

GLOBAL FUND FOR CORAL REEFS

2023 ANNUAL REPORT



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I. Executive Summary

The Global Fund for Coral Reefs (GFCR) is a unique blended finance vehicle designed to scale solutions that address local drivers of coral reef degradation, unlock conservation funding flows, and increase the adaptive capacities of communities. Hosting both a Grant Fund and an Investment Fund, and administered by the UN Multi-Partner Trust Fund office, the GFCR focuses implementation and investments to benefit *coral 'refugia'* sites. Key achievements of the GFCR during the reporting period include:

GFCR Global Coalition Growth

Throughout 2023, the GFCR Coalition witnessed remarkable expansion, growing to more than 50 members at the global level, including new partner countries, philanthropies, implementing partners, impact investors, and donors. During 2023, the Coalition members expanded to include one new philanthropic donor, ICONIQ Impact Co-Labs, one new private investor, Minderoo Foundation, and a new implementing partner, the Seychelles Conservation and Climate Adaptation Trust (SeyCCAT). At the programmatic level, over 60 enterprises, organisations, initiatives, government agencies, and civil society actors were engaged with and/or supported through implementation activities.

Scaling Ocean Finance through Reef-Positive Investments

The GFCR Coalition expanded its programme implementation from 12 to 19 coral nations and mobilised over \$35 million USD for conservation action, with plans for further expansion to reach 23 priority coral nations. New Grant Fund programmes launched include country initiatives for Jordan, Sri Lanka, Indonesia, Seychelles, Maldives, as well as a regional programme for Micronesia encompassing the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. Over the course of 2023, GFCR furthered the programme development process for 4 additional countries including Egypt, Brazil, Mozambique, and Solomon Islands which are expected to be approved and launched by the end of 2024.

De-risked by the Green Climate Fund's anchor investment, the GFCR's Investment Fund, managed by Pegasus Capital Advisors (PCA), targets fast-growing sectors through identified coral reef impact opportunities. In 2023, the GFCR Investment Fund announced a new reef-positive investment deal in Mexico to scale an innovative climate-smart seaweed enterprise, Carbonwave. Two additional reef-positive investment deals were progressed with anticipation for announcement in the second or third quarter of 2024.

Resource Mobilisations

The GFCR's resource mobilisation efforts in 2023 resulted in \$35 million USD in commitments from four key donors—the Government of the United Kingdom (£24 million GBP), the Government of France (€1 million EUR), and a new grant pledge announcement from ICONIQ Impact Ocean Co-Lab — a \$50 million USD collaborative philanthropy fund that will provide three-year grants to 20 projects that aim to help build the resilience of coastal ecosystems and communities. Support was also given to the GFCR Investment Fund, managed by PCA, to convene and inform private investors, including securing private investment from Minderoo Foundation (\$5 million USD). To date, in total,

the GFCR has mobilised \$225 million USD at the global level, with the Grant Fund receiving just over \$90 million USD in catalytic donor funding, and the Investment Fund securing a total of \$135 million USD for investment.

Communications, Advocacy, and Recognition

During the reporting period, the GFCR was featured in over 30 key engagements and was widely acknowledged as a leading Sustainable Development Goal 14: Life Below Water (SDG14) financing vehicle and demonstration initiative by impact investors, donors and coral nation governments, globally renowned organisations and initiatives, as well as media sources. Through GFCR's events, engagements, and media presence, the GFCR Coalition worked jointly to amplify the voices of coral reef countries, spotlighting the threats they face and the opportunities to support protection and restoration; demonstrated the urgent need for action and GFCR's role as the leading coral finance instrument; as well as convened and mobilised investors to accelerate coral action.

Policy Architecture and Knowledge Management

In 2023, under the leadership of the United Nations Development Programme (UNDP) in Policy Architecture and Knowledge Management within GFCR, key policies such as the Risk Management System, Social and Environmental Standards, and Gender Policy were successfully approved and integrated into the GFCR knowledge management platform, REEF+. Additionally, best practice guidance for ecotourism investments was shared, with drafts for sustainable fisheries and blue carbon undergoing final revisions. Efforts also focused on sector-specific principles for aquaculture, financial, marine protected areas (MPAs), and coral restoration. The Training & Capacity Development Programme for GFCR Convening Agents was further developed to ensure effective implementation and compliance with these policies, setting the stage for continued progress in 2024.

II. GFCR Global Coalition Growth



At the global level, the GFCR is powered by a Coalition comprised of Member States, UN Agencies, financial institutions, philanthropies, impact investors, and conservation organisations. The growing Coalition includes the Paul G. Allen Family Foundation; Prince Albert II Monaco Foundation; the Governments of Germany, France, Canada, the United States, and the United Kingdom; the Green Climate Fund (GCF); PCA; Builders Vision; Bloomberg Philanthropies; the International Coral Reef Initiative (ICRI), UNDP; the United Nations Capital Development Fund (UNCDF); the United Nations Environment Programme (UNEP); the International Union for Conservation of Nature (IUCN); the Ocean Risk and Resilience Action Alliance (ORRAA) and the Coral Research & Development Accelerator Platform (CORDAP).

Over the course of 2023, the GFCR public-private Coalition witnessed remarkable expansion growing to more than 50 members, including new partner countries, philanthropies, implementing partners, impact investors, and donors. During 2023, the GFCR Coalition members expanded to include one new philanthropic donor, ICONIQ Impact Co-Labs, one new private investor, Minderoo Foundation, and a new implementing partner, the Seychelles Conservation and Climate Adaptation Trust (SeyCCAT). Among the new Coalition members are five additional coral nations: the Democratic Socialist Republic of Sri Lanka, the Hashemite Kingdom of Jordan, the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

The GFCR Coalition is connected to multiple initiatives globally and supports actions such as the Coral Reef Breakthrough and Mangrove Breakthrough. Looking ahead, the Coalition is poised to deepen its engagement with influential bodies such as the High Level Panel for a Sustainable Ocean Economy, the Global Ocean Alliance, and the High Ambition Coalition, among others.

III. Scaling Ocean Finance through Reef-Positive Investments

A. Overview

In 2023, the GFCR expanded its geographic reach and made significant progress on its reef-positive pipeline. With the 4th global coral reef bleaching event well underway in 2024, the GFCR continues its mission to protect the world’s coral climate refugia.

The GFCR is now active in 19 countries through 14 programmes led by Convening Agents.

Region	Countries
Africa and the Middle East	Jordan, Kenya, Seychelles, Tanzania
Latin America and the Caribbean	Bahamas, Belize, Colombia, Guatemala, Honduras, Mexico
Asia	Indonesia, Maldives, Philippines, Sri Lanka
Pacific Islands	Fiji, Marshall Islands, Micronesia, Papua New Guinea, Palau

Through the programmes and the work of the GFCR Investment Fund managed by PCA, a pipeline of reef-positive solutions has grown to reflect the diversity of needs to address local drivers of coral reef degradation, create revenue streams for MPAs, and provide new livelihood opportunities to coastal communities.

This section provides an overview of the GFCR impact, the growing pipeline, and trends, challenges, and opportunities in blended finance for marine conservation.

B. Impact

In 2023, the GFCR had a notable impact on improving management of coral reefs, reducing key anthropogenic threats, and supporting ecological and social resilience in key countries within its portfolio. In this section, key impact achievements for coral reef protection in the Bahamas, Fiji, Indonesia, Mexico, Philippines, and Tanzania are highlighted.

In The Bahamas, the partnership between The Nature Conservancy (TNC) and the Elizabeth Harbour Conservation Partnership, supported by the GFCR, has led to the installation of 64 eco mooring buoys and strengthened capacity to manage the Moriah Harbour Cay National Park, thus reducing the risk of anchor damage on these critical coral reef areas. Furthermore, the Perry Institute of Marine Science has expanded its reef resilience network with the development of 14 coral nurseries for coral restoration, as well as creating new coral-related experiences for tourists. This will support restoration of coral reefs in marine protected areas (MPAs) of The Bahamas, as well as attract additional revenue streams for conservation.

