



# **ANNUAL NARRATIVE REPORT:**

## **Fi Wi Riif (“Our Reef”)**

January – December 2023

**Report submitted by:**

Fondo Acción

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## Programme Overview

Programme Title & Project Number		Programme Duration	
Programme Title: Fi Wi Riif (“Our Reef”) Programme Number: 00140134		Start Date: November 2023 End Date: October 2029	
Programme Location		Co-recipient Organisation/s and Implementing Partners	
Country/ies: Colombia  Priority Coral Reef Site/s: Archipelago of San Andrés, Providencia (Old Providence), and Santa Catalina		Co-recipient Organisation/s: N.A.  Implementing Partner/s: ProSeaLand foundation, Providence foundation, CORALINA, and Parques Nacionales Naturales.	
Total Approved Budget			
Total GFCR Budget: USD 8,000,000 Fondo Acción: USD 8,000,000			
GFCR Preparatory Grant awarded for proposal development: Y			

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## Executive Summary

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The Fi Wi Riif programme (which means ‘our reef’ in the creole local language) is an ambitious, long-term commitment to manage biodiversity positively, increase climate resilience, and improve sustainable livelihoods for local communities. Fi Wi Riif will protect and recover the health of resilient coral reef sites in the archipelago of San Andrés, Providencia, Santa Catalina, and its cays, in Colombia, improve the livelihoods and the coastal protection of reef-dependent communities severely impacted by the category 5 Hurricane Iota, and research innovative approaches to reefs health and restoration technologies. The Archipelago of San Andrés and Providencia, in the western Caribbean Sea, contains 77% of Colombia’s coral reefs. The uniqueness of the site is recognized nationally and internationally. It is inside the UNESCO Seaflower Biosphere Reserve and comprises a system of marine protected areas (MPAs) declared by the Colombian government.

During the reporting period, the programme received the first disbursement (November 2023) and started its inception phase, with the definition of implementation arrangements and preparation of documents for the operation and set-up of the project management unit.

Fondo Acción is committed to securing resources to complement GFCR investments and has made progress in formulating a project proposal expected to be funded by the Blue Action Fund in 2024. It has also initiated its participation in a project to increase local capacity to respond to climate events (storms) that may affect the reefs of San Andres and Providencia. To create a foundation on the ground, it initiated the first donations of its own resources to local organizations through the climate action fund for children and youth.



## I. Priority Sites

### **GUIDANCE**

Using the format below, for each of the priority implementation sites, list the specific Marine Protected Areas (MPA), Locally Managed Marine Areas (LMMAs), or areas designated as Other Effective Area-based Conservation Measures (OECMs) that benefit from the programme's activities. Note the surface area of the specific site (hectares), coral reef hectares, and GFCR Solutions implemented in that MPA/LMMA or OECM. For Solutions, put only the name of the solution(s) per MPA/LMMA/OECM.

#### **Priority Site #1 – Providencia and Santa Catalina (P&SC)**

MPA/LMMA/OECM	Area (ha)	Coral Reef Area (ha)	GFCR Solutions
Central sector of the Seaflower MPA system – a National Integrated Management District	6,500,000		Finance instrument: Seaflower fund
Old Providence McBean Lagoon MPA	1,615		Finance instrument: Seaflower fund
Peak Regional Park	100	0	Finance instrument: Seaflower fund

#### **Priority Site #2 – San Andrés (SA)**

MPA/LMMA/OECM	Area (ha)	Coral Reef Area (ha)	GFCR Solutions
Jhonny Cay Regional Park	44		Finance instrument: Seaflower fund
Old Point Regional Park	224.4		Finance instrument: Seaflower fund

#### **Priority Site #3 – Cays and shallows of the Archipelago**

MPA/LMMA/OECM	Total Coralline Area (ha)	Live Coral Reef Area (ha)	GFCR Solutions
Serranilla and Bajo Nuevo Cays (MPAs in process of creation)	13,450	4,707	Finance instrument: Seaflower fund



## II. Partners

Fondo Acción is the only recipient of GFCR resources for this programme and will work with co-implementers listed below.

