



# **ANNUAL NARRATIVE REPORT:**

## **MAR+Invest**

January – December 2024

## Programme Overview

Programme Title & Project Number		Programme Duration	
<b>Programme Title:</b> MAR+Invest: The Business Development and Finance Facility of the MAR <b>Programme Number:</b> 00130904 <b>Programme webpage:</b> <a href="https://mar-invest.org/">https://mar-invest.org/</a>		<b>Start Date:</b> July 2022 <b>End Date:</b> December 2030	
Programme Location		Co-recipient Organisation/s and Implementing Partners	
<b>Country/ies:</b> The Mesoamerican Reef –MAR– (Belize, Guatemala, Honduras and Mexico)  <b>Priority Coral Reef Site/s:</b> 18 coastal and marine protected areas have been identified as priority sites within the 4 MAR countries.		<b>Implementing Partner/s:</b> MAR Fund, New Ventures (NV)/ Viwala, Healthy Reefs for Healthy People (HRHP), Sureste Sostenible (SS)/ Mexican Fund for the Conservation of Nature (FMCN)	
Total Approved Budget			
<b>Total GFCR Budget:</b> US\$ 6,709,207 <b>MAR Fund:</b> US\$ 1,314,046 (inception phase) and US\$ 5,008,250 (2 years of consolidation phase) <b>UNCDF Blue Bridge:</b> US\$ 386,911			

## Programme Description

MAR+Invest, the Business Development and Finance Facility of the Mesoamerican Reef (MAR), is a blended finance mechanism with strong monitoring and evaluation of impacts, business acceleration, and a capacity building program that aims to enable conditions for a sustainable ocean-based economy in the MAR ecoregion with a positive contribution to the health and resilience of coral reefs and related ecosystems and communities of the MAR. The MAR has 1,260 km<sup>2</sup> of coral reefs associated with the coastlines of four countries, Mexico, Belize, Guatemala and Honduras, includes the longest barrier reef in the Western Hemisphere and is home to 65 coral species, over 500 fish species and 300 mollusc species. It hosts 53 species listed under the IUCN Red List of threatened species, such as sea turtles, whale sharks, and staghorn and pillar corals. The MAR+Invest initiative selected 18 coastal and marine protected areas (CMPAs) as priority sites, representing 68,211 ha of coral. The initiative is led by the Mesoamerican Reef Fund (MAR Fund), with the following implementing partners: Healthy Reefs for Healthy People (HRHP), Sureste Sostenible, the Mexican Fund for the Conservation of Nature, New Ventures, and Viwala. Its objective is to support reef-positive ventures by providing mentorship, business development and acceleration, and fostering enabling conditions for their growth. It also designs tailored financial products and aims to mobilize US\$ 45 million in private commercial capital for the MAR region. Additionally, it supports research and development and feasibility of initiatives, such as studies on King Crab mariculture, blue carbon, and biodiversity credits, to further enhance sustainable economic opportunities in the region.

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## I. Executive Summary

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### **1. Programme Progress Update**

The year 2024 was a pivotal one for MAR+Invest as the initiative transitioned from the inception phase to the consolidation phase. The insights gained during the first 18 months of the program shed light on the specific barriers and existing needs that informed the continuity of the Technical Assistance Facility, foster the growth of the reef-positive business ecosystem, and mobilize private capital. MAR+Invest made significant progress toward achieving its objectives:

- The first Build & Connect cohort, designed to create enabling conditions for coral-positive market initiatives was successfully completed. In March 2024, 21 leaders representing 14 early-stage market initiatives concluded the program. In October 2024, four of these projects were selected to receive continued mentorship in 2025, provided by Sureste Sostenible, to further strengthen their capacities and connect with investment opportunities.
- In May 2024, the GFCR approved the consolidation phase plan for MAR+Invest, covering two years (2024-2026) with a total budget of US\$ 5,008,250.
- MAR+Invest established a Guarantee Fund to de-risk investments in its portfolio, which now holds US\$ 500,000 in a MAR Fund dedicated bank account.
- The second call for proposals for the MAR+Invest Acceleration Programme was open from June 3 to July 23, 2024. It attracted 50 completed applications. The team conducted 22 interviews with early-stage and established businesses, ultimately presenting 13 profiles to the Project Selection and Investment Committee. Seven projects were approved by the Steering Committee to participate in the 2024 cohort, which launched on August 26, 2024.
- The MARFin tool was finalized and both administrator and user training were organized with the participation of 13 Coastal and Marine Protect Areas (CMPAs).
- In September 2024, MAR+Invest co-organized an in-person workshop for the LATAM Ocean Capital Collective and developed a Concept Note outlining potential actions to advance the Blue Economy and foster multi-sectoral collaboration in the MAR region.
- The MAR+Invest team participated in four knowledge-sharing workshops organized with other Conservation Trust Funds and organizations to exchange learnings on developing a blended finance program in the region.
- As of December 2024, Transactional Services had identified 30 coral-positive companies actively looking for commercial capital and 73 investors.
- Viwala, which manages concessional loans for MAR+Invest, conducted in-depth financial analyses of five reef-positive companies: Thalasso, Royal Mayan Shrimp Farms, BioPlaster Inc., Maritime Procurement Services, and Terminator Water Solutions. Private capital was obtained for Maritime Procurement Services and a concessional loan agreement is currently under development for Terminator Water Solutions (TWS).
- The MAR+Invest team participated in 16 regional, national, and international conferences to showcase the achievements of the initiative, participated as panellists in four virtual webinars, organized two webinars presenting the initiative's advances and promoting its call for proposals and published 11 social media posts.
- Sureste Sostenible contracted the consultancy group [AMPLO-KAYA](#) to conduct a deep analysis of the region's barriers to the development of public policies for investments in reef-positive market initiatives. This analysis will inform the design of the next Build & Connect cohort, scheduled for 2025.
- MAR+Invest created its account in MERMAID and migrated the Monitoring and Evaluation data to this new platform, implemented by the GFCR.

At the end of 2024, MAR+Invest reports 5,049 direct beneficiaries—people benefiting from the solutions through mentorship, capacity building, or financing, and their households when relevant—and 244,417 indirect beneficiaries, people positively impacted by the supported solutions (such as visitors to a supported site for example). To date, the program has helped create or sustain 1,224 jobs, while 3,124 people have experienced an increase in income. This report does not highlight environmental indicators as reef health indicators like coral cover, fleshy macroalgae, and fish biomass must be monitored over multiple years because coral reef ecosystems can respond slowly to changes. Corals have long lifespans and grow at a slow rate, meaning improvements from reduction of threats or conservation efforts take time to become measurable. Similarly, fish populations need time to recover, in terms of numbers and reproductive maturity. Meanwhile, macroalgae can react quickly to changes in nutrient levels, but sustained reductions requires sustained improvements in water quality and herbivore populations. Monitoring these indicators over time allows us to track trends, measure the effectiveness of management actions, and make informed decisions for adaptive reef conservation. The current values and targets can be found in the M&E framework ([Annex A](#)). Instead, and when relevant, reports will highlight baselines and progress of solution specific indicators.

## **2. Milestones and Adaptations**

### **Milestones:**

- The Transactional Services team facilitated the mobilization of a total of US\$4,415,000 during this period, which includes a US\$3,500,000 loan for Royal Mayan Shrimp Farms (RMSF), a US\$15,000 convertible note for BioPlaster, a US\$500,000 loan for Maritime Procurement Services and a US\$400,00 convertible note for Reefy.
- One key milestone achieved this year was the creation of the MAR+Invest Guarantee Fund, now totalling US\$500,000 that will be used to de-risk investments in the portfolio. The MAR+Invest Guarantee Fund is a groundbreaking tool for the region, reducing financial barriers for reef-positive businesses and enabling the growth of sustainable, ocean-based enterprises. This initiative not only supports the MAR region’s economic resilience but also contributes to the preservation of its vital ecosystems for future generations.
- Development of the first blended finance product for a reef-positive company of the MAR+Invest portfolio, Terminator Water Solutions, using both the concessional loans and the guarantee fund.
- MAR+Invest supported the in-person meeting of the LATAM Ocean Capital Collective. This meeting encouraged collaboration among like-minded organizations, resulting in the development of a concept note to guide future actions, such as establishing a secretariat for the collective, joint fundraising, and exploring the capital interventions identified during the workshop: “MAR Ventures”: A Venture Builder & Fund, a Coastal Community Financing Facility and a Conservation Finance Facility.
- The parametric insurance model to compensate small-scale fishers for lost fishing days due to extreme bad weather and developed by Willis Towers Watson (WTW), in collaboration with GOAL and MAR+Invest, has been finalized and discussions are being held to explore the design of a pilot, including the potential policy holder, insurer and reinsurer.
- Healthy Reefs for Healthy People (HRHP) released the 2024 Mesoamerican Reef Health Report Card.
- MAR+Invest now has better representation from all four countries of the MAR, particularly in the Acceleration Programme, which now also includes a venture from Guatemala.

### **Adaptations:**

- During the inception phase, MAR+Invest leveraged the findings of the MAR Ambitions initiative, organized and funded by The Summit Foundation, which identified nitrogen contamination (from agriculture and untreated wastewater) and overfishing as the two primary threats to the MAR region. Additionally, MAR+Invest's analysis of the economic landscape revealed that economic solutions addressing the lack of wastewater treatment and unsustainable fishing were significantly underdeveloped or absent from the pipeline. In response, the work plan and budget for the first replenishment were strategically adjusted to allocate greater resources toward identifying and co-designing solutions while fostering multi-sectoral stakeholder collaborations to strengthen regional partnerships and maximize impact.
- A detailed financial analysis of five reef-positive companies of the portfolio, made by Viwala, revealed that the majority were not well-suited for concessional loans as initially planned, due to their financial situations still being too uncertain. To ensure alignment with the financing mechanism, thorough evaluations are conducted for each company. Further support from other components of the initiative, including the Acceleration Programme and Transactional Services, will help improve the companies' readiness for investment.
- Identifying suitable consultants for certain technical consultancies within the work plan, such as optimizing water use in the plant upcycling sargassum (in collaboration with Carbonwave, an investee of the GFCR equity Fund), has proven challenging, resulting in delays for some activities.
- Resiliencia Azul, the team carrying out the feasibility study for Blue Carbon and Biodiversity credits in the MAR, was unable to satisfactorily complete the required deliverables. As a result, a new consulting team—comprising the Center for Research and Advanced Studies ([CINVESTAV](#)), [The Ocean Foundation](#) and the Mexican Carbon Programme ([PMC](#)), was contracted. They are on track to finalize the evaluation by August 2025.