In Fiji, GFCR-UNDP support to the Beqa Adventure Divers (BAD) has led to reef-positive conservation activities to protect 1,800 hectares of locally managed marine area (LMMA) at the Shark Reef Marine Reserve (SRMR). GFCR support has allowed purchase of boats, construction of a dive and research station facility that supports sustainable tourism, and direct conservation action in the LMMA. Direct impacts have included planting of 7,702 mangrove seedlings in coastlines around the SRMR,

providing ecosystem services and supporting livelihoods for more than 3,000 people, of which more than half are women and youth. The new mangroves filter pollutants and sediment from runoff before they reach the ocean, improving water quality for coral reef ecosystems, and reducing stressors such as sedimentation and nutrient pollution. BAD also developed 10 new coral nurseries in the LMMA, to support restoration activities. Furthermore, BAD completed a total of 32 poaching patrols in 2023 in cooperation with the Ministry of Fisheries, which led to a reduction of illegal fishing and infractions.

In the Philippines, Blue Alliance has enhanced management capabilities and financial sustainability of 2 MPA networks with 54 MPAs in total (all with an official delegation of management signed). This has led to a positive impact on the livelihoods of an estimated 11,200 fisher and coastal community through 80 new jobs from MPAs and reef positive businesses created, with 200 practitioners trained and 6,000 fishers with increased catch and revenues. Furthermore, this has led to improved protection of 4,800 hectares of highly biodiverse coral reefs and 363,000 hectares of overfished fishing grounds.

In Mexico, MAR Fund and PCA are investing in Carbonwave - a company that collects and refines Sargassum seaweed and transforms it into valuable materials, such as biostimulants, emulsifiers and vegan leather, while mitigating climate change by replacing fossil-fuel based materials and protecting the environment. Rising ocean temperatures, deforestation, and water pollution are contributing to massive seaweed growths that overwhelm marine ecosystems and hurt local communities and economies. The seaweed can quickly overtake reef-building corals, block the sunlight, or lead to the release of arsenic, and other harmful pollutants or pathogens that threaten marine life and public health. In 2023, Carbonwave collected 15,456 tons of sargassum and processed 277 tons into bio-based products. Additionally, the company has helped to prevent 127 tons of CO₂e emissions, and its products and services benefit more than 314,000 people and 6,800 hectares of coral reefs that lie within Carbonwave’s boundaries in Mexico.

In Indonesia, MPA management has been strengthened in Bomberai and Raja Ampat MPAs through technical support to the development of regulations and spatial plans for MPA management and tourism, helping to safeguard over 250,000 hectares of climate-resilient coral reef area.

Finally in Tanzania, revenue streams from voluntary contributions based on ecotourism through a partnership between Blue Alliance, Kwanini Foundation and the Manta Resort are being used to support the management and enforcement of the North PECCA MPA, comprising over 760 hectares of coral reefs. Revenue generation for MPA management in 2023 was \$40,000 USD, with improved ecosystem services and livelihoods benefiting over 20,000 coastal community members in Pemba.

Progress in numbers as of December 2023*	
Total area of coral reef with improved management	263,281 hectares
Total number of beneficiaries	348,200 individuals
Total area of MPA & LMMA supported	2,575,436 hectares
Total co-financing raised	\$21,921,337 million USD

*Data is derived from the 2023 annual reports submitted by Convening Agents of GFCR-supported programmes with demonstrated impacts on the ground. These programmes include the Philippines, Fiji, Mesoamerican Reef (specifically Mexico), Indonesia, and Kenya-Tanzania (specifically Pemba). Note that not all reports contain comprehensive data, rendering these impact numbers conservative estimates.

C. GFCR Portfolio of Reef-Positive Solutions

a. Reef-Positive Businesses

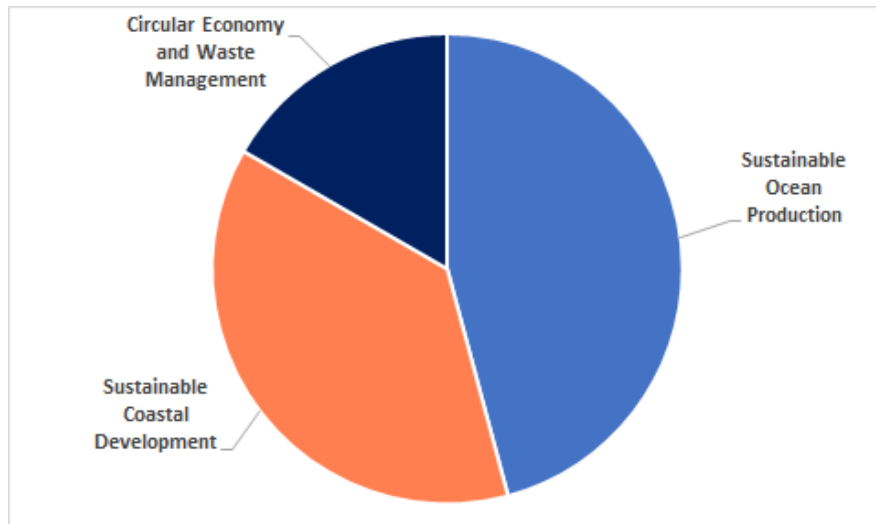
At its inception, the GFCR recognised the limited number of businesses with a clear link to addressing drivers of coral reef degradation. Many programmes were designed to include technical assistance facilities and incubators, tasked with scoping businesses and activities against reef-positive criteria and providing them with early stage support. In 2023, the GFCR saw growth in the pipeline of reef-positive businesses that have been identified and supported that seek to achieve the triple bottom line of positive coral reef impact, financial returns, and livelihood opportunities for vulnerable coastal communities.

The efforts of GFCR partners has resulted in 48 reef positive businesses that have been screened and are eligible for further support. The businesses are categorised under three typologies:

Sustainable Ocean Production: Refers to projects and initiatives that promote environmentally responsible fishing and aquaculture practices aimed at reducing pressure on coral reefs. The 2023 portfolio includes 22 businesses in fisheries and aquaculture. Aquaculture and mariculture businesses consisted of the majority of the businesses reflecting the growing global projections for the sector. Additionally, aquaculture allows for scalability and the potential to attract investors when compared to sustainable small scale fisheries. The GFCR is working to ensure aquaculture is done in a reef-positive manner and provides an alternative to coastal fishing.

Sustainable Coastal Development: Pertains to projects that encourage sustainable ecotourism practices, coastal infrastructure, and coral restoration revenue models. There are 18 reef-positive businesses in this category that have been screened and are being supported by the GFCR. The businesses are predominantly eco-tourism businesses, but also includes mooring systems to reduce anchoring damage and coral reef restoration actors aiming to develop revenue streams. Of note, the GFCR Investment Fund has invested in Six Senses in Grand Bahama. The development project aims to promote linkages with local suppliers of fish and ecotourism activities, pay for restoration as a service, and pilot new coral reef linked insurance models.

Circular Economy and Pollution Management: Involves projects that promote sustainable infrastructure and waste management to reduce pollution and sedimentation adversely affecting coral reefs. This category has 8 reef-positive businesses identified and being designed. This includes reducing eutrophication through locally produced fertiliser and farming techniques in Fiji, addressing sewage issues in Kenya, and the development of pump-out services for boats in The Bahamas. The GFCR Investment Fund made an equity investment into Carbonwave which will collect sargassum impacting coral reefs and the tourism industry in the Mesoamerica industry. Carbonwave processes sargassum into added value products as a way of making sargassum management profitable.