### Co-implementer(s)

Name of Partner	Type	Activity or Solutions supported	Type of Agreement (i.e. MOU or other)
Sea, Land & Culture Old Providence Foundation (Fundación ProSeaLand)	NGO	ProSeaLand collaborates with Fondo Acción in the detailed design of the programme, and participates in the steering committee.  ProSeaLand supports community engagement and awareness, the development of agreements with fishers and other community organizations, the integration of cultural and traditional practices into the project's activities, support liaising with local authorities, and coordination of specific field monitoring work.	In 2024, Fondo Acción will sign an MoU with ProSeaLand to establish the purpose of the partnership, areas of cooperation, roles, oversight, duration, among others. These MoU do not involve economic resources.  In addition, it will sign a specific grant agreement to develop the activities led by ProSeaLand by allocating resources.
Corporation for the Sustainable Development of the Archipelago (CORALINA)	Environmental authority (local government)	CORALINA contributes to the implementation of the local governance and financial mechanisms. It will also be responsible for coordinating most of the scientific monitoring of the coral reefs and adjacent coastal ecosystems.	In 2024, Fondo Acción will sign an MoU with CORALINA. Although discussions were initiated in 2023 to formalize an MoU, this did not materialize due to changes in Coralina's management (as in all environmental authorities in Colombia).
Parques Nacionales Naturales (PNN) / McBean Lagoon	Environmental authority (national government with	PNN supports interventions affecting this important site, which is not directly under CORALINA mandate, as it is a national protected area.	In 2024, Fondo Acción will sign an MoU with PNN.



National Park authority	presence at local level)		
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#### Other Partner(s)

Name of Partner	Type	Activity or Solutions supported	Type of Agreement (e.g. MOU or other)
Providence Foundation	NGO	<p>Not defined to date.</p> <p>It is important to highlight that Providence foundation is a local organization created in 2005, that aims to contribute to the socioeconomic development of the Archipelago of San Andres, Providencia and Santa Catalina, seeking environmental justice and social security within ethical principles. It is therefore a key organisation for project planning and implementation.</p>	In 2024, Fondo Acción will sign an MoU with ProSeaLand to establish the purpose of the partnership, areas of cooperation, roles, oversight, duration, among others. These MoU do not involve economic resources.

#### Coordination

During the programme implementation reporting period (November to December 2023), and even since the approval of the programme and signing of the grant agreement, Fondo Acción has maintained close and direct communication with the co-implementers (ProSeaLand, CORALINA and PNN). This dialogue has been carried out through regular update meetings on the status of the GFCR-funded programme and project ideation with BAF resources. Regarding the latter, it is essential to note that the Providence Foundation, a civil society organisation (NGO) with high local recognition and roots in the Raizal community, has been involved in formulating the full programme. For this reason, a steering committee has been proposed, composed of the co-implementer that will receive donation resources (ProSeaLand), the new local partner (Providence foundation) and the political partners (CORALINA and PNN).

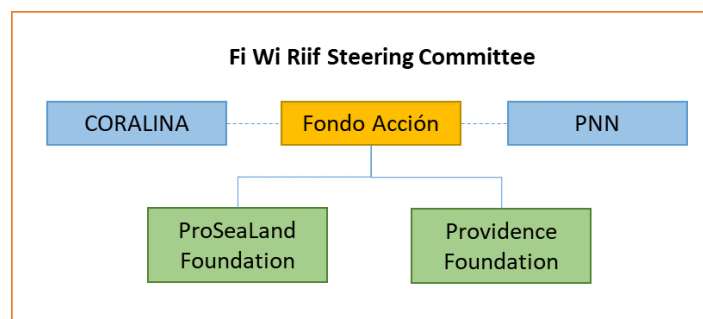


Figure 1. Steering committee composition.

