encompasses an entire atoll ecosystem, including the most diverse of coral ecosystems in the country which support the livelihoods and food security of the island's local population. Addu, the southernmost atoll of the Maldives, comprises a total of 30 islands. It features a highly diverse coral reef ecosystem, lagoons, reef passes, seagrass beds, sandbanks, coral islands, lush tropical vegetation, mangroves, wetlands, brackish lakes locally known as kilhis, agricultural land and residential areas. Over 14,000 ha of its total area of 17,174 ha are marine areas, with an outstanding biodiversity that includes over 1,200 fish species.

With implementation led by the UNDP, the Maldives RREEF initiative will aim to establish sustainable financing mechanisms to support coral conservation and facilitate the development of, and investment in, projects and enterprises that sustainably contribute to the resilience of coral reefs and the atoll communities.



## Micronesia, Marshall Islands & Palau

### Micronesia Coral Reefs

The *Micronesia Coral Reefs* regional programme aims to capitalise on the well-established regional framework developed over the past 16 years through the Micronesia Challenge through innovative blended finance approaches. The Micronesia Challenge is a commitment by governments in the region to conserve 30% of near-shore marine resources and 20% of terrestrial resources in Micronesia by 2020.

By aligning with the Challenge's targets set by the three programme countries, Federal States of Micronesia (FSM), Republic of the Marshall Islands (RMI), and Republic of Palau (ROP), the programme will expedite the establishment of business models that have a positive impact on the reefs in the region, particularly in ecotourism, sustainable fisheries, sustainable aquaculture, and waste and water management sectors. To support the communities' livelihoods and enhance their climate resilience, the programme will implement financial mechanisms that leverage finance for the conservation, restoration, and sustainable use of coral reefs regionally.

The GFCR-supported programme aims to leverage a minimum of \$20 million USD to accelerate the achievement of the Micronesia Challenge targets, particularly effective management of 50% of the region's marine resources. The priority sites for the programme include:

- In FSM: Yap Proper, Chuuk Lagoon, Pohnpei Island, and Kosrae Island
- In RMI: Majuro, Arno and Ebeye Atolls, Bokak & Bikar
- In ROP: Northern Reefs (Kayengel and Ngarchelong), Ngaremeduu Bay (Aimeliik, Ngatpang, and Ngeremlengui), Koror, Peleliu







Country Programme

# Mozambique


**MozCorinvest**

The *MozCorInvest* country programme in Mozambique aims to overcome obstacles and pave the way for future investments. Led by [BIOFUND](#), the programme will focus on four chosen sites in the south and north of Mozambique, already popular with tourists, to develop them into premier ecotourism destinations supporting greater conservation finance flows. Through facilitated tourism investment, business incubation for SMEs, and effective site management plans, the programme will aim to generate the necessary funds to optimise sustainable coral reef management.

In the central region, carbon finance from the extensive mangroves of Mozambique will aim to support the protection and sustainable development of the Primeiras and Segundas Archipelago, a pristine coral reef ecosystem. Additionally, several companies will build capacity for reef, mangrove, and seagrass restoration, catering to developed destinations and companies requiring offsets under Mozambique's newly enacted "Biodiversity Offsetting Decree".

In the Mozambique country programme, the priority coral reef sites include Maputo National Park to Inhaca Marine Reserve, Inhambane Bay and Tofo, Vilanculos Bay and Bazaruto National Park and its surrounding areas, as well as in and around Nacala Bay. Implementing partners will include [Proazul](#), [Ocean Hub Africa](#), and [ideiaLab](#).



Regional Programme

# Solomon Islands


**Coral Reef Resilience  
Solomon Islands**

The Solomon Islands possess exceptional marine biodiversity and species richness. Situated within the Coral Triangle, the Solomon Islands are home to nearly 500 coral species. Encompassing a vast coral reef area spanning 3,591 km<sup>2</sup>, these marine environments provide a thriving habitat for diverse marine life including whales, dolphins, dugongs, and turtles. Approximately 97% of the human population resides within 30 kilometres of a coral reef, heavily relying on these reefs and the ecosystem services they provide for livelihoods, food security, and coastal protection.

With development led by the [World Wide Fund for Nature \(WWF\)](#), the GFCR-supported programme in the Solomon Islands will aim to facilitate the establishment and growth of reef-positive businesses that attract private investments and offer sustainable livelihood opportunities.

Priority areas for programmatic action include the Central Island Province, Malaita, Isabel, and Temotu, which collectively encompass 654 km<sup>2</sup> of coral reefs.