In 2024, the portfolio of reef-positive businesses is expected to grow at all ends of the “investment continuum,” ranging from small community led businesses, to larger equity investment opportunities targeted by the GFCR Investment Fund. Going forward, partners on the ground will work to classify the revenue and investment potential of the businesses to provide fit-for-purpose concessional capital and technical assistance to attract international and local investors.

b. Financial Mechanisms

The GFCR portfolio continues to support the development of financial mechanisms that can sustainably finance MPA management, coral reef restoration, and provide complementary funding for the development of reef-positive businesses.

The majority of financial mechanisms in the GFCR portfolio are in the feasibility and design stage. Studies on blue carbon, biodiversity, and resilience credits are being conducted in Mesoamerica, Colombia, The Bahamas, Indonesia, Kenya and Tanzania, the Philippines, and the Maldives. The studies are shedding light on the potential of these credit instruments but also the regulatory challenges and opportunities to bring them to market.

Insurance mechanisms are being explored in The Bahamas, Mesoamerica, Indonesia. Further new financial structures like the Seaflower Fund (Colombia), the Micronesia Challenge Endowment Fund, a Water Fund (Micronesia) are undergoing design and planning efforts to understand costs and catalyse fundraising efforts to promote revenue in perpetuity for conservation and development of the reef-positive sector—addressing multiple outcomes of the GFCR.

D. Trends, Challenges, and Opportunities

GFCR has drawn lessons from the last three years of implementation and continues to integrate these learnings into its programming and future strategic planning. Over the course of 2023, key lessons are categorised under the following three themes: (i) Supporting MPAs and Other areas of Effective Conservation Management (OECMs), (ii) Developing Pipeline, and (iii) Attracting Investment.

a. Supporting MPAs and OECMs

Community engagement and ownership: Blended finance continues to be a relatively new concept although it is being discussed more frequently in the context of coastal economies in Small Island Developing States (SIDS). GFCR has placed a greater emphasis on consultations and engagement of local communities, requiring sufficient evidence that communities have been engaged and how these engagements have informed programme design. For example, GFCR-supported programmes in Fiji and the Philippines have both highlighted the need for multi-stakeholder engagement as a key success factor in project development and management. In Colombia, Fondo Acción designed a bottom-up consultation process, designing a programme that lay the foundations of trust and credibility. Further, MPAs that are locally managed and have sufficient resources to effectively manage the MPA receive greater community support and achieve long term impacts.

Safeguards: Ensuring that risks and safeguards are assessed and actively managed from the outset of any GFCR-supported programme remains a priority, as does integrating gender equality and social inclusion. Social and environmental safeguards, risk, and gender policies at the fund level are already in place, and social and environmental management plans and gender actions plans are a prerequisite at the programme level. However, more support is required to ensure no activities or investments could have a negative impact on potentially vulnerable communities, especially where actions take place on customary land or marine areas. Development of learning modules, practitioner discussions and direct programme support on risks and safeguarding are all incorporated under the REEF+ Community of Practice.

Addressing enabling conditions to unlock the investment potential of coral reefs: Coral reef refugia offer significant economic opportunities, yet unlocking this potential is often constrained by wider national regulatory challenges. Addressing the enabling conditions, beyond the boundaries of the specific project site, is a crucial opportunity to unlock the investment potential in the ocean economy with impacts and benefits at the national level, as well as for coral reefs. The GFCR-supported programme in Papua New Guinea is supporting the development of a blue economy investment plan that attracts finance into a burgeoning blue economy – benefiting coral reefs as well as the wider ocean space. Further, Maldives is developing a Coral-positive Blue Economy Financing Strategy, aligning with an ongoing Marine Spatial Planning (MSP) process undertaken by the Government of Maldives. These country experiences have informed the design of the next GFCR Strategic Plan (2025-2030), recognising the need to invest in the enabling conditions and ensuring governments' collaboration with the GFCR Coalition at the national and global level, which in turn will further advance coral reef objectives.

Context specific interventions: Protected areas with funded management plans remain the best tool for marine conservation but the regulatory environment can be difficult to navigate. Context matters and what works in one site/country/region may not be applicable in others. Tailoring approaches to local conditions is a theme of successfully implemented programmes.

Adapting to shifting framework conditions: Programmes are implemented within a constantly shifting political and social context. National governments have changed between the programme application and implementation stages, such as in Fiji and Maldives. These programmes have

highlighted the importance of socialising programmes and investment pipelines with relevant government agencies and stakeholders. Adaptive management has become integral to all successful programmes and GFCR has implemented a simple reporting procedure for adaptive actions, alongside its regular progress meetings with Convening Agents and in-country monitoring visits.

Financing is a means, not an end: Sustainable financing options help fund conservation and create local job opportunities, but if not managed properly, can lead to negative conservation outcomes. User fees to visit marine sites can be highly beneficial to a point, but overtourism can become a driver of degradation. Choosing the financing models to suit the context is critical, with diversification providing a buffer against external economic and climatic shocks.

b. Developing pipeline

Building a bankable pipeline: As the blue economy becomes a more prominent sector, more investment opportunities are emerging. However, identifying those that have a tangible, positive impact for coral reefs is more challenging, resulting in a narrow pipeline of appropriate candidates from locally-established reef-positive businesses. A significant proportion of enterprises are considered pre-revenue ventures that need not only business acceleration training, but also technical assistance. A graduation approach and financial literacy training has been employed in Indonesia, whereas in the MAR area, the programme has been successful in identifying a pipeline with projects in different stages of maturity, and with different levels and types of positive impact on the coral reef ecosystem.

Sizes of investment: There is a disparity between the value and type of investment deals demanded by international impact investors and those being required by reef-positive businesses. A large proportion of reef-positive enterprises are either family or community-owned, seeking debt financing of between \$250,000 USD and \$10 million USD, rather than equity investments of between \$50 – 100 million USD which makes up the majority of blue economy deals. Addressing investment in the ‘missing middle’ remains a priority and GFCR is collaborating with partners to establish new financial instruments, such as debt swaps, and pathways that cater specifically to the needs of small and medium enterprises. National and multilateral development banks play a critical role in promoting more investment in early stage businesses so they can reach the scale attractive to the international market.

Bundling investments: Linking the two above points, individually early-stage reef-positive businesses may be unattractive to institutional investors. However, bundling projects in a unique facility can improve the risk-return profile. This is being tested in the Philippines with lessons applicable to other programmes. The aim is to increase the investment size and make it more attractive to commercial investors. The facility simplifies the investment process and lowers transaction costs, creates efficiency and economies of scale through aggregation, reduces the investment risk through diversification across revenue models and MPA projects, improves the quality of the project design and execution and helps investors to transparently monitor their impacts. The role of Technical Assistance Facilities (TAFs) is critical to both the incubation process as well as the intermediary between the enterprises and investors.

Limited investment opportunities in coral reefs: Championing investable reef-positive business models that can be replicated and scaled to transform coastal economies and communities is critical to increasing the investment potential of coral reefs. Several programmes have established TAFs Technical Assistance Facilities to better identify, support and help finance reef-positive enterprises (Papua New Guinea, Fiji, Jordan and the MAR), offering country-specific business and technical services to increase chances of success and impact. Further, GFCR's REEF+ Community of Practice creates a platform for programmes to share their experiences, collaborate, test, and document the success factors of potential reef-positive business models, accelerating the number of available investment opportunities.

c. Attracting Investment

The role of financial guarantees: The financial additionality provided by a guarantee can be critical to changing the risk-return profile of potential investments. Providing assurances to potential investors through national development banks can help encourage their engagement with business models outside of their core sectors. For example, MAR+Invest has learned that de-risking its portfolio through a financial guarantee is, in its early stages, the most significant enabler to mobilise finance and accelerate investments in coral positive ventures with the potential to avoid further degradation of the Mesoamerican Reef. It has proposed the creation of a guarantee fund to act as a safety net, reducing the perceived risk associated with investing in their supported coral positive solutions.

