



GLOBAL FUND FOR CORAL REEFS

Global Team of the Global Fund for Coral Reefs
Activity Narrative Report
Reporting Period: 1 January 2022 – 31 December 2022

Project Title: Global Team of the Global Fund for Coral Reefs (MPTFO Projects 00126373 and 00130842)	Recipient UN Organisation(s): <ul style="list-style-type: none">• UN MPTFO (Project 00126373)• UNCDF (Project 00130842)
Project Contact: UNCDF, Pierre Bardoux, Head of Nature Assets Team	Project Location: New York HQ in 2022
Project Description: The GFCR Secretariat supports the Global Fund for Coral Reefs (GFCR) Executive Board. Through the reporting year, the Secretariat was hosted by the UN Multi-Partner Trust Fund Office and the UN Capital Development Fund. The Secretariat works as a part of the broader UN Global Team of the GFCR Grant Fund, and works closely with the Private Equity Fund and the MPTF Office (MPTFO) in its Administrative Agent mandate of the Fund.	Total Cost: <ul style="list-style-type: none">• UN MPTFO (Proj #00126373) – US\$1,734,580• UNCDF (Proj #00130842) – US\$2,236,547
	Project Start Date: 1st April 2021 Proposed Project End Date: 31st December 2030
Key expected outputs <ol style="list-style-type: none">1 – Partnerships and resource mobilisation2 – Innovative programming3 – Technical expertise4 – Operations5 – Event planning and communication material	

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I. Introduction

This Activity report covers the period of January 2022 – December 2022 and highlights the major accomplishments of the GFCR Secretariat.

The Global Fund for Coral Reefs (GFCR) was launched during the 75th UN General Assembly in September 2020 as a unique blended finance instrument dedicated to coral reefs globally. Through an innovative approach to build a ‘Reef-Positive Investment Ecosystem’, the GFCR deploys a wide array of financial tools to de-risk and enable market-based investment in businesses and financial mechanisms aligned to its conservation aims. Led by a science-based approach, the multi-partner initiative works to catalyse billions in capital to sustainably reduce local drivers of coral reef degradation in ecosystems that exhibit resilience to climate change.

In 2021, the GFCR Secretariat was established as a dedicated management structure supporting the GFCR Executive Board and administratively hosted by the UN Multi-Partner Trust Fund Office (MPTFO). Following a successful 2021 period, in February 2022 the Executive Board approved two Project Documents (UN MPTFO Proj #00126373 – US\$1,734,580 and UNCDF Proj #00130842 – US\$2,236,547) to continue to fund the Secretariat core team operations and functions through March 2024, as well as facilitate the administrative host transition process from the UN Multi-Partner Trust Fund Office to UN Capital Development Fund (UNCDF).

Overall, the Secretariat team holds strong management, technical, and operational expertise. Diverse profiles of the team feature senior-level expertise on managing multi-partner climate and environmental trust funds; extensive programmatic management experience across the global south, including SIDS and LDCs; sustainable finance and policy expertise; international relations and strategic communications experience on cross-cutting development and biodiversity initiatives; marine science expertise; and practical experience in areas such as MPA management, coastal community stewardship and programme evaluation.

II. Building a Reef-Positive Investment Ecosystem

A. Grant Fund Programming

Overview

The GFCR Secretariat led the expansion and progress of GFCR’s Grant Fund programme portfolio. As of December 31st, 2022, the portfolio is composed of 18 country and regional programmes of which eight have been approved by the GFCR Executive Board and ten are in the proposal development stage (see Table below). In addition, the portfolio includes 3 Global Programmes on: 1) Monitoring and Evaluation (led by UNEP), 2) the GFCR Grant Fund Blue Bridge (led by UNCDF), and 3) Partnerships and Knowledge Facility (led by UNDP).

Eight (8) Programmes in Implementation		Ten (10) Programmes in Proposal Development	
Country/Region	Convening Agent	Country/Region	Convening Agent
The Bahamas	The Nature Conservancy (TNC)	Brazil	Fundo Brasileiro para a Biodiversidade (FUNBIO)
Colombia	Fondo para la Acción Ambiental y la Niñez (Fondo Acción)	Indonesia	Yayasan Konservasi Alam Nusantara (YKAN), affiliate of TNC
Fiji	United Nations Development Programme (UNDP)	Maldives	United Nations Development Programme (UNDP)
Indonesia	Konservasi Indonesia, affiliate of Conservation International (CI)	Micronesia	The Nature Conservancy
Kenya-Tanzania	Wildlife Conservation Society (WCS)	Mozambique	Fundação para a Conservação da Biodiversidade (BIOFUND)
Mesoamerican Reef	MAR Fund	Gulf of Aqaba	United Nations Development Programme (UNDP)
Papua New Guinea	United Nations Development Programme (UNDP)	Northern Red Sea	United Nations Development Programme (UNDP)
Philippines	Blue Finance	Seychelles	Seychelles Conservation and Climate Adaptation Trust (SeyCCAT)
		Solomon Islands	World Wildlife Fund (WWF)
		Sri Lanka	International Union for Conservation of Nature (IUCN) Sri Lanka

The growth of the GFCR country/regional portfolio is highlighted in the table below. Of the five programmes that were in the proposal development stage, three were approved in 2022 and moved to implementation. The exceptions are the Maldives programme led by UNDP and the Solomon Islands programme led by WWF. The Maldives programme is expected for submission to the GFCR Executive Board in 2023 Q1, after the EB deferred its approval and requested UNDP to incorporate changes to the proposal. The Solomon Islands programme delayed the start of their proposal development programme to align with the parallel and complementary submissions to the GEF and GCF. This programme development timeline was also heavily affected by the COVID pandemic.

All seven country/regional programmes that were in the Concept Note stage have been approved by the GFCR Executive Board and have moved to the proposal development stage. To note, the Gulf of Aqaba and Northern Red Sea Concept Note was approved for the development of two full programme proposals due to an opportunity to collaborate with USAID in Egypt.

Programme Stage	December 2021	Programme Country/Region	December 2022	Programme Country/Region
Implementation	5	The Bahamas, Fiji, Kenya-Tanzania, Philippines, Papua New Guinea	8	The Bahamas, Colombia, Indonesia (#1), Fiji, Kenya-Tanzania, Mesoamerican Reef, Philippines, Papua New Guinea
Proposal Development	5	Indonesia (#1), Mesoamerican Reef, Maldives, Philippines, Solomon Islands	10	Brazil, Indonesia (#2), Gulf of Aqaba, Northern Red Sea (Egypt), Micronesia, Mozambique, Maldives, Seychelles, Solomon Islands, Sri Lanka
Concept Note	7	Brazil, Indonesia (#2), Micronesia, Mozambique, Seychelles, Sri Lanka, Gulf of Aqaba and Northern Red Sea	0	

For the Global Programmes, the GFCR Secretariat continued to coordinate and collaborate with UN partner agencies serving as the lead implementers (see Section II. B. below for additional details on Secretariat's engagement with Global "Programmes). No new Global programmes nor replenishments for the current ones were developed nor approved during 2022.

At the GFCR global coalition level, which includes Pegasus Capital Advisors (PCA) as manager of the GFCR Investment Fund, the GFCR Secretariat also focused programming efforts in 2022 on ensuring that the Investment Fund’s strategy for large investments was designed as an integrated investment ecosystem approach to building coral reefs resilience, while maximising synergies with GFCR Grant Fund programmes wherever feasible. Additional details on the Secretariat’s work with PCA is described in Section II.C. below.

Based on portfolio development progress, financial resources availability and lessons learned, the Secretariat is expected to focus in the immediate future, and working with the Executive Board, Convening Agents, and UN agencies leading global programmes; on guaranteeing the current portfolio’s implementation including ensuring capacity and resources for the successful implementation of a robust reef-positive pipeline of businesses and financial mechanisms. Thus, no additional Concept Notes were pursued for GFCR Grant Fund programmes in 2022.

Geographic Distribution

The country/regional programme portfolio aims to build coral reef resilience in 23 coral countries. The portfolio is divided into four regions: Africa, Americas, Oceania, Asia.

Region	# of Countries with a Grant Fund Programme	Countries
Africa	5	Egypt, Kenya, Mozambique, Seychelles, Tanzania
Americas and Caribbean	7	Bahamas, Belize, Brazil, Colombia, Guatemala, Honduras, Mexico
Asia	5	Indonesia, Jordan, Maldives, Philippines, Sri Lanka
Pacific Islands	6	Fiji, Marshall Islands, Micronesia, Papua New Guinea, Palau, Solomon Islands

The regional composition of the portfolio reflects a well-balance global portfolio. However, if brought down to the sub-regional level, there is a noteworthy underrepresentation of smaller Polynesian countries like Niue, Samoa, Tuvalu, Tonga, and Vanuatu. These countries are faced with the socio-economic challenges common to Small Island Developing States (SIDS) but these challenges are more pronounced due to their remoteness. The GFCR Secretariat is exploring with partners how to develop a strategy to support these countries through a blended finance approach which will likely need to be regional and rely on larger financial mechanisms, rather than reef-positive businesses.

The countries within the GFCR portfolio also highlight the mandate to support countries that are most in need of development finance. Of the 23 countries in the programme portfolio, 20 are eligible for Official Development Assistance (ODA), 12 are SIDS or Least Developed Countries (LDCs). Of note, most GFCR Grant Fund activities in non-SIDS or non-LDC countries focus mainly on island related ecosystems.

Convening Agents and Implementing Partners

In 2022, the GFCR Secretariat maintained the approach of the Convening Agent portfolio composition being diverse and balanced, while integrating locally based organisations to build in-country capacity.

Convening Agent Typology	Number	Organisation
United Nations	5	UNDP (x5)

Convening Agent Typology	Number	Organisation
Big International Non-governmental Organisation (BINGO)	4	TNC (x2), WCS, WWF
Local Chapter of BINGO	3	IUCN Sri Lanka, Konservasi Indonesia (CI), YKAN (TNC)
Small/National NGO	6	BIOFUND, Blue Finance, Fondo Accion, FUNBIO, MAR Fund, SeyCCAT

Within the eight approved GFCR programmes, there are over 23 additional partnerships with co-implementers. These co-implementers are part of the core partnerships of the specific programmes and reflect the multi-disciplinary nature of GFCR programmes. The GFCR Secretariat has advised Convening Agents to develop relationships with diverse organisations across development, conservation and finance sectors to establish a foundation of expertise for successful blended finance programmes. Co-implementers are provided below to highlight how partnerships are fundamental to GFCR programmes.

