



ANNUAL NARRATIVE REPORT:
Sri Lanka Coral Reef Initiative
Sri Lanka
January – December 2025

Programme Overview

Programme Title & Project Number		Programme Duration	
Programme Title: Sri Lanka Coral Reef Initiative Programme Number: Programme Number [Refer to GATEWAY if needed] Programme webpage: [If applicable]		Start Date: July 2024 End Date: December 2030	
Programme Location		Co-recipient Organisation/s and Implementing Partners	
Country: Sri Lanka Priority Coral Reef Sites: Bar Reef Sanctuary and Associated Seascape, Kayankerni Marine Sanctuary and Associated Seascape, Pigeon Island National Park and Associated Seascape		Implementing Partners: Blue Resource Trust, Environment Foundation Limited, Sarvodaya Shramadana Movement	
Total Approved Budget			
Total GFCR Budget: 6 million USD Convening Agent: IUCN Sri Lanka [Other Co-recipients, if applicable]:			

Programme Description

Sri Lanka Coral Reef Initiative – SLCRI is designed to protect three priority seascapes of Sri Lanka associated with climate ‘refugia’ coral reefs through multi-sector and multi-stakeholder participation and private sector friendly investments. The programme will initially focus on three priority seascapes, with additional coral reef areas to be incorporated during the second and third phases of implementation. These priority seascapes include Bar Reef Sanctuary and Associated Seascape, Kayankerni Marine Sanctuary and Associated Seascape, and Pigeon Island National Park and Associated Seascape. SLCRI interventions are aligned with all four GFCR outcome areas and expect to generate a transformational shift in the way coral friendly approaches are adopted and upscaled in Sri Lanka. SLCRI programme includes activities for enabling policy environment, implementation of effective co-management mechanism, niche capacity development, and innovative and blended financing models. Such financing approaches comprise conservation trust funds, private sector-led sustainable tourism-based business models and other bankable projects facilitated through a coral positive business support facility, and coral reef research and restoration-based business initiatives. Such ecosystem friendly, coral-positive businesses, will uplift coral dependent communities and coral related economic sectors ensuring the coral reef ecosystems are protected and restored, sustaining their extractive and non-extractive uses.

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I. Executive Summary

1. Programme Progress Update

Two co-management plans (evolved during the programme execution to Special Management Area (SMA) plans) were completed for Kayankerni Marine Sanctuary and Associated Seascape (KMSAS) and Pigeon Island National Park and Associated Seascape (PINPAS) in collaboration with the Coast Conservation and Coastal Resource Management Department (CC&CRMD), Department of Fisheries and Aquatic Resources (DFAR) and the Department of Wildlife Conservation (DWC). Further, the KMSAS SMA plan was improved through the establishment of and inputs from the Special Management Area Coordination Committee (SMACC). Further, the CC&CRMD is currently in the process of gazetting the SLCRI seascapes as SMAs under the legal provisions of the Coast Conservation and Coastal Resource Management Act.

The first Co-management Committee (evolved during the programme execution to SMACC) was conducted at Kayankerni Seascape, and the SMACC meeting for PINPAS was postponed due to Cyclone Ditwah and is planned for March 2026. Community Conservation Groups (CCGs) have been formed for all seascapes, including five for the Bar Reef, three for the Kayankerni Seascape, and three for the Pigeon Islands Seascape. A training curriculum is being developed to build the capacities of Community Conservation Group Members. An LMMA has been identified for each CCG ensuring the community ownership of the programme and their role as guardians of reefs.

2. Milestones and Adaptations

SLCRI is currently in the no-cost extension period of the first phase; overall, the milestones for the first phase have been partially achieved. Furthermore, SLCRI has established a strong implementation mechanism to achieve all milestones set for the first phase during the extension period.

Out of the eight milestones set under Outcome 01, six have already been achieved. Under Output 1.1, SMA areas have been established, co-management committees known as Special Area Management Committees have been established, and co-management plans have been developed. Five LMMAs (three in Pigeon Island and two in Kayankerni. Previously identified two LMMAs in Bar Reef, recently planned to declare as MPAs with that in our project area, respectively to the CCGs, we have two MPAs in Bar Reef and one MPA in Kayankerni) which contribute to the fourth milestone, have been identified but have not yet been established.

Output 1.2 is related to the establishment of the CTF, with two milestones. The legal and institutional review on Conservation Trust Funds has been completed, and the management arrangements to enable CTF establishment have been identified, with technical support from the implementing partner EFL.

Although the initial plan was to establish three CTFs, each for a seascape, one CTF was adopted after reviewing the implementation plan, based on the recommendation of the feasibility study. The CTF was established with a six-member Board of Trustees. It is expected to be fully enforced and brought to the implementation level during the extension period in 2026.



Output 1.3 is to conduct a feasibility study to establish macro and replicable site-level innovative financing mechanisms, which will be explored and piloted for coral reefs and community resilience in three priority seascapes in Sri Lanka. SLCRI has attempted to offer a contract to conduct the feasibility study, but was not able to find a competent consultant or agency. This will be achieved in 2026.

With support from the implementing partners DWC and BRT, Output 1.4 - a mechanism for measuring management effectiveness - has been established in three priority seascapes in Sri Lanka.

Under Output 2.1, the feasibility study on coral-positive livelihoods has been conducted, and reef-positive livelihoods and business opportunities have been identified, but have not been implemented. However, preliminary training and livelihood development work have been started at Pigeon Island seascape with support from local bank SDB and implementing partner Blue Resource Trust, and Biodiversity Sri Lanka has implemented community-engaged tourism development at Kayankerni Seascape.

Under Output 2.2, the Regional Cooperation Mechanism (RCM) is to promote coral-friendly businesses and share best practices between Sri Lanka and the Maldives. Initiated the first discussion with the Maldives REEF programme, which will be conducted in 2026.

SLCRI implementing partner Sarvodaya conducted feasibility studies; however, four milestones related to Output 2.3 will be achieved in 2026.

A National Policy Framework and Strategic Guidelines for Coral Restoration have been developed. The final draft document is now available and ready for national validation. This represents a significant step toward establishing an enabling policy environment for science-based coral reef restoration in Sri Lanka. Feasibility assessments for coral restoration opportunities have been completed for the Pigeon Island and Kayankerni seascapes. These reports identify suitable restoration sites, appropriate technologies, and recommended strategies tailored to each location.

The feasibility study for the Bar Reef seascape is scheduled to be conducted in early 2026. Implementation of on-the-ground coral restoration activities across the priority seascapes will take place during the project extension period in 2026. This will build on the completed feasibility studies and the national policy framework to ensure restoration efforts are scientifically sound, site-specific, and sustainable.

3. 2026 Outlook

SLCRI plans to complete the remaining activities related to milestone with poor progress or partially achieved of during the extension period first phase of implementation. Following milestones targeted for full operationalization or achievement in of 2026:

Output 1.1 – At least one LMMA will be identified and managed through the CMCs in each seascape.

Output 1.2 – The CORALL Conservation Trust Fund will be fully operational in all three seascapes.

Output 1.3 – A feasibility study will be completed, and macro-level and replicable site-level innovative financing mechanisms will be established and piloted for coral reefs and community resilience.

Output 2.1 – At least three reef-positive businesses will be established, one in each of the Bar Reef, Kayankerni, and Pigeon Island seascapes.



Output 2.2 – A regional cooperation mechanism with the Maldives will be established.