Fondo Acción revised the structure of the project management unit (PMU), defining that it will be composed of the following professionals that will be based on the islands: 1 project coordinator, 1 financial coordinator, 1 MEL specialist, 1 environmental specialist, 1 social management specialist, 1 communication specialist, and 1 administrative assistance. Fondo Acción initiated the preparation of terms of reference for the selection and contracting of the PMU, which will be carried out in 2024. In addition, as back-office, Fondo Acción will hire/assign in the main office (at Bogotá): 1 procurement specialist, 1 legal assistant, 1 accounting assistant.

Fondo Acción has started the preparation of the operational manual that will be presented to the first programme committee in 2024 for approval. This document includes the following sections: description of the programme; institutional arrangements; procurement procedures; financial management; internal control system; monitoring, evaluation and learning (MEL), and communications and visibility.

### Lessons and Needs

Despite the changes at the management level in CORALINA, communication has been maintained at the technical level, enabling the continuity of the planning process and facilitating articulation with the entity's projects. In the case of PNN, there have been two changes at the management level in 2023, but the head of the Park has already been designated.

In addition to the changes in the environmental authorities, at the end of October 2023, new local authorities were elected (Mayor of Providencia and Governor of the department of San Andrés, Providencia, and Santa Catalina), whose periods will begin in 2024. Given the electoral situation at the end of 2023, the dialogue with the government teams will be resumed in 2024 once the local authorities and their teams (e.g., secretary of government, secretary of agriculture and fisheries, among others) are designated.

### III. Programme Milestones

As indicated, technical execution has not started. Therefore, activities are on time, no delays have been experienced, and no deliverables have been completed or milestones reached.

Deliverable or Milestone	Target Date of Completion	Status	Supporting Text
<b>Outcome 1 – Increased protection and recovery of coral reef sites in Marine Protected Areas and climate refugia</b>			
<i>Output 1.1 – A financial sustainability strategy is designed for the Seaflower Biosphere Reserve MPA system, with the creation of the Seaflower Fund</i>			
Activity 1.1.1 – Install and operate the Seaflower Fund Creation Committee			
Operational procedures of the Committee, including purpose, composition, responsibilities, secretariat	September 2024	On track	
Gender training	June 2024	On track	
Activity 1.1.2 – Develop initial studies and founding documents of the Seaflower Fund			
ToR development for consultancy hiring	April 2024	On track	
Studies that include (i) updating the MPAs system financial gap analysis and targets; (ii) founding documents and operational manual; and (iii) a capitalisation strategy with a detailed fundraising campaign	August 2024	On track	
<i>Output 1.2 – Monitoring tools to assess reef health evolution are supported, with a special focus on diseases to look for control options</i>			
Activity 1.2.1 – Collect baselines for programme indicators			
M&E strategy designed	June 2024	On track	
<i>Output 1.3 – Coordination between relevant institutions (CORALINA, Colombian Navy, Ministry of Foreign Affairs and other public agents) is established to improve MPAs management and to avoid destructive and illegal fishing</i>			
Activity 1.3.1 – Establish alliance to coordinate efforts for improved MPA management and enforcement regarding destructive fishing			
MoU signed with Coralina and Parques Nacionales Naturales	June 2024	On track	
Activity 1.3.2 – Develop an enforcement strategy/ plan for the Seaflower Biosphere Reserve and its MPA system			
ToR development for consultancy hiring	April 2024	On track	
Law enforcement training	August 2024	On track	
<i>Output 1.4 – Blue carbon initiatives are studied and developed</i>			