Connecting investors to reef-positive businesses: If impact investors are solely interested in growth-stage, investment-ready enterprises, there will inevitably be limited options, alongside limited development impact. By connecting investors with reef-positive enterprises from an early stage, investors are able to mentor and guide the enterprises towards investment-readiness. Providing platforms and opportunities for potential investors to meet and engage with early-stage enterprises will become increasingly important to the GFCR portfolio as enterprises transition from their incubation stage. The REEF+ Community of Practice aims to provide these opportunities to showcase enterprises within the impact investing community.

IV. Strategic Engagement and Partnerships

A. Resource Mobilisation

Over the course of 2023, the GFCR mobilised over \$30 million USD in grant commitments to the GFCR. 2023's new commitments were received mainly from three key donors - the Government of the United Kingdom (£24 million GBP), the Government of France (€1 million EUR), and a new grant pledge announcement from [ICONIQ Impact Ocean Co-Lab](#) — a \$50 million USD collaborative philanthropy fund that will provide three-year grants to 20 projects that aim to help build the resilience of coastal ecosystems and communities. Support was also given to the GFCR Investment Fund, managed by PCA, to convene and inform private investors, including securing the private investment from Minderoo Foundation (\$5 million USD).

During the first quarter of the year, at the *Our Ocean Conference in Panama*, the Government of the UK announced the largest GFCR donor commitment to date: a grant commitment of £24 million GBP to the GFCR fund from its Blue Planet Fund. Launched at the 2021 G7 Leaders Summit, the UK's Blue Planet Fund helps developing countries reduce poverty through the protection and sustainable management of their marine resources.

Later in the year, during the 2023 United Nations Climate Change Conference (COP28), the GFCR secured a new financial pledge of €1 million EUR from France bringing their full commitment to a total of €4 million EUR since they joined the Coalition in 2021. In a noteworthy speech at the GFCR organised-COP28 launch event for the Coral Reef Breakthrough, H.E. Hervé Berville, France's State Secretary for the Sea, stated: "We are happy to announce today that we will increase our financial commitment to the Global Fund for Coral Reefs of €1 million EUR, for this year, and we will continue increasing our investment, our commitment, because it is, for us, a key element for our ocean diplomacy."

In December, the GFCR also witnessed a new grant pledge announcement from [ICONIQ Impact Ocean Co-Lab](#) to help build the resilience of coastal ecosystems and communities.

To date, the GFCR mobilised a total of \$225 million USD at the global level, with the Grant Fund receiving just over \$90 million USD in catalytic donor funding commitments, and the Investment Fund securing a total of \$135 million USD commitments for investment.

B. Partnerships

Throughout the reporting period, the GFCR managed a large wealth of programmatic partnerships. Partnership-related duties included joint priority and activity planning, deploying and coordinating programmatic efforts, knowledge sharing and learning engagements, and joint resource mobilisation and communications activities. These efforts yielded significant advancements in GFCR objectives throughout 2023, notably enhancing global stakeholder collaboration, programme acceleration, generating investments and large-scale commitments from donors and governments, capacity building, and raising awareness for coral reefs.

In 2023, notable efforts were made by the GFCR with both continued and newly established global partnerships, including:

Global Environment Facility (GEF)

The GFCR, with UNDP as lead, is currently in discussions with the GEF Secretariat to secure financing through a portfolio approach that will unlock multiple entry points for collaboration with GEF via the International Waters Focal Area, the Non-Grant Instrument (NGI) and the GEF8 Blue & Green Islands Integrated Programme (BGI-IP).

The GFCR is currently exploring the potential of two GFCR-GEF International Water (IW) projects in Eastern Caribbean and Polynesia. These projects propose to enhance the capacities of priority coral countries (especially LDCs and SIDS) to ensure fair representation and equitable access to blended finance for coral conservation and build investable reef-positive business pipelines in key regions and ecosystems. It will enable GFCR to build the basis for market-led innovation and develop more robust business approaches through future GFCR programmes, and support upscaling and replication of successful solutions globally beyond the GFCR portfolio.

In addition, UNDP has been selected by the GEF Secretariat to lead the GEF8 Blue & Green Islands Integrated Programme (BGI-IP). The integrated programme includes 15 participating countries with subprojects across the 3 SIDS regions: Atlantic & Indian Ocean States, Caribbean, and Pacific. The objective of the BGI-IP is to reduce ecosystem degradation, enhance resilience of the coupled socio-ecological systems, and facilitate nature-positive development by applying nature-based solutions in key ecosystems that support climate resilient and sustainable socio-economic development in SIDS, with specific application to the food, tourism and urban sectors.

A core pillar of the BGI-IP includes partnerships with private sector partners able to provide catalytic finance and investment capital at scale to accelerate the adoption of proven nature-based solutions and scale up area-based protection and management of vital ecosystems. Specifically, de-risked by grants and concessional finance, the integrated programme will establish partnerships with financial institutions and corporates in ways that evolve their financial and economic systems; redirect flows from nature-negative to nature-positive with climate co-benefits; create and access new market instruments that promote sustainable management; ensure corporate accountability; increase private finance to protect nature; and catalyse local nature-positive enterprises that empower community action and generate tangible benefits for ordinary people. In this context, UNDP will work with the GEF and the GFCR to leverage synergies and concrete opportunities for collaboration with GFCR, which supports blended finance initiatives that unlock private investment in commercially viable coral-positive businesses and supply chains (on and off-reef) that benefit local communities in multiple SIDS. Further, UNDP will work with the GFCR to integrate the Knowledge Platform (REEF+) into the design of the integrated programme's global coordination project as a key platform for solutions sharing, replication and scaling, as well as resource mobilisation.

UNDP's Biodiversity Finance Initiative (BIOFIN)

UNDP's co-development and facilitation of a technical session on coral reef finance at the 2023 Global BIOFIN conference in South Africa in May 2023 led to establishment of a new partnership between GFCR and BIOFIN. The collaboration aims to jointly identify practical on the ground

partnerships and alignment of activities to promote the development and deployment of coral reef finance in five interested GFCR/BIOFIN countries, including potentially Seychelles and Belize, with Belize being part of the Mesoamerican Reef regional programme. BIOFIN's collaboration with the GFCR will explore various opportunities, primarily focusing on sharing coral reef finance solutions with national teams working on BIOFIN. In addition, this partnership will aim to increase the visibility of coral reef finance in national BIOFIN processes and enhance financing for coral reef conservation, restoration, community support, and private investment. A mapping of geographical overlap with GFCR programmes and thematic synergies has already been completed, providing the basis for further exploring opportunities.

USAID

USAID signed a \$14 million USD financing agreement with the GFCR for the development and implementation of the Egyptian Red Sea Initiative (ERSI), aimed at establishing a foundation for conservation in the Egyptian Red Sea. In 2023, the ERSI proposal was finalised and is being prepared for submission to the GFCR Executive Board.

During the course of various conferences and events, connections were further developed with additional partners and key SDG14 finance stakeholders, including but not limited to: the International Coral Reef Initiative (ICRI), Ocean Assets, Reef Restoration and Adaptation Program (Great Barrier Reef Foundation - GBRF), Superorganism Fund (biodiversity-focused VC fund), Blue Nature Alliance, McKinsey and Co, Reef Resilience Network, ORRAA (already a GFCR partner), Pew Charitable Trusts, Deutsche Bank, Blue Action Fund, IUCN, IUCN World Commission on Protected Areas, Swen Capital Partners, World Ocean Council, Rare, and others.