Output 2.3 – Social safety net and disaster risk reduction systems will be established in the priority seascapes.

Output 3.2 – Restoration technologies will be developed and piloted in coral-associated seascapes in Sri Lanka. A coral restoration centre and laboratory will be established at the CC&CRMD Centre in Nilaveli, and restoration activities will be piloted in at least two seascapes.

II. Programme Progress Overview

1. Progress Toward Outcomes and Outputs (maximum 2 pages)

Outcome 1; Strengthened protection of coral associated priority seascapes in Sri Lanka

Output 1.1: Three co-management plans are operationalised at Bar Reef, Kayankerni and Pigeon Island seascapes.

SLCRI deploys the SMA provision provided through the Coast Conservation and Coastal Resource Management Act (CC&CRM Act) to establish co-management plans for three seascapes. The Special Managed Area Coordinating Committee (SMACC) has been established under the leadership of the respective District Secretary and the Director General of CC&CRMD in the Kayankerny and Pigeon Island seascapes. The establishment of the Bar Reef seascape SMACC was delayed due to a change in the Puttalam District Secretary.

Updated and comprehensive situational analysis reports have been developed for each seascape based on a rigorous data collection process. All SMACC members have been updated about the SLCRI process and the conservation of coral reefs and other coastal ecosystems in their respective seascapes.

Community conservation groups have been established—five in the Bar Reef seascape, three in the Kayankerny seascape, and three in the Pigeon Island seascape. The introduction to SLCRI coral reef conservation and the roles and responsibilities of community conservation group members have been communicated, and the first series of training has also been provided.

Output 1.2: CORALL Conservation Trust Funds and blended financing for coral reef conservation are established to strengthen the operationalization of three co-management plans in Bar Reef, Kayankerni and Pigeon Island Seascapes.

The CORALL (Conservation of Reefs for All Lives and Livelihoods) Conservation Trust Fund (CTF) is the main financing mechanism for the SLCRI, and it will provide financial backbone for the initiative during the second and third phases as well as beyond the project period. The CTF has been formally established, and six members trustees board was appointed. The panel includes experts from diverse professional sectors. In the field of Accounting & Finance, Investment Banking, and Fund Management within the Banking Sector, the experts are Mr Palitha Gamage and Mr Chanaka Wickramasuriya. Representing the Hospitality Management and Tourism Sector is Mr Nishad Wijetunga. In the Environmental Conservation Sector, the experts are Prof Sewwandi Jayakodi and Mr Nalin Karunatileka. The Coral Reef Conservation Sector is represented by Dr Nishanthi Perera. The trust deed has been



prepared, and the initial grant of USD 321,000 will be transferred upon the effective date of the trust deed.

Output 1.3: Macro and replicable site level innovative financing mechanisms are explored and piloted for coral reefs and community resilience in three priority seascapes in Sri Lanka.

SLCRI prepared the Terms of Reference (ToR) for macro- and replicable site-level innovative financing mechanisms and advertised the Request for Proposals (RfP) in the IUCN procurement system. Only a few technical and financial proposals were received. After communicating with the most suitable candidate institute, the SLCRI PMU decided to re-advertise the RfP lack of competency in the technical proposal.

Output 1.4 – A mechanism for measuring management effectiveness established in three priority seascapes in Sri Lanka.

Under the OCPP programme, JNCC and DWC conducted the METT 4 assessment for Bar Reef Sanctuary, Kayankerni Marine Sanctuary, and Pigeon Island National Park. SLCRI uses these assessments as the baseline for measuring management effectiveness of the MPAs located within each seascape.

On 23 June 2025, SLCRI, together with JNCC and the BRT team, conducted a training programme and lesson-sharing event at IUCN, which supported SLCRI in adopting the baseline for future assessments. In addition, IUCN conducted a Green List training programme in Trincomalee for the broader SLCRI stakeholder group, including government agencies, non-governmental organizations, and experts, with financial support from the IUCN Asia Regional Office.

An initial screening was carried out against the IUCN Green List Standard for Pigeon Island National Park. SLCRI will explore the possibility of designating Pigeon Island National Park as an IUCN Green List site, which is globally recognized as a best practice protected and conserved area, in accordance with international standards.

Outcome 2: Transformed livelihoods of coral reef-dependent communities through coral-positive entrepreneurship with enhanced recovery from shocks in coral associated priority seascapes in Sri Lanka.

Output 2.1: Reef positive livelihoods and business opportunities are implemented at Bar Reef, Kayankerni and Pigeon Island Seascapes.

SLCRI's implementing partner, the Sarvodaya Shramadana Movement, completed a feasibility study to identify coral-positive livelihood and business opportunities in the Bar Reef and Pigeon Island seascapes, while Blue Resources Trust conducted a similar feasibility study for the Kayankerni seascape. Coastal and marine-based sustainable tourism, sustainable aquaculture businesses, and women-led craft production were identified as the most promising coral-positive livelihood opportunities in these areas.

The SLCRI Business and Innovative Financing Expert further developed these concepts into detailed business proposals. These proposals include seaweed and oyster production in the Bar Reef seascape, community-based tourism development in the Pigeon Island seascape, and community-engaged symbiosis tourism in the Kayankerni seascape.



In addition, SDB Bank has partnered with SLCRI as part of its community development programme in the Pigeon Island seascape. The bank is engaging with SLCRI Community Conservation Group (CCG) members and has already initiated a women-led craft production programme in Kuchchaveli.

Output 2.2: Regional Cooperation Mechanism (RCM) established to promote coral friendly businesses and share best practices between Sri Lanka and Maldives. share best practices and promote coral-friendly businesses between Sri Lanka and Maldives

An initial discussion was held with the GFCR Maldives team to establish the RCM. However, this has been postponed until 2026 in order to streamline the major activities of the first phase of SLCRI.

Output 2.3: Enhanced recovery of coral reef-dependent communities from major shocks in coral associated priority seascapes in Sri Lanka.

SLCRI's implementing partner, Sarvodaya, has conducted a feasibility study to establish a social safety net system for coral-dependent communities in seascapes. The study also identified disaster risk reduction mechanisms. A feasibility report on the social safety net has been developed, with further improvements planned for 2026.

Outcome 3: Improved research and development capabilities in coral reef restoration in Sri Lanka.

Output 3.1: Conditions for scientific coral reef restoration enabled in Sri Lanka.

The National Guideline for Coral Restoration in Sri Lanka was developed under the leadership of the Department of Wildlife Conservation and the Coast Conservation and Coastal Resource Management Department. This guideline will be adopted for coral restoration in Sri Lanka in 2026.

Output 3.2: Restoration technologies developed and piloted in coral associated seascapes in Sri Lanka. Restoration technologies and innovative financing mechanisms developed and piloted in coral-associated seascapes in Sri Lanka

Feasibility studies on coral restoration opportunities in the Kayankerni Seascape and Pigeon Island Seascape have been conducted by the Ocean Resources Conservation Association. A project proposal has been developed by SLCRI, together with the Coast Conservation and Coastal Resource Management Department (CC&CRMD), to establish a coral restoration nursery facility and laboratory at the CC&CRMD centre in Nilaveli, Trincomalee.