Activity 1.4.1 – Carry out a feasibility study for blue carbon (mangroves and seagrasses)			
ToR development for consultancy hiring	April 2024	On track	
feasibility study on a potential blue carbon project in the Archipelago	March 2025	On track	
<b>Outcome 2 – 2. Reef-dependent livelihoods improved with recovery after major shocks</b>			
<i>Output 2.1 – A long-term local governance system and the Fi Wi Riif Investment Account are established to support local enterprises with reef-positive business models that provide improved livelihoods to communities</i>			
Activity 2.1.1 – Install and operate the Fi Wi Riif Steering and Technical Committees			
Operational manual first draft	March 2024	On track	
First steering committee meeting	April 2024	On track	
Activity 2.1.2 – Create the Fi Wi Riif Investment Account			
Procedures to create investment account operational manual	October 2024	On track	
<i>Output 2.2 – Conservation agreements are established with local communities to protect species and improve ecosystems health and fish stocks</i>			
Activity 2.2.1 – Design conservation agreements with the active participation of fishers and local stakeholders			
ToR development for consultancy hiring	April 2024	On track	
Studies on opportunity costs, willingness to engage of local stakeholders, assessment of local conditions	July 2024	On track	
<i>Output 2.3 – Reef-positive business models with clear revenue streams incubated through support via technical assistance and blended finance investments, generating livelihood opportunities for local communities</i>			
Activity 2.3.1 – Launch first call for proposals targeting local enterprises with reef-positive business models			
ToR for the call for proposals	June 2024	On track	
Activity 2.3.2 – Establish facilitated finance scheme for sustainable fishing fleet			
Document of negotiation of facilitated finance scheme with partner bank and fishermen association	April 2024	On track	
Activity 2.3.3 – Carry out an assessment of the impacts and opportunities in the waste management sector			
ToR development for consultancy hiring	August 2024	On track	
Assessment of the impacts of poor wastewater treatment on coral reefs; and identification of reef-positive solutions and investment opportunities in this sector	June 2025	On track	



Activity 2.3.4 – Establish agreements with selected enterprises with reef-positive business models			
Prioritization of initiatives profiles (phase 1 of the call)	August 2024	On track	
Selection of projects	November 2024	On track	
Signing of agreements	January 2025	On track	
<b>Outcome 3 – Reef restoration and adaptation technologies are developed based on local knowledge</b>			
<i>Output 3.1 – Reef health recovery and low carbon technologies are systemized, and innovative business models are developed</i>			
Activity 3.1.1 – Systematise reef health recovery and low carbon technologies initiatives			
ToR development for consultancy hiring	September 2024	On track	
Knowledge management document of (i) initiatives, methods, technologies, innovations, traditional knowledge that recover reef health and/or provide low carbon solutions for economic activities; (ii) assessment the potential for the systematised technologies to become business models	June 2025	On track	
<i>Output 3.2 – A community awareness and engagement programme is implemented to reinforce local knowledge related to reef health recovery and adaptation efforts with training delivered to local actors</i>			
Activity 3.2.1 – Establish co-implementation agreement with ProSeaLand			
MoU signed with ProSeaLand	March 2024	On track	
Grant agreement signed	April 2024	On track	
Activity 3.2.2 – Design business plan for the educational and cultural centre Escuela del Mar (School of the Sea)			
Business plan for the educational and cultural centre Escuela del Mar (School of the Sea)	December 2024	On track	
Activity 3.2.3 – Implement communication and visibility strategy for local stakeholder engagement			
Project launch	May 2024	On track	
Branding materials	May 2024	On track	
<i>Output 3.3 – A turtle conservation programme is supported to increase turtle population, supporting reef health and improving tourism attractiveness</i>			
Activity 3.3.1 – Establish agreement for the coordination of the sea turtle conservation programme			
ToR development for consultancy hiring –sea turtle conservation programme	April 2024	On track	
Activity 3.3.2 – Develop the sea turtle conservation action plan			



ToR development for consultancy hiring	May 2024	On track	
Sea turtle conservation action plan	August 2024	On track	
Activity 3.3.3 – Develop a feasibility study for a business model for the sea turtle center			
ToR development for consultancy hiring	September 2024	On track	
Feasibility of a business model for the sea turtle center	March 2025	On track	
Activity 3.3.4 – Assess sea turtle population baseline			
ToR development for consultancy hiring	May 2024	On track	
Turtle baseline assessment	August 2024	On track	
<b>Output 3.4 – Coral reef restoration initiatives are supported through a specific funding window of the Fi Wi Riif Investment Account</b>			
<i>Activity 3.4.1 – Launch a specific funding window for coral reef restoration projects within the Fi Wi Riif Investment Account Calls for Proposals</i>			
ToR for the call for proposals	June 2024	On track	