### **3. 2025 Outlook**

Some of the main activities and objectives for MAR+Invest in 2025 are:

- Deploy the first blended finance product for a reef-positive company of the MAR+Invest portfolio, Terminator Water Solutions, using both the concessional loans and the guarantee fund. The Viwala target for 2025 is US\$750,000 in additional concessional loans for reef-positive ventures of the portfolio.
- Launch key consultancies outlined in the work plan, including the optimization of water use in sargassum recycling processes, the development of a business plan for King Crab aquaculture, and wastewater solutions mapping.
- Finalize the BRIDGE project in collaboration with GOAL, Viwala, and WTW, and explore opportunities to pilot parametric insurance in Honduras.
- Mobilize an additional US\$4.5 million in private capital to meet the 2025 target.
- Launch the second cohort of the Build & Connect program, targeting 15 leaders to enhance decision-making and influence public policy.
- Launch the third cohort of the Acceleration Programme.
- Plan the AGRRA reef health monitoring activities in the MAR: obtain permits, train approximately 40 HRHP partners from at least 15 organizations, and initiate monitoring activities in at least 200 sites.
- Organize an evaluation field mission in Mexico and North of Belize for the GFCR and its donors, UK DEFRA and Bloomberg, to visit some of the portfolio projects.
- Attend key regional and international events to showcase initiative progress and continue mobilizing funding for the region.
- Finalize the feasibility study for Blue Carbon and Biodiversity credits in the MAR.
- Develop the financial gap report for 18 CMPAs in the MAR based on the use of the MARFin tool.

## II. Programme Progress Overview

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### 1. Progress Toward Outcomes and Outputs

In 2024, MAR+Invest transitioned from its inception phase to the consolidation phase, making substantial progress toward its objectives. Key achievements included the launch of the second Acceleration Programme cohort, the establishment of a US\$500,000 Guarantee Fund to de-risk investments, and the mobilization of over US\$4 million in private capital. The initiative also prioritized solutions to the MAR region's main threats, untreated wastewater and overfishing, by allocating greater resources to co-design innovative approaches and foster multi-sectoral collaboration. The progress underscores MAR+Invest's commitment to addressing the MAR's most pressing environmental challenges. By fostering sustainable wastewater treatment, sustainable fisheries, advancing sargassum management, and supporting reef-positive ventures, the program safeguards the reef while strengthening the resilience of both ecosystems and local communities.

#### 1) Outcome 1: Generation of coral positive market-based solutions for CMPA in the MAR.

MAR+Invest continued its efforts to generate and support the coral positive market-based solutions for coastal and marine protected areas in the MAR. New Ventures (NV) launched the second call for proposals for the Acceleration Programme and selected seven ventures for the 2024 cohort. The ventures are listed below, and when applicable, with the CMPA in which they are developed or have an influence in:

- Roatan Marine Park (Bay Islands National Park, Honduras),
- Polo's Water Association (Bay Islands National Park, Honduras),
- VOS Honduras (Archipiélago Cayos Cochinos Marine Natural Monument, Honduras),
- FUNDAECO (Río Sarstún Multiple Use Area, Guatemala),
- Mexico Circula (Sian Ka'an Biosphere Reserve, Yum Balam Flora and Fauna, Mexico),
- Terminator Water Solutions (impact sites to be defined in Quintana Roo, Mexico, and, in the future, Belize),
- Escuela Itinerante de Agua y artes (impact sites to be defined in Quintana Roo, Mexico, and, in the future, Belize)

The 8-month mentoring program started in August 2024 and is running until March 2025. More details about this program can be found in the **Facilities and Conservation Trust Funds** section.

MARFin, the online platform designed for CMPAs to analyse financial information (income, expenses), which will allow them to make projections and identify financial gaps for their operations, has been finalized. MAR Fund, along with the consultant hired to develop the platform, organized a training for the administrative users (MAR Fund) and two different sessions were organized for users, 27 managers and co-managers of 13 CMPAs in the MAR. More details can be found in the **Facilities and Conservation Trust Funds** section.

Since the 2023 annual report, GOAL has finalized the capacity-building for fishers and tourism cooperatives in coastal communities along the Caribbean coast of Honduras. In total, 22 coastal communities, and independent fishers participated in the capacity building program, benefitting 945 fishers of the MAR. This initiative directly addresses economic vulnerability in coastal communities, where small-scale fishers earn an average monthly income of US\$36, placing them at high risk of poverty and financial insecurity, which is also exacerbated by climate change impacting their source of livelihood. By equipping fishers and tourism operators with the skills and knowledge to transition towards sustainable fishing and tourism practices, the program creates opportunities for higher, more stable income.



Sustainable fishing practices lead to healthier fish stocks and improved long-term yields, ensuring greater economic security for fishers. More details about this Solution can be found in the section **Solutions**. The information about the complementary initiative of designing a parametric insurance and loans for small-scale fishers in Honduras can be found in **Outcome 2**.

Since the last 2023 annual report, MAR+Invest Transactional Services<sup>1</sup> (TS) continued to provide financial analysis advice to RMSF. This support helped the company in their capital mobilization efforts and in June 2024, RMSF secured a debt restructuring and new investment from Development Finance Corporation (DFC) Belize for a total of US\$3.5 M. In total, the TS team mobilized US\$4,415,000 in private capital in 2024 (see the next section **2. Grants, Investment, Revenue Mobilised** for additional details). TS supported a total of 11 companies in fundraising and operating in the MAR, providing them with individual assistance. Viwala conducted an in-depth analysis of five companies in the pipeline: Thalasso, Royal Mayan Shrimp Farms, BioPlaster Inc, Maritime Procurement Services, and Terminator Water Solutions (details can be found in this [Annex 1](#)). The team also attended four key events to seek investors and potential partners for the MAR+Invest initiative.

- 2) Outcome 2: Livelihoods of coral-reef dependent communities are MAR positive with increased resilience to climate change

*Please note that the advances of the Acceleration Programme, Transactional Services, and Financial Mechanisms apply to both Outcome 1 and Outcome 2, as the specific outcome will depend on the nature of the Solution within the portfolio.*

In 2024, Healthy Reefs for Healthy People (HRHP) made significant progress in advancing the King Crab mariculture initiative and addressing critical bottlenecks in juvenile survival. With additional funding from the Mexican Institute for Research in Sustainable Fisheries and Aquaculture (IMIPAS, formerly INAPESCA<sup>2</sup>), HRHP continued to optimize the mariculture system and fostered new collaborations with Mexican experts. These collaborations resulted in the development of specialized feeding protocols that increased juvenile survival rates from 0.5% in 2023 to 8.06% in 2024—a 16-fold improvement. These advancements are pivotal for scaling the initiative, with ongoing efforts to replicate the mariculture pilot activities in Belize and in Cayos Cochinos, Honduras, where the tanks are being set up and two exchanges of experience have been organized with Mexico's team. The project not only promotes the sustainable production of King Crab as an eco-friendly seafood option but also harnesses the species' herbivory to support reef restoration efforts. In parallel, discussions on ensuring market readiness and long-term viability have progressed, and Terms of Reference to develop the Business Plan were updated and shared with a specific consultant. Both consultancies are expected to start in February 2025. More details can be found in the **Solutions** Section of this report.

To complement GOAL's fisher capacity-building activities on the Caribbean coast of Honduras, US\$158,475 from the FFEM-funded BRIDGE project has been allocated to design a parametric insurance (PI) for small-scale fishers affected by extreme weather events. Willis Towers Watson (WTW) collaborated with GOAL to gather fisher location data and review the PI design directly with fishing communities. Additionally, GOAL conducted training sessions to familiarize fishers with the insurance and its benefits. Meanwhile, Viwala is developing a financial model based on GOAL's report on fisher economics and

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<sup>1</sup> In 2024, the MAR+Invest Investment Banking component was renamed to Transactional Services.

<sup>2</sup> The National Institute of Fisheries and Aquaculture (INAPESCA) changed its name to IMIPAS in December 2023.

financial data, integrating both the MAR+Invest guarantee fund and the PI scheme. More details of this project can be found in the Section **Solutions**.

In 2023, MAR+Invest joined the [LATAM Ocean Capital Collective](#), a regional partnership focused on co-designing and piloting capital instruments and infrastructure to support sustainable ocean innovations and businesses in Latin America. In September 2024, MAR+Invest and Comunidad y Biodiversidad, A.C. (COBI) co-organized the Collective's first in-person meeting in Playa del Carmen, Mexico, bringing together the collective members and other key organizations like The Nature Conservancy (TNC), the International Institute for Environment and Development (IIED), and Stanford University to address funding challenges and develop innovative solutions for issues such as overfishing, and support for fishing communities and no-take zones. A key outcome of the workshop was the elaboration of a concept note ([Annex 2](#)) outlining the complex challenges faced by MAR communities and the need for a transnational, multi-sectoral approach. An estimated US\$500 million is needed to support fishers, Civil Society Organizations, and entrepreneurs, who rely on the MAR. To maximize collective impact, the initiative prioritizes system-wide interventions over isolated efforts. It proposes three key financial mechanisms:

1. **A Venture Builder & Fund** to scale ocean-positive businesses.
2. **A Coastal Community Financing Facility** to improve financial access for fishers and small enterprises.
3. **A Conservation Finance Facility** to unlock funding for large-scale marine conservation.

This concept note highlights next steps to meet the capital needs identified, along with a joint funding appeal for US\$250k. To date, the concept note has been shared with The Nature Conservancy-Mexico, the International Development Bank (IDB), [Co-Capital](#) and [Nuup](#). Now renamed *Innovadores Azules*, the collective continues to search for and collaborate on multi-stakeholder initiatives.

The creation of the MAR+Invest *Guarantee Fund* marks an innovative and promising mechanism for the MAR region, unlocking new opportunities to catalyze sustainable investments. Recognizing the need to de-risk investments in reef-positive businesses, MAR+Invest designed the guarantee fund to provide financial security and build confidence among investors. MAR Fund established a dedicated bank account at JP Morgan to house the guarantee fund that was officially launched on June 14, 2024, with an initial transfer of US\$250,000 from the first tranche of GFCR consolidation phase funding. By December 12, 2024, a second transfer of US\$250,000 brought the total guarantee fund value to US\$500,000, demonstrating strong financial backing for the initiative. To operationalize this innovative mechanism, MAR Fund and Viwala developed a template agreement to govern the use of the guarantee for portfolio ventures.

Sureste Sostenible (SS), leading the Build & Connect program within MAR+Invest, finalized the first cohort in March, 2024, where 16 leaders, representing 14 projects, attended 80% of the virtual sessions to successfully complete the program. SS is continuing its support to four of the projects of the 2023 cohort through mentoring and designing the next cohort, to take place in 2025. Please refer to Sections **Solutions** and **Enabling Conditions** for more information about this component.

The lack of wastewater treatment and sargassum accumulation are issues that not only threaten the delicate reef ecosystem, but also impact the livelihoods and well-being of coastal communities that depend on its health. Recognizing the urgency, MAR+Invest has taken significant steps to address these pressing concerns through innovative approaches and strategic partnerships.

- To tackle wastewater pollution, MAR+Invest partners have developed Terms of Reference and selected a consultant for a study focused on identifying companies working on wastewater

treatment solutions in Honduras and Mexico. While the analysis will focus on these two countries due to their more advanced wastewater management sectors, opportunities in Belize and Guatemala will also be explored. This initiative will map ventures in the region, assess their business models, and identify at least one project that can be piloted with catalytic or concessional funding. Such efforts are vital for reducing nutrient pollution and enhancing water quality, directly supporting reef health and resilience and sustainable development in the region. The consultancy aims to start in February 2025.