Country / Convening Agent	Implementing Partner(s)
The Bahamas / TNC	Bahamas National Trust, Bahamas Protected Area Fund, Coral Vita, Perry Institute of Marine Science, Elizabeth Harbour Conservation Partnership, UNCDF
Colombia / Fondo Acción	CORALINA, McBean Lagoon National Park, ProSeaLand
Fiji / UNDP	Blue Finance, Matanataki, UNCDF
Indonesia / CI	CI Ventures, EON Engineering, MICRA Indonesia
Kenya-Tanzania / WCS	Conservation Capital, Okavango Capital, UNCDF
Mesoamerican Reef / MAR Fund	Fondo Conservacion de Mexico, GOAL, Healthy Reefs Initiative, New Ventures, Viwala, UNCDF
Philippines / Blue Finance	Blue Alliance, Uba Sustainability Institute, UNCDF
Papua New Guinea / UNDP	PNG Biodiversity and Climate Fund, UNCDF

GFCR Programmatic Approach

Over the course of 2022, lessons learned from 2021 and into 2022 informed the programmatic approach of the GFCR Grant Fund. Key lessons learned identified by the Secretariat are described below:

1. **Programmes Complexity** - A pattern identified was the complexity of developing programmes that aim to achieve impact across environmental, social and financial objectives. In terms of environmental baselines, the state of coral reef conservation is such that baseline information is often out of date, collected in small/localised areas, and/or fragmented in terms of the biological indicators being assessed. There is also lack of harmonisation across initiatives that hinders that ability to compare sites and data.
2. **Local Communities Engagement** - Regarding engagement with local communities, it can be a delicate process with long-histories of land/sea ownership and significant efforts needed to socialize the concepts of blended finance and the benefits of responsible marine resource management. The blended finance concept and approach continues to be a relatively new concept that requires permanent engagement with local actors.
3. **ODA Countries Risk Profile** - Further, while there is significant interest in impact investing, the risk profile in ODA countries is still a barrier to overcome even when projects and businesses are supported by grants and concessional finance instruments. Additionally, while there are opportunities in the blue economy sector, there a limited scalable opportunity with a direct

positive impact on coral reefs. This significantly limits the pipeline of viable businesses that are identified during scoping conducted at the proposal development stage.

4. **Government Engagement** – While Grant Fund country/regional programmes have been socialized with relevant agencies during programme development and require government endorsement prior to Executive Board approval, the Secretariat has identified through the early stages of programme implementation that government engagement efforts need to increase to ensure programmes are successful. This is related to ensuring support for building the enabling condition for reef-positive businesses and financial mechanisms. In addition, having a closer relationship with governments at the programme level is also important to ensure GFCR's success in engaging at the global policy level and international fora and events. Ensuring governments' collaboration with the GFCR coalition at the global level in turn further supports programmes implementation as government partners can see more clearly how the GFCR advances national priorities and their international commitments.

To address these issues, the GFCR Secretariat systematised a phased approach for GFCR programmes that allows for adaptive management as context specific challenges and opportunities are identified during the early stages of implementation. Programme proposal templates and GFCR Secretariat have advised Convening Agents to develop a long-term vision that will be better informed through information gathered during an 18-month initial phase. This initial phase focused on a better understanding of the drivers of coral reef degradation, engaging communities, developing key partnerships and further pipeline scoping. The latter often materializes in the form of open calls for proposals whereby broad landscape analysis can be conducted to better understand the technical assistance and financing needs of businesses that can be reef positive. For government and global policy engagement the Secretariat initiated to explore options to hire a consultant to expand capacity in this area (see Section IV. B.).

Field Missions

In May 2022, the GFCR Secretariat conducted the first field mission to the pilot programme in Fiji, Investing in Coral Reefs and the Blue Economy (ICRBE). The GFCR programme analyst was accompanied by the UNEP GFCR M&E consultant.

The purpose of the mission was to assess programme progress and provide strategic guidance to strengthen understanding and alignment on the GFCR requirements and how they can be better integrated into programmatic approach. Guidance and direction were given to the programme where deficiencies were identified:

- The Convening Agent coalition lacked a cohesive strategy regarding monitoring and evaluation. The programme analyst and GFCR M&E Consultant supported UNDP in drafting the Terms of Reference for the coral reef expert to be onboarded to develop and execute the M&E strategy for the programme.
- Coordination was weak between implementing partners. The Convening Agent was tasked with procuring workplans with clear milestones and budgets from implementing partners to ensure coordination, prior to a second tranche of funding from the GFCR being released. The GFCR Programme Analyst also recommended monthly meetings where all implementing partners are to attend, with the aim of strengthening connectivity, coordination and knowledge sharing between the coalition of partners.

- The GFCR Programme Analyst advised Matanataki, the local incubator, to integrate the GFCR Investment Principles into the scoping process of business selection. A brief template was also provided for Matanataki to communicate to the Investment Committee the potential impact of the business, beneficiaries, and high-level incubation activities.
- The Programme Analyst also participated in the Steering Committee attended by government ministry representatives. The programme's workplan was for consideration, the GFCR Programme Analyst ensured enabling activities related to government engagement were included in the approved workplan. Further, the programme analyst provided further information of the GFCR blended finance approach to the government participants which strengthened understanding of the programme for the Ministry of Economy and Ministry of Environment.

The Fiji Mission was extremely useful in terms of learning more about each intervention and the challenges delaying programme implementation. Since the May 2021 mission, the Convening Agent made improvements in coordination and onboarding an M&E specialist. Field missions are essential to ensuring the unique approach of the GFCR is well understood by the Convening Agent and implementing partners to implement a successful programme. In 2023, it will be critical for the GFCR Secretariat to conduct field missions to other programmes as their pipeline begins taking shape and before replenishment requests are made.

Replenishment Requests

The first programme to return to the GFCR Executive Board for replenishment was the Fiji programme.

Although the replenishment for the second tranche of funding was envisioned for January 2022, at that time the ICRBE programme had not yet committed 70% of the first tranche of financing, as needed prior to submission of a replenishment request. As of September 2022, they had committed more than 90% of the initial financial allocation. The GFCR Secretariat provided guidance and templates for the replenishment request to be considered by the Executive Board.

In the initial phase, the ICRBE programme has identified new unforeseen costs:

- Environmental Impact Assessments now required by the Ministry of Environment for all of the programme's pipeline deals.
- Market Assessment of an investment opportunity needed and developed by Matanataki. These assessments serve as an intermediary step prior to a potential investment term sheet being offered. This has been requested by Pegasus Capital Advisors (PCA) but will also serve other investors should PCA not move forward with the term sheet.
- Value-Added Tax (VAT) being charged by the Fijian Government to implementing partners for grants they have received from the ICRBE programme.
- A reef/watershed impact trial of the Fertile Factory intervention to establish the baseline and measure impact of the intervention. The impact studies need to be updated as the last one was done pre-2010.

These additional costs were communicated to the GFCR Global Team at the end of 2021 and provided rationale for the GFCR implementing a programming cycle whereby grants are awarded on the basis of initial phases only. In subsequent phases, greater information gathered during the initial phase can better inform needs going forward. The Executive Board approved a second tranche of funding from the

previously approved USD 4.7M, as well as an additional USD 529k for the unforeseen costs described above.

B. Collaboration with Investment Fund

During 2022, collaboration with the GFCR Investment Fund team accelerated. A key milestone was the establishment of the MOU between the UN and Pegasus Capital Advisors (PCA) signed on April 5th, 2022, to ensure strong collaboration between the Grant Fund managed by the UN, and the Investment Fund managed by PCA. The process to sign the MOU entailed negotiations with PCA, engagement of the UNDP Legal Counsel to ensure alignment with UN standards, and presentation of MOU to and approval by the GFCR Executive Board.

While operating separately, the Grant Fund and Investment Fund are the anchor instruments of the GFCR coalition and simultaneously share a common Theory of Change (ToC). The MOU established that the parties will collaborate in achieving the common objectives of the ToC and collaborate in the following three key areas:

1. **Impact of the GFCR** by collaborating on the criteria that will be used to implement the Theory of Change through the respective Funds. The criteria will address, among other things, collaborating on aspects related to investment principles, monitoring and evaluation, environmental and social safeguards, gender considerations and approach, risk management, and screening and due diligence.
2. **Establishing the GFCR Advisory Board** as a body that will provide recommendations to the Grant and Investment Funds on collaboration between both instruments among other areas.
3. **Strategic Engagement and Resources Mobilisation** including sharing information on theory complementary fundraising and communications strategies

With the MOU established, the Secretariat and PCA began having regular calls to discuss coordination and collaboration matters around the areas described above. With the hiring of the Investment Fund Manager, Dale Galvin, the Secretariat was also able to work more closely with PCA on collaboration around the Grant Fund and Investment Fund synergies and GFCR coalition engagement at international fora such as the UN Framework Convention on Climate Change (UNFCCC) and the Convention on Biological Diversity (CBD) (see Section III for additional information). In addition, as part of the GFCR Secretariat retreat in September 2022, meetings were held with the Investment Fund Team to further collaboration.

C. Coordination with GFCR Grant Fund Blue Bridge

UNCDF leads the implementation of the GFCR Grant Fund Blue Bridge (BB) and is part of the GFCR UN Global Team. As part of its role, UNCDF is co-recipient in several GFCR Grant Fund programmes. The Secretariat engagement with UNCDF focused on coordination meetings and following-up on BB transactions implementation, including actively promoting UNCDF's engagement with Convening Agents in programmes concept notes and particularly full proposals development. A key lesson on BB interaction with Convening Agents (CAs) is that CAs were often not clear on UNCDF's role as a programme partner and co-recipient and had difficulties in differentiating the role of the Secretariat vs.

the role of UNCDF. Moving forward the Secretariat will work with UNCDF and CAs in further improving their relationship and clarifying roles and responsibilities

In addition, the Secretariat also engaged with UNCDF on the development of the relationship and proposal for the Nordic Development Fund (NDF) to establish a new service line within Blue Bridge to expand the opportunities for the GFCR Grant Fund to offer technical assistance and other financing services.

D. Supporting M&E Approach

The GFCR Secretariat supported UNEP's workstream to develop a revised indicator framework for both Grant Fund programmes and the GFCR Investment Fund to measure progress on the GFCR Theory of Change outcomes. As part of this work UNEP is part of the UN Global Team. Over 2022, the Secretariat facilitated and coordinated consultations between UNEP and the Convening Agents in implementation, as well as the GFCR Investment Fund, to better understand the challenges and capacity needs of the GFCR Results Framework. This included the original results framework and the revised frameworks developed by UNEP. This process encompassed development of draft indicators and methodologies for measuring progress, the draft M&E Toolkit (designed to provide guidelines to convening agents on how to implement the M&E Framework), and the establishment of collaboration with the GFCR's Scientific and Technical Advisory Group (STAG).

In addition to coordination, the GFCR Secretariat reviewed all materials produced by UNEP to assess alignment with the GFCR Theory of Change, integration of the GFCR Investment Fund indicators, and cohesion with the Global Biodiversity Framework and other global goals for biodiversity, climate and sustainability. Further, GFCR engaged with UNEP to leverage their network for strategic communications and advocacy support to the GFCR to raise the visibility of the GFCR.

The consultations revealed the apprehension of Convening Agents to be able to report across the GFCR M&E framework. Thus, the Secretariat worked with UNEP to simplify the results framework and define the role UNEP will have going forward with the GFCR, whereby M&E capacity building will be a fundamental role of UNEP as well as the need to provide recommendations on GFCR Investment Fund deals for coral impact.

It is important to highlight that UNEP's work on Monitoring and Evaluation was impacted by staff turnover. However, towards the last quarter of 2022 the pace of work accelerated. This global support service of the UNEP will be presented to the GFCR Executive Board meeting in Q1 2023 along with the finalised M&E Framework.

E. Supporting REEF+ Accelerator Development

The GFCR Secretariat engaged consistently with UNDP in the initial phase of development of REEF+, GFCR's knowledge and finance solutions accelerator platform, which concluded in December 2022 with the launch of the REEF+ during the 15th UN Convention on Biological Diversity Conference of the Parties (CBD COP15) held in Montreal, Canada. While being a distinct workstream of GFCR, REEF+, through its 5 components described below, is aimed at supporting other areas of work of the GFCR including partnerships, monitoring and evaluation and building, and building reef-positive solutions. The development of this platform is part of UNDP's responsibilities under the GFCR UNDP Partnerships and Knowledge Facility Global Programme. As lead in this Global Programme UNDP is part of the GFCR UN Global Team.