## IV. Programme Progress Overview

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### A. Outcome and Output Progress and Challenges

During the reporting period, there has yet to be any progress in implementing the activities that define the outputs and outcomes. In the last two months of the project implementation year 2023, activities for preparing the start-up took place. These activities are necessary to correctly, efficiently, coordinate, and transparently implement activities and resources.

Fondo Acción elaborated an operational manual for the project, which will be submitted to the implementing partners for approval. This manual will define clear procedures and rules for implementation based on Fondo Acción's financial, procurement, accounting, and environmental and social risk management policies and procedures, as well as on the conditions of the funding agreement between Fondo Acción and UNDP regarding reporting, monitoring, and evaluation, among others.

### B. Monitoring and Evaluation

No monitoring and evaluation activities were carried out during the reporting period. In 2024 the results framework will be revised (including the new GFCR indicators), indicator methodology sheets will be developed and baseline measurement of programme indicators will be carried out where the information was not available in the proposal.

### C. Protected Areas Management Effectiveness

No project activities leading to an improvement of the management effectiveness of the protected areas have been implemented. However, it is expected to increase the effort with the resources being raised with BAF.

### D. Enabling Policy Environment

No public policy actions were taken during the reporting period. In 2024, it is expected to have an impact on the formulation of Coralina's three-year action plan and on the local government's development plan.

By the end of 2023, the departmental government approved (Decree 1042 of December 22, 2023) the general revision of the territorial plan for the Island of San Andrés, called "POT Isla de San Andrés for the protection and conservation of the Seaflower Biosphere Reserve, the identity and cultural heritage is adopted, the ancestral territory of the indigenous, tribal, native Raizal people and life 2023-2035". According to this new POT, the management model for San Andrés obeys a structure based on the conservation of the Seaflower Biosphere Reserve, the environmental elements and respect for the vision of the Raizal ethnic people that it inhabits. This POT establishes a financial model for the administration of the resources derived from the sale of economic exploitation rights of the sea, which must be managed within a fiduciary scheme. This issue is of crucial importance to the programme, in particular the long-term financing mechanism, and will be addressed in 2024 with the new government.

## **E. Complementary Initiatives**

In June 2022, a GEF project started, “Mainstreaming biodiversity conservation in the tourism sector of protected areas and strategic ecosystems of the islands of San Andrés, Old Providence and Santa Catalina”. The implementing entity is WWF, and the executing agencies are Conservation International CI and CORALINA. The GEF contribution is about USD 2,6 million, and the co-finance anticipated to reach USD 19 million. This project will be ending in December 2025.

This project seeks to promote biodiversity conservation mainstreaming in the tourism sector of the Protected Areas and strategic ecosystems of San Andres, Old Providence and Santa Catalina islands through the design and implementation of participatory governance models, effective policies and biodiversity friendly tourism products. The project is expected to focus in San Andrés. Fondo Acción and CI held a meeting to share the objectives and expected outcomes of the two projects, and to identify possible synergies. This communication will be maintained to optimise efforts.

On the other hand, Fondo Acción’s involvement with the community of San Andrés and Providencia grew significantly in 2023 as a result of the first request for proposals launched by Fondo Acción in November 2022 of its Climate Action Fund for Women and Children. Through this call, Fondo is funding seven locally led projects to reduce climate vulnerability in the Archipelago. In 2023, Fondo Acción approved the co-founding of two projects for the restoration of critical ecosystems in Providencia, working with ProSeaLand and Providence foundations.