2. Grants, Investment, and Revenue Mobilised (maximum 1 page)

Grants and Investments:

The SLCRI implementing partner, Biodiversity Sri Lanka, together with SLCRI implementing partner Blue Resources Trust, has established a coral conservation programme – Life for our coral reefs - at the Kayankerni Marine Sanctuary. This five-year initiative is funded by five private sector companies and supports coral conservation and coral-positive livelihood development in the Kayankerni seascape. 77,310USD is total contribution from private sector for this initiative. BRT, BSL and SLCRI is initiated community-based tourism development activity in Kayankerni together with SLCRI CCG members.



SDB Bank has initiated a community-based livelihood development program in the Pigeon Island seascape without exchange of financing with SLCRI. The program targets grassroots-level communities and starts from the ground up, focusing not only on financial literacy but also on broader social capacity development. Under this initiative, 158 women have received training, and 38 women entrepreneurs have already launched businesses at the grassroots level, demonstrating early success in empowering local communities and promoting sustainable livelihoods. They use their CSR arm to directly support grassroots-level communities, especially women, and engage with SLCRI CCG members under this initiative.

Revenue and Sustainability:

SLCRI has not yet been actively involved in implementing coral-positive livelihood and business initiatives; therefore, no revenue was generated during the reporting period.

Challenges and Next Steps:

SLCRI is currently in the no-cost extension period of Phase I. The milestones established for the first phase have been partially achieved within the original implementation timeline, requiring additional time to complete the remaining deliverables.

A key challenge during Phase I was related to human resource adjustments. Several core positions, including the full-time Project Manager and Project Associate, became redundant during implementation. These roles were subsequently covered by IUCN staff to ensure operational continuity and oversight. However, this transition period affected the pace of implementation.

To address capacity gaps, junior-level consultants were recruited to support implementation activities. While this approach helped maintain progress, onboarding and capacity development required additional time and coordination, contributing to delays in achieving certain milestones.

SLCRI has since strengthened its implementation mechanism and coordination framework. With the revised staffing structure and improved operational arrangements now in place, the team is working to complete all remaining Phase I milestones within the no-cost extension period.

3. Implementation Challenges and Lessons Learned

- Challenging economic and business environment: Sri Lanka's ongoing recovery from economic stress has led many private sector actors to prioritize financial stability over new investments.
- Limited expertise in innovative conservation finance: Blended finance and impact investment are still relatively new in Sri Lanka, with limited local capacity to design and operationalize conservation-focused financial mechanisms tailored to community-based enterprises.
- The impact of Cyclone Ditwa in the latter part of the year severely affected all seascapes and coastal communities, diverting the momentum built by the project—particularly around the establishment of SMACCs. As priorities shifted from conservation and sustainable practices to immediate disaster relief and recovery, implementation progress slowed.

4. Emerging Risks



Emerging risks, including a cautious private sector investment climate, limited national expertise in conservation finance and innovative financing mechanisms, and disruptions caused by Cyclone Ditwa, may delay some of the priority activities identified for the no-cost extension period. This could also delay the initiation of Phase II and consequently affect the overall achievement and long-term sustainability of the project outcomes.

III. Solutions

1. Overview of Progress and Composition of Solution Portfolio

SLCRI is designed as a six-year (2024–2030) blended finance programme combining USD 6 million in GFCR grant funding with public and private investment. Approximately USD 1.5 million is allocated to Phase I (enabling stage), which focuses on de-risking reef-positive enterprises, strengthening governance and regulatory foundations, and building a pipeline of bankable businesses across three seascapes. Large-scale commercial investment is expected in later phases, with a total mobilisation target of USD 24 million (USD 15 million investment + USD 9 million co-financing), representing roughly 4× leverage of grant capital.

The following solutions have been identified, and preparatory work has been completed:

- Seaweed and oyster farming in the Bar Reef Seascape
- Women-led craft production in the Pigeon Island Seascape
- Community-based tourism model in Kuchchaveli within the Pigeon Island Seascape
- Community-led symbiotic tourism model in the Kayankerni Seascape (with additional components)

Ground-level implementation of these solutions will be completed during the no-cost extension period. An allocation of USD 100,000 has been secured to support the first year of implementation of the identified solutions. CPBSF Central Hub, established within the SLCRI PMU, is providing implementation support for the above solutions.

Among the three identified solutions, the first to invest during the mid 2026 will be the seaweed cluster pilot, which serves as an early reef-positive business model within this architecture. An initial USD 15,000 catalytic grant supports 60 farmers through start-up inputs, technical assistance, and safeguards under a structured buy-back model. This generates an estimated USD 70,000–90,000 in annual cluster revenue (over 5× catalytic return). Scaling to 180 farmers across three seascapes could generate USD 230,000–270,000 annually, with voluntary contributions supporting the CTF.

2. Support and Financing

During this reporting period, the SLCRI primarily focused on delivering technical assistance to promote reef-positive livelihood opportunities Pigeon Island and Kayankerni seascapes.

In Kayankerni, under the “Life for Our Coral Programme” implemented by SLCRI’s implementing partners Biodiversity Sri Lanka and Blue Resources Trust, technical assistance was provided to members of the Kayankerni CCG to develop a community-led tourism model. A training module was developed, and



selected CCG members received capacity-building training to manage and operate a community-run tourism enterprise. In the Pigeon Island Seascape (Kuchchaweli and Uppuweli), technical support was provided to grassroots women's groups to strengthen craft production, enterprise development skills, and financial literacy. This support was delivered by SDB Bank, which contributed expertise in financial literacy and responsible business practices.

At this stage, SLCRI has not deployed grants, concessional loans, or direct financial capital to beneficiary groups. The current focus has been on strengthening local capacity to run businesses in a sustainable and profitable manner prior to financial mobilization.

3. Challenges and lessons learned

While progress has been made in institutional development and stakeholder engagement, many of the challenges identified in the previous reporting period remain relevant.

Sri Lanka is still recovering from recent economic stresses, and the broader business environment remains cautious. Many private sector actors continue to operate in a defensive mode, prioritizing financial stability over exploring new or innovative investment opportunities. For example, although tourism showed strong growth over the past year, several hotels and tourism operators have been reluctant to engage in discussions on new coral-positive business models or partnership arrangements. In this context, corporate sector engagement has largely been limited to traditional CSR contributions, with limited openness toward blended finance models or long-term coral-positive investment mechanisms.

Additionally, innovative financing instruments such as blended finance and impact investment remain relatively new concepts within Sri Lanka's conservation and private sector investment landscape. There is limited local expertise in conservation finance, particularly in structuring and operationalizing innovative financial mechanisms tailored to conservation and community-based enterprises.

To address this gap, SLCRI is actively seeking technical expertise to strengthen field-level implementation and enterprise incubation. At the same time, efforts are underway to identify a qualified consultancy group to undertake a feasibility study on innovative financing mechanisms and provide recommendations for piloting such mechanisms.

Given these contextual and capacity-related constraints, early-stage capacity building, trust development with private sector actors, and strengthening financial literacy at community level remain critical prerequisites before transitioning to large-scale financial mobilization and implementation.

4. Objectives and Milestones for 2026

SLCRI is planning to complete a feasibility study on innovative financial mechanisms for three priority seascapes, which will provide additional options for solutions planned for Phase II. The feasibility study on coral-positive businesses is currently underway and is expected to be completed in Q2 of 2026. The following activities are scheduled for completion in 2026.

Activity 1.2.2: Conduct feasibility studies and implement reef-positive innovative financial mechanisms for coral reef conservation in three priority seascapes.