REEF+ Components:

- 1) REEF+ Discover enables coral reef practitioners to find and utilize scalable and replicable reef-positive enterprises and financial solutions.
- 2) REEF+ Collaborate enhances communication, connection and capacities among coral reef finance practitioners and experts.
- 3) REEF+ Learn will build targeted capacity to accelerate pipeline development of reef-positive enterprises and finance mechanisms.
- 4) REEF+ Invest seeks to facilitate access to finance for coral positive businesses and finance solutions from a diversity of donors and investors.
- 5) REEF+ Impact will provide an impact reporting application and database that facilitates rapid understanding of company, programme, and projects impacts on coral reefs.

Throughout the year, the Secretariat's support to REEF+ included providing guidance and comments on the knowledge gap needs that REEF+ needs to cover, reviewing all materials produced related to the platform including initial work plans, presentations, summary concept note and others, and support in organizing and participation in the launch event. The Secretariat also actively supported the coordination and synergies building between REEF+ and other GFCR areas of work, with a particular emphasis on ensuring coordination and differentiated but complementary roles with UNEP who's leading Monitoring and Evaluation work, and which will be linked to REEF+ Impact.

As part of efforts related to the platform development and UNDP's work with GFCR on building partnerships and resources mobilisation, (linked to REEF+ Collaborate), the Secretariat also worked with UNDP on advancing the relationship with the Global Environment Facility (GEF) including providing inputs in the development of a concept note for GEF on the GFCR with a focus on REEF+ and conducting several introductory meetings with GEF staff, including the CEO, during the UN Ocean Conference in Lisbon, and the CBD COP15. In 2023 it is expected that the relationship with GEF and a clearer pathway for engagement and potential funding will be defined.

III. Resource Mobilisation & Partnerships

Over the course of 2022, the GFCR public-private coalition grew to include nearly 50 states, philanthropies, impact investors, UN agencies, NGOs and alliances. New coalition members include Builders Vision, Bloomberg Philanthropies, Coral Research & Development Accelerator Platform (CORDAP), UN Decade of Ocean Science, Race to Resilience led by the High-Level Climate Champions, the United States Government through a commitment from the United States Agency for International Development (USAID), as well as programme implementers, including Fondo Acción, Mar Fund, Konservasi Indonesia, and coral nations including Indonesia, Mexico, Belize, Honduras, and Guatemala.



Partnership management and development efforts were led by the Secretariat, including through outreach and engagement, agreement drafting, planning, and joint implementation efforts. New global partnerships driven and launched by the GFCR Secretariat in 2022 included:

- **Builders Vision:**

Founded by Lukas Walton, Builders Vision is an impact platform offering versatile philanthropic and investment tools to people and organizations committed to building a more humane and healthier planet. Builders Vision joined the GFCR coalition during UN Ocean Conference 2022 (UNOC 2022) with an investment of USD \$10 million – USD \$5 million to the private Equity Fund and a contribution of USD \$5 million to the catalytic Grant Fund. With this commitment, [Builders Vision became the first private investor to the GFCR private Equity Fund](#). This milestone reinforced confidence in the potential for blended finance vehicles to attract private investors focused on accelerating nature-positive economic transitions.

“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. Builders Vision is proud to make philanthropic and capital investments as part of the United Nations Coral Reef Fund’s powerful and growing toolbox. We also hope our support of the Equity Fund serves as a catalyst for new advocates and investors to join this critical mission,” said Lukas Walton, CEO and Founder of Builders Vision.

- **Bloomberg Philanthropies:**

As climate change increasingly threatens key ocean ecosystems, Bloomberg Philanthropies’ Vibrant Oceans Initiative works around the world to advance evidence-based conservation practices and implement data-driven policies to protect our ocean and the 3 billion people that depend on them. As part of this work, Bloomberg focuses on regions that are home to a portfolio of coral reef ecosystems, identified in the 2018 groundbreaking [50 Reefs](#) study that are most likely to survive climate change and repopulate surrounding reefs. The 50 Reefs study has since helped prioritize investment and conservation efforts to protect 60 coral reef ecosystems across over 40 countries through its clear,

science-based framework. [Bloomberg Philanthropies joined the GFCR Coalition](#) during UNOC with a contribution to the Grant Fund of USD \$8 million.

“Coral reefs will require more than public resources to address this urgent crisis,” said Antha Williams, who leads environment programs at 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. Bloomberg Philanthropies is glad to join the Global Fund for Coral Reefs coalition, an important step to ensure the long-term survival of our world’s coral reefs and protect the world’s ocean.”

- **United States Government**

During UNFCCC COP27, [the United States Agency for International Development \(USAID\) announced a commitment of up to \\$15 million USD to scale coral reef-positive blue economic growth](#) and conservation finance in the Egyptian Red Sea in partnership with the GFCR. The Egypt programme funding was announced as part of a wider regional programmatic approach that includes Egypt and Jordan, led by the United Nations Development Programme (UNDP), aiming to unlock a minimum of \$50 million USD in blended finance.

“The United Nations Development Programme is proud to be part of the groundbreaking Global Fund for Coral Reefs initiative, which is mobilizing new action by countries and communities to protect and restore coral reefs across the world, some of Earth’s most diverse and delicate ecosystems,” said UNDP Administrator, Achim Steiner. “In the face of an intensifying climate crisis, USAID’s investment in the Red Sea Initiative will help to drive a nature-positive economic transition while boosting the climate resilience of coastal communities in Egypt — demonstrating that change is possible when leadership, political will, and investment comes together.”

Given their unique potential to withstand rising temperatures due to climate change, coral reefs in the Northern Red Sea and Gulf of Aqaba have been identified as potentially the most resilient on Earth. USAID Chief Climate Officer Gillian Caldwell stated: “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.”

- **UN Decade of Ocean Science:**

In recognition of its innovative work in leveraging a science-based approach to accelerate reef-positive investment through public-private financing, [UNESCO’s Intergovernmental Oceanographic Commission \(IOC\) endorsed the GFCR](#) as a contributor to the UN Decade of Ocean Science for Sustainable Development. The endorsement was formally announced during the 2022 UN Ocean Conference in Lisbon.

The collaboration between the Ocean Decade and GFCR actively seeks to reinforce the science and knowledge aspects of existing and future GFCR-supported programmes, as well as identify opportunities to raise awareness of the need to enhance the co-design and co-delivery of coral reef science. Opportunities to unlock new investment for coral reef science will also be jointly pursued.

“We are thrilled to formally welcome the Global Fund for Coral Reefs into the Ocean Decade community. The combined efforts of these two global initiatives will ensure that the global community has a unique opportunity to collectively identify and redress critical knowledge gaps in relation to coral reefs. We thank the Fund for its engagement in the Ocean Decade and look forward to working together to create rapid and lasting impact”, said Dr Vladimir Ryabinin, Executive Secretary of the Intergovernmental Oceanographic Commission of UNESCO.

- **Race to Resilience:**

During COP27, the [GFCR became an official partner of the Race to Resilience](#). As a partnership of climate-smart initiatives driven by the High-Level Climate Champions (HLCC), the Race to Resilience campaign focuses on helping frontline communities build resilience and adapt to impacts of climate change. The Race to Resilience is working with GFCR specifically to shore up resilience action for coastal communities and marine ecosystems.

“I would like to formally welcome the Global Fund for Coral Reefs as a partner to the Race to Resilience. Together, we are creating a step-change in the investment and implementation of adaptation solutions for coral reefs and coastal communities. We are supporting coastal communities because they are at the forefront of climate change.” said H.E. Razan Al Mubarak, UN Climate Change High-Level Champion for COP28. “We need to mobilize non-state actors and resources to stop the loss, protect and restore coral reefs.”

- **Coral Research & Development Accelerator Platform (CORDAP)**

During the UN Ocean Conference (UNOC) 2022, [the GFCR and the Coral Research & Development Accelerator Platform \(CORDAP\) announced a global partnership](#) focused on joint target areas including:

- Advancing scientific methods to prioritize conservation efforts on climate-resilient ecosystems
- Building the capacity of actors implementing coral reefs conservation initiatives
- Contributing to the global effort to standardize and centralize data on coral reef ecosystems
- Collaborating with international, regional and national initiatives and policy-makers
- Joint awareness raising and engagement activities

GFCR's Executive Board Chair, Chuck Cooper, stated “Emerging technologies will play a critical role in addressing the existential threats facing coral reefs, including their rapid decline due to climate change, overfishing, and nutrient and plastic pollution. GFCR is excited to partner with CORDAP to identify, implement, and scale approaches for coral reef conservation and restoration that combine innovative science, technology, and engineering.”

- **Blue Nature Alliance**

At CBD COP15, [GFCR announced a new partnership with the Blue Nature Alliance](#) to advance sustainable ocean financing, including through joint programming.

“From providing nursery grounds for important fish and other marine species to helping buffer shorelines—and communities—from storm damage, coral reefs are a crucial part of coastal ecosystems,” said Laure Katz, Blue Nature Alliance Co-Lead. “The Blue Nature Alliance is thrilled to

partner with GFCR to protect coral reefs, enhance their resilience to climate change and other threats, and develop innovative ways to fund their ongoing conservation for the benefit of nature and people.”

- **United Nations Educational, Scientific and Cultural Organization (UNESCO)**

The United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage coral reef ecosystems cover over half a million km² worldwide – the equivalent of the size of France – exhibiting exceptional biodiversity. They protect coastlines from storms and erosion and support sustenance for over a hundred indigenous communities. But the scientific data concerning these coral reefs is now very alarming. Reefs are bleaching far more rapidly than the initial science suggested. Bleached corals are highly vulnerable to starvation and disease and have an increasingly high mortality rate.

A [new partnership between UNESCO and the GFCR](#) launched in 2022 will explore opportunities for joint prioritization of climate resilience support to World Heritage-listed reefs located in developing countries. The actions will focus on reducing local drivers of degradation, strengthening the sustainable management of marine protected areas and supporting local communities.

“On the occasion of the Our Ocean Conference in Palau, I call for an international mobilization to prevent coral reef extinction and announce a strong contribution from UNESCO: an emergency plan to boost the resilience of World Heritage-listed reefs, in particular those in developing countries. UNESCO is partnering with the Global Fund for Coral Reefs to help finance this commitment,” said Audrey Azoulay, UNESCO Director-General.

In terms of ongoing partnerships key highlights include:

- **International Coral Reef Initiative (ICRI)**

GFCR’s relationship with ICRI was greatly strengthened during 2022 through strong collaboration at the international level and particularly during key events such as the UN Ocean Conference, UNFCCC COP28 and CBD COP15, and collaborating on influencing global policy through joint statements and other activities (see Sections III. 2. and 3. below for additional details)

- **Ocean Risk Resilience Action Alliance (ORRAA)**

Several coordination calls were held with ORRA during the year to exchange information on common objectives which resulted in an initial joint workplan focused on identifying common priorities and collaboration potential in areas related to programming, including synergies of GFCR and ORRAA activities related to reef insurance in Bahamas and Mesoamerican Reef region, and collaborating on events internationally as well as GFCR promoting ORRAA’s calls for proposals. In 2023, it is expected that the relationship will continue to be solidified as GFCR and ORRAA activities mature.

- **IUCN**

Calls between the IUCN and GFCR team were held, and some initial areas of collaboration were identified around knowledge exchange, engagement of IUCN Ocean team with IUCN regional teams working on GFCR Grant Fund programmes. However, it has been difficult to carry out specific activities.