- MAR+Invest is also addressing the growing challenge of sargassum accumulation, a phenomenon exacerbated by high ocean temperatures and nutrient overload in marine ecosystems. In collaboration with Carbonwave and the GFCR Equity Fund, MAR+Invest is launching a consultancy to optimize and reduce water consumption in Carbonwave's sargassum upcycling processes before they scale operations. Terms of Reference were developed, and an open call for proposals was launched. Although no proposals were initially received, the deadline was extended to February 2025, and four organizations are now engaging with Carbonwave to submit their proposals. The aim is to enhance the sustainability of sargassum management and processing by one of the most important players in the region.

During 2024, MAR+Invest continued its fundraising efforts, by searching and applying to open calls for proposals (OCEAN - UK DEFRA, Climate Gender Equity Fund, Catalytic Climate Facility). Additionally, feedback was received on the concept note submitted to the Green Climate Fund and together with the International Union for the Conservation of Nature (IUCN) and the Smithsonian Institute, MAR Fund is updating the concept note. This project seeks to bridge funding gaps for coastal-marine Nature-based Solutions (NbS) by combining tools that attract capital. Using initial GCF grant funding, it will develop a pipeline of bankable NbS business models designed to catalyze investment, moving beyond traditional publicly funded ecosystem restoration. The components are: 1. Planning and programming transformed to incentivize private investment in NbS business models. 2. Supply of innovative, inclusive and bankable NbS business models strengthened for private investment. 3. Demand for inclusive and bankable NbS business models increased by de-risking private investment. 4. Knowledge management increased about positive impacts of equitable and bankable NbS business models to mainstream climate risks and opportunities into all business decision-making.

In 2024, MAR Fund and partners raised US\$1,498,597 in matching funds to contribute to the development of the Blue Economy in the MAR and contributed US\$39,470 in-kind.

### 3) Outcome 3: MAR Emergency Fund effectively responds to major shocks

To date, no progress has been made on the development of the Emergency Fund Action Plan as it depends on the loans made to the ventures identified, and none have been finalized at this time. The first loan is planned to be deployed in early February 2025, from which benefit-sharing mechanisms discussions will take place.

The Emergency Fund (EF) is a financial mechanism established by MAR Fund through the Reef Rescue Initiative (RRI) to provide rapid funding for responding to coral reef damage caused by natural disasters or anthropogenic activities. By the end of 2024, it had US\$358,978 and is invested in short term instruments, to be available for emergencies. EF is capitalized annually with US\$30,000 obtained from the revenue of the RRI endowment generously donated by the KfW Foundation. The fund supports emergency response actions across the MAR region, collaborating with national and local partners to mitigate damage and ensure timely intervention. The EF is managed by MAR Fund through the EF Coordinating

Committee (EFCC). When an emergency occurs, the EF can disburse up to US\$25,000 for activities such as rapid damage assessments, rescue and stabilization of corals, equipment purchases, and support for emergency response brigades.

The EF is also the payout management mechanism for the parametric insurance for reefs. When a hurricane triggers an insurance payout, the funds are deposited into the Emergency Fund, which then distributes them to a pre-designated local organization responsible for implementing emergency response actions. To receive funds, the organization must complete a simple format and budget detailing the planned interventions. As examples, the Emergency Fund was triggered in 2022 by Hurricane Lisa and a US\$175,000 payout was disbursed, funding rapid reef damage assessments and recovery efforts in the Turneffe Atoll Marine Reserve (TAMR), and, in 2024, Hurricane Beryl led to emergency response activities in Puerto Morelos, where 1,275 coral fragments were stabilized, and 275 coral colonies were relocated to safer environments.

After months of collaboration with Resiliencia Azul on the feasibility study for Blue Carbon and Biodiversity credits in the MAR, MAR Fund made the decision to terminate the grant agreement due to delays and unsatisfactory deliverables. To ensure the continuity and success of this critical work, MAR Fund identified a new partnership to continue the project. A grant agreement has been developed with the Centre of Investigation and Advanced Studies ([CINVESTAV](#)), [The Ocean Foundation](#) and the Mexican Carbon Programme ([PMC](#)) to jointly develop the feasibility study. With activities set to begin in February 2025, this collaboration promises to bring expertise and renewed momentum to this innovative effort to evaluate the potential of Blue Carbon and Biodiversity credits for the MAR region. Based on field experience and recent findings, the consulting team suggests that blue carbon credits linked to mangroves may be more feasible than biodiversity credits, as they appear to have clearer measurement methodologies and a more established market. Biodiversity remains challenging to quantify and monetize.

## **2. Grants, Investment, Revenue Mobilised**

### **1) Grants and Investments:**

The MAR+Invest Transactional Services (TS) supported 11 companies this year and the total number of companies in the TS pipeline as of December 2024 is 30 ([Annex 3](#)). TS mobilized a total of US\$ 4,415,000 in private capital in 2024, successfully achieving its 2024 target of US\$ 3.5 M and bringing the initiative's total leverage to date to US\$ 4,815,000 (not counting the US\$ 6 million investment from GFCR's Equity Fund, Pegasus Capital, into Carbonwave). The investments mobilized this year were: US\$ 3,500,000 was raised in debt restructuring and equity for Royal Mayan Shrimp Farms, US\$ 15,000 USD as convertible note for BioPlaster Inc., a US\$ 500,000 loan was mobilized for Maritime Procurement Services and a US\$400,00 convertible note for Reefy.

Royal Mayan Shrimp Farms ([RMSF](#)) has successfully improved and implemented Recirculating Aquaculture System (RAS) technology, enabling the efficient recirculation of all water used within the farm. This innovation eliminates wastewater discharge into the environment, preventing potential impacts on nearby interconnected mangroves and coral reef systems. Additionally, it removes the need for farm expansion to construct more ponds, preventing additional mangrove destruction. MAR+Invest's Transactional Services has been supporting the company by providing financial guidance, helping them secure new funding for RAS implementation and operation. In June 2024, RMSF received new investment from DFC Belize, including a loan of BZ\$ 3 M (approximately US\$ 1.5 M) and a debt-to-equity swap amounting to BZ\$ 4 M (around US\$ 2 M). Together with the debt extension of US\$ 300,000 in 2023, the

financial support received comes to a total of US\$ 3.8 M, helping one of the largest shrimp farms in Belize transition to sustainable aquaculture methods, significantly contributing to reducing its wastewater. More details can be found in this Case Study ([Annex 4](#)).

[BioPlaster](#) participated in the 2023 Acceleration Programme where it developed its business model and finalized its first prototype of the sargassum foam for packaging. Thanks to the efforts of MAR+Invest's Transactional Services, in July 2024, BioPlaster raised US\$ 15,000 in equity funding from [Espera Ventures](#) which allowed the founders to restructure their strategy, going from manufacturing themselves to finding able suppliers. This enabled them to lower their costs and require less capital in their next funding round, lowering their investment risk.

In November 2024, Viwala mobilized US\$500,000 in private capital for [Maritime Procurement Services](#) (MPS), a Mexican company addressing waste management for the shipping industry. This funding will support a cruise ship solid waste and cooking oil treatment plant in Cozumel, Mexico, which is home to the Caribbean's busiest cruise ship port, where 6.3 million passengers docked in 2023<sup>3</sup> and in 2024, recorded 106 tonnes of waste per day. Cozumel faces significant pressure on its natural resources and infrastructure and MPS offers a crucial solution to alleviate this strain, promoting sustainable waste practices, protecting Cozumel's ecosystems, and enhancing the overall health of the MAR.

MAR+Invest TS supported Reefy in securing US\$400,000 to accelerate its commercial development and team growth. Reefy provides nature-inspired coastal infrastructure solutions, enhancing sustainability and efficiency. Their "**Reefy Living Breakwater**", an artificial reef, boosts biodiversity, reduces material use by 60%, and optimizes space. This funding, raised through a convertible note from [NEW-ttt](#), a leading initiative in water technology innovation, will help Reefy expand operations and scale its impact, including in Quintana Roo.

## 2) Revenue and Sustainability:

In 2024, no revenues were generated from the portfolio as no direct investments have been finalized yet.

## 3) Challenges and Next Steps:

MAR+Invest has identified the need to optimize its processes for interacting with ventures under consideration for funding. With multiple partners involved in financial, environmental, and social assessments, the process may feel a bit confusing for applicants. To address this, the team is developing a streamlined checklist to clearly outline requirements for all interested companies in the portfolio. Recognizing that some businesses outside the conservation sector may be unfamiliar with specific requirements, MAR+Invest is committed to managing expectations and improving clarity from the start. These adjustments, informed by lessons learned, aim to make the process more efficient and user-friendly while maintaining high standards.

Additionally, improving communication across different components of the initiative remains a priority. For example, some participants in the Acceleration Programme misunderstood the program to include direct funding. Moving forward, MAR+Invest will ensure clearer messaging to avoid such misunderstandings and enhance participant engagement.

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<sup>3</sup><https://siturq.gob.mx/lector?name=Agosto%202024&url=https://returq.siturq.gob.mx/storage/pdf/situr/tourist-information/171d15a7-57e7-40c1-a57c-34b991fa4b30.pdf>

Another challenge encountered was the limited number of companies with a clear environmental impact on the Mesoamerican Reef that were sufficiently prepared to receive loans. Many of the early-stage companies evaluated, such as Thalasso, BioPlaster and Servicios Digitales para la Pesca Sostenible SAPI de CV (SEPES, the company behind PescaData), lacked financial readiness, requiring extensive support from the Transactional Services team and the Acceleration Programme. As a result, the process of preparing these companies for presentation to Viwala takes longer than initially anticipated.

MAR+Invest found it challenging to maintain frequent contact with supported businesses and accessing crucial information and data, particularly related to environmental and social indicators. To address this, a short questionnaire has been developed and will be sent twice a year to all participants of the Acceleration Programme and TS. This will help collect information and measure progress over time.

#### **4. Challenges and Lessons Learned:**

After an initial delay in the start of the consolidation phase, MAR+Invest quickly moved forward setting up new agreements and contracts to roll-out the new components of the consolidation phase: concessional loans, guarantee fund, new collaborations and studies.

It remains challenging to identify and secure appropriate consultants and organizations to carry out the very specific technical projects in the region, which has resulted in some delays in executing some activities.

Fundraising is a continuous activity, which frequently is a lengthy process.

#### **5. Emerging Risks**

In 2024, no new emerging risks were identified despite recent changes in government in Mexico and Guatemala. Looking ahead to 2025, there may be modifications given changes in the United States and upcoming elections in Honduras, which could impact policy directions and regional cooperation. MAR+Invest will continue monitoring these developments to anticipate any shifts that may affect its initiatives.