Activity 2.1.3: Implement coral-friendly businesses and reef-related enterprises under the guidance of the CPBSF, enhancing the livelihoods of coral-dependent communities in three priority seascapes. – Initiate (incubate) one coral-positive business in each seascape.

Activity 3.3.1: Designing and implementation of a practical restoration plan, based on robust business models for coral reef restoration and maintenance appropriate for each priority seascape with inputs from the CPBSF.

IV. Facilities and Conservation Trust Funds

1. Design Overview:

CORALL (Conservation of Reefs for All Lives and Livelihoods) Conservation Trust Fund (CTF) under the Sri Lanka Coral Reef Initiative (SLCRI) has been successfully established to support the sustainable management of coral reef ecosystems through co-management mechanisms and blended financing approaches.

The CTF has been legally structured as a charitable trust in accordance with the Trust Ordinance No. 9 of 1947 and subsequent amendments of Sri Lanka. A six-member Board of Trustees has been formally appointed to provide strategic oversight, governance, and fiduciary management of the Fund. The CTF is now operational and ready to proceed with ground-level implementation. The Fund will be capitalized through contributions from government, private sector partners, and international donors. It is designed to support effective MPA management, enforcement, and conservation initiatives, while also promoting sustainable livelihoods, small businesses, and community-based enterprises linked to reef conservation.

Initially, the design proposed three separate Conservation Trust Funds for each seascape. However, following further assessment and to improve efficiency, SLCRI established a single national-level CTF to reduce administrative overheads and maximize cost-effectiveness and impact.

EFL, the implementing partner of SLCRI, played a leading role in the establishment of the CTF. EFL spearheaded the review of the national legal framework and assessed existing Conservation Trust Fund models to design appropriate governance and operational mechanisms to ensure long-term sustainability. As part of this process, EFL acted as the Settlor in formally establishing the Trust under Sri Lankan law. Preliminary guidelines were developed to support the feasibility assessment and institutional design process.

Coral Positive Business Support Facility (CPBSF)

The CPBSF has been fully established under the PMU and is now operational. A dedicated Business Development and Finance Expert has been recruited and is leading the design, incubation, and financial structuring of coral-positive enterprises across the priority seascapes. The Expert is working closely with three field officers to support community-level enterprise development in each seascape.

The CPBSF focuses on promoting reef-positive business models that align livelihood and business generation with long term aim of financing for coral reef conservation objectives including CTF. Current



enterprises under incubation, with technical and financial guidance from the Business and Finance Expert, include:

1. **Seaweed and Oyster Culture – Bar Reef Seascape**
Sustainable mariculture initiatives are being developed to provide alternative income opportunities while reducing pressure on fisheries in the Bar Reef Seascape.
2. **Community-Based Tourism – Kuchchaweli**
A community-based tourism model is being developed in partnership with the Kuchchaweli CCG, focusing on reef-positive tourism practices and local income generation.
3. **Community-Based Symbiotic Tourism and Nature Trail Development – Kayankerny**
This initiative integrates low-impact ecotourism and guided nature trails to promote conservation awareness while generating sustainable livelihoods for local communities.

In addition, CPBSF is closely collaborating with SDB Bank to promote grassroot level women-led businesses in the Pigeon Island Seascape. This partnership aims to strengthen women's participation income generation while promoting environmentally sustainable enterprise models linked to coral reef conservation and social safety net systems.

With institutional arrangements now in place and enterprises at incubation level, the CPBSF is actively advancing reef-positive business development to support both community resilience and coral conservation.

2. Progress and Challenges:

CORALL (Conservation of Reefs for All Lives and Livelihoods) Conservation Trust Fund (CTF)

CTF is now established following comprehensive and transparent process. Key challenges, particularly around trustee selection was addressed through transparent criteria and selection committee establishment.

- Fully operational, with mechanisms to mobilize funding from government, private sector, and international donors.
- Supports MPA management, reef conservation, and sustainable community livelihoods.
- National-level consolidation improved efficiency and impact.

Challenges & Solutions

Challenge: Establishment of CFT and selection of Board of Trustees was questioned by SLCRI NSC.

Solution: Developed transparent eligibility criteria; NSC-appointed selection committee oversaw the process; EFL acted as Settlor to CTF establishment as legal entity.

Coral Positive Business Support Facility (CPBSF)

- Fully operational under PMU with Business & Finance Expert and three field officers.
- Supports coral-positive livelihoods and enterprise development in priority seascapes.
- Incubating seaweed & oyster culture, community-based tourism, nature trails, and women-led



enterprises.

- Aligns livelihood generation with long-term coral conservation funding objectives.

Challenge: Development sustainable, community-led business models.

Solution: Technical and financial guidance from CPBSF team, partnerships with SDB Bank for women-led enterprises; ongoing incubation support.



V. Enabling Environment

1. Policies at National and Sub-National Levels (Maximum 1 page)

Significant progress has been made in establishing national-level policy frameworks and strategic guidance for coral restoration in Sri Lanka. IUCN Sri Lanka facilitated the creation of a National Working Group, led by the Coast Conservation and Coastal Resource Management Department and the Department of Wildlife Conservation, to develop Coral Restoration Guidelines. All relevant agencies and experts have agreed to contribute voluntarily, ensuring broad ownership and technical credibility. This initiative will facilitate and streamline the restoration activities planned under SLCRI, as well as all coral restoration programs in Sri Lanka.

A major milestone of SLCRI to date has been the establishment of Special Management Area Coordinating Committees (SMACC) under the provisions of the Coast Conservation and Coastal Resource Management Act, which has brought all key stakeholders together in a single, formal co-management process - a mechanism not fully facilitated by any other legal framework. This collaborative structure has enabled the development of seascape-level SMA plans for three priority sites, ensuring coordinated and informed management. In addition, Community Conservation Groups (CCGs) have been established to actively involve local communities in both conservation activities and decision-making, strengthening ownership and participation in the implementation of these seascape-level management plans.

Together, these policy and strategic initiatives provide a national-level enabling environment for SLCRI, strengthening governance, funding mechanisms, community engagement, and technical guidance for long-term coral reef conservation.

2. Other Enabling Environment Factors:

SLCRI's non-governmental implementing partners provide strategic coordination and support for overall project implementation. Sarvodaya primarily works with three government partners and also facilitates coordination between local communities. EFL provides legal and policy support, including contributions to the establishment of the CTF. BRT offers research support in the Pigeon Island and Kayankerni seascapes. In addition, the non-grant recipient implementing partner Biodiversity Sri Lanka contributes by mobilizing corporate sector support for the project.

3. Complementary Initiatives (Maximum 0.5 page):

"Life for Our Coral Reef" is an initiative established by SLCRI implementing partner Biodiversity Sri Lanka, with financial support from five corporate sector partners, and is being implemented in the Kayankerni seascape.

Pigeon Island Seascape Women-Led Livelihood Development Initiative is implemented by SDB Bank in partnership with SLCRI.

VI. Gender Equity and Social Inclusion (GESI)

1. Gender Roles and Risks:

The SLCRI PMU was established with a well-balanced gender composition, as follows: SLCRI Project Manager – Male; PMU Project Associate – Female; Communication Support Consultant (until July 2025) Female; Project Associate for Bar Reef – Male; Project Associate for Kayankerny – Female; Project Associate for Pigeon Island – Male. Additionally, both men and women were well-represented in the participation of the NSC and the Seascope level SMACC.