Launch of the Coral Reef Breakthrough in Partnership with HLCC and ICRI

The GFCR launched the Coral Reef Breakthrough in partnership with the HLCC and ICRI, to help mobilise urgent action for the future of coral reefs. This groundbreaking effort has, for the first time, established global targets for coral reef action. The Coral Reef Breakthrough sets targets to secure the future of at least 125,000 km² of shallow-water tropical coral reefs through strategic investment of at least \$12 billion USD to support the resilience of more than half a billion people globally by 2030.

The Breakthrough was launched during the 37th ICRI General Meeting, where a motion recognising and welcoming the Coral Reef Breakthrough was accepted by ICRI's network of 95 members, including 45 countries who are custodians of over 75% of the world's coral reefs.

During COP28, state representatives, philanthropies, UN Agencies, and impact investors convened to launch resilience-focused actions in line with the newly established targets of the 2030 Coral Reef Breakthrough. Announcements included pledges toward the Breakthrough targets, and the launch of new transformative blended finance programmes for five coral reef nations. Representatives of the GFCR Coalition announced the mobilisation of more than \$200 million USD as an initial direct investment toward the newly established Coral Reef Breakthrough targets to scale conservation solutions. This GFCR funding represents recent and new commitments from donors and private investors, including Bloomberg Philanthropies, Builders Vision, Minderoo Foundation, the Green Climate Fund, as well as the Governments of France, the United Kingdom, Canada, and the United States of America.

The GFCR will support the achievement of the Coral Reef Breakthrough by catalysing public and private financial flows to impactful investments that benefit the resilience of coral reef ecosystems and coastal communities. By working to achieve the targets of the Coral Reef Breakthrough, the GFCR, in support of the GFCR Coalition aims to help prevent the first functional extinction of an entire ecosystem in our lifetime.

V. Communications, Advocacy, and Recognition

a. Communications Strategy

The GFCR Communications Strategy positions the Fund as the globally unified and integrated source of financing solutions for coral reefs. Two priority objectives were pursued accordingly:

- To raise awareness, encourage support, and promote collaboration and learning among participant countries, key stakeholders, and engaged public, to support continued resource mobilisation; and
- To integrate communications throughout the Fund's operations by using it as a supportive tool to accomplish the 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, progress across the following set priorities:

- Refining the GFCR 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 (programme videos, testimonials, event recordings, social media assets, etc)
- Intensifying media outreach (features, interviews, etc)
- Increasing public recognition
- Improving website content (updated information and resources)
- Developing publications (Op-eds, articles, reports, blogs, etc)

Throughout the reporting year, the below segment outlines key aspects of how this communications strategy was implemented by the GFCR.

b. Events

Over the course of 2023, and in addition to the launch of the Coral Reef Breakthrough, the GFCR was featured in over 30 key engagements. Additionally, throughout the year, GFCR was widely acknowledged as a leading SDG14 financing vehicle and demonstration initiative by impact investors, donors and coral nation governments, globally renowned organisations and initiatives, and media sources. Key 2023 engagements included:

Our Ocean Conference in Panama

At the 2023 Our Ocean Conference in Panama during the first quarter, GFCR was introduced as a valuable tool for nations looking to enhance the sustainable blue economic transition in order to increase the resilience of coral reefs and coastal populations. High-level announcements included new commitments relayed by the Government of the UK and Minderoo. The new announcements were featured at the plenary session of the Our Ocean Conference in Panama as well as through the Future of Reefs side-event hosted by the GFCR, the UK Government, UN Decade of Ocean Science, ICRI, Bloomberg Philanthropies, Race to Resilience, and UNEP.

Monaco Ocean Week

During Monaco Ocean Week, the GFCR EB convened for its 9th meeting and participated in several meetings and events including consultations with the ICRI, the COP28 High-Level Climate Champion H.E. Razan Al Mubarak, UK Government officials, representatives of Prince Albert II of Monaco Foundation including CEO and Vice-President Olivier Wenden, impact investors, financial institutions, representatives of renowned philanthropies, and implementing partners. Also, the GFCR EB convened and approved transformative blended finance programmes for two additional coral nations: Maldives and Indonesia. The GFCR Coalition members took part in key engagements including the *Ocean Innovators Platform*, *Monaco Blue Initiative*, and the WCS-GFCR co-hosted *Unlocking Blue Finance for Climate Resilient Coral Reefs and Coastal Communities event*.

World Oceans Day London Investor Convening

With an aim to mobilise greater private investment for SDG14, the GFCR joined the Government of the UK represented by the Department for Environment, Food and Rural Affairs (DEFRA) and UNEP in a roundtable session for private investors on the World Oceans Day in London. The event featured an engaging dialogue on impact investing for the ocean, including scalable opportunities, with over 30 attendees, including representatives of financial institutions, brands, foundations, corporations, as well as private impact investors. Featured speakers included The Rt Hon Lord Benyon, Former Minister of State at DEFRA; Elizabeth Maruma Mrema, UN Assistant Secretary-General and Deputy Executive Director of UNEP; and Craig Cogut, CEO and Founder of Pegasus Capital Advisors. The agenda also included a special intervention from Jason Momoa, UNEP's Advocate for Life Below Water.

New York Climate Week

During New York Climate Week and on the sidelines of the 78th session of the United Nations General Assembly (UNGA 78), GFCR demonstrated its position as a leading blended finance vehicle for SDG 14 through key events and strategic engagements.

In partnership with Bloomberg Philanthropies, Builders Vision, PCA, UNCDF, and the UN Climate Change High-level Champions (HLCC), the GFCR co-hosted an innovative investor roundtable focusing on scaling impact at ocean-climate nexus. The informative and participatory dialogue informed key private sector decision makers on the value of and pathways to supporting climate adaptation and resilience strategies, and in particular those relevant for coastal marine ecosystems.

The GFCR coalition representatives engaged at the New York Climate Week event, *Scaling blended finance to mobilise private SDG investments in LDCs and other vulnerable countries*, to share perspectives on the challenges and strategies for unlocking private investment, organised by partners including the UN Department of Economic and Social Affairs (UN DESA) and Convergence Blended Finance. Further through the *Adaptation and Resilience Action: Showcasing Progress, Pace & Scale event* organised by the HLCC Race to Resilience, GFCR representatives showcased resilience solutions and provided insights on the role of businesses in addressing the climate crisis.

Africa Climate Summit

On the inauguration day of the Africa Climate Summit, the GFCR, in partnership with Wildlife Conservation Society (WCS), UNEP, and IUCN, held the *Bankable Coral Reef-Based Resilience*

Solutions for Kenya & Tanzania event, to showcase reef-positive enterprises and opportunities for private sector partnerships, as well as reinforce the potential of collective action in preserving the coral reef ecosystems of Kenya and Tanzania. An engaging discussion also featured remarks from distinguished private sector experts including representatives of Sanivation and Okavango Capital Partners.

COP28

During COP28, GFCR was presented as a leading biodiversity finance vehicle demonstrating public, private, and philanthropic action through climate-smart conservation strategies.

COP28 proved to be a valuable platform to demonstrate blended finance approaches and mobilise greater engagement for coral reef action. At the COP, GFCR was showcased through 15 events, including by global coalition representatives and implementing partners, such as representatives of programmes in Seychelles, Indonesia, Kenya and Tanzania, and the Philippines. In an effort to foster collaborations with key stakeholders in ocean-finance and conservation, GFCR representatives engaged in numerous bilateral and multilateral meetings with donors, key experts, technical partners and potential investors.

The initiatives undertaken by the GFCR at COP28 amplify the urgent need for greater climate action and aim to serve as a catalyst for acceleration of climate-smart strategies to preserve marine ecosystems. This strategic groundwork is a key milestone on the road to the 2025 UN Ocean Conference — set to offer a historical turning point for ocean conservation efforts.