The *Coral Reef Resilience (CRR)* initiative will focus on incubating priority sectors such as sustainable fisheries, waste and plastics management, ecotourism, and sustainable agriculture and forestry. The comprehensive 'ridge-to-reef approach' will emphasize the integration of freshwater and coastal area management, considering the interconnections between the natural and social systems from the mountain 'ridges' of volcanic islands, through coastal watersheds and habitats, and across coastal lagoons to the fringing 'reef' environments.







Country Programme

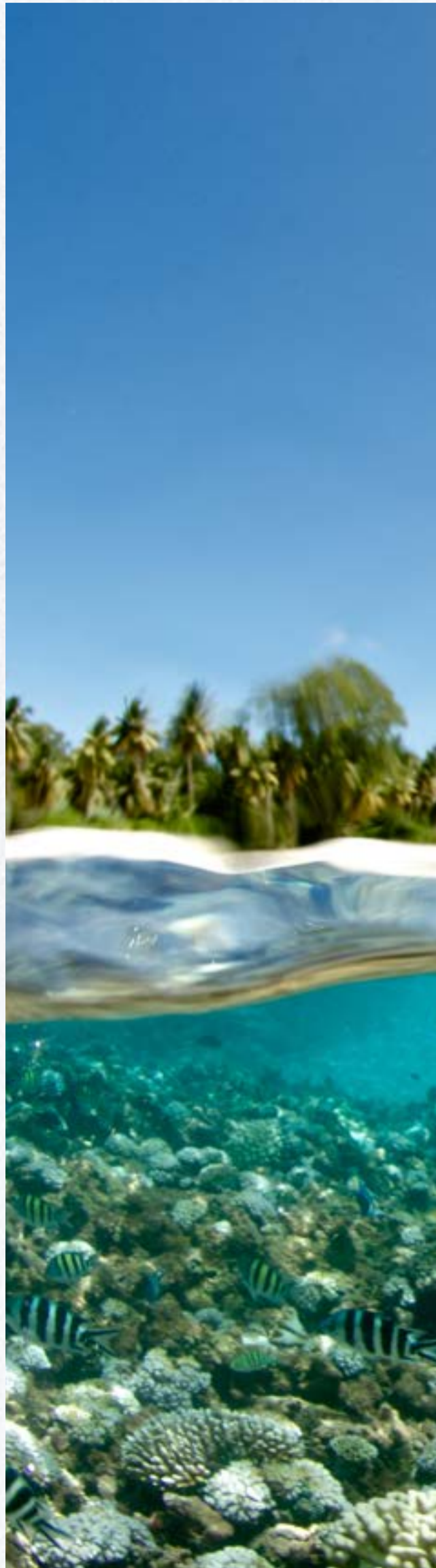
# Seychelles



**Ocean's  
Resolve**

In Seychelles, there is a total coral cover of approximately 1,690 km<sup>2</sup>, acting as natural barriers for the coastal zones. Buffering the shorelines against waves, storms, and floods, coral reefs protect local communities and create ideal conditions for many marine-based recreational activities which are vital for the tourism industry of Small Island Developing States (SIDS). However, human activities, both on land and at sea, are contributing to coral reef stress in the Seychelles. Overfishing and unsustainable fishing methods disrupt the ecological balance and harm reef ecosystems. Unsustainable tourism practices and resulting waste are also contributing to coral reef decline.

Seychelles Conservation and Climate Adaptation Trust (SeyCCAT) has been selected as the Convening Agent to lead the GFCR-funded country initiative, the Ocean's Resolve programme. Ocean's Resolve aims to create a thriving and sustainable blue economy by focusing on the protection and restoration of coral reef ecosystems, as well as related ecosystems like seagrass and mangroves. The programme will also contribute to the reduction of risks from high-intensity storms, bolstering of sustainable ecotourism, and the enhancement and sustainability of local coral reef fisheries. The programme will emphasise action for priority sites in the Inner Islands (Mahé, Praslin, La Digue, and Frégate) where population centres and significant local anthropogenic drivers of coral reef degradation are found, as well as the Outer Islands (Aldabra and Amirantes islands, including the Alophonse group) which exhibit the strongest evidence of climate refugia.



Country Programme

# Sri Lanka



**Sri Lanka  
Coral Reef Initiative**

Sri Lanka Coral Reef Initiative (SLCRI) is designed to protect three priority climate refugia coral reefs through multi-sector participation. SLCRI is expected to generate a transformational shift in the way reef-positive approaches and investments are adopted and scaled in Sri Lanka. To ensure corals are protected and conserved, SLCRI will facilitate capacity development, enabling policy environments and innovative finance tools to support sustainable transitions for coral-dependent communities and coral related economic sectors.