### **III. Solutions**

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#### **1. Overview of Progress and Composition of Solution Portfolio**

Since the approval of the replenishment in May 2024, MAR+Invest has prioritized resources to address two of the MAR's primary threats: overfishing and the lack of wastewater treatment and sanitation. The different components of the initiative are placing even greater emphasis on identifying and supporting solutions in these critical sectors, building on existing efforts. Notable progress has already been achieved in this implementation period:

- The Build & Connect 2025 cohort will focus on addressing key barriers, including those related to these two threats to enable the design of public policies for businesses and ventures with a positive impact. It will support 15 leaders working on public policy topics in the region.
- In the current 2024 cohort of the Acceleration Programme, three of the seven selected ventures are directly implementing wastewater treatment solutions. Between the first and second cohort of acceleration, 15 early-stage ventures have been supported.



- A consultancy has been launched to map at least 20 wastewater treatment solutions in the MAR, with the goal of piloting one identified solution. Another consultancy aims to reduce water use in sargassum upcycling processes and minimize the resulting wastewater.
- Crucial partnerships and roadmaps have been developed through the LATAM Ocean Capital Collective with regional actors such as Future of Fish and COBI to address overfishing.
- A parametric insurance mechanism has been designed to support fishers' livelihoods, de-risk investment into the fishing sector and support adoption of sustainability practices. A total of 945 fishers received capacity building.
- The investment portfolio, through Transactional Services, supported 11 companies in the portfolio (5 related to Circular Economy & Pollution Management, 4 related to Sustainable Ocean Production, 2 related to Sustainable Coastal Development). These companies are promoting to sustainable aquaculture, artificial reefs, productive use of sargassum and solid and wastewater management.

Gender Equity and Social Inclusion (GESI) is embedded as a core element throughout MAR+Invest's pipeline. All solutions selected through calls for proposals, such as those in the Acceleration Programme and Build & Connect initiatives, are carefully screened against GESI criteria to ensure inclusivity and equity. Additionally, MAR Fund's Environmental and Social Management System (ESMS) serves as a key framework, guaranteeing that GESI considerations are integrated into every stage of project evaluation and implementation. This ensures that selected ventures not only contribute to reef-positive outcomes but also that their activities comply with equity and inclusivity. To continuously improve its internal procedures and safeguards, in 2024, MAR Fund developed a standalone policy for the Prevention of Sexual Abuse and Harassment (PSEAH). Further details can be found in the dedicated **Gender Equity and Social Inclusion (GESI)** section.

### **Solution: King Crab aquaculture**

The King Crab aquaculture project made significant progress in overcoming key challenges, particularly juvenile survival rates. A specialized feed, developed by IMIPAS, in collaboration with Dr. Carlos Maldonado from Universidad Nacional Autónoma de México (UNAM), was introduced to address the high nutritional demands of juveniles during moulting. This feed led to a substantial improvement in survival rates, increasing from 0.5% in 2023 to 8.06% in 2024—a 16-fold improvement. Comparisons between cohorts highlighted these advances: the 2023 cohort, fed commercial feed, reached only a 1.1% survival rate, whereas the 2024 cohort using the specialized feed achieved 28.25% survival. Weekly survival assessments revealed that while the 2024 cohort grew more slowly, their survival rates were 20 times higher, marking a critical breakthrough in the aquaculture process. Once crabs surpass the survival bottleneck at 3 cm carapace width, they are transferred to grow-out tanks for further development. Current efforts focus on maintaining complete cohorts from hatching to market size to assess grow-out tank capacity and establish production timelines. Ongoing research and development efforts were supported by matching funds from IMIPAS (approximately US\$ 16,440) and some of the remaining funds from the inception phase. A US\$ 90,000 in grant funding from GFCR will support the continuity of this mariculture research and development project. These combined efforts are paving the way for the project to achieve its dual goals of sustainable production of king crab and coral reef ecosystem restoration.

In addition to technical improvements, the project expanded regionally, with work progressing on mariculture development in Belize (pending a new location) and a land-based pilot in Cayos Cochinos, Honduras. The development of a business model for the Caribbean King Crab (CKC) mariculture has also advanced. Key learnings from discussions with regional partners to enhance feasibility, scalability, and

market potential have been incorporated. Technological advancements, such as vertical farming systems, have been identified as a potential solution to space constraints and cannibalism issues, drawing from successful applications in mud crab farming. Financial projections have been refined to reflect regional market conditions, moving beyond initial assumptions based on Alaskan King Crab pricing. Additionally, the introduction of a fattening stage presents an opportunity for local actors—fishing communities, coastal and marine protected areas, private enterprises, and research institutions—to participate in the value chain, boosting economic and employment opportunities. The market research has underscored both challenges and opportunities: while CKC is well recognized in Honduras, awareness remains low in Mexico and Guatemala, requiring targeted strategies to stimulate demand. Internationally, declining Alaskan crab populations and strong global demand create a strategic opening for CKC as a sustainable seafood alternative. These insights and innovations provide a strong foundation for the successful commercialization of CKC aquaculture in the future. To follow-up on these advances, new Terms of Reference to launch the Business Plan consultancy have been developed, which will lead to the creation of a comprehensive model for CKC production, positioning them as a sustainable seafood product and a tool for reef restoration through herbivory. The objective is to start the consultancy in February 2025.

#### **Solution: Royal Mayan Shrimp Farms**

Since the 2023 annual report, MAR+Invest Transactional Services has continued to provide financial analysis advice to RMSF. This support helped the company in their capital mobilization efforts and in June 2024, RMSF secured a debt restructuring and new investment with Development Finance Corporation (DFC) of Belize for a total of US\$ 3.5 M. Together with the debt extension from 2023, the support provided now totals US\$ 3.8 M towards transitioning one of the largest shrimp farms in Belize, significantly contributing to reducing its wastewater. Viwala continues to monitor the commercial progress of the company to evaluate a potential loan in the future. More details can be found in this Case Study ([Annex 4](#)).

This innovation eliminates effluents from the shrimp farm aquaculture ponds, avoiding nutrient pollution into the Placencia lagoon and neighbouring coastal waters, preventing potential impacts on nearby interconnected mangroves and coral reef systems. Additionally, it removes the need for farm expansion to construct more ponds, preventing additional mangrove destruction.

#### **Solution: Enterprise development for fisheries with de-risking mechanisms in Honduras**

In 2024, GOAL continued to provide capacity building to fishers in coastal communities in the Caribbean coast of Honduras. In total, 22 coastal communities and additional independent fishers participated in the capacity building program, benefitting 945 people, 579 men and 366 women, which covered the following topics: Best Fishing Practices, Marine Management, Finance and Business, Good Sustainable Tourism Practices and Management skills and learnings from the HRHP 2022 Report Card. GOAL conducted 22 business diagnostics for community fishing enterprises to identify gaps within their business units and determine areas for improvement. Strengthening and supporting the legalization of fishing associations is essential for their economic and competitive development. Through these assessments, GOAL provided targeted support to help these enterprises establish legal structures, obtain a National Tax Registry Number (RTN) and sanitary licenses, set up bank accounts, implement proper invoicing processes, and secure the necessary permits. The formalization and compliance with legal requirements not only allow them to access new markets and resources but also improve their internal organization and transparency, ensuring long-term sustainability. These efforts support the transition of fishers towards sustainable practices and management of marine resources, while supporting their bankarization and ability to access potential financial resources.



The additional grant of US\$ 158,475 from the BRIDGE project, a RedLAC project funded by FFEM and MAVFA Foundation, has been advancing in parallel to GOAL's fisher capacity building activities. WTW finalized the parametric insurance (PI) model for chronic and extreme weather days for small-scale fishers by collaborating closely with GOAL to review the design with the fishermen. GOAL provided additional capacity building to fishers about the PI and its benefits. Viwala, is designing a financial model, based on findings from GOAL's report of fisher's economics and financial information, combined with the MAR+Invest guarantee fund and the PI. MAR+Invest is actively exploring options to pilot the PI for fishers in Honduras, engaging with local and international partners—including GOAL, WTW, Blue Marble, and RARE Conservation—to define the policyholder, insurer, and reinsurer framework, among other elements required for the PI. Discussions with WTW and GOAL have confirmed significant interest among fishers in trialling this insurance mechanism. The BRIDGE project is set to conclude in June 2025 and based on its final results, MAR+Invest will advance efforts to implement the insurance pilot in Honduras and assess the feasibility of replicating the model in another MAR country, likely Mexico. More details can be found in this Case Study ([Annex 5](#)).

Additional information about the wider pipeline and Solutions can be found in [Annex C](#).

## **2. Support and Financing**

The 2024 Acceleration Programme cohort predominantly featured early-stage enterprises. Recognizing their developmental needs, the partnership emphasized the importance of mentorship to strengthen these companies. The aim is that after acceleration, some of the ventures may be ready to access concessional loan products through Viwala. Through a combined effort between the Acceleration Programme and Transactional Services, MAR+Invest aims to improve the investment readiness of these solutions, ensuring they can eventually secure financing.

The Guarantee Fund is instrumental for de-risking investments. Currently, the first concessional loan for a portfolio solution, to be approved in January 2025, is under analysis and includes use of the Guarantee Fund. This critical mechanism will make it possible to attract commercial capital for the enterprise, which would have been unlikely otherwise.

## **3. Challenges and lessons learned**

One of the main challenges we face is ensuring that companies in the MAR+Invest pipeline can access the right type of funding for their stage and needs. Many traditional investors in the region prioritize later-stage or larger-scale ventures, leaving a gap for early-stage companies and smaller businesses with high-impact potential. This challenge drove the MAR+Invest team to: 1) develop the guarantee fund as an innovative solution to unlock capital for these ventures, and to 2) allocate resources to provide grants to portfolio ventures that still need catalytic funding to reach maturity. By bridging this funding gap, we aim to not only support the growth of impactful businesses but also encourage funders to see the value and opportunity in investing in early-stage and smaller-scale initiatives.

In 2024, Viwala analyzed Terminator Water Solutions, a company in the second cohort of the Acceleration Programme that specializes in building wastewater treatment plants for individual households. Healthy Reefs for Healthy People and MAR Fund developed the indicators and applied the environmental and social safeguards, respectively, that will be linked to the loan proposal. The MAR+Invest Committee is planned to be held in January 2025 to evaluate the proposal.

#### 4. Objectives and Milestones for 2025

MAR+Invest will launch its third Acceleration Programme to continue to strengthen and grow its portfolio. It also aims to attract US\$ 4.5 M in private capital to the companies of the portfolio that are ready for investments. Importantly, it will identify good candidates for concessional loans and reduce potential risks with the guarantee fund when necessary. For 2025, the objective is to deploy US\$750k in concessional loans.

After the deployment of the first loan, it will monitor progress and impact indicators of the company over the period of the loan.

The grant portfolio will see the launch of consultancies related to optimization of sargassum upcycling, wastewater treatment solutions, the King Crab Business Plan, and deployment of grants to ventures of the portfolio that need catalytic funding.

## IV. Facilities and Conservation Trust Funds

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### 1. Design Overview

To respond to the current status of the Blue Economy space in the MAR, MAR+Invest was implemented and structured in a way to collaboratively address systemic barriers, support reef-positive businesses, and create transformative impacts in the region.