GFCR Digital Outreach and Engagement

In 2023, the GFCR held a notable online presence. The level of engagement has been dynamic and interactive across the various platforms, spotlighting the GFCR's blended finance action to a following of over 12,000 individuals and generating wider viewership amounting to 373,000 impressions over the course of the year. Within this engagement, LinkedIn stands out as the primary digital platform of viewership, where GFCR's 62 original posts received approximately 200,000 views. Particularly noteworthy was a post featuring the Time article titled "The most important place on Earth", which received 18,454 impressions, followed by the 2030 Coral Reef Breakthrough Announcement. Similarly, accounts on X (formerly known as Twitter) have engaged with the GFCR's content by comparable numbers. The YouTube channel has also consistently hosted an input of high-quality video content which have garnered over 15,000 impressions and the GFCR's Quarterly Newsletter has seen a sound increase to reach 2,500 subscribers.

GFCR Recognition in Notable Publications

Over the course of 2023, GFCR was featured in more than 20 publications, including articles, expert papers, and reports.

GFCR was highlighted in a prominent feature article in Elle Green Magazine's, released on World Environment Day in countries including the United States of America, the UK, Italy, Spain, Greece, and Argentina. The article features Ellie Goulding, UNEP Global Goodwill Ambassador, visiting Egypt's coral reefs in the Red Sea. In her interview, she shared the challenges that coral reefs face and the urgent need to raise awareness, protect, and restore these ecosystems.

Also, in the *G20 Policy Brief, Generating Finance for Blue Economy Transition*, GFCR was featured as an example vehicle that lowers sustainable blue economy funding costs through a blended finance approach. The Policy Brief emphasises the power of harnessing the blue economy given the crucial role of the ocean in achievement of sustainable development goals. The Policy Brief further recommends use of blended finance approaches where projects generate below-market returns and can be de-risked by leveraging grants from public or philanthropic sources.

To illustrate the power of blended finance in action, the *Developing Blended Finance Capacity for Nature on a National Level report*, published by the Dutch Ministry of Agriculture, Nature and Food Quality, showcases GFCR as a premier example already under implementation. The report further captures ways in which international development finance can support the domestic creation of nature-positive blended finance transactions – in particular in developing countries.

In another informative article published by the World Economic Forum, GFCR was featured as a leading blended finance vehicle that draws funding from diverse stakeholders and collaborates with multiple member states, multilateral institutions and the private sector. The insightful *3 conditions that will help scale blended finance for nature-positive outcomes article* further articulates that blended finance mechanisms offer a golden opportunity to address the challenges of bridging climate finance and biodiversity funding gaps by catalysing the trifecta of public, private and philanthropic investments.

VI. Knowledge Management and Learning

A. Knowledge Management Platform

Systematic knowledge management and learning enables GFCR to implement effectively, demonstrate reef-positive solutions for scaling and replication, and support greater global knowledge on innovative biodiversity finance. The GFCR Community of Practice (REEF+) is a platform that seeks to build and support communities of practice across the coral reef financing ecosystem. REEF+ is also intended to position the GFCR as the global leader for showcasing the power of innovative blended finance models for driving finance and knowledge exchange towards the effective, long-term conservation and restoration of highly threatened coral reef ecosystems. REEF+ serves a target audience of GFCR stakeholders and the wider coral finance community of conservation practitioners, businesses, and impact investors.

Since its launch at the CBD COP15 conference in Montreal, Canada in December 2022, the GFCR has expanded REEF+ to include a full range of solutions that include many of the GFCR programmes and other initiatives from implementing partners. By the end of December 2023, the number of REEF+ members amounted to over 400, with a total of 230 solutions and more than 500 news and knowledge items published on the site. With the aim to update and expand the digital platform in 2024, including further integration into the GFCR website, UNDP conducted market research within the GFCR community including stakeholder interviews and a survey. Following this research, the team collaboratively revised the combined site architecture to streamline information flow and generated new content to populate the site, all ready to be deployed once the technology provider has been recruited.

Ubuntoo Inc. was initially contracted under the UNDP GFCR project for technological development and the launch phase of REEF+. Recruitment of a technology provider to support a second phase of work during 2024 is currently underway, with a rapid expansion of content, functionality and member interaction expected in 2024.

B. Community of Practice

Alongside the online platform, REEF+ constitutes a Community of Practice comprising the GFCR Convening Agents and implementing partners, including non-profit organisations, companies, individuals, investors, and government counterparts that work as part of the GFCR country and regional programmes. The REEF+ Community of Practice aims to enhance learning and encourage solution sharing and networking among coral reef finance and management practitioners through focused webinars and practitioner discussions, networking events, the creation and curation of thematic communities of practice and working groups, as well as annual convenings.

During the reporting period, a comprehensive REEF+ programme of events, webinars, and learning opportunities was launched for 2023-2024, including:

- The bimonthly “Practitioner Discussion” series was launched in Q3 2023, enabling practitioners to share challenges, successes, knowledge, and other experiences in designing

and implementing the GFCR's country and regional programmes. The first set of discussions took place in early September 2023 on the development and support of reef-positive businesses, with interventions from MAR+ Invest, New Ventures, and Matanataki. The second Practitioners Discussion, covering the M&E Toolkit with UNEP, was held in November 2023.

- Further in-person convenings of the community of practice have been organised, including two regional convenings alongside the GCRMN-GFCR M&E workshops in Q3 2024, and a Reef Action Hub at UNOC 2025. These events aim to facilitate knowledge-sharing among all stakeholders and practitioners, and to strengthen ties for the coral reef community with investors, donors, and policymakers.
- REEF+ contributed material to the GFCR newsletters in a dedicated REEF+ Community of Practice section. This featured globally identified coral reef-positive solutions, opportunities, and demonstrative knowledge products.

Opportunities to build the GFCR Community of Practice and Knowledge Management Platform in 2024 and beyond include:

- Developing and implementing the Knowledge Management Platform to provide informative content for an array of stakeholders, including overviews of bankable solutions, case studies, stakeholder profiles, funding opportunities, and informative news. This entails curating the solutions database to cover all GFCR solutions and delivering original knowledge products, including policy papers and best practice guidelines.
- Building and engaging the GFCR Community of Practice, including holding webinars and practitioners discussions, as well as a capacity development series of events on key themes identified by the GFCR Community to better equip Convening Agents and Implementing Partners to deliver reef positive impacts.
- Developing and maintaining a network of impact investors to enable greater investor awareness and connectivity, including organising investor engagement sessions to present investable solutions, as well as products and materials to attract greater investor interest.

VII. Governance and Operations

A. Grant Fund Governance

The GFCR Executive Board (EB) was comprised of 11 members as of December 2023 – including four Member States (the Governments of the UK, France, Canada, and Germany), four philanthropies (Paul G Allen Family Foundation, Prince Albert II of Monaco Foundation, Builders Vision, and Bloomberg Philanthropies), and three Participating UN Agencies (UNDP, UNEP, UNCDF). At the beginning of the year in January, the UK government and UNEP assumed the roles of Executive Board Co-Chairs succeeding the two-year terms of Paul G Allen Family Foundation and UNDP as the first set of Co-Chairs of the GFCR.

The GFCR UN Global Team (UNGT), with the UNCDF Nature Assets team as lead, successfully led the planning of three Executive Board meetings in April, July, and November 2023. Leading up to all Executive Board meetings, the GFCR drives the initial review, evaluation, and quality assurance of all decision- and non-decision materials being submitted by Convening Agents, Administrative Agent, and partners for Executive Board discussion and deliberation. The GFCR UNGT additionally prepares documents and presentations leading up to each meeting such as the agenda, update documents, etc. Finally, the GFCR UNGT facilitates proper documentation, dissemination, and execution of decisions finalised by the Executive Board.

Through the Executive Board meetings in 2023, the Executive Board tackled twenty agenda items ranging from strategic discussions to programme proposals. Twenty-one (21) decisions were finalised, resulting in the allocation of \$18.3 million USD in GFCR grants to ten (10) discrete global, regional, and country programmes during the year.