Priority coral reef sites anticipated for programme support include:

- Northwestern Region: Vankalai, Vidattalativu, Arippu, Silavathurai and Bar Reef
- Eastern Region: Pigeon Island National Park and Kayankerni Marine Sanctuary
- Southwest Region: Hikkaduwa National Park

The prioritised areas in the Northwestern Region of Sri Lanka support a rich biodiversity, including over 100 coral species, more than 300 reef fish species, spiny lobsters, sea cucumbers, chanks, and aquarium species. Declared a Marine Sanctuary in 1992, Bar Reef spans over 30,000 hectares and holds vast ecological, biological and aesthetic significance. Hosting more than 100 species of coral, areas anticipated for support in the Eastern Region stretch from Kuchchaveli to the Dutch Bay, including Pigeon Island National Park. Mankerni to Batticaloa is also under consideration for support, including Kayankerni Marine Sanctuary. Lastly, the Southwest Region, which includes Hikkaduwa National Park, boasts a nature reserve supporting 60 species of coral as well as various species of sea turtles, sharks, dugongs, crabs, prawns, shrimps, oysters and over 170 species of reef fish.





# Jordan

## Gulf of Aqaba



The Gulf of Aqaba (GoA) is distinctive and unique because of its high number of species, diverse number of habitats, high endemism, and remoteness. In addition to its important biodiversity, scientists believe the GoA's coral reefs may be globally unique in their resilience potential to climate change; a resilience that stems from evolutionary selection towards thermally resilient genotypes, as well as the fact that the water current and wind patterns in the region are believed to ameliorate the effect of rising sea temperatures on corals.

The coral reefs in the GoA exhibit remarkable resilience to water temperature fluctuations that would typically result in severe bleaching or mortality or hard corals in other regions worldwide. Despite experiencing increased ocean-surface temperatures like other marine areas, coral species in the GoA have never been confirmed to undergo bleaching events. Moreover, the waters possess a significant capacity to buffer against ocean acidification. As a result, the coral reef ecosystems in the GoA hold immense value as a coral gene bank, capable of supporting global initiatives aimed at restoring coral reef ecosystems in regions where local reefs have been devastated by coral bleaching or ocean acidification.

Led by UNDP's Country Office in Jordan, the Gulf of Aqaba programme will demonstrate and showcase innovative reef-positive blended finance solutions in the Aqaba Special Economic Zone that will inform action across the wider GOA and Red Sea region. It will aim to advance science on reef resilience and coral reef restoration, identify and protect climate refugia, establish a regional marine science hub and marine conservation coordination mechanisms, and accelerate the development and financing of reef-positive enterprises, especially in ecotourism, sustainable fisheries, and waste management. At the regional level, efforts will be made to leverage Jordan's strong regional presence and leadership to convene and engage Egypt and Saudi Arabia through established cooperation agreements to harmonise and improve coral conservation, monitoring and ecosystem management in the GOA.

# Egypt



## H.E. Dr. Yasmine Fouad

Minister of Environment, Arabic Republic of Egypt



The Red Sea's Great Fringing Reef is not only an Egyptian national treasure, but a precious resource for the entire world. We are pleased to partner with the U.S. Government, through USAID, the UNDP and the GFCR to conserve our coral reefs.



## Red Sea Initiative

The Red Sea hosts more than 1,000 different species of fish and approximately 350 coral species with a high rate of endemism of 14.7%, ranking third globally. As a result, tourists are attracted to this ecological haven which contributes significantly to Egypt's economic productivity and the enhancement of local livelihood. The Red Sea has also historically served as a strong connection between diverse cultures and people. In Egypt alone, tribal communities along the coastline derive customs, norms, values, and identity directly from the marine environment.

Although immensely valuable, coral reefs in Egyptian Red Sea are being degraded by a host of human and natural factors, including pollution, sedimentation, unsustainable fishing activities, physical damage due to diving pressure, ship grounding and anchoring, sewage and wastewater disposal, and unsustainable coastal developments.

To help address these local stressors and protect the resilience of Egypt's Red Sea reefs, the GFCR in partnership with UNDP and USAID announced in 2022 the development of the Egyptian Red Sea Initiative (ERSI). In partnership with GFCR, USAID committed up to \$15 million USD to scale coral reef-positive blue economic growth and conservation finance through the programme, including the establishment of a foundation, to enhance access to capital for reef-positive projects and enterprises. The ERSI will aim to serve as part of a wider regional programmatic approach, led by UNDP, aiming to unlock a minimum of \$50 million USD in blended finance.