A. Mobilizing Commitments for Coral Reefs

1. Grant Fund Resource Mobilization, Donor Commitments & Engagements

Over the course of 2022, the GFCR Secretariat and Coalition partners mobilized \$32.5 million USD for the Grant Fund and its catalytic finance modalities, including concessional loans and recoverable grants. 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 commitment of up to \$15 million USD from USAID for an Egyptian Red Sea programme currently under development. These new pledges helped increase capitalization of the Grant Fund to \$57 million USD by the end of 2022.

Grant Fund mobilisation efforts are led by the Secretariat, with support from key partners. In 2022, the GFCR conducted outreach and led proposal drafting and submission to key philanthropic and state donors, leading to a record-setting mobilisation year for GFCR in 2022 as well as early financial contributions in 2023. Key donors outreach in 2022 to new donors included the Nordic Development Fund, Bezos Earth Fund, the Government of Australia, and several others. Funding proposals were submitted to the Nordic Development Fund, ICONIQ Co-Lab, and Bezos Earth Fund. In addition to new donors, consistent outreach and briefings were conducted with all current donors, maintaining a consistent flow of information, including transparency regarding funding needs and portfolio progress. It is key to highlight that the Secretariat also initiated work in collaboration with the UK Government to secure a multi-year commitment of £24 million GBP for the 2023-2025 period.

Further, the GFCR Private Equity Fund increased capitalization to \$130 million USD, including a \$5 million USD investment from Builders Vision following the initial \$125 million USD first loss tranche commitment of the Green Climate Fund (GCF). With the Private Equity Fund team now established under the leadership of Dale Galvin, resource mobilization strategic planning was strengthened in anticipation of 2023 capitalization needs.

2. Multi-Lateral Declarations & Statements

a. Lisbon Declaration: Accelerating Coral Reef-Positive Investment

In June at the UN Ocean Conference Reef Action Hub, HSH Prince Albert II of Monaco convened key Coalition partners for the signing of the [*Lisbon Declaration: Accelerating Coral Reef-Positive Investment*](#), reiterating and reaffirming commitments to help save the world's coral reefs from extinction.

With the aim of facilitating greater collaboration and momentum to save coral reefs, among the various pledges, signatories of the Declaration committed to:

- Elevating the need for urgent action to protect coral reefs and associated marine ecosystems within global development, biodiversity, and climate agendas.
- Supporting efforts to scale-up coral reef positive investments in over 25 priority countries harbouring coral reefs.
- Increasing efforts to expand the GFCR Coalition by convening additional donors and raising the public-private resource mobilisation ambition beyond USD \$625 million.

- Supporting efforts to expand partnerships dedicated to ocean action and promote further collaboration to protect climate-resilient reefs and coastal communities.

The Declaration's thirteen signatories include the Prince Albert II of Monaco Foundation; Paul G. Allen Family Foundation; Builders Vision; Bloomberg Philanthropies; Pegasus Capital Advisors; the Green Climate Fund (GCF); the Government of Canada; the Government of the United Kingdom; the Government of France; the Government of Germany; the United Nations Capital Development Fund (UNCDF); the United Nations Development Programme (UNDP); and the UN Environment Programme (UNEP).

b. Open Letter Calling for Urgent Coral Reef Action Addressed to Leaders and Policy-Makers at COP27, Ocean20 and COP15

In November of 2022, in the midst of UNFCCC COP27 and ahead of the G20 Ocean 20 (O20) and CBD COP15 convenings, the global alliance of the International Coral Reef Initiative (ICRI), the GFCR and CORDAP issued an [Open Letter Calling for Urgent Coral Reef Action](#) appealing to public and private sector leaders to urgently implement the policy change, increase the level of investment and leadership needed to ensure coral reef conservation, protection, and restoration commensurate with their value to people and the world economy.

Specifically, the open letter provides an overview of 5 key action needs for public and private leaders:

- Commit to Marine Conservation
- Accelerate Coral Reef Restoration
- Strengthen Sustainable Blue Food
- Address Marine Pollution
- Support Sustainable Blue Economy and Blended Finance

The public statement was widely shared and supported, receiving over 10,000 views and receiving media attention, including by The Guardian in an article titled [COP27: Coral Conservation Groups Alarmed Over 'Catastrophic Losses'](#).

c. No Paris without Montreal Declaration

Ahead of CBD COP15, GFCR joined 85 organizations from civil society - NGOs, foundations, scientific institutes, IOs, UN entities, companies & financial institutions – in endorsing the [No Paris without Montreal Declaration](#). Coordinated by [Ocean & Climate Platform](#), the Declaration called on CBD Parties to establish an ambitious post-2020 GBF for the ocean and to bridge the biodiversity and climate regimes.

d. Joint Donor Statement on International Finance for Biodiversity and Nature

Notably, on 16 December during CBD COP15, the [Joint Donor Statement on International Finance for Biodiversity and Nature](#) provided a commitment by 13 countries and the European Union to collectively increase international biodiversity finance and align relevant international development flows, commensurate with ambition of the GBF. Pertinently, the countries commit to leveraging international public finance to mobilise private resources to implement an ambitious GBF. The statement further highlights and encourages investments in biodiversity by the private sector through the GFCR. The

statement is supported by Australia, Canada, Czech Republic, EU, Finland, France, Germany, Japan, Netherlands, Norway, Spain, Switzerland, United Kingdom, and the United States.

3. Events & Communication Activities

Over the course of 2022, the Secretariat led the implementation of the GFCR Communications Strategy aiming to position the Fund as the globally unified and integrated source of financing coral reef rescue. Two priority objectives were pursued accordingly:

- To raise awareness, encourage support, and promote collaboration and learning among participant countries, key GFCR stakeholders, and the engaged public, to support continued resource mobilization; and
- To integrate communications throughout Fund's operations by using it as a supportive tool to accomplish GFCR objectives, as outlined in the Fund TOR with an emphasis on showcasing the GFCR as a demonstration fund and thought leader.

In implementing the Strategy, the Secretariat delivered progress across the following set priorities:

- Refining the Coalition's profile and visual identity
- Developing the communications toolkit
- Publishing quarterly newsletters
- Developing social media presence (content, stories, visuals, testimonials, videos, etc.)
- Developing public relations materials
- Developing audio-visual content (testimonials, event recordings, social media assets, etc.)
- Intensifying media outreach (features, interviews, etc.)
- Increasing public recognition
- Improving website content (integrated Knowledge Management & Solutions, updated information and resources)
- Developing publications (Op-eds, articles, reports, blogs, etc.)

With this guiding document and agreed upon strategic aims, the GFCR Secretariat implemented the Communication Strategy with great success evident through the reach of published content, achieved recognition, and resource mobilization progress.

Key outputs during the 2022 reporting period included:

- 11 GFCR Hosted-Events & at least 24 Events w/GFCR Feature
- 16 GFCR Posted Articles & Press Releases
- 4 Newsletters
- 241 Posts on LinkedIn & Twitter
- 2 published appeals and declarations
- 2 press conferences
- Updated GFCR Comms Toolkit

Visibility levels during key moments and distributions were also tracked. Highlights include more than 500,000 social media posts views, 23,000 social media post engagements, and nearly 5,000 newsletter reads. Further, 6 published articles focused on GFCR and at least 8 expert articles/papers included a GFCR feature or mention.

a. **Our Ocean Palau**

In early 2022, GFCR was presented in April at the Our Ocean Conference in Palau as a tool to support countries in saving climate-resilient reefs and transitioning to sustainable blue economic development. Our Ocean served as a platform to present the urgent needs for action to prevent coral reef loss, issue high-level announcements, and set the tone for acceleration of reef-based action early in the year.

At the Conference, GFCR made and was part of several announcements, including an additional [GBP £3 million contribution from the Government of the United Kingdom](#), through the country's Blue Planet Fund, to support financial solutions and scale innovative business models that increase the resilience of coral reefs and coastal communities. GFCR also announced a planned partnership with UNESCO to explore opportunities to scale conservation efforts of jointly prioritized climate resilient World Heritage-listed reefs in developing countries. Finally, the Green Climate Fund (GCF) announced the signing of a funding agreement with Pegasus Capital Advisors, activating the GFCR private Equity Fund to scale-up solutions to strengthen reef resilience.

b. **UN Ocean Conference**

As the largest blended-finance mechanism dedicated to Sustainable Development Goal 14, 'Life Below Water', GFCR participated at the UN Ocean Conference (UNOC) with the aim to mobilise private and public sector action to save one of Earth's most biodiverse, yet endangered, ecosystems. Throughout UNOC, GFCR successfully convened world leaders, top experts, and ocean advocates who committed to mobilising resources and scaling efforts to help save coral reefs from extinction. Amongst a wide range of events, workshops, high-level gatherings, and awareness activities, the GFCR announced new global partnerships, multimillion dollar donor and investor commitments, and brought together coral champions from a variety of sectors and global seascapes.

On the sidelines of UNOC, the [Reef Action Hub](#) became the epicenter of all-things coral, in-person as well as virtually. Led by the GFCR Secretariat, the Hub facilitated over 25 events, workshops and gatherings, serving as a key meeting place for decision makers and reef community members. While amplifying the latest science-based solutions and initiatives to tackle the coral crisis, Hub events included:

- Turning the Tide #ForCoral: Launch of the International Coral Reef Initiative Plan of Action 2021 – 2024;
- Gender Equity and Coral Reef Conservation;
- Coral Reef-Positive Business Models – The Blended Finance Pipeline of the Global Fund for Coral Reefs (led by UNDP and Conservation Finance Alliance);
- UNESCO Launches Emergency Plan to Boost World Heritage-Listed Reefs' Resilience;
- XPRIZE's Growing a Future for Coral Reefs;
- Blue Finance's Expert seminar on "Bankable" Marine Protected Areas;
- The Future of Food is Blue: Thriving Through collective action for sustainable fisheries and aquaculture; and
- UNDP's Thematic Debt: Accelerating the Blue Economy in SIDS.

The Reef Action Hub was convened jointly by the International Coral Reef Initiative (ICRI) and GFCR, with support from the Mirpuri Foundation, Pegasus Capital Advisors, and Builders Vision.

Kicking off GFCR's action-driven week in Lisbon, the Reef Action Hub held a GFCR partner session with special guest, actor Jason Momoa, who announced his new role as the UN Environment Programme's Advocate for Life Below Water. During the session Ambassador Thomson, the UN Secretary-General's Special Envoy for the Ocean, delivered the 'Nature's Baton' to the centre of the Reef Action Hub as its home for the week and relayed opening remarks underscoring the intrinsic link between coral, ocean, and human health.

Following the opening event, GFCR's sixth Executive Board meeting took place where members held their first-ever in-person convening since the initiative's inception. During the meeting in the Reef Action Hub, the Board took focused on reviewing and providing input to the programme pipeline underway for late 2022 and 2023, sector-based investment principles, as well as an in-depth strategic session on the future of GFCR.

Later in the week, the GFCR received two key features during the high-level Sustainable Blue Economy Investment Forum, hosted by the Governments of Kenya and Portugal, where:

- Heads of Delegation for Bloomberg Philanthropies and Builders Vision announced they have joined the GFCR Coalition and pledged \$18 million USD in combined commitments during the high-level segment; and
- The Executive Secretary of the United Nations Capital Development Fund conducted a GFCR "pitch session" and participated in a circular blue economy panel.

On the sidelines 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 sailing boat was fitted with coral reef awareness sails and on-board GFCR branding. High-level UN representatives, government officials, private sector executives, as well as leading ocean champions took part in the awareness voyage beside the UNOC arena. Participants included representatives of the Governments of Germany, Kenya and Australia, the Mirpuri Foundation, Bloomberg Philanthropies, Builders Vision, UNCDF, UNDP, UNEP, IUCN, and Pegasus Capital Advisors.