MAR Fund is the convening agent and coordinates efforts between partners and manages the grant portfolio and philanthropic fundraising efforts (see Figure 1). The components of MAR+Invest are:

- Pipeline Development through:
  - Grants: Catalytic funding is used to support market initiatives in very early stage, and fund studies and market analysis of key sectors for the MAR, among others. This effort is led by MAR Fund.
  - Build & Connect Program: Supports early-stage entrepreneurs in the design of their ventures and engages stakeholders to address systemic challenges, such as policy and regulatory barriers, and fosters partnerships to enhance the enabling environment for reef-positive businesses, led by Sureste Sostenible.
  - Acceleration Programme: Provides tailored support to early-stage ventures, including mentorship, business model development, and financial planning towards investment-readiness, led by New Ventures.
  - Transactional Services: Facilitates financing by preparing ventures for investment and connecting them with capital providers, led by New Ventures.
- Impact Evaluation: Ensures robust evaluation of environmental, social, and financial outcomes to demonstrate the initiative's contributions to reef health and community resilience, led by HRHP.
- Financial Options: Blended Finance Mechanism combines public and private funding to de-risk investments and attract commercial capital to reef-positive businesses, led by Viwala, New Ventures. Additionally, the guarantee fund, held in MAR Fund and invested, and exploration of innovative mechanisms such as Parametric Insurance.

All the program components include gender and social inclusion criteria in their evaluation and selection process, prioritizing ventures that involve underrepresented groups or address their needs.

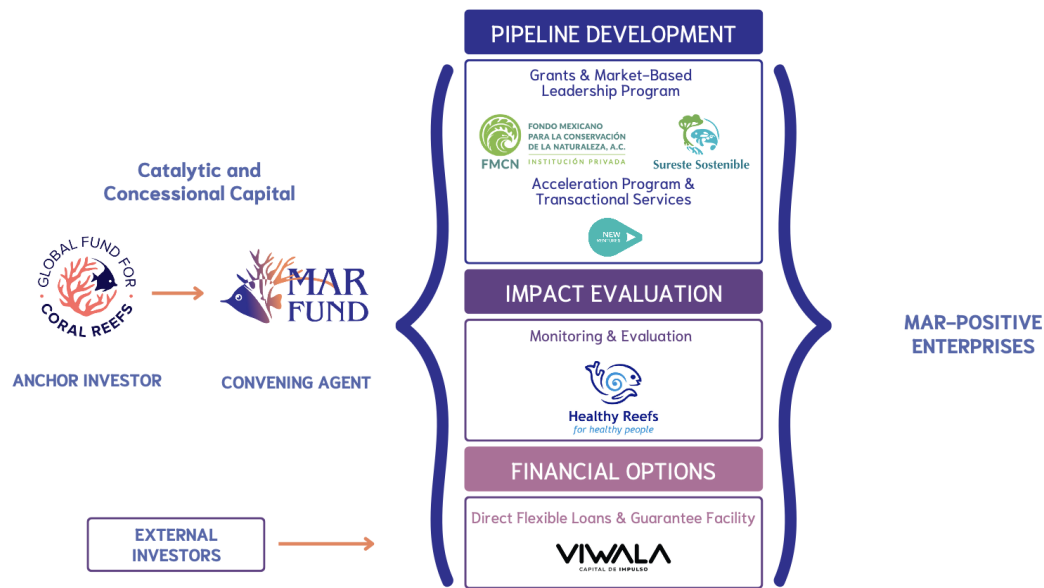


Figure 1: MAR+Invest structure

## 2. Progress and Challenges

### Transactional Services - operational

Transactional Services (TS) focused on identifying market-based solutions that require funding to grow and scale their operations. In 2024, the team worked directly with eleven companies, with six receiving in-depth support for pitch decks, financial models, and data room evaluations. The goal is to mobilize private resources for the MAR, aiming for US \$45 million by 2030. The target for 2024 was to raise US\$ 3.5 million in private capital, and MAR+Invest successfully mobilized a total of US \$4,015,000, which includes US\$ 3,500,000 for Royal Mayan Shrimp Farms (RMSF), US\$ 15,000 USD for BioPlaster and US\$ 500,000 for MPS. The TS team also worked on building relationships with potential financing sources. However, challenges were faced in finding projects at the right stage for funding and meeting the impact assessment requirements developed in collaboration with HRHP. The identified companies operate within key sectors such as ecotourism, circular economy, seaweed upcycling, sustainable ocean production, and wastewater treatment.

### MARTAF - operational

As part of its mandate, MARTAF evaluates and integrates innovative solutions into its portfolio to address critical challenges in the MAR region. It is one of the few Technical Assistance Facilities (TAFs) launched by a Conservation Trust Fund specifically focused on enterprise development and attracting new funding streams for reef conservation.

In 2024, MAR+Invest was invited to participate in four different knowledge-sharing mentorships and workshops. See Section **Fostering Collaboration Among Partners** for more details. MARTAF fosters these collaborations and explores innovative financial tools, sharing its results widely.

### Build & Connect - operational

Sureste Sostenible (SS), who leads the Build & Connect program within MAR+Invest, finalized the first cohort in March, 2024, with an in-person graduation held in Puerto Morelos, Mexico. Of the 21 leaders in

the program, 16 attended at least 80% of the virtual sessions. Of these, 11 were women, 5 were men, and 2 identified as Indigenous. These participants represented 14 projects with market-based solutions to marine conservation threats. Feedback was overwhelmingly positive, with 81.3% rating the program as excellent, 97.6% affirming advancements in their business models, and 100% reporting improved leadership skills.

In the consolidation phase, SS sent an invitation to the 2023 Build & Connect cohort to apply for additional tailored mentorship support, targeting key areas such as business model optimization, financial planning, and market connections. The four selected projects are:

- Sustainable Macroalgae Cultivation (Guatemala-Río Sarstún Multiple Use Area): Supporting alternative livelihoods for local fishermen.
- Marine Interpretive Trails (Mexico-Puerto Morelos Reef National Park): Promoting conservation and ecotourism through artificial habitats.
- Biodiversity Credits for Reef Conservation (Mexico-Cozumel Reefs and Xcalak Reefs National Park): Valuing reef biodiversity through innovative financing mechanisms.
- Beaches without Sargassum (Mexico-Puerto Morelos Reef National Park, Refuge Area Akumal Bay and Mexican Caribbean Biosphere Reserve).

A preliminary review of the projects' goals and opportunity areas revealed shared challenges, such as the need to strengthen their financial sustainability and expand their reach to potential clients and investors. In this regard, key opportunity areas identified include enhancing their commercial, legal and financial strategies to position products in target markets, strengthening business models and marketing strategies, and conducting in-depth analysis of critical aspects specific to each project.

Additionally, SS has advanced in the design and development of the next Build & Connect cohort to take place in 2025 and that aims to engage 15 public officials, policymakers, and government agents in designing or enhancing public incentive programs and policies to reduce barriers for businesses and ventures with a positive impact on the reef. See more details for this part of the Solution in Section **Enabling Environment**.

#### **Financial mechanisms and Guarantee Fund - operational**

Viwala is responsible for analyzing investment opportunities, managing concessional loans and recommending use of the guarantee fund for eligible ventures. Following the replenishment approval and reception of the first tranche in June 2024, MAR Fund opened a dedicated bank account in JP Morgan to establish the MAR+Invest guarantee fund. Legal consultations were conducted to determine the most effective framework for the guarantee and concessional loans. Based on these inputs, final documents were developed to: 1) formalize the guarantee agreement template, signed between MAR Fund and Viwala when the guarantee is used for a company, and 2) formalize the agreement between MAR Fund and Viwala for use of the concessional loan funds, to be disbursed by Viwala.

Viwala submits quarterly reports to MAR Fund with updates regarding use of the concessional funds for loans or use of the guarantee fund. As of December 2024, no loans had been deployed, and the guarantee fund had not yet been utilized. However, one company, Terminator Water Solutions, is under evaluation and will be presented to the steering committee in January 2025.

#### **Acceleration Programme - operational**

In this reporting period, New Ventures launched the second call for proposals for the Acceleration Programme to support market-based solutions that positively impact the MAR. Potentially, the selected ventures can expand the project pipeline in the four MAR countries to address the key threats to reef

health: overfishing, water pollution, and climate change. Applications were open from June 3rd to July 23rd 2024, resulting in 100 registrations and 50 completed applications. The team conducted 22 interviews with early-stage and established businesses, ultimately presenting 13 profiles to the Project Selection and Investment Committee consisting of representatives from MAR Fund, HRHP, Sureste Sostenible, New Ventures, Viwala, and three external members on August 6th, 2024. From this session, eight runner-up projects were chosen, and on August 9th, 2024, the Steering Committee narrowed the selection to seven projects for the second cohort of the Acceleration Programme, 5 of which operate in MAR+Invest priority Coastal Marine Protected Areas (CMPAs). This cohort includes three companies from Mexico, three from Honduras, and one from Guatemala.

The seven projects are:

- Roatan Marine Park (CMPA: Bay Islands Marine Park, Honduras),
- Polo's Water Association (CMPA: Bay Islands Marine Park, Honduras),
- VOS Honduras (CMPA: Cayos Cochinos, Honduras),
- FUNDAECO (CMPA: Río Sarstún Multiple Use Area, Guatemala),
- Mexico Circula (CMPA: Sian Ka'an Biosphere Reserve, Yum Balam Flora and Fauna, Mexico),
- Terminator Water Solutions (impact sites to be defined in Quintana Roo, Mexico, and Belize),
- Escuela Itinerante de Agua y artes (impact sites to be defined in Quintana Roo, Mexico, and Belize)

Details on each one can be found in this [Annex 6](#).

The programme officially kicked off with a virtual launch event on August 26th 2024, and will run until March 31st 2025. During this time, participants will receive an individual diagnostic to identify key opportunities, develop tailored work plans, and are paired with a specific mentor to provide tailored support to the entrepreneurs. Participants will also take part in group workshops on relevant topics such as finance, storytelling, and business model canvassing. Additional individual support will be provided by HRHP to develop and strengthen impact indicators to measure direct and indirect links to the reef, they will have access to mentors from the New Ventures' Sustainable Minds Network and mentors for specific topics, and MAR Fund will carry out an assessment of the environmental and social risks of their ventures. The programme will conclude with an in-person event at the end of March 2025. As of December 2024, four group sessions have been completed: Definition of Objectives and Key Results (OKRs), Basic finance for startups and early stage projects, Guidance on creating or improving business models and creating Business Canvas, Overview of the health of the MAR and reef health indicators.

### **MARFin - operational**

MARFin, the online platform designed for CMPAs managers and co-managers to analyse financial information (income, expenses), which will allow them to make projections and identify financial gaps for their operations, has been finalized. MAR Fund, along with the consultant hired to update the platform, organized a training for the administrative users (MAR Fund) and two different sessions were organized for users, managers and co-managers of the CMPAs in the MAR. The sessions were organized in Spanish and had live translation to English. MAR Fund invited managers and co-managers of the priority CMPAs of MAR+Invest and the "[Protection of maritime resources in Central America Phase III](#)" Project with the goal of reaching as many organizations as possible. A total of 27 people from 13 CMPAs connected to the sessions to receive the training on how to use the tool. Currently, MAR Fund is defining next steps to ensure users continue to use the tool by providing additional training –as part of the Phase III project with 16 CMPAs– and hiring a consultant to support the users and develop a financial gap report based on the user information uploaded.