March 2023: 9th Executive Board Meeting

On March 23rd, 2023, Executive Board members convened for one day at the sidelines of the Monaco Ocean Week with the Prince Albert II of Monaco Foundation as co-host. The meeting showcased a comprehensive agenda that covered strategic updates, policy engagements, and detailed program evaluations, reflecting the coalition's broad and dynamic approach to coral reef conservation.

The GFCR and Pegasus Capital Advisors, to kick-off the first Executive Board meeting of the year, presented key priorities and updates for the GFCR Grant and Investment Funds. The GFCR UNGT then proceeded with discussing the GFCR's Government & Global Policy Engagement. This segment underscored the importance of policy advocacy and partnerships in fostering a conducive environment for coral reef conservation and sustainable marine ecosystems management.

Three programme proposals were subsequently pitched to the board on the Micronesia Regional Programme (TNC), Maldives Programme (UNDP), and the GFCR's second country programme in Indonesia (YKAN). Icebreaker Studios also presented an Investment Case.

The meeting concluded with a presentation by UNEP on the global monitoring and evaluation framework. This critical component of the GFCR's strategy emphasised the importance of data-driven decision-making and impact assessment across all funded programmes.

EB 9 Agenda
<ul style="list-style-type: none"> ● GFCR Coalition Priorities & Updates by GFCR UNGT and PCA ● Government & Global Policy Engagement by GFCR UNGT ● Micronesia Programme by TNC ● Maldives Programme by UNDP ● Indonesia Programme (2) by YKAN ● Icebreaker Investment Case by Icebreaker Studios and GFCR UNGT ● Global Monitoring & Evaluation by UNEP

The Executive Board deliberated on the proposals, and ultimately approved a total allocation of \$5.5 million USD for the Maldives and Indonesia country programmes, and Global M&E programme under UNEP. The decision on the Micronesia programme was deferred for later consideration. These decisions were formally signed off on April 20th.

Decision #	Decision	Country / Region	Approved New Allocation
901	Maldives Resilient Reef Ecosystem and Economic Futures (Maldives RREEF)	Maldives	1,518,148
902	Micronesia Coral Reefs	Micronesia	Allocation Postponed
903	KORALESTARI	Indonesia	2,006,615
904	Implementing a Monitoring and Evaluation Framework for the GFCR	Global	2,012,584
905	Icebreaker Collaboration - Endorsement	Global	N/A
906	Proposal Development Requirements - Request to Secretariat	Global	N/A

June 2023: 10th Executive Board Meeting

From June 20-22, the GFCR EB convened virtually to discuss six agenda items. On the first day, the GFCR UNGT presented the annual report findings and the outlook for 2023. During the Investment Fund pipeline update agenda item, the GFCR UNGT, Convening Agents and Pegasus Capital Advisors presented potential Investment Fund deals in the MAR region and the Philippines and how these two potential deals aimed to collaborate and create synergies with the Grant Fund programmes, building on the expertise and capacity of Convening Agent coalitions. Following this, the GFCR UNGT

presented an overview of lessons learned, with the needs and modalities for dedicated technical assistance for reef-positive businesses being identified by GFCR partners.

On the second day, three topics were covered. During the Strategic Engagement & Communications segment, the GFCR UNGT provided a roadmap for communications, demonstration activities, resource mobilisation, and priority engagement for the coming two years. Through the Grant Fund Operational Manual segment, the GFCR UNGT presented the draft Grant Fund Operational Manual, which constitutes Guidance Notes that cover the GFCR’s operating principles guidelines, templates, and procedures for the day-to-day operations of the Grant Fund. Finally, SeyCCAT presented its full proposal for Board financial decisions.

Date	EB 10 Agenda
June 20	<ul style="list-style-type: none"> ● 2022 Annual Report Findings & 2023 Outlook by GFCR UNGT ● Investment Fund Pipeline Update by PCA and Convening Agents ● GFCR Technical Assistance and Acceleration by GFCR UNGT
June 21	<ul style="list-style-type: none"> ● Strategic Engagement & Communications by GFCR UNGT ● Grant Fund Operational Manual by GFCR UNGT ● Seychelles Programme by SeyCCAT
June 22	Formal Decision Session

On June 22nd, the Executive Board reconvened to determine decisions around four decision items outlined in the table below. Total financial decisions amounted to \$1.5 million USD towards the Seychelles Ocean’s RESOLVE programme and the Icebreaker Investment case. Non-financial decisions were also made surrounding the Technical Assistance Programme Concept and M&E framework.

Decision #	Decision	Country / Region	Approved New Allocation
1001	Ocean RESOLVE	Seychelles	426,743
1002	Icebreaker Investment	TBD	1,070,000
1003	TA Programme Concept	Global	N/A - Non-Financial Decision
1004	M&E Framework	Global	N/A - Non-Financial Decision

November 2023: 11th Executive Board Meeting

From 7-9 November, the Executive Board convened in a hybrid meeting where several Board members including the Paul G Allen Family Foundation, Prince Albert II of Monaco Foundation, and UN Agency representatives attended the meeting in-person in Geneva.

On the first day, the session commenced with a forward-looking presentation by the GFCR UNGT, introducing the 2024-2026 Global Team Proposal. This strategic document outlined the envisioned trajectory and operational priorities for the GFCR, setting a robust framework for the coalition's activities and initiatives over the next two years.

The GFCR UNGT further elaborated on technical assistance and concessional finance mechanisms through the presentation of a White Paper and Request for Applications (RFA). The team also presented results from the open call on Financial Mechanisms and on the Coral Reef Breakthrough and COP28 plans.

The second day of the Board meeting focused on programme presentations. The Micronesia Programme was presented by UNDP, Sri Lanka Programme by the IUCN, and the Jordan Gulf of Aqaba Programme by UNDP.

Date	EB 10 Agenda
7 November	<ul style="list-style-type: none"> ● 2024-2026 Global Team Proposal ● TA and Concessional Finance White Paper & RFA ● Innovative Financial Mechanisms (Open Call results) ● Coral Reef Breakthrough & COP28
8 November	<ul style="list-style-type: none"> ● Micronesia Programme ● Sri Lanka Programme ● Jordan Gulf of Aqaba Programme
9 November	Formal Decision Session

On 9 November, the Executive Board discussed ten items for decision, which were finalised on November 28th. A cumulative \$12.3 million USD were allocated towards the GFCR UNGT (UNCDF and UNDP) global programme. Country and regional programmes in Micronesia, Sri Lanka, Gulf of Aqaba, and the Global Campaign #ForCoral also had approved allocations.

Decision #	Decision	Country / Region	Approved New Allocation
1101	UN Global Team 2024-2025 Work Plan and Direct Budget (UNCDF)	Global	4,570,126
	UN Global Team 2024-2025 Work Plan and Direct Budget (UNDP)	Global	1,450,225
1102	Micronesia Coral Reefs	Micronesia	1,996,620
1103	Sri Lanka Coral Reef Initiative – SLCRI	Sri Lanka	1,524,484

1104	Gulf of Aqaba Resilient Reefs Programme	Jordan	1,628,754
1105	Global Campaign #ForCoral	Global	1,177,000
1106	Coral Breakthrough	N/A	N/A
1107	TA and Concessional Finance RFA	N/A	N/A
1108	Seychelles Supplementary Note	Seychelles	N/A
1109	Indonesia Supplementary Note (YKAN)	Indonesia	N/A
1110	UNCDF Audit	N/A	N/A