During the UN Ocean Conference, Australian singer-songwriter and UNDP Ocean Advocate Cody Simpson joined GFCR Coalition members in calling for greater action to save coral reefs. Cody relayed "Let's seize this moment, maybe the last moment we have, to keep these vital ecosystems alive and healthy for generations to come... Join me now in supporting UNDP and the Global Fund for Coral Reefs. Together let's urge world leaders, scientists and philanthropists to join forces and take action now."

c. 27th Conference of the Parties to the UN Framework Convention on Climate Change (COP 27)

With growing recognition that climate change and biodiversity loss are closely interrelated, particularly in the case of coral reefs, the [27th Conference of the Parties to the UN Framework Convention on Climate Change \(COP 27\)](#) in Sharm El-Sheikh offered a crucial opportunity for world leaders to take action for the resilience of coral reefs and coastal communities.

Throughout COP27, the Secretariat ensured GFCR was presented and championed at various events as a key mechanism for private, public and philanthropic entities to accelerate resilience-based blue economic growth, benefiting coral reefs and the communities that need them.

During the COP, the GFCR Secretariat co-led the convening of several events, including two primary engagement sessions:

- 8 November | Adaptation Solutions #ForCoral Nations

As COP27's premier coral event, this session focused on global, regional, and national organisations and entities engaged in reef-based adaptation action for ecosystems and communities. Demonstrative financing instruments, innovative technology, conservation solutions and partnerships scaling up and relaying hope for coral reef longevity were presented. High-level remarks, solution 'deep dives', and a dynamic expert panel showcased integrated climate-smart solutions and increased commitment toward cross-sector collaboration at the nexus of adaptation planning and implementation of the post-2020 global biodiversity framework. Co-hosted by the UN Secretary-General's Special Envoy for the Ocean; GFCR, World Wildlife Fund (WWF), Coral Reef Rescue Initiative (CRRI), and the International Coral Reef Initiative (ICRI), speakers included His Excellency Ratu Wiliame Maivalili Katonivere, President of the Republic of Fiji; Ambassador Ken O'Flaherty, UK Regional Ambassador for Asia-Pacific and South Asia; Henry Gonzalez, Deputy Executive Director, Green Climate Fund; and several others.

- 8 November | Leaders in Action #ForCoral

The *Leaders in Action #ForCoral* session at UNFCCC COP 27 on 8 November featured global leaders who are unified in their efforts to scale critical climate-smart solutions. Co-hosted in the Nature Pavilion by the Global Fund for Coral Reefs (GFCR), the United Nations Development Programme (UNDP), the International Coral Reef Initiative (ICRI) and Bloomberg Philanthropies, the event served to accelerate science-based solutions and launch high-level global commitments to scale action to save the ecosystems on the frontlines of climate change. Remarks were relayed by key leaders including Egyptian Minister of Environment Dr. Yasmine Fouad, the Ministerial Coordinator and Envoy for the COP 27; Gillian Caldwell, USAID's Chief Climate Officer; Dr. Jürgen Zattler, Director-General for International Development Policy, 2030 Agenda and Climate German Federal Ministry for Economic Cooperation and Development (BMZ); and other high-level representatives for this action-focused session. The event served to issue various new announcements; including the United States joining the GFCR Coalition and committing \$15 million USD for reef action in the Egyptian Red Sea.

d. 15th meeting of the Conference of the Parties to the Convention on Biological Diversity (COP15)

Throughout COP15 representatives of the GFCR coalition presented the investment-ready blended finance vehicle as an implementation and resource mobilisation mechanism designed to deliver on GBF targets. As previously mentioned, the 16 December Joint Donor Statement on International Finance for Biodiversity and Nature provided a commitment by 13 countries and the European Union to collectively increase international biodiversity finance and encourages investments in biodiversity by the private sector through the GFCR.

Key Secretariat led and/or supported outcomes and activities include:

- **Presentation of GFCR on the COP15 Finance & Biodiversity Day**

Through the official COP15 Finance & Biodiversity Day agenda GFCR was presented as an investment-ready initiative among representatives from the breadth of the financial landscape – including policymakers and regulators, financial supervisors and central banks, public finance, and the various facets of private finance. Xavier Michon, Deputy Executive Secretary of the United Nations Capital Development Fund (UNCDF) led the main stage presentation following an array of high-level speakers, including Elizabeth Maruma Mrema, Executive Secretary of the Convention on Biological Diversity; Mark Carney, UN Special Envoy for Climate Action and Finance; and Emmanuel Faber, Chair of the International Sustainability Standards Board (ISSB).

- **Bilateral and Multilateral Meetings**

Meetings between GFCR representatives and key marine biodiversity stakeholders, including global donors and key opinion leaders, took place throughout COP15. Bilateral meeting participants included representatives of the Governments of Australia and France, Bezos Earth Fund, LVMH, the UN Secretary General’s Special Envoy for the Ocean, Mitsubishi Financial Group, and the UNFCCC High-Level Climate Champions. GFCR Secretariat representatives further participated and relayed interventions in a consultative session focused on COP28 hosted by UAE’s Office of the Special Envoy for Climate Change. Further, GFCR was presented in a nature finance roundtable hosted by UNCDF including representatives from Rockefeller Brothers Fund, DEFRA, BMZ, African Development Bank, World Bank, International Institute for Environment and Development (IIED), Green Climate Fund and others.

- **Launch of the REEF+ Knowledge & Finance Accelerator**

Launched during COP15, GFCR REEF+ Accelerator will serve as a convening platform to drive finance and knowledge for bankable coral reef solutions globally. Developed by Conservation Finance Alliance (CFA), the United Nations Development Programme (UNDP), and Ubuntoo, REEF+ showcases reef-positive solutions supported through GFCR blended finance programmes as well other replicable enterprises and finance solutions identified globally. REEF+, now in its first phase, already hosts a catalogue of 170 solutions and 60 knowledge posts, all with potential to scale and replicate for significant global impact.

- **Feature on the Sharm El-Sheikh to Kunming Action Agenda for Nature and People**

The Sharm El-Sheikh to Kunming Action Agenda for Nature and People is a voluntary commitment platform that aims to raise public awareness, building on the existing and growing momentum, of urgent action from a broad base of sub and non-state actors in support of the implementation of the post-2020 Global Biodiversity Framework. As a featured initiative, the Global Fund for Coral Reefs was consistently highlighted through the Action Agenda platform at the COP.

- **Co-Hosting & Presentation at COP15 Coral Reef Events**

Throughout COP15, GFCR was presented at events co-led and/or supported by the Secretariat including the *Achieving the Global Targets: How to Conserve and Restore Coral Reefs; United for a Decade of Conservation Action #ForCoral; Innovative Finance for Coral Reefs; and Making it Meaningful: Advancing equitable ocean conservation through sustainable financing.*

During the high-level *United for a Decade of Conservation Action #ForCoral* event hosting ministers, dignitaries and key coral conservation actors, GFCR’s Executive Board Chair, Chuck Cooper, made a powerful speech relaying GFCR is “taking a blended finance approach; we know that official development assistance is not going to be enough to reduce the coral reef funding gap so we are taking

an approach in which philanthropic dollars and governmental dollars are combining to incentivise private sector investment in coral reef conservation and restoration... the Global Fund for Coral Reefs is now the largest blended finance mechanism focused on the ocean.” He further stated, to the question of whether we raise the alarm and focus on “doom and gloom” or do we focus on “hope and optimism”, that “we have to focus on both, because that is the reality we face.” The Chair relayed focus on hope and optimism “has to be earned and the way that we do that is by mobilizing resources, deploying resources and incentivizing action – and that is what we are committed to do.” He finalized his remarks by announcing the GFCR is investment-ready and called on more donors and financiers to join the effort to save coral reefs and achieve GBF targets.

e. **Additional 2022 Events & Engagements**

- At the One Ocean Summit high-level workshop, 'Investing in Blue, public-private partnerships for the ocean', the Green Climate Fund's CEO, Yannick Glemarec, showcased how the GFCR is empowering climate action for the ocean through reef-positive blue economy. The presentation also included emphasis on how the GFCR is creating a "coral reef asset class" through its Equity Fund and blue economy pipeline.
- At The Economist World Ocean Summit, GFCR was featured on World Wildlife Day, 3 March, during the plenary panel session focused on tackling the SDG14 conservation-finance gap. Preeti Sinha, Executive Secretary of the United Nations Capital Development Fund (UNCDF), discussed how the initiative is attracting and de-risking investment for scaled ocean impact.
- At a 2022 Spring Meetings of the International Monetary Fund and the World Bank Group side event, GFCR was featured as an initiative scaling investment for the benefit of food security. As coral reefs support a quarter of all marine life, the Executive Secretary of the UNCDF, Preeti Sinha, and the GFCR Executive Board Chair, Chuck Cooper, relayed remarks on the importance of coral reefs to food security for coastal communities. Following the event, GFCR's private Equity Fund gathered event participants and stakeholders for further discussion on adaptation finance. The session included remarks from H.E. Luhut Binsar Pandjaitan, Indonesia's Coordinating Minister for Maritime and Investment Affairs, as well as the signing of a Letter of Intent between Pegasus Capital Advisors and Indonesia's Deputy Coordinating Minister for Maritime Resources to “collaborate to accelerate investment into coral reef protection... to help build resilience and prosperity in local communities and supply chains in Indonesia”.
- GFCR's Deputy Head of the UN Global Team, Yabanex Batista, provided interventions at the open dialogue on “Protecting Biodiversity in Times of Crisis” hosted by UN DESA. Focusing on SDG14 (Life Below Water), Yabanex and fellow experts spoke about mobilising innovation and building new public-private partnerships for biodiversity.
- UN Climate Change High-Level Champion Nigel Topping conducted a field visit in Fiji where the GFCR-supported programme team presented the work they are doing with communities and local private sector entities, including Beqa Adventure Divers, to strengthen reef resilience.
- In the A Guide to Private Sector Investment in Coastal Resilience, UNFCCC Climate Champions featured GFCR as an "example in action".
- During the Island Finance Forum 2022, GFCR was featured in the Conservation Finance for Islands webinar which focused on why funding must be made available for conservation projects to be successfully implemented and maintained.