## V. Enabling Environment

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### 1. Policies at National and Sub-National Levels

The 2025 Build & Connect program aims to equip 15 public officials, policymakers, and key stakeholders with tools to design or enhance public policies and incentives that reduce barriers for businesses and ventures with a positive impact on the reef (BVPI+). The program will run over six to seven months in a hybrid format (virtual sessions and one in-person meeting), combining expert mentorship and policy development to enable actionable outcomes in each MAR country.

To support this initiative, a consultancy was launched in 2024 to:

- Assess regulatory gaps and barriers to BVPI+ growth.
- Map stakeholders and potential leaders.
- Propose policy innovations and prototypes.
- Develop recommendations for designing the curriculum for the 2025 cohort.

The consultancy team, Amplo-Kaya, has made significant progress. Early findings emphasize financial and regulatory challenges, gaps in policy enforcement, and a disconnect between national frameworks and local implementation. The team systematized 24 public policy case studies from nine countries to explore scalable BVPI+ solutions. The analysis highlighted systemic challenges in the MAR region, particularly the lack of alignment between national policies and local practices.

Some of the obstacles encountered include:

- Financial barriers: Limited incentives and complex regulations that constrain the growth of reef-positive businesses, with NGOs often filling the investment gap.
- Weak entrepreneurial ecosystem: Many entrepreneurs view their initiatives as lifestyle projects rather than scalable businesses, further compounded by a lack of incentives to formalize operations.
- Knowledge gaps: A need for greater understanding of impact investment and ecosystem development.
- Country-specific insights revealed varying dynamics:
  - Mexico: Strong potential supported by private sector interest and government backing, positioning it well for BVPI+ growth.
  - Guatemala: Significant obstacles arise from limited policy support for sustainability-focused enterprises, including a lack of financial incentives and limited access to financing tailored to green and blue businesses, which limits growth, innovation, and scalability.
  - Honduras and Belize: Promising growth opportunities driven by rising local and international interest, particularly in sustainable tourism and resource management.

Promising prototypes under consideration include fiscal incentives, blue economy certification programs, and policies for sargassum management and coral restoration. In early 2025, participants will be mapped, and a curriculum proposal will be finalized. The cohort is expected to address critical topics for the MAR, such as overfishing, wastewater treatment, regulatory frameworks, permits for restoration activities, and seaweed aquaculture.

### 2. Other Enabling Environment Factors



### 3. Complementary Initiatives

In 2024, [TECA Mexico](#) launched its first edition as an incubator program of New Ventures in partnership with BFA Global. The program is dedicated to empowering enterprises, cooperatives, and organizations that create positive social and environmental impacts in coastal marine ecosystems, with a focus on Baja California Sur. The inaugural edition featured a bootcamp supporting 40 participants. In 2025, the program will select 10 projects to receive tailored mentorship and US\$20,000 in seed capital. Financial partners for this initiative include [Innovaciones Alumbra](#), [Builders Vision](#), PayPal, [Swiss Re Foundation](#), and [Fundación Coppe!](#). The objective is to expand TECA with more editions across the region, extending beyond Baja California to other locations. Additionally, the program aims to explore collaborations and synergies between MAR+Invest and TECA to amplify its impact.

New Ventures established a new collaboration with [NaturaTech](#), an initiative dedicated to bridging the gap between the potential of purpose-driven digital technologies, inclusive strategies, and biodiversity action in Latin America and the Caribbean. The initiative is led by [C Minds](#) and supported by [IADB Lab](#). NaturaTech hosted an event at the Conference of the Parties (COP) 16 in Cali, Colombia, where New Ventures participated to give visibility to MAR+Invest. Currently, discussions with C Minds are ongoing to explore further collaboration within the NaturaTech framework.

In 2024, MAR Fund launched the project “Women for the MAR” to support women-led ventures in the region with positive impact on coastal and marine resources.

Through the Phase III project, MAR Fund is supporting the development of economic activities in priority CMPAs in the MAR. This will help strengthen local communities and potentially the financial sustainability of the CMPAs for effective management.

Additionally, MAR Fund’ Small Grants Program has also supported market initiatives in the MAR, providing catalytic support to two ventures in the MAR+Invest portfolio to help them improve market readiness. The ventures supported in 2024 are COBI, the NGO that launched the PescaData platform, and FUNDAECO.

## VI. Gender Equity and Social Inclusion (GESI)

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### 1. Gender Roles and Risks

In the MAR region, women, men, and vulnerable groups, such as indigenous peoples and small-scale fishers, play distinct roles in marine conservation, fisheries, and reef-based livelihoods. Women are often engaged in roles such as seafood processing, local tourism, and artisanal crafts, while men typically dominate fishing and aquaculture activities. Despite their contributions, these groups face systemic economic barriers that limit their ability to transition to more sustainable and profitable livelihoods. Indigenous communities, particularly in Guatemala and Belize, have strong traditional knowledge of sustainable resource use but lack the opportunity to participate in formal market-based conservation initiatives, perpetuating cycles of poverty.

People with disabilities and other marginalized groups are less visible in reef-related activities due to limited access to resources, infrastructure, and inclusive programs. Across all groups, capacity levels vary significantly due to unequal access to education, financial services, and technical training making it difficult to invest in more resilient and sustainable livelihoods. For example, in Honduras, the average

income of small-scale fishers is little as US\$36 per month, leaving them vulnerable to economic shocks and limiting their capacity to participate in conservation-focused business models.

These dynamics influence the design of the MAR+Invest program activities:

- Cultural and logistical factors, such as caregiving responsibilities or language barriers, can limit women's and vulnerable groups' ability to engage in training or workshops, reinforcing economic exclusion.
- In the MAR region, entrepreneurship in conservation-related fields is often perceived as male-dominated, discouraging women from pursuing leadership roles or business ventures. In many communities, women and indigenous groups have limited access to financial services, decision-making platforms, and resources for sustainable enterprises. This excludes and hinders their development into entrepreneurship, but also limits their ability to break out of poverty cycles.
- Without proper follow-up, there is a risk that inclusion efforts may be symbolic rather than meaningful, failing to address the root causes of economic marginalization in these communities.

By prioritizing financial inclusion, access to capacity-building programs, and market integration, MAR+Invest aims to create economic opportunities that lift vulnerable coastal communities out of poverty while promoting sustainable reef-positive enterprises.

## **2. Programme Actions and Outcomes**

- The Build & Connect program actively ensures the representation of women, indigenous peoples, and local leaders in its cohorts. The 2023 cohort that finished in March 2024 had participation of 11 women out of the 16 leaders certified and two participants identifying as indigenous. Additionally, the training programs are designed to be hybrid, flexible, and accessible, with consideration for time constraints and language diversity. For the 2025 cohort, the program will actively foster women's leadership by prioritizing the participation of women public officials and policymakers, ensuring the curriculum emphasizes gender-responsive policy design, equitable access to resources, and showcasing the pivotal role of women as leaders in conservation and drivers of sustainable economic innovation.
- The Acceleration Programme includes gender and social inclusion criteria in its selection process, prioritizing ventures that involve underrepresented groups and/or address their needs. In the second call for proposals, the selection team actively sought projects with women in the founding or management teams of the applicant organizations. In the second cohort, the following companies are led by women:
  - Polo's Water Association
  - Roatan Marine Park
  - VOS Honduras
  - Escuela Itinerante de Aguas y Artes

Additionally, the following companies have women in their founding or management teams:

- Terminator Water Solutions
- Tulum Circula

MAR+Invest applies a Gender Equity and Social Inclusion (GESI) framework during project selection and implementation. Solutions are screened using MAR Fund's Environmental and Social Management System (ESMS), which guarantees equitable participation. Efforts have been made to support ventures led by women or indigenous entrepreneurs through technical assistance and tailored training. To continuously improve its internal procedures and safeguards, in 2024, MAR Fund developed a standalone policy for the



Prevention of Sexual Exploitation, Abuse, and Harassment (PSEAH) and a Gender Equality and Social Inclusion Policy aimed at removing barriers to inclusion and ensuring that all stakeholders, especially vulnerable communities, are empowered to participate in conservation efforts. Additionally, in 2024, MAR Fund revised its ESMS documentation to adjust the wording to better reflect its work with private sector companies, rather than exclusively with grantees and nonprofit activities.

MAR+Invest partners, such as Viwala, focus on gender-lens investing, to provide mentorship and funding to women-led enterprises. In 2024, MAR Fund also created a new program focused on supporting women's groups in the MAR, empowering them to lead conservation and sustainable enterprise initiatives, build resilience in their communities, and access the resources and training needed to overcome systemic barriers and drive meaningful change.

### 3. Lessons Learned & Future Direction

Moving forward, MAR+Invest will continue to integrate and update GESI principles, when necessary, expand outreach to marginalized groups, and enhance monitoring systems to ensure that program benefits are equitably distributed across genders and vulnerable populations, when applicable. MAR Fund will make its GESI Policy available on its website and will encourage its partners and grantees to develop and adopt PSEAH policies.

As noted in previous reports, MAR Fund applies its grievance mechanism to all project implementers and partners of MAR+Invest. During this reporting period, no complaints have been recorded through MAR Fund's grievance mechanism.

## VII. Partnerships

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### 1. Partner Contributions

#### Implementing Partners:

- **Direct Partners of Convening Agents:** All the partners supported in the development of the replenishment proposal and approval process. As it was approved in May 2024, some adaptations in work plans and budgets needed to be made to extend the inception phase by five months. Strong collaboration between the partners allowed the alliance to continue with the highest priorities of the pipeline.
- **Indirect Partners of Convening Agents:** a new alliance with the LATAM Ocean Capital Collective was established to strengthen partnerships with organizations in similar sectors but with different skills, aiming for the same objective of conserving the ocean.

#### Research/Scientific Partners:

- Patricia Kramer and Judy Lang are key partners at the Atlantic and Gulf Rapid Reef Assessment (AGRRA) organization, they provide their expertise to train new surveyors and trainers of the monitoring protocols but also provide key technical support with the design and operation of their online data entry platform and data visualization. The HRHP database is built in strong collaboration with AGRRA.
- Craig Dahlgren and Will Green from the Perry Institute of Marine Sciences have become close partners in training and supporting HRHP in including photogrammetry surveys into their proposals.

- Jason Spadaro from MOTE Institute is a close adviser on the King Crab project, being one of the few regional experts, he participates in knowledge exchanges and shares valuable insights from their own mariculture program.
- Carlos Maldonado from UNAM-Sisal has been crucial in helping the King Crab project team develop a special feed that has led to higher survival rates of King Crab juveniles.
- Lorenzo Alvarez Filip from UNAM-Puerto Morelos, who leads the BARCOLab, has been a key partner in monitoring data analysis and report card processes.