Furthermore, Fondo Acción in 2023 started its participation in the project “Innovative risk financing approaches to increase ecosystem resilience in the Caribbean coasts”, led by MAR Fund and funded by ORRAA, for designing a stakeholder engagement plan, a governance framework, and a parametric insurance to protect prioritized reefs to storm events; also, Fondo will support a training process to strengthen local response capacities, formalize the management of payments and the insurance distribution process, and design a premium financing strategy for the insurance.

Finally, Fondo Acción designed, with its own resources, a training program and selected, based on an open call, 50 persons to strengthen their knowledge, capacities, and practice to protect the children, focused on early childhood and climate action.

## **F. Gender Mainstreaming**

As part of the BAF preparation grant, a more detailed gender analysis was conducted based on in-depth interviews with key actors in the archipelago. This analysis complements the analysis we carried out to formulate the proposal, and the conclusions will be integrated into a new and updated gender diagnosis and action plan. The following are some of the main conclusions that complement the gender analysis.

It should be noted that the gender figures and data reflect a less alarming situation for women in the Archipelago than in the rest of the country, except for their exposure to high levels of domestic violence. However, they do outline a complex panorama for children, adolescents, and people with different gender identities. An important aspect to consider is that although part of the social power is shared between genders, symbolic representations continue to discharge greater power to men, and there is a patriarchal and androcentric way of thinking and acting, among men and women.

The shifting power relations require inclusive participation, which incorporates people in a meaningful way so that they can enjoy their rights, by improving the opportunities available, especially for vulnerable and excluded individuals and groups. Likewise, it raises the need to strengthen the motivation for participation in management, decision-making, and entrepreneurship instances for girls, adolescents, and women with a focus on their empowerment, and considering widely elderly women. While among children, adolescents and men, it underlines the importance of their insertion in economic dynamics that offer alternative opportunities to illicit ones, and that strengthen non-violent and co-responsible masculinities ideas and practices. For people with different gender expressions, it is important to give them visibility and recognize their needs in the regional context for their inclusion.

Inclusive participation and the incorporation of people in a meaningful way is a very important aspect for guaranteeing them to enjoy their rights. It states the need to improve the opportunities available, especially for vulnerable and excluded individuals and groups. For girls, adolescents, and women, including purposely the elderly, the program will strengthen their participation in management, decision-making, finances, and entrepreneurship with a focus on their empowerment. While among boys, adolescents, and men, it will promote their insertion in economic dynamics that offer alternative opportunities to illicit ones, and that broaden and reinforce non-violent and co-responsible masculinities ideas and practices with planned previous focus.

Additionally, there should be a cross-cutting sensitization for men and women about pacific conflict resolution, interpersonal relations and assertiveness. Also, with other programs and institutions, during events, workshops, encounter's themes like early parenthood prevention, and parenting cultural adequate guidelines could be addressed. These aspects are essential for equity, prevention, and attention of violence and gender gaps. As it was underlined for several stakeholders during the interviews, these themes could be integrated to different encounters, workshops and educational spaces as part of the events, entrepreneur calls, mentoring and support and not as a different topic on its own. It is relevant to design workshops and encounters with gender equity focus, and procure numerical balance between men and women. This kind of encounters must apply to implementers, partners, beneficiaries, among others.

A key aspect is the scope expansion to analyse the fisheries beyond the catches, to understand it as a broad productive chain. In this way the female participation is evident. Also, for a gender transformative impact is necessary a more profound and effective collection of gender disaggregated data. The project could consider a special process to encourage female fishing practices and escalate coastal fisherwoman activities with education, equipment and mentors. The entrepreneur and initiatives calls could consider positive action for vulnerable individuals and groups like women and girls, including the elderly, coastal fisher woman and fisherman, persons with disabilities, persons living below the poverty line, and female that are leading their households.

No project activities have been implemented, so there are no results that respond to gender mainstreaming and the gender action plan.