The SLCRI National Steering Committee’s representation is based on the positions of each stakeholder institution. Of its members, 11 are women and 27 are men. It is not possible to change this composition, as participation is determined by institutional position.

National Committee	Male	Female
SLCRI National Steering Committee – 3 rd committee	27	11

2. Programme Actions and Outcomes:

GESI-related directives have been incorporated into stakeholder consultations and beneficiary selection. During discussions with field staff and consultants hired for feasibility studies, were also informed about the SLCRI GESI requirements. Additionally, a specific program has been established with SDB Bank to strengthen women’s participation in coral-positive livelihood development.

Event	Male	Female	Total
Kayankerni Seascope Capacity Building Programme for Special Management Area Coordination Committee (SMACC) members on strengthening the Special Management Area (SMA) process	13	02	15
Inaugural Meeting for the Establishment of the SLCRI in Kayankerny Marine Sanctuary and Associated Seascope (KMSAS), Batticaloa	14	02	16
Capacity Building Programme for Special	09	01	10

Management Area Coordination Committee (SMACC) members on strengthening the Special Management Area (SMA) process for Pigeon Island Seascape			
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3. Lessons Learned & Future Direction:

While women’s participation in government sectors remains tied to official positions in the NSC and SMACC, SLCRI has been able to improve gender and youth participation by actively implementing GESI actions. Through ongoing discussions, guidance, and encouragement of implementing partners, efforts have successfully strengthened the engagement of women and youth, particularly at the community level, including in CCGs and coral-positive livelihood initiatives. Capacity-building programs are planned to further enhance their participation and leadership in the first quarter of 2026.

SLCRI will follow the Gender Action Plan outlined in Annex 09 of the SLCRI project proposal, which includes the gender analysis and, the IUCN Gender Equality and Women’s Empowerment Policy.

VII. Partnerships

1. Partner Contributions :

During the implementation period, the SLCRI National Steering Committee (NSC) was strengthened, with the Additional Secretary of the Ministry of Environment serving as its Chair. The three government partners- DWC, CC&CRMD, and DFAR - play key roles as both members of the NSC and as implementing partners.

The CC&CRMD leads the SMA process and co-chairs the Special Management Area Coordination Committee (SMACC) with respective district secretaries. In addition, CC&CRMD has provided its regional centres to serve as SLCRI site offices and allocated the Nilaweli Conservation Centre to establish a coral restoration nursery facility.

All key government agencies actively participated in the preparation of the restoration guidelines, including DWC, CC&CRMD, and DFAR reflecting strong inter-agency collaboration and commitment to the SLCRI implementation.

Sarvodaya Shramadana Movement facilitates the establishment of seascape-level SMACCs and CCGs, supports capacity building activities, conducts feasibility studies to identify coral-positive livelihoods and businesses, disaster risk reduction mechanisms, and social safety net systems for reef-dependent communities.



The Environmental Foundation Ltd. facilitates the design and establishment of CTF, including the development of operationalisation guideline for CTF.

BRT conducted baseline surveys for Kayankerni and Pigeon Island and carried out monitoring surveys. In addition, BRT collaborates with Biodiversity Sri Lanka (BSL) to establish the “Life for Coral” initiative in the Kayankerni seascape.

2. Fostering Collaboration Among Partners:

Collaboration among SLCRI’s implementation partners is essential for establishment of SMA, CCGs and its operational mechanism SMACC. To support coordination and effective decision-making, the PMU facilitated the establishment of a National Steering Committee NSC at the national level and SMACC at the seascape level, ensuring collaboration among all key government and non-government partners across the three priority seascapes.

The CC&CRMD agreed to establish the Special Managed Area for each seascape under the CC&CRMD Act, providing a structured framework for coordinated seascape level management. DWC and DFAR agreed to facilitate this process, despite each operating under their own legislative mandates for managing protected areas, coastal resources, and fisheries.

VIII. Monitoring and Evaluation (M&E)

1. Overview of M&E Activities

Programme delivery will be closely tracked through the SLCRI Monitoring and Evaluation (M&E) Results Framework. In addition, SLCRI has adopted the Management Effectiveness Tracking Tool (METT) for each protected area across the three seascapes, providing a continuous measure of management effectiveness in marine protected areas (MPAs).

METT 4 baseline was established under the OCPP programme, in which SLCRI is also engaged. These baselines provide a foundation for the long-term monitoring of MPAs associated with each seascape.

Furthermore, SLCRI has indicated its intention to adopt the IUCN Green List Standard, and a pilot process has already commenced in the Pigeon Island seascape.

To monitor implementation progress, SLCRI has developed ten mandatory fund indicators. All sector indicators have been uploaded to the MERMAID database, with data entered under the SLCRI project. Monitoring data collection for all three seascapes will be entered into MERMAID by March 2026.

2. Entities Responsible for M&E

IUCN Sri Lanka is responsible for SLCRI M&E data collection and for maintaining SLCRI data in MERMAID. IUCN has an internal team to collect and validate SLCRI M&E data, which is collected from different sources and teams. The team members are:



- Sandun Perera, Programme Coordinator, IUCN Sri Lanka
- Naalin Perera, Senior Programme Officer, Coastal and Marine, IUCN Sri Lanka
- Dinithi Samarathunga, Project Manager, SLCRI
- Dehen Nanayakkara, Field Project Associate, SLCRI
- Chamudi Attapattu, Project Associate, SLCRI
- Chaminda Karunarathna, Coral Reef Expert, IUCN
- Arjan Rajasuriya, Senior Coral Reef Expert, SLCRI

3. Key Achievements and Insights

SLCRI M&E baseline, 2024 annual report and 2025 annual report and the end of the project period have been updated in MERMAID.

4. Challenges and Lessons Learned

The SLCRI programme focuses on three seascapes: Bar Reef Seascape on the western coast and Kayankernyi Seascape and Pigeon Island Seascape on the eastern coast. Data collection is constrained by monsoon and inter-monsoonal wind patterns, limiting the window for assessing benthic cover and fish biomass. Recent climate-driven weather fluctuations are further impacting these schedules, highlighting the need for adaptive data collection strategies across all three seascapes.

5. Next Steps and Timeline

- **Completion of monitoring data in MERMAID and gap filling in targets:** March 2026
- **Data collection for extension period implementation:**
 - Kayankerni and Pigeon Island seascape: August – September 2026
 - Bar Reef seascape: February – December 2026
- **Completion of first phase reporting in MERMAID:** March 2026

IX. Programme Management

1. Decisions and Resolutions by Governance Body:

SLCRI National Steering Committee

The SLCRI National Steering Committee (NSC) was established under the chairmanship of the Secretary, Ministry of Environment, to secure national-level technical support, collaboration and coordination.

Following the first meeting, the members of the NSC agreed on the following responsibilities:

1. Coordinate the implementation of the SLCRI programme at the national level.
2. Support communication of SLCRI programme-related activities to all stakeholders, including the government, private sector, NGOs, and local communities.
3. Facilitate the “mainstreaming” of relevant project findings and recommendations into national policy.
4. Promote national dialogues and the sharing of lessons learned to improve practices and policies in coastal zone management and development.