## Gillian Caldwell

Chief Climate Officer, USAID



The Red Sea is home to a rich underwater ecosystem that attracts millions of tourists who create millions of jobs for Egyptians and bring in billions in foreign currency each year. In partnership with the Government of Egypt, as well as the Global Fund for Coral Reefs, USAID is pleased to launch the Red Sea Initiative to support the resilience of Egyptian Red Sea communities and their reef ecosystems.





## Resource Mobilisation

In 2022, GFCR experienced significant portfolio development and growth, thanks to the generous contributions of the GFCR Grant Fund's donors and early Investment Fund commitments.

Coalition partners mobilised in 2022 more than \$31 million USD in new commitments for the Grant Fund and its catalytic finance modalities. The Grant Fund donor commitments included £3 million GBP from the UK government, \$8 million USD from Bloomberg Philanthropies, \$5 million USD from Builders Vision, and a pledge of up to \$15 million USD from USAID for an Egyptian Red Sea programme currently under development. With these new pledges, the Grand Fund's capitalisation reached \$47 million USD by the end of the year.

Additionally, the GFCR Investment Fund amassed a capitalisation of \$130 million USD, including a \$5 million USD investment from Builders Vision following the initial \$125 million USD first loss tranche commitment of the GCF.



**Inger Andersen**  
Executive Director, UNEP

“ We have great opportunities for global collaboration on coral reef protection, management and restoration coming up with the UN Decade of Ocean Science for Sustainable Development, and the UN Decade on Ecosystem Restoration. We urge the global community to come together to capitalize this critical Fund in order to change the trajectory for coral reefs and save this precious ecosystem.



**Lukas Walton**  
CEO and Founder, Builders Vision

“ How we care for the environment is a reflection of how we care for one another. When it comes to restoring and preserving the world's coral reefs, we have an urgent obligation to intervene and pursue innovations to create a flywheel effect to save these vibrant natural resources.



**Ellie Goulding**  
Singer-Songwriter, UNEP Global Goodwill Ambassador

“ I'm appealing to leaders and decision-makers in government, as well as philanthropic organisations, financial institutions, and impact investors to urgently prioritise funding for the protection of coral reefs... We have the Global Fund for Coral Reefs, the science, and the tools to implement and scale action. Now we need the will. I ask you to lead that way so that we can be the first generation to save an entire ecosystem.



# Advocacy & Recognition

The GFCR Coalition made significant progress in raising awareness, fostering support, and promoting collaboration among global stakeholders in 2022. Over the course of 2022, GFCR was featured in over 25 global events, as well as numerous publications, podcasts, and expert papers. The efforts and innovative approach of the GFCR was also recognised by globally renowned institutions and initiatives, donor and coral nations, impact investors, and various media outlets. Below offers a snapshot of key events and engagements GFCR was presented in or convened over the course of the year.

**Our Ocean Palau:** At the 2022 Our Ocean Conference in Palau, GFCR was presented as a valuable resource for countries striving to strengthen sustainable blue economic transition to bolster the resilience of coral reefs and coastal communities. Through the main conference stage, GFCR’s high-level announcements included a new partnership with UNESCO and the Government of the United Kingdom, announcing an additional GBP £3 million through its Blue Planet Fund to support financial solutions and innovative business models for reef resilience.



**UN Ocean Conference:** GFCR demonstrated its position as a leading blended finance vehicle for SDG 14 at the 2022 UN Ocean Conference (UNOC), rallying private and public sectors to protect coral reef ecosystems. Led by GFCR and ICRI, the Reef Action Hub emerged as the convening centre for all coral-related activities and stakeholders; showcasing science-based solutions, gender equity, financing needs, and coral reef-positive business models. Throughout the week, heads of state and heads of governments, prominent UN and state officials, several representatives of royal families, private sector executives, and ocean champions convened in the Hub to focus on the immense needs facing coral reefs. Adding to the momentum, GFCR’s partner sessions at the Reef Action Hub notably hosted renowned actor Jason Momoa, who commended GFCR’s action and the commitment of Executive Board members, as well as announced his role as UNEP’s Advocate for Life Below Water.