## V. Programme Governance & Management

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### A. Programme Governance

Although implementation has not yet started, the project will begin in 2024 with establishing and operating the project's governance structure. This will start with a focus on project planning, monitoring, and evaluation, whereby the steering committee will be composed of representatives of the environmental authorities, Prosealand, and Fondo Acción. To simplify the governance body and ensure equal information and participation, the Providence Foundation will be invited to join the committee. Similarly, as the Ministry of Environment has a focal point on the island, this person will be invited as a permanent guest to the committee.

## **B. Programme Management**

During the reporting period, the detailed planning of the project started, with the elaboration of a draft operational manual, the budget and the definition of terms of reference. At the accounting level, a dedicated cost centre was created for the project.

## **C. Programme Operations**

The only difficulty encountered in 2023 was related to the request for the first disbursement, which failed to materialize due to technical aspects of the bank transfer. However, these were overcome, and the first disbursement was received in November in the designated US dollar account. Therefore, the project started just in November 2023.

# **VI. Resource Mobilisation**

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## ***RESOURCE MOBILISATION EFFORTS - GRANTS***

In October 2022, Fondo Acción and two local partners - Prosealand and Providence Foundations - formulated a concept note to the BAF's Greater Caribbean call for proposals. In March 2023, BAF invited Fondo Acción to formulate a full proposal after a review of the proposal's scope and complementarity with the GFCR-funded project. In October 2023, Fondo Acción and BAF signed a preparation agreement for formulating the proposal and conducting the environmental and social assessment, including elaborating the instruments to manage potential environmental and social impacts. The formulation is expected to be finalized by mid-2024 to start implementation in the second half of 2024.

BAF will provide 4 million euros for the project "Fi Wi Riif ("Our reef"): ecosystem and human resilience and recovery for the San Andrés and Providencia Archipelago of Colombian Caribbean, in a climate change reality", which objective is to improve resilience of coastal and marine ecosystems and the communities capabilities to recover and adapt to climate change and biodiversity threats of in the Archipelago of San Andrés, Old Providence (Providencia) and Santa Catalina (ASAPSC) in the Colombian Caribbean by 2029, through an improved protected areas system, an ecosystem health recovery and restoration strategy and improved livelihoods for local and native populations. This will be a parallel co-financing.

In addition, Fondo Acción was selected by MAR Fund as implementing partner for Colombia for the project "Innovative risk financing approaches to enhance ecosystem resilience along the Caribbean's coastlines".

This project is focused on Colombia, Costa Rica, and Belize. In Colombia, a hurricane reef insurance product will be designed and piloted in San Andrés and Providencia. As a result of this project, a climate response unit will be designed, a protocol for coral reefs recovery after storms events, brigadiers will be trained in rescue techniques after-storms events, the premium insurance will be estimated, and we expect to start piloting the insurance.

#### **RESOURCE MOBILISATION EFFORTS – Revenue Generation**

There is no revenue generated in the reporting period.

#### **RESOURCE MOBILISATION EFFORTS – Investment**

Regarding the prioritized intervention "Distributing fishing pressure: facilitated finance for a sustainable fishing fleet", the fisher organization "I fish" successfully managed to access a loan with a commercial bank for about USD 108,000 to purchase a boat. The project will design the facilitated finance scheme to de-risk credit, covering interest rates and potential debt relief in return for additional conservation activities that promote sustainable artisanal fishing. Supporting fishers in acquiring larger vessels will help distribute fishing pressure, help coral reefs get closer to the islands, help the recovery of the production chain of the association of artisanal fishers, improve revenues, and support the adherence to no-take zones.

In addition, Fondo Acción has been developing a strategy of engagement with the banking sector, which will be the subject of work in 2024 to explore possibilities for collaboration and articulation of initiatives in the archipelago.

## **VII. Risk Management and Mitigation**

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**Contextual risks.** There was no change in the risks identified. The probability of occurrence and the impact they could have remain unchanged:

- Climate change effects damaging reefs. Due to high sea temperatures, a coral bleaching phenomenon was recorded in November 2023.
- Major natural disasters in project areas. In May 2023, a dry forest relic and a strategic area for water regulation in the middle of Providence island was "The Peak," a regional protected area that has been affected by fires recently, with the loss of a significant part of its vegetation cover. Restoration efforts are supported by Fondo Acción.
- Outbreaks of Stony Coral Tissue Loss Disease (SCTLD) and other diseases affecting corals and sea urchins.