Composition of the NSC:

1. Ministry of Environment, chair of the NSC.
2. Key implementing partners, including the Department of Wildlife Conservation, Department of Coast Conservation and Coastal Resource Management, Department of Fisheries and Aquatic Resources, Sarvodaya Sramadana Movement, Blue Resource Trust, and Environmental Foundation Limited.
3. All other key government agencies responsible for coral conservation and the sustainable use of marine and coastal resources.
4. All other implementing partners and selected experts in the coastal and marine sector.
5. The IUCN Sri Lanka Country Office provides logistics for the meetings and serves as the secretariat for the NSC, with the responsibility of convening quarterly meetings.

Special Managed Area Coordinating Committees (SMACCs)

SMACCs have been established in each seascape to facilitate planning and decision-making at the seascape level conservation and sustainable use of resources. SMACCs have been established, chaired by the District Secretary of the respective districts. These meetings were attended by national and regional representatives from all implementing partners, as well as by representatives from local-level NGOs and CCG members.

CTF Trustees

Six members have been appointed as CTF trustees to manage the CTF and achieve its objectives. The trustees have been selected transparent manner based on following criteria.

- (i) Accounting & Finance / Investment Banking / Fund Management sector, who shall meet the following criteria:
- (ii) Hospitality Management and Tourism sector, who shall meet the following criteria:
- (iii) Environmental Conservation sector, who shall meet the following criteria:
- (iv) Coral Reef Conservation sector, who shall meet the following criteria:



2. Work Plan & Budgetary Adjustments:

With the consent of GFCR, SLCRI received a no-cost extension of one year due to implementation constraints and is not yet ready to request replenishment. The SLCRI activity budget and work plan have been adjusted accordingly, with approval from GFCR.

3. Operational Adjustments:

As a result of the approved no-cost extension of up to one year, SLCRI has made a few critical operational decisions, including the redundancy of the dedicated Project Manager and Project Associate positions, with their responsibilities redistributed among IUCN staff. However, all staff currently engaged in the implementation period have already been with the project, and therefore there is no impact on continuity. The team is ready to accelerate activities to achieve the targeted milestones.

4. Operational Challenges & Mitigation:

One of the main challenges is the limited availability of staff time, as responsibilities have been redistributed among existing IUCN staff. This may affect staff allocation, and some associated costs will need to be absorbed by IUCN as a co-financing component. As a mitigation measure, junior-level consultants were hired to work alongside senior SLCRI members.

5. Replenishment

SLCRI is planning to submit a replenishment request by June 2026.

X. 2026 Objectives

1. 2026 Objectives

SLCRI have identified following three activities as 2026 major objective.

Activity 1.2.2: Establishment and operationalisation of CORALL CTF with identified management arrangements.

SLCRI transferred the initial grant to the CTF and is working closely with the members of the Board of Trustees and EFL to establish a well-functioning CTF. In addition, the CTF will be linked with SMACC to finance coral-positive activities across the three seascapes.

Activity 2.1.3: Implementation of coral friendly business and reef related enterprises under the guidance of the CPBSF, enhancing livelihoods of coral-dependent communities in three priority seascapes.

SLCRI works with Sarvodaya, Biodiversity Sri Lanka, and SDB Bank to implement coral-positive livelihoods and businesses. CBPSF will play a major role in incubating and upscaling business ideas and will work closely with above agencies and three Field Associates to support implementation.

Activity 3.2.2: Adoption and piloting of (a) appropriate strategies for implementation of recommended reef restoration techniques, and (b) novel techniques in coral restoration including coral propagation in Bar Reef, Kayankerni and Pigeon Island seascapes. .

SLCRI will work closely with government implementing partners, including CC&CRMD and DWC, in the implementation of coral restoration programmes. The development of the National Restoration Guidelines provides strategic support, while CC&CRMD facilitates the establishment of a coral restoration facility at the Nilaweli CC&CRMD Centre.

The three activities mentioned above will serve as key pillars for the SLCRI Phase One extension period. The CTF will provide resources for the implementation of SMA plans, while CBPSF and coral-positive livelihoods and businesses will help maintain momentum throughout the extension period and engage coral-dependent communities with SLCRI. The coral restoration programme will play a central role in restoring reefs and sustaining collaboration among partners during this time.

XI. Communication, Visibility and Knowledge Management

The range of stakeholders in the Sri Lanka Coral Reef Initiative is wide and diverse, spanning from policy-level actors to local community members, including private sector organizations. In addition, community members involved in illegal fishing and blast fishing are also recognized as specific stakeholder categories within the initiative. Therefore, communication plays an important strategic role in the project.

A strong communication platform has been established among project stakeholders, including implementing partners, NSC members, SMACC members, CCG members, TEC members, and other expert groups. The Project Manager is responsible for communication among project partners, NSC members, and SMACC members. Field Associates coordinate communication among CCG members. The Programme Coordinator is responsible for communicating with TEC members and other expert groups. Physical and hybrid meetings are the most effective communication methods among project stakeholders. Public communication with wider groups has been limited to participation in exhibitions and external events. Printed communication materials, including SLCRI awareness posters, banners, and leaflets, were produced for distribution at such events.

2. Alignment with programme goals:

The SLCRI communication plan is structured around two primary objectives. The first objective focuses on maintaining an effective and strategic communication mechanism among project partners and key stakeholders to ensure the smooth implementation of project activities and facilitate efficient day-to-day operations.

The second, broader objective aims to enhance awareness among local communities and other key stakeholders regarding the ecological importance of coral reefs, marine ecosystems, and coastal ecosystems, as well as the urgent need for their conservation and sustainable management.

SLCRI has demonstrated strong performance in managing internal communication related to project implementation and stakeholder coordination. However, outreach and communication efforts targeting the broader stakeholder community and the general public have not yet been fully initiated.

2. Effectiveness and Future Planning:

NSC meetings and seascape-level SMACC meetings strengthened stakeholder partnerships and facilitated effective communication of the SLCRI programme.

In addition, one-on-one consultations with key implementing partners proved highly effective in strengthening coordination and communication related to programme implementation.

The SLCRI PMU plans to fully operationalize the remaining components of the SLCRI Communication Plan, including the outreach programme, as outlined in Annex VII of the project document, during 2026.



3. Knowledge Sharing:

SLCRI participated International Mangrove Research Symposium, which was held on June 2025, hosted by OUSL.

IUCN Sri Lanka participated as an exhibitor at Aqua Planet 2025, held from 21–23 November at Lotus Tower. The event served as a platform to showcase the Sri Lanka Coral Reef Initiative (SLCRI), highlighting its objectives and progress through visual and printed materials.

The CORALL CTF was also introduced during this event to a broad stakeholder audience, thereby strengthening donor visibility, expanding networking opportunities, and enhancing public awareness of marine conservation and sustainable fisheries.



Annex A – Co-financing Table

#	Co-financing partner / source	Source type	Instrument	Status	Amount	Notes (FX rate, valuation method, assumptions)
1	Ministry of Environment	Public	In kind	Committed	100,000 USD	Amount delivered in 2025 is being calculated.
2	Department of Wildlife Conservation	Public	In kind	Committed	250,000 USD	Amount delivered in 2025 is being calculated.
3	Coast Conservation and Coastal Resources Management Department	Public	In kind	Committed	400,000 USD	Amount delivered in 2025 is being calculated.
4	Department of Fisheries and Aquatic Resources	Public	In kind	Committed	200,000 USD	Amount delivered in 2025 is being calculated.
5	Biodiversity Sri Lanka	Private sector/NGO	grant	Committed	77,310 USD	Amount delivered in 2025 is being calculated as given. However, their initial cofinancing commitment was USD 70,000
6	Blue Resource Trust	NGO	In kind	Committed	70,000 USD	Amount delivered in 2025 is being calculated.