## 2. Fostering Collaboration Among Partners:

In 2024, MAR+Invest participated in five important knowledge sharing workshops/events to foster collaborations:

- In early March 2024, MAR+Invest participated in the [2024 Water Quality & Reef Protection Summit](#), a four-day convening of scientists, funders, partners, and conservation professionals. Hosted by CORAL alongside partners in Roatán, Honduras, the summit aimed to deepen collective understanding of water quality issues related to poorly treated and untreated wastewater in the Western Caribbean. Bringing together scientists, institutional funders, government representatives, and nonprofit partners, the event fostered a shared vision for collaborative action. Discussions provided valuable insights from multiple perspectives, helping to create a common understanding of local and regional challenges, scalable solutions, and the findings of a year-long water quality study—whose concerning results highlighted significant data gaps and the urgent need to scale effective wastewater treatment.
- In June 2024, as part of a mentorship workshop entitled “From the Caribbean to the Humboldt Current: driving into the depths of MPA project management and private sector incorporation”, MAR Fund organized mentoring sessions for [Fondo Naturaleza Chile](#), and MAR+Invest was presented as a case study on how to develop the Blue Economy to benefit an ecosystem. This mentoring opportunity was supported by Project BRIDGE.
- MAR+Invest was invited to Bogota, Colombia, from July 29th to August 2nd, 2024, to participate in a mentoring project called "Impact Investment and Blended Finance as Tools to Mobilize Private Sector Finance for Conservation: Latin American and African Lessons Learned". The participating environmental funds in this exchange, also funded by Project BRIDGE, were: Fondo Acción of Colombia, BIOFUND of Mozambique, and MAR Fund, all three GFCR grantees. Maria José González, MAR Fund Executive Director, Karla Gallardo, CEO of Viwala, and Armando Laborde, Managing Partner of New Ventures, represented MAR+Invest. They engaged in an exchange of experiences on blended finance and impact investing with the other GFCR implementing partners. This event catalyzed a discussion on exploring debt financing opportunities between Viwala and Fondo Acción, highlighting MAR+Invest's commitment to fostering strategic partnerships.
- From October 1st to 4th, 2024, MAR+Invest co-organized and participated in the REEF+ Regional Convening organised by the GFCR, which convened other GFCR programs in Latin America and the Caribbean in Puerto Morelos, Mexico. Three members of MAR+Invest participated, joining other GFCR convening agents from the region and key partners. This Knowledge Management workshop facilitated the exchange of experiences and best practices between convening agents and programs. Notably, the event coincided with the [Global Coral Reef Monitoring Network](#)

([GCRMN](#)) workshop, fostering synergies with other reef conservation organizations and scientists, further strengthening MAR+Invest's network and collaborative potential.

- From October 7th to 10th, 2024, Armando Laborde, of New Ventures, participated in the XXVI RedLAC Congress, celebrated in Saint Lucia, as a keynote speaker. He spoke about blended finance, impact investing and market solutions, using MAR+Invest as an example. During this meeting the conversations between Viwala and Fondo Acción were advanced, and a conversation between Viwala and KfW was initiated.

Additionally, MAR+Invest and MAR Fund sponsored the #ForCoral Pavilion organized by the International Coral Reef Initiative ([ICRI](#)) at the CBD COP16 event, which was held in Cali, Colombia, from October 21st to November 1st, 2024. The MAR+Invest team made key interventions during events at different pavilions, which was a unique opportunity to present the initiative's advances and lessons learned from the inception phase, and connect with important actors and partners of the Blue Economy space as well as members of governments. The presentations and participation in panels during COP16 are listed below:

- Financial innovation and success stories for biodiversity conservation led by Conservation Trust Funds in the world, GEF Pavilion,
- Scaling & De-risking Strategies and Incentives for Private Investment in National Biodiversity Strategies and Action Plans (NBSAP), Finance and Biodiversity Pavilion,
- Win Wins with the Private Sector, GEF Pavilion,
- Innovative Blended Finance for Ecosystem Resilience: Case Studies from the Global Fund for Coral Reefs', Netherlands Pavilion,
- Blended Finance Innovation for Reef Conservation in Latin America & the Caribbean, ICRI #ForCoral Pavilion,
- GFCR networking reception Forging Coral Reef Resilience: A Now or Never Moment for Action, ICRI #ForCoral Pavilion,
- Coral Reef Monitoring & Evaluation: Insights for Conservation Impacts, Melanie McField and Release of the 2024 MAR reef health Report Card, ICRI #ForCoral Pavilion,

A report on the #ForCoral Pavilion can be found in this [Annex 7](#).

Through these engagements, MAR+Invest has positioned itself in the conservation finance space by actively fostering partnerships, exchanging knowledge, and leveraging collaboration to amplify its impact on reef-positive enterprises and marine conservation efforts.

## VIII. Monitoring and Evaluation (M&E)

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### 1. Overview of M&E Activities

MAR+Invest continues to monitor all fund and project indicators throughout the year. Significant effort this year focused on training team members to use the new MERMAID platform, which has been adapted specifically for GFCR programs. Additionally, existing data and new datasets were successfully transferred to the MERMAID platform to enhance monitoring and reporting processes. Impact assessments were conducted for new projects entering the pipeline, either through the Acceleration Programme or Transactional Services. However, no additional field monitoring took place in 2024, as the bi-annual AGGRA monitoring was completed in 2023, and 2024 was dedicated to data analysis and report generation.

## 2. Entities Responsible for M&E

Healthy Reefs for Healthy People (HRHP) is responsible for the M&E activities of the MAR+Invest initiative, with specific tasks and budget allocated in HRHP's work plan. All implementing partners and the convening agent actively participate in the MAR+Invest indicator task force. The task force's role is to ensure indicators are regularly updated and aligned for reporting submissions.

## 3. Key Achievements and Insights

Healthy Reefs for Healthy People organized its eighth regional partner meeting, held at the Palma Real Hotel in La Ceiba, Honduras from the 10th to the 14th of March 2024, which is a key regional gathering among reef conservation partners to review data for the 2024 Reef Health Report Card and share conservation issues and strategies from across the region to be included in the Report Card.

In October 2024, HRHP launched its [2024 Report Card](#) on the Health of the Mesoamerican Reef during the [CBD COP16](#) event in Cali, Colombia, and simultaneously across the four MAR countries: Mexico, Belize, Guatemala, and Honduras. The report highlights the health status of the region's coral reef ecosystems, main threats, and progress in conservation efforts. The key message is that reef health increased for the first time in five years, mainly due to increased herbivorous fish biomass, although overall health remains in a "poor" condition (with a Reef Health Index of 2.5 in a scale of 1-5).

Throughout the year, the HRHP team provided scientific support to the New Ventures Transactional Services (TS) team, assisting with the review and assessment of the potential reef health benefits of projects being added to the MAR+Invest TS pipeline. Eight companies were evaluated in 2024: AzulBio, Terminator Water Solutions, ReefGen, Maritime Procurement Services, Rrreefs, Reciclapp, and GOA. Additionally, the team actively participated in the selection process for the Acceleration Program finalists, using a rating tool developed in collaboration with New Ventures. Each team member independently reviewed and rated the candidates, with the individual scores subsequently aggregated to serve as the basis for discussions within the two MAR+Invest committees to select the 2024 cohort. Once the program started, the HRHP team also contributed to the initial diagnostic process for the seven ventures selected for the 2024 cohort, helping define environmental and social indicators for each project. HRHP presented the results of the 2024 Reef Health Card to emphasize the importance of the MAR and highlight its most significant threats during one of the program's common workshops. They also provided an overview of the MERMAID platform and the M&E framework indicators to help participants understand how their work connects to reef health and the broader monitoring and evaluation efforts. Environmental and Social Impact Monitoring mentorship sessions began in December 2024, with HRHP team members mentoring one to two projects each.

MAR+Invest has created its account in MERMAID, the new platform to be used for GFCR M&E, and all reports have been updated for GFCR Fund indicators 1-7:

- Baseline of 2022,
- Inception phase targets - Dec 2023,
- Mid-term targets - 2027,
- Final targets - 2030,
- Mid-year report 2024,
- End year report 2024.

No commercial financing has been deployed to any ventures yet; however, impact indicators are being assessed for the first company expected to receive a concessional loan in early 2025. Through the 2024

Acceleration Programme, HRHP is supporting the entrepreneurs on establishing the reef and social impact indicator baseline. These indicators and the M&E framework will be directly tied to the loan agreement.

#### **4. Challenges and Lessons Learned**

For the baseline generation and monitoring of the Royal Mayan Shrimp Farms solution of the Transactional Services portfolio, a total of 35 samples were collected across three monitoring trips (February, April, and June 2024) to assess biophysical parameters using a multiprobe data sonde (YSI EXO3). These included surface temperature, pH, total suspended solids, dissolved oxygen, conductivity, salinity, turbidity, and chlorophyll. Nutrient measurements included nitrate, nitrite, ammonia, and total phosphorus. Additionally, during the first round of monitoring, pathogen analysis was conducted for Enterococcus and Total Coliform. However, during the last water quality sampling campaign, conducted in partnership with the Coastal Zone Management Authority and Institute (CZMAI), a sampling error occurred, missing replicates and some parameters. As a result, the contract with CZMAI is currently being amended, and preparations are underway for a fourth sampling campaign scheduled to begin in early 2025.

Overall, the M&E challenges encountered have been mainly due to the lack of straightforward and direct impact of some solutions (for example an ecotourism application, plastic waste recycling, household grey water treatment). However, with the use of proxies and other indirect indicators (such as water quality parameters, avoidance of pollution, number of users), all projects are being monitored.

#### **5. Next Steps and Timeline**

AGRRA monitoring activities for the 2026 MAR Reef Health Report will begin in the spring of 2025.

### **IX. Programme Management**

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#### **1. Decisions and Resolutions by Governance Body**

MAR+Invest partners meet frequently, at least twice a month for general coordination and updates on program activities, and specific meetings take place, when necessary, with the partners involved. At least one member of each partner team must be present in each meeting, to ensure important news and decisions are transmitted to other team members when relevant.

The Governance Bodies of MAR+Invest, both the Steering Committee and the Project Selection and Investment Committee, met once each in 2024. To select the new cohort of the Acceleration Programme, the Project Selection and Investment Committee met first to review the candidates and provided a list of eight to be presented to the Steering Committee for final approval. The Steering Committee approved seven ventures for the 2024 cohort.

MAR Fund operates a short-term investment account for funds that are not being used immediately. Following the GFCR requirements, GFCR funds are placed in this account until they are to be used. Since this procedure was put in place in February 2024, the GFCR funds have generated a profit of US\$19,489.

#### **2. Work Plan & Budgetary Adjustments**

The inception phase was extended by five months in 2024 until the replenishment was approved in May. This extension required several budgetary adjustments to prioritize operational costs over certain planned activities. Consequently, some activities, such as the launch of the second Acceleration Programme and the deployment of concessional loans were temporarily delayed and/or adjusted.

During this period, the partners met regularly to strategize and adapt the replenishment proposal. A shift in the overall strategy was agreed upon, reallocating more resources to address the two main threats to the MAR: overfishing and inadequate or lack of wastewater treatment. Additional funds for Technical Assistance were incorporated into the budget to support the optimization of sargassum management in the region. Once the replenishment proposal was approved, the partners moved quickly to implement activities for the consolidation phase.