During UNOC, at the Sustainable Blue Economy Investment Forum hosted by the Government of Portugal and Kenya, Bloomberg Philanthropies, and Builders Vision joined the GFCR Coalition, pledging a combined \$18 million USD. On the side-lines of UNOC, GFCR further commandeered a sustainable VO65 sailing vessel for the ‘Racing Against Reef Extinction’ session, aiming to increase visibility for the urgent crisis facing coral reefs. The week also witnessed the formal endorsement of the GFCR by the UN Decade of Ocean Science at a high-level event in the Reef Action Hub featuring remarks by HRH Princess Eugenie of York, H.E. Vaughn P. Miller, Minister for the Environment and Natural Resources, The Bahamas, and Elizabeth Maruma Mrema, former Executive Secretary of the Secretariat of the CBD.

Further during UNOC, GFCR Coalition partners solidified their commitment to accelerate coral reef conservation and support efforts to scale-up coral reef positive investments in developing countries harbouring climate-resilient coral reefs through the signing of the Lisbon Declaration: Accelerating Coral Reef-Positive Investment. The Declaration’s thirteen signatories include the Prince Albert II of Monaco Foundation; Paul G. Allen Family Foundation; Builders Vision; Bloomberg Philanthropies; PGA; GCF; the Government of Canada; the Government of the United Kingdom; the Government of France; the Government of Germany; UNCDF; UNDP; UNEP.







**Open Letter Calling for Urgent Coral Reef Action at UNFCCC COP27, Ocean 20, and CBD COP15:** In a unified effort to accelerate action, GFCR, International Coral Reef Initiative (ICRI), and CORDAP, issued an open letter in the last quarter of 2023 ahead of the conclusion of the 27th Conference of the Parties to the UN Framework Convention on Climate Change (UNFCCC COP27), the Ocean 20 (O20) convening, and the 15th meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD COP15). The public statement outlined crucial action points including the urgent need to scale marine conservation efforts, accelerate coral reef restoration, strengthen sustainable blue food initiatives, address marine pollution, and support sustainable blue economy. The Open Letter received widespread global viewership and captured the attention of media outlets, including from The Guardian, which published the feature article *COP27: Coral Conservation Groups Alarmed Over 'Catastrophic Losses'*.



**COP27:** During COP27, GFCR was showcased as a crucial resilience-focused mechanism, bringing together private, public, and philanthropic sectors to accelerate climate-smart solutions. During the Climate Conference, GFCR co-led two influential sessions that highlighted innovative financing instruments, conservation solutions, and partnerships. Early during the conference, the *Leaders in Action #ForCoral* high-level event co-hosted by GFCR, UNDP, ICRI, and Bloomberg Philanthropies, witnessed the launch of large-scale commitments to help scale the resilience of coastal ecosystems and communities. Key event speakers including Egyptian Minister of Environment, H.E. Dr. Yasmine Fouad, and USAID's Chief Climate Officer, Gillian Caldwell. During the event, USAID announced its joining of the GFCR Coalition and pledged up to \$15 million for coral reef-positive action in the Egyptian Red Sea. Also at the COP, GFCR co-convened with partners including the WWF Coral Reef Rescue Initiative the *Adaptation Solutions #ForCoral Nations* session to showcase reef-based adaptation solutions from global and national actors as well as innovative finance approaches.

**No Paris without Montreal Declaration:** Ahead of COP15, GFCR joined 85 organisations, including civil society, scientific institutes, NGOs, foundations, financial institutions, and UN entities, to urge the Convention on Biological Diversity (CBD) parties to establish an ambitious Post-2020 Global Biodiversity Framework inclusive of strong commitments for the ocean, emphasising the integration of biodiversity and climate action.

**COP15:** The 15th meeting of the Conference of the Parties to the Convention on Biological Diversity (COP15) convened representatives of 196 governments and delegates from a wide range of stakeholders including the business and finance communities, civil society organizations, scientists and academics, indigenous peoples and local communities, and youth representatives resulting in a transformative global plan to halt and reverse biodiversity loss by 2030. With the new GBF now in place, the GFCR Coalition recognises the key responsibility it has in the implementation process, particularly as several priority targets directly align to GFCR's mandate and blended finance approach, including:

- Effective conservation and management of at least 30% of the world's lands, inland waters, coastal areas and oceans;
- Restoration of at least 30% of degraded ecosystems, including coastal and marine ecosystems;
- Reducing loss of areas of high biodiversity importance, including ecosystems of high ecological integrity;
- Reducing excess nutrients and risk posed by pesticides and hazardous chemicals;
- Mobilising \$200 billion per year from all funding sources – public and private; and
- Raising international financial flows from developed to developing countries, in particular LDCs and SIDS, to \$30 billion per year by 2030.