Annex B – Programme Milestones by Activities

Format: Programme Milestones by Activities Table

Deliverable or Milestone	Target Date of Completion	Status	Supporting Text
Outcome 1 – Outcome 1: Strengthened protection of coral associated priority seascapes in Sri Lanka.			
Output 1.1 – Three co-management plans are operationalized at Bar Reef, Kayankerni and Pigeon Island seascapes.			
Activity 1.1.1 – Preparation and implementation of youth and gender-inclusive co-management plans through establishing Co-Management Committees (CMCs) for each priority seascape and demarcation of management zone boundaries including Locally Managed Marine Areas (LMMAs).			
Bar Reef, Kayankerni and Pigeon Island seascapes are legalised as Special Management Areas	June 2026	Kayankerni and Pigeon Island seascapes SMAs established Bar Reef Seascape in progress	The Coast Conservation and Coastal Resources Management Department (CC&CRMD), together with the respective District Secretaries, has been instrumental in establishing three seascapes as Special Management Areas (SMAs) under the provisions of the Coastal Zone Management Act No. 57 of 1981 as amended by Amendment Act No. 49 of 2011. The establishment process was carried out in collaboration with key government partners under a SMA framework. While CC&CRMD leads the overall coordination within its jurisdiction, other relevant agencies have facilitated and supported the establishment of SMAs.
Activity 1.1.2 –Establishment of a sub-committee of the national Forum for Ecosystem Management and Advocacy (FEMA) for each seascape and building its capacity.			
Three FEMA sub-committees established for each seascape	June 2026	in progress	To date, FEMA members have been identified as Technical Expert Committee (TEC) members, have been formally recognized, and continue to provide support for the implementation of SLCRI.
Activity 1.1.3 –: Establishing/empowering gender-inclusive Community Conservation Groups (CCGs) comprising local youth under each seascape CMC to support law enforcement authorities in (a) stopping destructive fishing practices including blast fishing, and (b) implementation of regulations to protect coral reefs and their resources.			



At least one LMMA has been identified and managed through the CMCs in each seascape.	June 2026	In progress	Three LMMAs for Pigeon Island seascape associated with three CCGs, three CCGs in Kayankerni seascape (two associated with LMMAs and one with Kayankerni Sanctuary) and five CCGs in Bar Reef seascape (three associated with Bar Reef sanctuary and two associated with the newly proposed Thalawila and Kandakuliya sanctuary, which was proposed as an LMMA in our initial proposal. Therefore, we remain with the same number of CCGs as initially planned but with a lower number of LMMAs. However, with more MPAs within the seascape than we originally had.
Activity 1.1.4: Conducting capacity building programs for members of CMCs (SMACC), CCGs and other stakeholders with an emphasis on women and youth in each seascape.			
Three capacity building programmes conducted.	December 2025	On going	The first set of capacity-building programs has already been successfully conducted. This activity will continue into the 2026 extension period to further strengthen the capacities of CCG and SMACC members.
Output 1.2: CORALL Conservation Trust Funds and blended financing for coral reef conservation are established to strengthen the operationalization of three co-management plans in Bar Reef, Kayankerni and Pigeon Island seascapes.			
Activity 1.2.1 – Legal and institutional review and a feasibility study on establishing Conservation Trust Funds (CTFs) for coral reef conservation in three priority seascapes and identification of management arrangements to enable CTF establishment.			
CTF feasibility study report	December 2025	Completed	The contract awarded to Environmental Foundation Limited has been successfully completed, and all deliverables have been finalized as of December 2025.
Activity 1.2.2 – Establishment and operationalisation of a seascape level CORALL CTF with identified management arrangements.			
Conservation Trust Fund Established	June 2026	on going	A central CTF has been successfully established under the SLCRI project, covering all three sites. EFL played a settler’s role in the establishment process. A six-member Board of Directors has been selected and officially appointed. Funds from the SLCRI project are scheduled to be transferred to the CTF during Q1 2026 reporting period.



Activity 1.2.3 – Upscaling of above modalities into other coral associated seascapes such as Hikkaduwa Marine National Park, Silavatturai-Arippu-Vankalai coral reef cluster and Vidattaltivu Nature Reserve.			
SLCRI upscale into to other coral reef areas	Phase 02 activity		[Supporting Text]
Output 1.3 – Macro and replicable site level innovative financing mechanisms are explored and piloted for coral reefs and community resilience in three priority seascapes in Sri Lanka.			
Activity 1.3.1: Feasibility studies on innovative financing mechanisms such as bio-credits, blue bonds, and Debt for Nature Swaps (DNNS) for each priority seascape.			
Feasibility study report	June 2026	To be done	A RFP was issued for a feasibility study on macro and replicable site level innovative financing mechanisms, however, no competent consultancy agency applied. The RFP will need to be re-advertised in Q1 2026.
Activity 1.3.2: Adoption and piloting of at least one innovative financing mechanism for coral reefs and community resilience in Bar Reef, Kayankerni and Pigeon Island seascapes.			
Three pilot innovative financing mechanisms established at each seascape.	June 2026	To be done after 1.3.1	[Supporting Text]
Output 1.4: A Mechanism for measuring management effectiveness established in three priority seascapes in Sri Lanka.			
Activity 1.4.1: Building the capacity of CMCs and CCGs to adopt the management effectiveness tracking tool (METT) in each seascape.			
Three capacity building workshops conducted	December 2025	Completed	The capacity-building workshop was successfully conducted with support from the OCCP Project and the implementing partner, BRT.
Outcome 2: Transformed livelihoods of coral reef-dependent communities through coral–positive entrepreneurship with enhanced recovery from shocks in coral associated priority seascapes in Sri Lanka.			
Output 2.1: Reef positive livelihoods and business opportunities are implemented at Bar Reef, Kayankerni and Pigeon Island seascapes.			
Activity 2.1.1: Feasibility studies on coral friendly livelihoods and women’s and youth involvement in coral reef related enterprises, to identify gaps and development potentials and propose recommendations.			



Feasibility study report on coral friendly livelihoods	December 2025	Completed	Sarvodaya has completed the feasibility reports for the Bar Reef and Pigeon Island seascapes, while BRT has completed the feasibility report for the Kalamkarni seascape.
Activity 2.1.2 –Establishment of a Coral Positive Business Support Facility (CPBSF) to provide necessary support on different livelihood opportunities and business development for coral-dependent communities in three priority seascapes.			
Three CPBSF established at each seascape	December 2025	Completed	The CPBSF has been successfully established with business and financing expert under the PMU.
Activity 2.1.3: Implementation of coral friendly business and reef related enterprises under the guidance of the CPBSF, enhancing livelihoods of coral-dependent communities in three priority seascapes.			
Three coral friendly business established at each seascape	June 2026	On going	This activity is ongoing and will continue into Phase 1 of the 2026 extension period.
Output 2.2 – Output 2.2: Regional Cooperation Mechanism (RCM) established to promote coral friendly businesses and share best practices between Sri Lanka and Maldives.			
Activity 2.2.1: Identification of stakeholders for the RCM, its establishment and coordination through the CPBSF.			
Visit to Maldives has been recognised to learn lesson and exchange experiences gain over the years from implementing CPBs and	June 2026	Planned	This activity is ongoing and will continue into Phase 1 of the 2026 extension period.
Activity 2.2.2: Assessment of best practices for coral-friendly tourism in Maldives and identification of learning opportunities for Sri Lanka.			
[Deliverable or Milestone]	June 2026	To be done	This activity is ongoing and will continue into Phase 1 of the 2026 extension period.
Activity 2.2.3: Implementation of appropriate nature-based tourism and/or eco-tourism ventures uniquely identified for each priority seascape with staff exchange programs, training, and collaborative tourism ventures through the RCM.			
At least one ecofriendly tourism venture will be	June 2026	Planned	This activity is ongoing and will continue into Phase 1 of the 2026 extension period.