- On 15 July, experts and practitioners came together to share lessons learned and experiences in deploying innovative and scalable finance mechanisms during the 2022 High-Level Political Forum. The dedicated session placed particular focus on blue and green blended finance mechanisms, including the GFCR and its strategic leverage of public capital to attract private sector resources for scaled conservation impact. Speakers included representatives of UNCDF, Matanataki, Kazoza Financial Group and Germany's Federal Ministry of Economic Cooperation and Development (BMZ).
- In August of 2022, the GFCR and the Coral Research & Development Accelerator Platform (CORDAP) successfully held a coral reefs workshop as part of the official Ocean20 side events of the G20 Indonesia Presidency. The workshop held in Bali, Indonesia facilitated presentations and expert-led discussions focused on sustainable coral conservation and reef-positive blue economy within the context of strengthened ocean diplomacy. GFCR's Deputy Head of the UN Global Team, Yabanex Batista, presented the blended finance and programmatic approaches of GFCR, as well as participated on a panel discussing key global partnerships leading global restoration and coral protection efforts.
- During the 2022 Private Investment for Climate Conference, the Green Climate Fund (GCF) Executive Director, Yannick Glemarec, spotlighted their GFCR partnership and investment as the type innovation needed to accelerate private sector investment for the protection of vulnerable ecosystems. At the Conference hosted in the Republic of Korea, as GCF's first at-scale blue economy commitment, the \$125 million USD GCF funding commitment to GFCR was spotlighted as a catalytic tool to bridge the gap between public and private engagement.
- During the UN General Assembly and Climate Week in New York City, the GFCR was announced as a recipient through Bloomberg Philanthropies' commitment to "double down on ocean protection", through a \$204 USD million combined pledge to strengthen marine ecosystems, empower coastal communities and fight climate change. To launch this announcement and accelerate further action, Michael R. Bloomberg and the UN Climate Action High-level Champions for COP26 and COP27 hosted a landmark summit, convening business, finance, government, civic and cultural leaders. During this week of pivotal convening, this event helped to bridge the gap between government leaders and non-state actors to ensure the fulfilment of pledges and commitments, and drive the radical collaboration needed to deliver on climate goals.
- During UN Climate Week, GFCR representatives participated in the Upgrading the Triple Bottom Line side-event to discuss entry points for corporate entities to scale climate-nature solutions. Led by Paul Polman, climate campaigner and former CEO of Unilever, professionals from the private, public, and philanthropic sectors jointly engaged in discussion and highlighted several concrete mechanisms, including GFCR.
- On 20 September, the Head of the GFCR UN Global Team, Pierre Bardoux, joined the WTW Corporate's event hosted with the Ocean Risk and Resilience Action Alliance (ORRAA), titled From Coral Reefs to Credit Risk: Nature-Related Risks and the Protective Role of Parametric Insurance to discuss the protective role of parametric insurance for coral reefs and communities. Through a panel intervention, he relayed programmatic activities underway where catalytic incubation grants are positioned to unlock direct private investment in reef resilience and the corresponding need for insurance coverage to protect reef assets.
- On the sidelines of the 77th United Nations General Assembly, GFCR Secretariat representatives met the Government of Indonesia's Coordinating Minister for Maritime Affairs and Investment,

Luhut Binsar Pandjaitan, along with Indonesian Government delegation representatives to discuss joint efforts to unlock finance for scaling biodiversity and coastal resilience. As a host to some of the largest and most biologically diverse coral reefs in the world, Indonesia is a priority country for GFCR-supported programming. Meizani Irmadhiany, Chair of the Board of Konservasi Indonesia stated: “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.”

- During September's Caribbean Climate-Smart Accelerator Investor Forum, the GFCR Deputy Head of the UN Global Team, Yabanex Batista, discussed a wide range of opportunities for expansion of reef-positive blue economy projects in the Caribbean.
- During the 2022 Virtual Island Summit, GFCR was presented as a finance mobilisation and implementation mechanism to scale resilience efforts for both coastal communities and marine biodiversity.

f. Blogs, Podcasts & Whitepapers

With the support and facilitation of the GFCR Secretariat, the initiative was further recognized and presented through various podcast episodes, awards, blog posts, and expert publications:

Ocean Impact Podcast: On a special episode of the Investing for Ocean Impact podcast, the Green Climate Fund's CEO, Yannick Glemarec presents the GFCR as a tangible return-on-investment opportunity for coastal and marine-based ecosystem management estimates the GFCR equity investments will leverage an additional \$2.5-\$5 billion USD for positive coral impact. Yannick Glemarec stated, “We have created a new asset class; we will have demonstrated that investing in coral reef management is a genuine investment.” Further, GFCR was also featured through a second Ocean Impact Podcast episode titled *Insights from the Boardroom: Two Investors on Nature-Based Solutions and Tech Investments* featuring Yabanex Batista, Deputy Head of the UN's Global Fund for Coral Reefs; and Jonas Skattum Svegaarden, CEO of Katapult Ocean.

- Two Vibrant Oceans Initiative Whitepapers featured GFCR in 2022. First, *Conservation Finance for Coral Reefs* spotlighted the GFCR as the "most ambitious blended finance initiative on coral reef conservation". The Whitepaper provides an overview of the Fund's innovative approach to financing conservation. Next the *Meeting 30 by 30: The Role of Coral Reef Restoration* provided an overview of GFCR's critical role to play in improving the effectiveness of coral reef restoration and assisting evidence-based investment.
- GFCR was further featured in The Economist Impact Blog by Yabanex Batista, Deputy Head of the UN Global Team at the Global Fund for Coral Reefs, Angelique Brathwaite, Co-Founder and Director of Ecology and Management at Blue finance, and Simon Cripps, Executive Director of Marine Conservation at Wildlife Conservation Society (WCS) where driving finance for coral reef resilience, including mobilising sustainable financial solutions for 30 by 30, was in focus.
- In a special COP27 episode of the Financing Nature Podcast, GFCR and ORRAA representatives discussed the role of coastal communities and our seas in climate mitigation and adaptation.
- In June of 2022, Environmental Finance Magazine awarded GFCR its Environmental, Social, and Governance (ESG) Innovation of the Year Award. This important recognition acknowledges the

power of the GFCR's innovative blended finance approach to scaling the protection and resilience of marine ecosystems and coastal communities.

IV. Governance, Policy Architecture and Operations

A. Grant Fund Governance

(i) Executive Board

As of December 2022, the Executive Board (EB) is comprised of 11 representatives, increasing membership by two since the beginning of the year. The GFCR Executive Board consists of four Member States, four philanthropies, and three UN Agencies as illustrated in the figure below.



The Secretariat successfully led the planning of four Executive Board meetings in February, June, October, and December 2022, including the first in-person GFCR Executive Board meeting also successfully took place in Lisbon, Portugal at the side-lines of the UN Ocean Conference in June. One “EB catch-up” meeting was conducted virtually in May 2022. Leading up to all Executive Board meetings, the Secretariat drives the initial review, evaluation, and quality assurance of all decision- and non-decision materials being submitted by Convening Agents and partners for Executive Board consideration. The Secretariat additionally prepares documents and presentations leading up to each meeting such as the agenda, Secretariat update documents, etc. Finally, the Secretariat facilitates proper documentation, dissemination, and execution of decisions finalised by the Executive Board.

With end-to-end support from the Secretariat, the Executive Board tackled thirty-five topics ranging from strategic discussions to programme proposals during its formal meetings. Twenty-two (22) decisions were finalised, resulting in the allocation of US\$16.3 million in GFCR grants to seventeen (17) discrete global, regional, and country programmes during the year.

Executive Board Terms of Reference

During the Executive Board Catch-up meeting in May 2022, the GFCR Secretariat presented a revised version of the Executive Board Terms of Reference, adjusting information according to the latest

developments of the Fund. A summary of changes presented to the Executive Board for consideration are detailed below:

- Revision to explicitly include Pegasus Capital Advisors as managers of the GFCR's Private Equity Fund
- Increase in Executive Board seats from a maximum of ten (10) to fifteen (15), to be comprised of six (6) seats for Member States, six (6) seats for philanthropies, and three (3) for Participating UN Agencies
- Inclusion of two Co-Chair seats, one of which belonging to the highest contributor to the Fund and the other seat being rotational among the three UN Agencies
- Clearer definition around membership terms (e.g., two-year terms for Co-Chairs)

The revisions to the Executive Board were finalised and signed-off by August 18th.

February 2022: 5th Executive Board Meeting

From February 22-24, 2022, Executive Board members convened virtually to attend the GFCR's 5th Executive Board meeting. The first day of the Executive Board meeting was dedicated to more strategic, Fund-level topics which included an overall update provided by the Secretariat for the Grant Fund and Pegasus Capital Advisors for the Private Equity Fund. There was also a dedicated discussion on the MOU to be signed between the Grant and Private Equity Funds, further concretising the collaboration of both instruments. The UNDP and UNEP presented the Investment Principles and an update on the M&E work stream respectively.

The second day of the Executive Board meeting was dedicated to programme presentations. Several Convening Agents presented their full programme proposals and concept notes for consideration, including Conservation International, MAR Fund, FUNBIO, Fondo Accion, and SeyCCAT. UNDP Fiji also presented outcomes on its first full year of implementation.

DATE	AGENDA
22 Feb 22	<ul style="list-style-type: none"> • GFCR Secretariat Update • Equity Fund Update • Investment Principles • Grant & Equity Funds MOU Discussion • Monitoring & Evaluation Update • Reporting Requirements
23 Feb 22	<ul style="list-style-type: none"> • Programme Portfolio Overview • Indonesia Programme • Mesoamerica Regional Programme • Concept Note: Brazil • Concept Note: Colombia • Concept Note: Seychelles • Fiji Programme Annual Report
24 Feb 22	Formal Decision Session

During the formal Decision Session on February 24th, the Executive Board approved ten decisions, resulting in a financial allocation of US\$9.6 million across various GFCR global / regional / country programmes. The Executive Board also endorsed the GFCR Investment Principles, ICRI as Co-Chair of the Advisory Board, and the MOU between the Grant and Private Equity Funds. The decisions were formally signed off by the Co-Chairs on March 8th, 2022.

Decision #	Decision	Country / Region	Approved Allocation
501	Terumbu Karang Sehat Indonesia	Indonesia	\$ 3,000,000
502	MAR+Invest (MAR Fund)	Mesoamerica	\$ 1,314,046
502	MAR+Invest (UNCDF)	Mesoamerica	\$ 386,911
503	Ocean RESOLVE	Seychelles	\$ 90,342
504	Programa Nossos Corais	Brazil	\$ 99,970
505	Fi Wi Riif	Colombia	\$ 100,000
506	Mamuhunan sa mga MPAs - Addendum	Philippines	\$ 574,135
507	Partnership and Knowledge Management 2022-2024	Global	\$ 521,869
507	Monitoring and Evaluation Strategy for the Global Fund for Coral Reefs 2022-2024	Global	\$ 388,404
507	Secretariat Direct Cost 2022 (under UN MPTF Office)	Global	\$ 894,580
507	UN Global Team of the Global Fund for Coral Reefs 2022-2024 (under UNCDF)	Global	\$ 2,236,547
508	GFCR Investment Principles	Global	Endorsed
509	Advisory Board Co-Chairs: ICRI	Global	Endorsed
510	Grant and Equity Funds MOU	Global	Endorsed

May 2022: Executive Board Catch-Up Meeting

During the virtual catch-up meeting held on May 24th, the UNDP had the opportunity to present the GFCR Safeguards Policy, Risk Management System, and Gender Policies for comment to the Executive Board. The Secretariat also presented updates to the Executive and Advisory Board members' composition, and an overview of the upcoming engagement at UN Ocean and the 6th Executive Board meeting.

Formal decisions on the endorsement of the overarching GFCR policies were agreed to be deferred to the 6th Executive Board meeting.

June 2022: 6th Executive Board Meeting

The GFCR Secretariat successfully organised its first in-person Executive Board meeting in Lisbon, Portugal at the side-lines of the UN Ocean Conference. Throughout the full-day meeting, UNDP presented its Sector-Based Investment Principles for Executive Board comment and endorsement. IUCN, TNC, BIOFUND, and YKAN also presented their Concept Notes for the Sri Lanka, Micronesia, Mozambique and Indonesia (#2) programmes, respectively.

DATE	AGENDA
27 Jun 22	<ul style="list-style-type: none"> • Sector-Based Investment Principles • Concept Note: Sri Lanka • Concept Note: Micronesia • Concept Note: Mozambique • Concept Note: Indonesia

DATE	AGENDA
	<ul style="list-style-type: none"> • Programming Updates • Future Vision Strategic Discussion • Closed Decision Session

Following the Executive Board meeting, the Executive Board approved nine (9) decisions in three tranches:

- In August 18th, the GFCR Safeguards Policy, Risk Management System, Gender Policy, and revisions to the Executive Board Terms of Reference were finalised and signed off.
- Following the finalisation of due diligence on the various convening agents that presented Concept Notes to the Board, the Concept Notes for Sri Lanka, Micronesia, and Indonesia (#2) were approved on September 9th.
- By November 11th, the Concept Note for the Mozambique programme was endorsed upon the delayed completion of the independent due diligence evaluation of BIOFUND.