### **3. Operational Adjustments**

The Transactional Services team underwent restructuring during this period. Antonio Gutierrez, who had led the area since the launch of MAR+Invest, left New Ventures in October 2024. New Ventures is in the final stages of recruiting a senior leader to head this area.

### **4. Operational Challenges & Mitigation**

As mentioned previously, MAR Fund terminated the grant agreement with Resiliencia Azul due to unsatisfactory performance and products during the implementation of the project. The agreement was closed, and a new one was developed with a new team, CINVESTAV-Programa Mexicano de Carbono and the Ocean Foundation, to complete the feasibility study for Blue Carbon and Biodiversity credits. This change represents a delay in delivering the study results, but MAR Fund is confident this was the right decision to ensure that deliverables meet the expected standards and can be beneficial to the initiative and the overall development of the Blue Carbon and Biodiversity credit sector for the region.

Finding the appropriate consultants for some of the technical consultancies planned in the work plan has been challenging. In some cases, there is a lack of expertise in the region, and in others, the projects require adaptation to an evolving context and new developments. For example, the King Crab Business Plan consultancy was delayed to start in 2025 to ensure the mariculture was more mature.

While working on the first concessional loan to be deployed in MAR+Invest, the partners noticed that the process needed optimization to make it smoother for the entrepreneurs and to develop and approve the proposal more quickly, in order to avoid losing the company's interest.

Due to staff changes within MAR Fund, the MAR+Invest Communications Officer position was vacant for six months in 2024, which led to difficulties in generating content for the initiative during that time. Recent staff changes within New Ventures led to adjustments in pipeline development and a brief hiatus in support from the Transactional Services team. However, the position will be filled from February 2025, helping to strengthen these areas once again.

### **5. Replenishment**

MAR+Invest received a replenishment of funds in June 2024 for the first two years of the consolidation phase. The budget and work plan will remain in effect until May 2026. In 2025, MAR+Invest partners plan to evaluate the program's current progress and begin planning and developing the second replenishment



proposal, aiming for submission by Q1 2026. They envision organizing an in-person meeting to effectively collaborate in the process.

## X. 2025 Objectives

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### 1. 2025 Objectives

The main objectives for 2025 are as follows:

- **Deployment of the First Blended Finance Product:** MAR+Invest will deploy the first blended finance product by utilizing the guarantee fund alongside a concessional loan for one of the companies in the portfolio. Partners will assess this first deployment to evaluate its effectiveness and efficiency. This assessment will guide necessary adjustments to the process.
- **Third Cohort of the Acceleration Programme:** The second cohort of the Acceleration Programme will conclude in April 2025, and the third call for proposals will be launched in Q2 2025 to select between 6 and 8 businesses for the third cohort. This will contribute to building a strong pipeline of reef-positive ventures, furthering the development of sustainable businesses in the region.
- **Finalization of the BRIDGE Project and Pilot Launch of Parametric Insurance:** MAR+Invest plans to finalize the BRIDGE project and launch a pilot program for parametric insurance with small-scale fishers in Honduras. This pilot will address the challenges faced by fishers and help build resilience to climate change impacts, ultimately strengthening the capacity of local communities to maintain sustainable practices.
- **Deployment of grants for the early-stage ventures of the portfolio:** To support market initiatives and ventures that participated in the initiative's programs (Build & Connect and the Acceleration Programme) but are not yet ready for commercial capital, MAR+Invest will deploy catalytic grants to foster their growth.
- **Blue Carbon and Biodiversity credits feasibility study:** the study will be finalized with the new implementing partners, CINVESTAV-PMC and The Ocean Foundation, which will include next steps to be taken.

These objectives contribute to the overarching outcomes of the MAR+Invest initiative by driving the growth and diversification of reef-positive ventures in the Mesoamerican Reef (MAR) region. Through these actions, we foster an environment conducive to de-risking capital mobilization, attracting more investment, and scaling solutions that benefit both the environment and local communities.

In terms of strategy, MAR+Invest strives to continually learn and improve with each iteration of a specific component or project. By reviewing the outcomes of the first concessional loan deployment and refining the process for future opportunities, we ensure that each deployment becomes more effective and aligned with the goals of attracting greater capital to the region. Similarly, the lessons learned from the BRIDGE project and the parametric insurance pilot will feed into the overall strategy, helping to refine the approach to financial instruments in the MAR region.

## XI. Communication, Visibility and Knowledge Management

### 1. Strategic Role of communications

As the Convening Agent, MAR Fund leads the initiative's communications and coordinates efforts to effectively convey its objectives and achievements. It utilizes various tools and platforms, including the MAR+Invest website and MAR Fund social media, while also aiming to develop additional content, such as dedicated newsletters for the initiative. Additionally, it benefits from the communication channels of its partners to amplify outreach.

MAR Fund has a dedicated Webinar Series that supports the conservation and sustainable use of the Mesoamerican Reef by sharing knowledge and highlighting progress across its various programs. Within this framework, MAR+Invest leverages multiple communication channels and content formats to showcase program achievements and opportunities. As part of this series, two webinars were developed to present MAR+Invest project results ([King Crab Webinar](#)) and promote the open call for proposals for the second Acceleration Programme.

Additionally, MAR+Invest partners participated in 16 regional, national, and international events, and these interventions were showcased across multiple social media channels to highlight the initiative's commitments. Additionally, the team was invited to participate as panellists in four virtual webinars. More details can be found in this [Annex](#).

Thanks to the partnership, MAR+Invest can reach a wide audience, maximizing its visibility and impact:

SOCIAL MEDIA REACH MAR+INVEST PARTNERS (Jan 2025)					
Partner	Facebook	Instagram	X (Twitter)	LinkedIn	Youtube
<a href="#">MAR Fund</a>	<a href="#">6400</a>	<a href="#">2485</a>	<a href="#">1364</a>	<a href="#">2000</a>	<a href="#">321</a>
<a href="#">New Ventures</a>	<a href="#">10000</a>	<a href="#">3932</a>	<a href="#">10000</a>	<a href="#">11,954</a>	<a href="#">7</a>
<a href="#">VIWALA</a>	<a href="#">2100</a>	<a href="#">2228</a>	-	<a href="#">2000</a>	<a href="#">54</a>
<a href="#">FMCN</a>	<a href="#">55000</a>	<a href="#">8509</a>	<a href="#">6587</a>	<a href="#">21,177</a>	<a href="#">1260</a>
<a href="#">HRI</a>	<a href="#">10000</a>	<a href="#">3848</a>	<a href="#">1734</a>	<a href="#">531</a>	<a href="#">262</a>
<a href="#">Sureste Sostenible</a>	-	<a href="#">560</a>	-	<a href="#">1000</a>	<a href="#">6</a>
TOTAL	83.500	21.562	19.685	5.564	1.910

### 2. Alignment with programme goals

The Acceleration Programme benefited from a socialization campaign, attracting over 100 applicants. New Ventures developed the campaign and related media kit for the launch of the call for proposals, and all partners aligned on a calendar to share and maximize visibility for the opportunity. Direct contacts were also made within the organization's pipeline. A webinar was organized to promote the open call for



proposals, featuring an intervention by a participant from the 2023 cohort. This intervention proved to be extremely valuable. Written testimonials and short interviews were also created with 2023 cohort participants, generating promotional content that was published on social media as well as on the MAR+Invest website.

The launch of the 2024 Mesoamerican Reef Health Report Card was a major objective for MAR+Invest in 2024. The partnership coordinated a simultaneous launch at the [CBD COP16](#) in Cali, Colombia on October 28, 2024, along with launch events in the four [MAR countries](#). All launches were a success, with over 40 attendees, including press, partners, and interested parties, generating more than 50 media mentions. See press coverage in this [Annex 8](#).

HRHP's [Report Card](#) goes beyond the reef health index and the description and evolution of its indicators. It provides comprehensive insights into water quality, reef restoration, fishing pressure analysis, and MPAs, including the 18 CMPAs linked to the MAR+Invest program. The report has become a reference for many organizations seeking to leverage funding and political actions. Additionally, it highlighted inspiring stories of hope from across the MAR region, showcasing efforts in coral restoration techniques, mangrove restoration, and other conservation initiatives.

### 3. Effectiveness and Future Planning

MAR+Invest's presence at 16 international events has sparked new and crucial connections among ocean conservation stakeholders and important investing institutions. MAR+Invest aims to maintain momentum and use these opportunities wisely to achieve its objectives.

The partnership recognizes the need for specialized communication content to effectively and clearly communicate the program and its investment and development opportunities. The program is large, transboundary, and complex, with several areas of focus, components, and types of services offered. Efficient communication is essential to ensure the audience does not get lost in the details and must always be tailored. A first step in this direction was taken during 2024, when the partners teamed up with the world-renowned advertising agency Leo Burnett. This international team of communication and advertising specialists supported MAR+Invest in refreshing its branding and developing visual content, including a promotional film aimed at sparking interest from investors.

- Refreshed visual identify ([Annex 9](#))
- Visual Content ([Annex 10](#))

Additional efforts are required to further develop the narrative, making it easier to understand, with the support of more graphic content. After more than two years of operation, the initiative has started to map concrete results that can be showcased through specific communication materials for different types of audiences.

### 4. Knowledge Sharing

MAR+Invest was invited to participate in four different knowledge sharing workshops and contributed by sharing lessons learned from the program's 2-years of operation (see Section **Fostering Collaboration Among Partners** for details). On several occasions, MAR+Invest partners have held meetings with other organizations to share about the different components developed within this initiative, serving as an example for others to learn from. MAR+Invest has gladly shared documentation of the processes to support others aiming to develop similar programs and maximise impact.

In 2024, the team developed two case studies, with support and guidance from the GFCR team. These case studies are extremely valuable in showcasing the partnership's efforts and advances.

- Royal Mayan Shrimp Farms: [Case Study](#) and [RMSF Case Study video](#)
- Blending of enterprise development for fisheries with de-risking mechanisms in Honduras: [Case Study](#).

Finally, as part of the UNEP's efforts to showcase program advances, MAR Fund organized a field mission of one week for the shooting of several of its program projects in Quintana Roo, including MAR+Invest. One of the produced videos can be found online here:

<https://www.unep.org/news-and-stories/video/seaweed-emergency-sustainable-solutions>

## Annex A – Results Framework

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- [MERMAID link](#)
- [M&E framework link](#)

## Annex B – Programme Milestones by Activities

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See [Annex B](#)

## Annex C– Dashboard Intake Form

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See [Annex C](#)

## Annex D – Risk Log

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See [Annex D](#).

## Annex E – Solution Case Study Template

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Two Case Studies were developed and submitted to the GFCR in 2024:

- Royal Mayan Shrimp Farms: [Case Study](#).
- Blending of enterprise development for fisheries with de-risking mechanisms in Honduras: [Case Study](#).

## Annex F – GESI Action Report

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See [Annex F](#).

## Annex G – Safeguards

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See [Annex G](#)