**Elizabeth Maruma Mrema**

Executive Secretary, COP15

“ By aligning its work with the goals of the Post-2020 Global Biodiversity Framework, **the Global Fund for Coral Reefs can be a powerful tool for implementation**, for tracking of progress towards global goals and targets for biodiversity, and for **elevating awareness on our collective goals for a future with healthy and robust coral ecosystems**.

In a significant development during CBD COP15, thirteen countries and the European Union pledged to collectively enhance global biodiversity finance and align it with the goals of the GBF. Through the statement, these donor nations also pledged to leverage international public finance to mobilise private resources for GBF implementation, and specifically investments in biodiversity by the private sector through the GFCR. The joint communiqué signalled an emphasis on innovative finance including the blending of public and private funding to strengthen the preservation of natural ecosystems.

Further throughout COP15, GFCR was recognized as an investment-ready blended finance vehicle as an implementation and resource mobilisation mechanism designed to deliver on GBF targets. The GFCR Coalition representatives engaged during COP15 events, meetings and dialogues, including by showcasing GFCR on the main stage of the COP15 Finance and Biodiversity Day, as well as co-hosting and presenting at events including *Achieving the Global Targets: How to Conserve and Restore Coral Reefs*; *United for a Decade of Conservation Action #ForCoral*; and *Innovative Finance for Coral Reefs*.

COP15 also witnessed the launch of GFCR's *REEF+ Accelerator*. Developed by Conservation Finance Alliance, UNDP, and Ubuntu, REEF+ showcases reef-positive solutions supported through GFCR blended finance programmes as well other replicable enterprises and finance solutions identified globally. By the end of 2022, the REEF+ catalogue contained more than 60 knowledge posts and 170 solutions, all with potential to scale and replicate for significant global impact.





For GFCR, 2022 was a period characterised by a significant strengthening of the Coalition, a rapid growth of the global portfolio and local pipelines of reef-positive solutions; and increased global recognition of the contributions GFCR is making to safeguard the future of coral reef and support the resilience of associated marine ecosystems and local communities that depend on these valuable resources.

Moving forward, 2023 presents a significant opportunity for GFCR to accelerate its efforts to protect coral reefs by consolidating its portfolio of reef positive solutions, including ensuring a stronger connectivity between the Grant Fund and Investment Fund. On the Grant Fund, programme implementation is expected to reach 23 countries, while the Investment Fund will accelerate the number of approved investment deals. As part of this portfolio consolidation, the Coalition also aims to increase the capacity of the Grant Fund to issue tailored technical assistance services to the growing pipeline of reef-positive businesses being sourced by the Investment Fund and local incubation facilities.

Critically, GFCR's efforts will also aim to bolster the resilience of climate-vulnerable coastal communities through sustainable blue livelihoods, increased food security, and coastal protection. By accelerating support for reef-positive businesses and financial mechanisms, GFCR will provide new sources of income for communities, helping to alleviate poverty and empowering greater gender equality.

Portfolio consolidation will also be strengthened by deployment of the GFCR Monitoring and Evaluation System expected to become fully operational in 2023. This System will be crucial to ensure GFCR can measure its triple bottom line contributions to social well-being, coral reef health, as well as financial returns. Further, GFCR's global coral reef knowledge and finance platform, REEF+,

will be strengthened with capacities to efficiently scale the knowledge and collaboration, as well as facilitate investment for revenue-generating reef-positive enterprises and financial instruments designed to conserve coral reefs and strengthen associated ecosystems, economies, and communities.

In the year ahead, the Coalition will also enhance its engagement with governments of coral nations as well as on global policy through relevant regional and international fora. GFCR will promote opportunities to enhance in-country policy processes that result in improved enabling conditions for the uptake and scale-up of reef-positive solutions. In 2023, GFCR expects to actively participate in key convening opportunities including the UNFCCC COP28, regional intergovernmental events/groupings, and other political processes. As part of this work, GFCR will work with Coalition partners such as ICRI, CORDAP, and High Level Climate Champions to underscore the importance of coral reefs and linkages among the CBD, UNFCCC, and broader biodiversity finance.

Lastly, and critically, the approval of the Kunming-Montreal Global Biodiversity Framework will shape GFCR's work in 2023 and beyond to ensure the global portfolio of investments and policy measures are clearly aligned and contribute to the accomplishment of the Framework's goals and targets, while serving to inform and enhance broad biodiversity finance action.

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