Decision #	Decision	Country / Region	Approved Allocation
601	Safeguards Policy	Global	Endorsed
602	Risk Management System	Global	Endorsed
603	Gender Policy	Global	Endorsed
604	Executive Board Terms of Reference	Global	Endorsed
605	Advisory Board Second Co-Chair Endorsement	Global	Endorsed
606	Sri Lanka Coral Reef Initiative – SLCRI	Sri Lanka	\$ 97,012
607	Micronesia Coral Reefs	Micronesia	\$ 100,000
608	KORALESTARI: Sustaining Indonesia’s Coral Reefs through Bankable Conservation and Restoration Initiatives	Indonesia	\$ 100,000
609	MZ CorInvest	Mozambique	\$ 99,441

October 2022: 7th Executive Board Meeting

From October 4-6, Executive Board members reconvened virtually for the GFCR’s 7th Executive Board meeting. Several standing topics were covered on the first day such as the Secretariat and Private Equity Fund’s update, Programming Overview, and M&E Update. The Blue Bridge Expansion to include the Global Technical Assistance Service was also introduced for Executive Board feedback.

On the second day, the UNDP Jordan and Egypt country offices presented the Gulf of Aqaba and Egyptian Red Sea Concept Note, the Full Proposal for the Maldives and a replenishment request for the Fiji programme. Fondo Accion also presented its full proposal for Colombia.

DATE	AGENDA
4 Oct 22	<ul style="list-style-type: none"> • Secretariat Update • Programming Pipeline Overview

DATE	AGENDA
	<ul style="list-style-type: none"> • M&E Update • Private Equity Fund Update • Blue Bridge Expansion Global TA Service
5 Oct 22	<ul style="list-style-type: none"> • Knowledge Management Updates • Gulf of Aqaba and Northern Red Sea (Concept Note) • Colombia (Full Proposal) • Maldives (Full Proposal) • Fiji update (Replenishment)
6 Oct 22	Formal Decision Session

During the closed decision session on October 6th, the Executive Board deliberated on the proposals, and ultimately approved a total allocation of US\$6.3 million for the Fiji and Colombia programmes, and for the Gulf of Aqaba and Egyptian Red Sea programme preparatory phase. The decision on the Maldives programme was deferred for later consideration. These decisions were formally signed off on October 29th.

Decision #	Decision	Country / Region	Approved Allocation
701	Investing in Coral Reefs and the Blue Economy	Fiji	\$ 745,150
701	Investing in Coral Reefs and the Blue Economy	Fiji	\$ 3,409,636
702	Fi Wi Riif programme	Colombia	\$ 1,977,514
703	Maldives Resilient Reef Ecosystem and Economic Futures (MRREEF)	Maldives	N/A –Deferred
704	Gulf of Aqaba and Northern Red Sea Resilient Reefs Programme	Egypt; Jordan	\$ 199,865

December 2022: 8th Executive Board Meeting

To close the year, Executive Board members dialed in to attend the 8th Executive Board meeting, where various strategic topics were tackled. The Secretariat, UNCDF, and UNDP led majority of the presentations by presenting a Coalition-level Review and Outlook for GFCR, a discussion on the GFCR Communications Strategy, and updates on Blue Bridge and REEF+.

The Global MPA Finance Pre-Concept was also submitted to the Executive Board for discussion, where Icebreaker Studios' multi-media *Planet Coral* project was featured as a means to channel returns on investment to support increased management and conservation of the prioritized marine areas. No decisions were taken during this meeting.

DATE	AGENDA
1 Dec 22	<ul style="list-style-type: none"> • 2022 High-Level Review & 2023 Outlook • Communications Strategy Discussion • Global MPA Finance Pre-Concept • Blue Bridge Update • REEF+ Demonstration

(ii) *Advisory Board*

With the approval in October 2021 of the amended Advisory Board (AB) TORs and having launched the regular Advisory Board members expressions of interest with a closing date of December 2021, the GFCR Secretariat focused in 2022 on obtaining Executive Board endorsement for AB Co-Chairs, the selection process for regular advisory AB members, and preparing for the first AB meeting.

Co-Chair endorsements

As per the AB TORs, the institutions and individuals nominated to become AB Co-Chairs are required to be endorsed by the Executive Board (EB). In February 2022, during the 5th Executive Board Meeting (and documented in the EB Decision memo signed in March, 2022) the EB endorsed the International Coral Reef Initiative (ICRI) as the First AB Co-Chair, with Jennifer Koss (Director of Coral Reefs Programme, US National Oceanic and Atmospheric Administration) as the nominee and Christine Dawson (Director of the Office of Conservation and Water, Bureau of Oceans and International Environmental and Scientific Affairs, U.S. Department of State) as the alternate.

During the 6th EB meeting, which took place in June 2022 (and documented in the EB 6.1 Decision memo signed also in August 2022), the EB endorsed the Green Climate Fund (GCF) as the institution holding the Second AB Co-Chair seat and Kavita Sinha (Director A.I., Private Sector Facility) as the nominee. No alternate member was nominated. The GFCR Advisory Board Co-Chairs were announced during the UN Ocean Conference which took place in Lisbon in June/July 2022.

The Secretariat held a GFCR briefing with ICRI in June 2022. GCF (Ms. Sinha) was not able to join this virtual meeting as she was on extended sick leave. A key challenge encountered this year was the limited responses from the GCF to the Secretariat's communications requesting a virtual meeting to conduct a GFCR update and also engage in the process to design the first AB meeting. While the Secretariat requested on several occasions an alternate GCF participant, no response has been received to date. The Secretariat continues to follow-up with GCF.

Selection of AB regular members

The Call for Expressions of Interest (EOIs) for AB regular members included three broad categories of expertise: Science (including conservation and social sciences), Blue Economy/Private Sector Engagement and Public Sector/Policy (within environment/marine sector), with the understanding that in some cases an applicant complied with requisites under more than one category. EOIs were received as follows:

- o 30 for Science
- o 21 for Blue Economy/Private Sector
- o 3 for Public Sector/Policy

Three Selection committees were created to evaluate EOIs under each AB regular members category as described in the table below:

Science	Blue Economy/Private Sector Engagement	Public Sector/Policy
Gabriel Grimsditch, Programme Management Office, UNEP	David Myers, Executive Director, Conservation Finance Alliance	Penny Stock, Senior Technical Advisor Marine Ecosystems, UNDP
Simon Harding, Monitoring and Evaluation Consultant, UNEP	Benjamin Midburry, Lead Investment Specialist, UNCDF	Nicole Trudeau, GFCR Strategic Engagement and Communications Specialist
Margaux Hein, Monitoring and Evaluation Consultant, UNEP	Terry Tamminen, Advisor Pegasus Capital Advisors	Yabanex Batista, Deputy Head, GFCR UN Global Team

To ensure the selection process complied with the AB TORs of including a minimum of 7 members from the Global South and gender parity scored candidates were divided into four sub-groups: Women from Global South, Women from Global North, Men from Global South, Men from Global North. A minimum technical score of 70% of total score was also required to become an AB member. Results can be summarized as follows:


- Science Category – all AB regular members seats were filled upon scoring of EOIs
- Blue Economy/Private Sector Category- Two candidates were selected, but one candidate was also deemed to have appropriate expertise on the Public Sector and Policy category (Maria Damanaki) and she was assigned to that category.
- Public Sector/Policy Category - original EOIs submitted under this category either presented a conflict of interest with GFCR or didn't comply with minimum technical scores. However, as mentioned above one of the blue economy (private sector experts was also an ideal candidate under the public sector/policy category. Subsequently the Secretariat reached out to additional potential candidates and Coral Pasisi and Rili Djohani were selected under this category.

AB Co-Chairs and regular members selected are:

Co-Chairs




Jennifer Koss
Co-Chair
International Coral Reefs
Initiatives (ICRI)




Kavita Sinha
Director - Private Sector
Facility
Green Climate Fund (GCF)


Government & Policy Experts



Maria Damanaki
Former EU
Commissioner
for Maritime Affairs and
Fisheries



Coral Pasisi
Senior Advisor
to Secretariat of Pacific
Community Director
General




Rili Djohani
Executive Director
Coral Triangle Center

Scientists



Luiz A. Rocha
Co-Director
Hope For Reefs Initiative
California Academy of
Sciences




Sangeeta Mangubhai
Principal Consultant
Talanoa Consulting




Kirsten Oleson
Ecological Economist
University of Hawaii

Blue Economy/ Private Sector Experts



Adhiti Gupta
Independent Consultant
Climate Finance, Nature-
Based Solutions & Gender
Equality



2 Open Seats

Name	Title/Affiliation	Category	Gender	North/South	Country
Jennifer Koss	Director of Coral Reefs Program, NOAA	Co-chair	F	North	USA
Kavita Sinha	Director, Private Sector Facility	Co-chair	F	South	India
Sangeeta Mangubhai	Principal Consultant, Talanoa Consulting Fiji	Scientists	F	South	Fiji
Luiz Rocha	Full Curator, California Academy of Sciences	Scientists	M	South	Brazil
Kirsten Oleson	Associate Professor, University of Hawaii	Scientists	F	North	USA
Vacant		Private Sector / Blue Economy			
Vacant		Private Sector / Blue Economy			
Adhiti Gupta	Associate Director, Market Acceleration & Design, Convergence Finance	Private Sector / Blue Economy	F	South	India
Maria Damanaki	Former European Commissioner for Maritime Affairs and Fisheries	Public/Policy	F	North	Greece
Coral Pasis	Senior Advisor to Director General, The Pacific Community (SPC)	Public/Policy	F	South	Niue
Rili Djohani	Executive Director, Coral Triangle Center	Public/Policy	F	South	Indonesia

At the end of 2022 there were still two vacant seats for the Blue Economy/Private Sector category. The Secretariat continues to work with Pegasus Capital Advisors to identify potential candidates.

Preparations for 1st AB meetings

As part of the preparation process for the first AB meeting the Secretariat, along with Pegasus Capital Advisors, conducted a GFCR pre-briefing on October 28th, 2022 for regular AB members. AB member attendees included: Kirsten Oleson, Luiz Rocha, Maria Damanaki, and Adhiti Gupta.

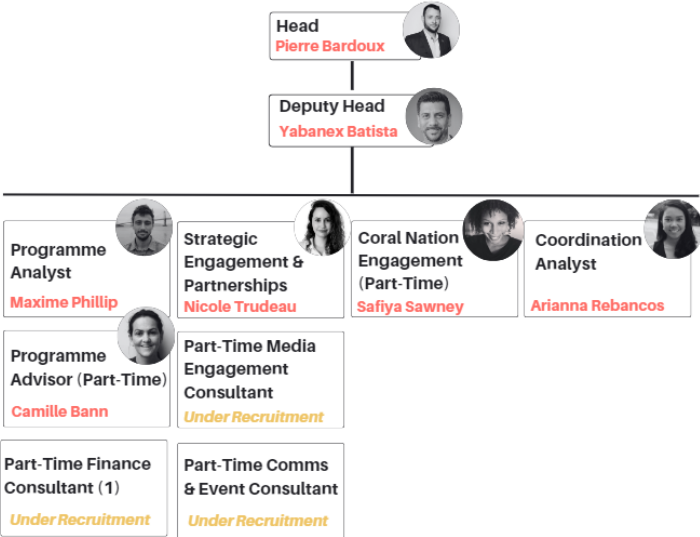
Agenda items included:

- Introductions
- GFCR Overview
 - Background & Context
 - Grant Fund
 - Investment Fund
- Q&A
- Advisory Board & GFCR Governance
- Advisory Board Functions
- Q&A
- Next Steps

Several iterations of the first AB meeting agenda were discussed with ICRI and Pegasus Capital Advisors. However, as the Secretariat was still aiming to have both A Co-Chairs attend the AB meeting, the meeting was not conducted given the limited engagement of the GCF. It was however agreed that the first meeting would be held during the first quarter of 2023 irrespective of receiving feedback from GCF.