**Programmatic risks.** There was no change in the risks identified. The probability of occurrence and the impact they could have remain unchanged:

- Lack of political buy-in. Not evident, despite the change of government.

- Limited investment opportunities. There has been interest from local organisations to participate in the calls for proposals. In Coralina's green business window there are about 90 registered initiatives; it should be checked if they are active.

**Institutional risks.** There was no change in the risks identified. The probability of occurrence and the impact they could have remain unchanged:

- Limited local capacity and skills relating to business management.
- Lack of stakeholder participation. Social, academic and institutional actors have maintained interest in the project. A strategy defined by Fondo Acción was to increase presence and action with its own resources by supporting local initiatives, while the resources from the GFCR disbursement were being received.
- Limited sources of long-term for the continuity of the interventions. Securing long-term resources to build up an endowment account remains a challenge/risk.

**Financial risks.** There was no change in the risks identified. The probability of occurrence and the impact they could have remain unchanged:

- Project cost overrun. Although inflation in 2023 was high (9.28%), it was lower than in 2022. Fondo Acción maintains its good practice of budgeting for the country's economic instability, monitoring and adjusting if necessary.
- Investment risk. There is continued interest from local initiatives to be financed under the project's schemes. In order to increase local capacities, work will be carried out on financial education and administrative capacity building.

Based on Fondo Acción's grievance mechanism, it will define how it will operate for the project, generating communications in Spanish, English and Creole.

## VIII. Lessons Learned & Adaptive Management

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The reporting period is limited to the last two months of 2023, with no technical or financial execution. However, Fondo Acción designed programs with its own resources to be allocated via sub-grants to local organizations so that implementation work began on the ground, with the corresponding follow-up and accompaniment to strengthen capacities for implementation, reporting, and resource management. This approach has been vital in laying the foundations of trust and credibility that will allow for further actions to be carried out with GFCR support.

Furthermore, because Fi Wi Riif is an ambitious and long-term project, Fondo Acción has made efforts to mobilize more resources to complement the interventions prioritized with GFCR resources. Thus, the detailed formulation of the proposal to be submitted to BAF is underway, and a project led by MAR Fund has been initiated to increase the response capacity to storm events that may affect the reefs of San Andrés and Providencia.

The main learning from this is to keep the search for resources active and to maintain a close, direct and frequent dialogue with key actors.

## Annex A – Data Update Excel File Guidance

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Uploaded in a separate file.

## Annex B – Results Framework

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Uploaded in a separate file.

## Annex C – Resource Mobilisation

Source	Date	Status	Co-financing			
			Type	Secured	Anticipated	Total
Blue Action Fund	Concept note presented on November 2022, invitation to formulate a full proposal in March 2023	Full proposal in formulation	Parallel co-financing		EUR 4,000,000	EUR 4,000,000
MAR Fund / ORRAA	Agreement signed and implementation started on August 2023	Project in implementation	Parallel co-financing	USD 99,500		USD 99,500
Fondo Acción	Approved on August 2023, signing of agreements started in October 2023 and implementation in November 2023	7 projects granted, 6 started its implementation	Parallel co-financing	COP 1,123,603,648 (including co-financing of the implementing organizations)		COP 1,123,603,648
Fondo Acción	Approved on August 2023, grants signed on October and November 2023	2 local projects granted, that are in implementation	True co-financing	COP 242,000,000		COP 242,000,000

## Annex D – Communications and Visibility

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No communication activities were carried out during the reporting period to prepare for the start of implementation. This was done to avoid generating expectations in the local communities and to avoid the electoral situation and the change of government at the end of last year.

A brief of the project was published on the website of Fondo Acción in Spanish :  
<https://fondoaccion.org/2023/11/21/fi-wi-riif/>.