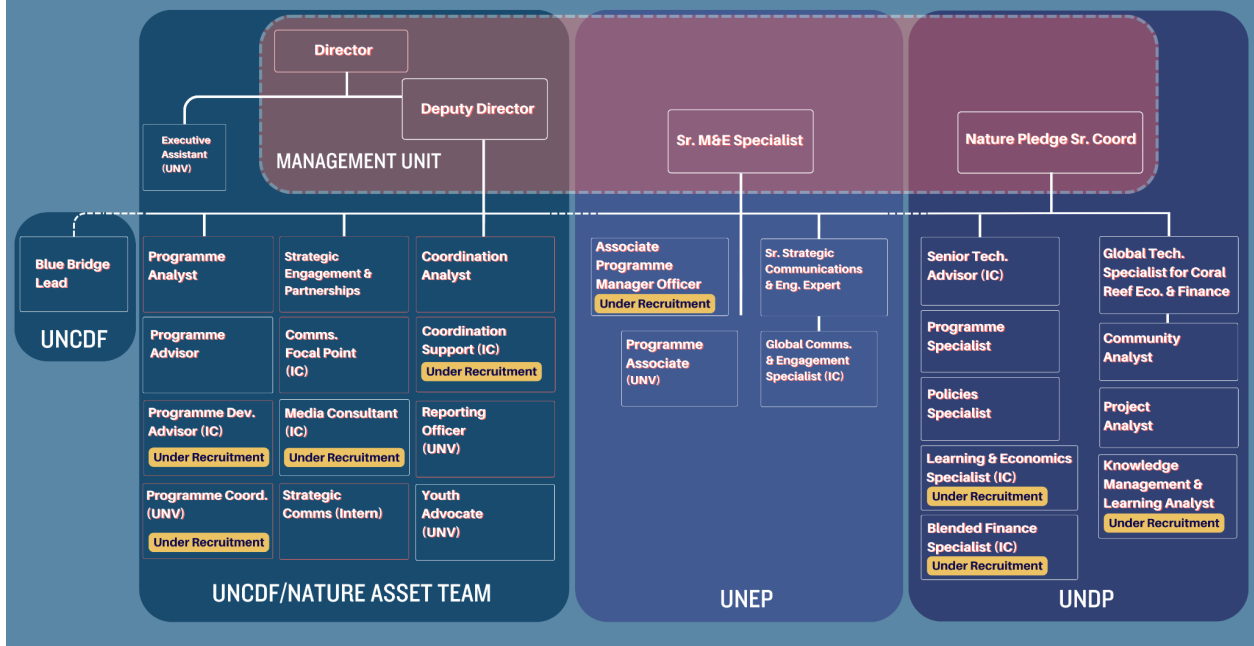
B. GFCR UN Global Team Composition

During the 2022-2023 period, the GFCR Grant Fund's day-to-day coordination and operation functions were led by what was known as the GFCR Secretariat, housed in the UN Multi-Partner Trust Fund Office (MPTFO). Those functions have now fully transitioned to UNCDF personnel. Global programmes led by UNCDF, UNDP, and UNEP were regarded as only delivering technical and advisory support to the GFCR Secretariat and Grant Fund. Together, UNCDF, UNDP, and UNEP personnel were regarded as the GFCR UNGT, but without a clear definition of what the UNGT meant.

This differentiation between secretariat coordination and operational and technical advisory support functions created a construct that resulted in disaggregated workflows and which did not recognize the need for the 3 agencies' roles to be fully coordinated and integrated to accomplish the GFCR Grant Fund objectives and support the wider GFCR Coalition. Furthermore, this created unnecessary confusion for external stakeholders (e.g., Convening Agents, Donors, Investment Fund, Partners, and others) who regard all UN personnel as working as a single GFCR team to support the coalition's overall objectives.

To address this matter, and upholding the GFCR's PUNOs MOU with MPTF, the secretariat and UNGT roles described above have been integrated into a single cross-functional and multi-agency UNGT in 2023. On 28 November, the Executive Board endorsed the programme document realigning and consolidating the UNGT so that 1) a single UNGT Management Team works cohesively towards the same objective under the strategic oversight of the Executive Board, 2) UNGT working units are established across UN Agencies, and 3) the UNGT operates under a joint work plan. The updated organigram is reflected below.

Global Fund for Coral Reefs UN Global Team Organigram



VIII. Accelerating Action: 2024 and Beyond

The GFCR sets a pioneering blended finance ambition for ocean conservation, presenting the first UN blended finance instrument dedicated to SDG14. The public-private coalition has spent four years building a global portfolio of reef-positive solutions, ready for investment and demonstration by 2030. However, the risk of insufficient donor commitment not only jeopardises coral reef conservation but also undermines SDG14 targets. GFCR's coming years hold a critical opportunity for scale and achievement of 2030 targets, including the conservation of 3 million hectares of coral reefs globally, representing 20% of the Coral Reef Breakthrough target.

Strategic Objectives

The implementation of the Replenishment Strategy aims to ensure financial predictability and sufficient coverage to achieve 2030 targets, by UNOC 2025, through:

- 1) \$150 million USD is secured through multi-year commitments by current and new donors to the GFCR Grant Fund; and \$365 million USD investment target into the GFCR Investment Fund.
- 2) Growth from five to at least eight UN Member States and from five to eight philanthropic donors contributing to the GFCR Grant Fund and joining the Global Coalition.

Strategic Approach

To ensure a full second replenishment in line with portfolio funding needs, the resources mobilisation strategy focuses on a donor approach which:

- Showcases the GFCR Grant Fund programmes progress in designing, identifying and supporting pipelines of reef-positive businesses and financial mechanisms, and relays the financial needs to facilitate continued growth and achievement of targets.
- Communicates to donors how programmes are actively contributing to the successful implementation of international commitments and processes, including the Global Biodiversity Framework (GBF), the 2030 Sustainable Development Agenda, commitments under the UNFCCC, and national priorities across programme countries.
- Utilises the extensive roadmap of ocean-related events and strategic opportunities in 2024 up to the UN Ocean Conference in June 2025 to engage with and galvanise donor and investor support.

The strategy encompasses a two-stage approach on the road to UNOC, including (1) a closed-door engagement process up to a strategic point in mid-2024 which will focus on closed-door multilateral and bilateral meetings (virtual and in-person) held between donors, potential donors, and GFCR UN Global Team representatives, GFCR Executive Board Co-Chairs and Members, and strategic partners (including ICRI). Messaging will relay to prospective replenishment donors the demonstrated needs, financing opportunities, and targets (outlined above), but also the high-visibility joining points (to become 'anchor donor' in mid-2024 or to join the Coalition for the UNOC in June 2025, and (2) the public announcement of 'anchor donors' in a 'Matching Challenge' and implementation of a visibility plan to attract a large collective of funding that will include high-level, high-visibility global calls for funding action paired with widespread outreach on the road to the UN Ocean Conference.

Following the 2024 public announcement, a consistent flow of visibility tactics will ensure consistent and high-level amplification of the Call to Action, supported by GFCR UN Officials, Executive Board Chairs and Members, Champions and Celebrity Ambassadors.

2025 UN Ocean Conference (UNOC)

The third UNOC, co-hosted by the Governments of France and Costa Rica, will focus on "accelerating action and mobilising all actors to conserve and sustainably use the ocean." The full replenishment of the GFCR aligns with UNOC's ambition, showcasing countries, philanthropic, and investment leaders stepping up to face the coral crisis and deliver on SDG14 through collective commitments.

The GFCR capitalisation announcement will be paired with the presentation of a public-private Coalition, new investment announcements, early portfolio achievements, demonstration pipelines (75+ solutions), and alignment to the GBF. Additionally, it will feature 2030 Coalition Targets.

The UNOC replenishment announcement will be showcased through a mainstage spotlight with donor state and coral nation heads of state, celebrities, private sector, and philanthropic leaders. This will extend throughout the second edition of the UNOC Reef Action Hub blue zone central pavilion, thematic side events, core UNOC SDG14 finance sessions, press conferences, media releases and interviews, articles, public leadership statements, social media, and UNOC outcome and release texts.