B. Global Team

The GFCR’s broader UN Global Team comprises the Secretariat team, consultants and members of the three (3) Participating UN Agencies that lead dedicated GFCR work streams. The GFCR Secretariat directly supports the Executive Board and oversees the implementation of Grant Fund programmes.



As of December 2022, the GFCR Secretariat has received a cumulative budget of US\$3.97 million (US\$2.2 million through UNCDF and US\$1.7 million through the MPTF Office) to finance its operations from March 2021 through December 2023. With the strategic guidance and support of the Executive Board, the Secretariat expanded its capacity in 2022 by onboarding part-time support of a Programme Advisor and initiating the selection process for a Coral Nations Engagement Specialist. Three additional part-time consultants are expected to be recruited in 2023 to support the programming and communications work streams.

As established in the UNCDF Project Document, the GFCR office is to become administratively hosted by UNCDF and established in Geneva, Switzerland with the core Secretariat functions positions becoming Professionals Staff by the end of 2022. Post announcements for the following Secretariat staff positions: Deputy Director, Strategic Engagement and Partnerships Specialist, Program Analyst and Coordination and Operations Analyst; were published in September, with interviews for shortlisted candidates taking place the week of December 5th, 2022. By the end of 2022 selected candidates had yet to be notified. For the Director position the post was first announced in September, and interviews of candidates has not taken place yet.

The GFCR Secretariat is in charge of running its own operations according to UN Programme and Operations Policies and Procedures (POPP). The Secretariat manages its own budget and maintains up-to-date Fund-level financial projections to report to the Executive Board, coordinates on the reporting obligations of grant recipients, and continues to build an Operational Manual to document procedures and guidelines for all GFCR stakeholders including the Executive Board, Convening Agents, and others.

As part of its operational work in executing the Board’s financial decisions, the Secretariat successfully facilitated sixteen (16) fund transfer transactions amounting to US\$10.5 million during the year by meeting all procedural and documentary requirements of the UN Multi-Partner Trust Fund Office (GFCR Grant Fund Trustee). This includes the transfer of nine (9) preparatory grants for the Brazil, Colombia, Gulf of Aqaba & N. Red Sea, Indonesia (#2), Micronesia, Mozambique, Seychelles, Solomon Islands, and Sri Lanka programmes, summing up to US\$986 thousand. US\$5.5 million in grants were further transferred towards the implementation of the Bahamas, Indonesia (#1), and Mesoamerica programmes. The remaining US\$4 million was transferred to the various Participating UN Agencies to fund Secretariat operations and implement global programmes such as M&E, Policy Architecture and Knowledge Management. Through the fund transfer process, the Secretariat coordinated the signing of eight new Framework and Financing Agreements between the GFCR Fund Trustee and new non-UN recipient organisations – including FUNBIO, Fondo Accion, YKAN, TNC, BIOFUND, SeyCCAT, WWF, and IUCN.

The Secretariat also engages a third-party evaluator to conduct fiduciary micro-assessments (or Harmonised Assessment for Cash Transfer / “HACT”) on non-UN organisations being considered as GFCR grant recipients. As part of this process, the Secretariat coordinates with the third-party evaluator to ensure that the micro-assessments contain information required by the GFCR Fund Trustee (UN MPTF Office), including legal documents, press searches, et cetera. The Secretariat also worked closely with the evaluator to define the scope of a new assessment on the Protection Against Sexual Exploitation, Abuse, and Harassment (PSEAH) to be similarly performed on non-UN grant recipients. Through the reporting period, the Secretariat oversaw the independent evaluator’s assessment of nine (9) HACT and PSEAH evaluations throughout the year, informing Executive Board decisions with risk levels attributed to each prospective GFCR grant recipient.

Organisation	GFCR Programme Country	Due Diligence Completion
Fondo para la Acción Ambiental y la Niñez	Colombia	February 2022
World Wildlife Fund, Inc.	Mexico	
Fundo Brasileiro Para A Biodiversidade	Brasil	
Blue Finance	Philippines	
New Ventures Group	Mexico	March 2022
Fundação para a Conservação da Biodiversidade	Mozambique	
The Nature Conservancy	Micronesia	July 2022
Yayasan Konservasi Alam Nusantara	Indonesia (#2)	
International Union for Conservation of Nature	Sri Lanka	August 2022

C. Policy Architecture

With UNDP as lead in the Policy Architecture and Knowledge Management work streams, the Secretariat provided crucial support and iterative feedback throughout the development of the various Fund-level policies for the GFCR. Specifically, the Secretariat conducted several meetings and consultations with experts contracted by UNDP to develop the GFCR policies and operational notes on Environmental and Social Safeguards, Gender and the Risk Management System. In addition, the Secretariat supported and engaged with UNDP on a series of webinars with Convening Agents to provide information and request feedback on the policies development and scope. Following the endorsement of the Policies by the Executive Board, the Secretariat worked to integrate all Risk Management, Social Safeguards, and Gender Policy elements across all its Programme and Operational templates (concept notes, full proposals and reporting). In addition, the GFCR Secretariat prepared the first GFCR Gender Policy implementation report.

Annex A: Detailed Annual Work Plan Progress Report

Operational Outputs	Delivery of Output	Progress achieved as of 31 December 2022
Strategic Programming Cycle Effectively Managed		
Finalise investment plan	December 2023	Initial version completed; Investment Plan to be revised in 2023
Revise and finalize Results Framework and KPIs	All year	Inputs provided to draft M&E framework
Develop Standard Operations Manual and templates	June 2023	In progress. To be submitted for Executive Board endorsement in June 2023.
Finalize the review of the initial portfolio (Fiji, Ph, etc.)	March-April 2021	Completed
Support the development of the M&E framework by UNEP	All year	Inputs provided to draft M&E framework
Support for additional identification of pipeline projects and technical assistance efforts to mature pipeline with a target to have up to +/-30M\$ investment ready by mid-2020	All year	Ongoing work by Secretariat
Fund Governance Quality advisory and operational support provided		
Support up to 4 Executive Board meetings and prepare associated material	All year	Completed
Provide recommendations to Executive Board on first programmes for priority implementation and funding	All year	Completed
Revise Executive Board Terms of Reference and Rules & Procedures	August 2022	Completed
Implement any recommendations from the EB and report back	All year	Ongoing work by Secretariat
Carry on 8 assessments of potential Non-UN implementing partners	All year	Completed and exceeded during reporting period, with 10 due diligence assessments completed.

Fundraising and Communications Support to outreach, communications and resource mobilization contributing to the improvement of overall results of the Fund		
Finalize and support the implementation of the Fundraising strategy for 2021-2022	Completed Nov 2021	Completed
Develop a presentation deck for public event in addition to the Brochure and update in 2022	April 2021 – February 2022	Completed
High-level event planning for 2021-2022 and pledging events	All year	Completed
Maintain the database of partners and constantly engage with them	All year	Ongoing work by Secretariat
Coordinate the collective efforts of the partners to capitalize the Fund	All year	Ongoing work by Secretariat
Participate in Ocean Forum and present the Fund to the public	All year	Ongoing work by Secretariat
Finalize the website content and all communication products	All year	Ongoing work by Secretariat
Produce articles on Fund developments and programming	All year	Ongoing work by Secretariat
Produce annual work plans depending on budget availability for the 10-year lifetime of the Fund	February 2022	Ongoing work by Secretariat

Annex B: Financial Overview

Commitments as of 31 December 2022:

	2020	2021	2022	Total USD
GFCR Grant Fund Donor Commitments/Pledges				
Paul G. Allen Family Foundation		4,000,000	2,000,000	6,000,000
Prince Albert II of Monaco Foundation	500,000			500,000
Builders Initiative			5,000,000	5,000,000
Bloomberg Philanthropies			5,000,000	5,000,000
ICONIQ Ocean Co-Lab			2,500,000	2,500,000
Germany	3,600,000			3,600,000
UK		8,200,000		8,200,000
France		2,300,000	1,200,000	3,500,000
Canada			4,700,000	4,700,000
Total USD	4,100,000	14,500,000	20,400,000	39,000,000
GFCR Private Equity Fund Commitments				
Builders Initiative			10,000,000	10,000,000
Green Climate Fund		125,000,000		125,000,000
Total USD		125,000,000	10,000,000	135,000,000

Annex C: Programme Portfolio Overview

Below reflects the anticipated timeline of Grant Fund full proposal submission and replenishment requests. To note, Papua New Guinea was delayed in starting implementation due to security issues related to the national election. Quarter 4 will have two board meetings (i.e., October and November), however, some full proposal submissions may be deferred until Q1 2024 based on proposal quality and available GFCR financial resources.

Programme Area	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Fiji	Implementation			RR	Implementation			
Papua New Guinea					Implementation			
The Bahamas	Implementation							ARR
Kenya-Tanzania Regional	Implementation							ARR
Philippines	Implementation							
Mesoamerican Regional	FP	Implementation						ARR
Indonesia (No. 1)	FP	Implementation						
Colombia			FP			AI		
Maldives					FP	AI		
Indonesia (No. 2)					FP	AI		
Seychelles						FP	AI	
Solomon Islands								FP
Sri Lanka								FP
Brazil								FP
Gulf of Aqaba (Jordan focus)								FP
Northern Red Sea (Egypt focus)								FP
Mozambique								FP
Micronesia Regional								FP

FP= Full Proposal submitted to the Executive Board (contingent upon sufficient proposal development/Secretariat clearance), AI=Anticipated Implementation (*pending Executive Board approval*), RR = Replenishment Request, ARR = Anticipated Replenishment Request.

Annex D: GFCR Global Team Budget Expenditure

Budget Categories	Approved Budget			Actual Expenditure (as of Dec '22)			Balance
	MTF Office	UNCDF	Total	MTF Office	UNCDF	Total	
1. Staff and other personnel	140,500	1,449,176	1,589,676	140,305	88,748	229,053	1,360,623
2. Supplies, Commodities, Materials	-	11,200	11,200	-	-	-	11,200
3. Equipment, Vehicles, and Furniture (including Depreciation)	7,000	14,000	21,000	5,838	2,522	8,360	12,640
4. Contractual services	950,000	275,738	1,225,738	604,591	3,038	607,629	618,109
5. Travel	150,000	159,118	309,118	70,702	35,364	106,066	203,052
6. Transfers and Grants to Counterparts	-	-	-	-	-	-	-
7. General Operating and other Direct Costs	373,603	181,000	554,603	262,463	225	262,688	291,915
Total Direct Costs	1,621,103	2,090,232	3,711,335	1,083,899	129,897	1,213,796	2,497,539
Indirect costs (7%)	113,477	146,315	259,792	75,881	9,093	84,974	174,818
Total	1,734,580	2,236,547	3,971,127	1,159,780	138,990	1,298,770	2,672,357

Expenditures detailed reflect actual transactions that have materialised, and do not include financial commitments (e.g., financial obligations signed in contracts).