identified in each seascape.			
Outcome 3: Improved research and development capabilities in coral reef restoration in Sri Lanka.			
Output 3.1: Conditions for scientific coral reef restoration enabled in Sri Lanka.			
Activity 3.1.1: Development of a National Policy Framework and Strategic Guidelines for Coral Restoration in Sri Lanka.			
National guidelines for Coral Restoration introduced and applied under three seascapes	December 2025	Completed	The development of a National Guidelines for Coral Restoration in Sri Lanka has been successfully completed. The final guidelines are now ready for national validation.
Output 3.2: Restoration technologies developed and piloted in coral associated seascapes in Sri Lanka.			
Activity 3.2.1: Feasibility studies on appropriate coral restoration technologies for each priority seascape.			
Preparation of three feasibility study reports on coral restoration technologies are available, one each for the three priority seascapes.	June 2026	ongoing	The feasibility reports for Kayankerni and Pigeon Island seascapes are now available, while the feasibility study for Bar Reef is scheduled to be carried out in Q1 2026.
Activity 3.2.2: Adoption and piloting of (a) appropriate strategies for implementation of recommended reef restoration techniques, and (b) novel techniques in coral restoration including coral propagation in Bar Reef, Kayankerni and Pigeon Island seascapes.			
Three reef restoration programmes in place one each at Bar Reef, Kayankerni and Pigeon Island seascapes.	June 2026	Planned	Activity has schedule to Q1 2026.
Output 3.3: Degraded coral reefs restored in Bar Reef, Kayankerni and Pigeon Island seascapes with private sector partnerships and upscaled into other similar seascapes.			
Activity 3.3.1: Design and implementation of practical restoration plans, based on robust business models for coral reef restoration and maintenance appropriate for each priority seascape with inputs from the CPBSF.			



Preparation of three reports on strategies recommended for reef restoration and novel techniques in coral propagation in three seascapes. [Deliverable or Milestone]	June 2026	Planned	This activity has not been considered during the reporting period and will be addressed in Q1 2026
Activity 3.3.2: Building the capacity of CCGs and local communities in each priority seascape on coral restoration and monitoring with the involvement of seascape-specific FEMA sub-committee and using best practices in citizen sciences.			
Conducting three capacity building programs for CMCs and CCGs in three seascapes	June 2026	Planned	This activity has not been considered during the reporting period and will be addressed in Q1 2026
Activity 3.3.3: Adoption of similar restoration and monitoring plans, and their implementation with capacity-built CCGs in other coral associated seascapes such as Silavatturai-Arippu-Vankalai coral reef cluster, Vidattaltivu Nature Reserve and Hikkaduwa Marine National Park.			
Based on the coral restoration guidelines there will be two National and Regional level lesson learn and experience sharing workshops will be designed and conducted.	December 2026	Planned	This activity has not been considered during the reporting period and will be addressed in Q1 2026

Annex C – Solution Case Study Template

Empowering women in reef-dependent communities through Seaweed Culture in the Bar Reef Seascape of Sri Lanka Coral Reef Initiative





Context

Seaweed farming is increasingly recognised as a climate-smart, low-impact aquaculture activity well suited to lagoon systems in Sri Lanka. Recent field-based assessments from Jaffna, Mannar, and Kalpitiya indicate that, when appropriately sited and managed, seaweed farming can generate strong economic returns for coastal households while also contributing to improved water quality through nutrient uptake (Lakmal et al., 2025). Globally, demand for seaweed products has expanded rapidly across food, hydrocolloids, cosmetics, pharmaceuticals, and bio-based materials. Global production increased from approximately 118,000 tonnes in 2000 to over 358,000 tonnes by 2019, with Asia accounting for more than 97% of output (FAO, 2021), and the sector is projected to continue growing significantly toward 2030 (World Bank, 2023).

Within the Bar Reef Seascape, many lagoon- and reef-dependent households remain heavily reliant on fishing and seasonal offshore activities. Declining fish catches, seasonal income gaps, and limited livelihood alternatives have increased pressure on nearshore ecosystems, including coral reef-associated resources. This solution positions seaweed farming as a coral-positive livelihood by targeting women in reef-dependent households and providing predictable, short-cycle income that can reduce dependence on reef extraction by lowering incentives to fish and strengthening local support for reef protection and management.

This project assessed the feasibility of seaweed farming in the Bar Reef Seascape and linked identified women-led groups interested in farming seaweed to a private-sector off-taker. The Seashore Garden, an existing market player in the seaweed business elsewhere in Sri Lanka were de-risked to approach Bar Reef seascape through the project, thereby enabling a scalable, market-connected livelihood alternative. Production focused on *Kappaphycus alvarezii*, a seaweed widely used in global carrageenan markets and already central to Sri Lanka's emerging seaweed industry following earlier cultivation pilots and expansion in northern provinces (Lakmal et al., 2025). The species is well-suited to lagoon environments due to its rapid vegetative growth and its ability to reach harvestable biomass within roughly 45–50 days under suitable conditions, without requiring hatchery inputs. This combination of proven demand, short production cycles, and low-input cultivation makes *K. alvarezii* a practical entry point to introduce seaweed culture as a community-based enterprise that can deliver livelihood benefits while supporting coral reef resilience through reduced fishing pressure.

FINANCE SOLUTION OVERVIEW

Programme-Level Blended Finance Architecture

The Sri Lanka Coral Reef Initiative (SLCRI) is structured as a blended finance programme designed to combine catalytic grant capital with private and public investment over a six-year period (2024–2030).

The Phase I of the programme focuses on:

- De-risking early-stage reef-positive business models
- Establishing technical, governance, and regulatory foundations
- Building a pipeline of bankable coral-positive enterprises in three priority LMMAs



Large-scale commercial investment is not expected during Phase I. Instead, grant capital is strategically deployed to validate business models and prepare them for scale.

The seaweed culture pilot is positioned within this broader blended finance architecture as an early reef-positive business model designed to transition from grant-supported validation to commercially scalable operations.

Seaweed Cluster Pilot – Financial Structure

Initial Investment (Phase I)

The seaweed businesses identified to be launched shortly represent approximately **USD 15,000 (~ LKR 4.5 million)** within the Phase I reef-positive business allocation. This includes costs for starter materials, training, technical assistance, monitoring and implementing safeguards.

This capital is used to:

- Remove entry barriers for reef-dependent households
- Establish cluster governance and operational standards
- Transfer proven production practices
- Ensure responsible lagoon-based farming
- Validate revenue reliability under buy-back arrangements

Revenue Model

The seaweed clusters operate under a structured private off-taker model with assured buy-back arrangements (benchmark price: **\$0,85-1 per kg**), export market access, quality alignment and pricing transparency

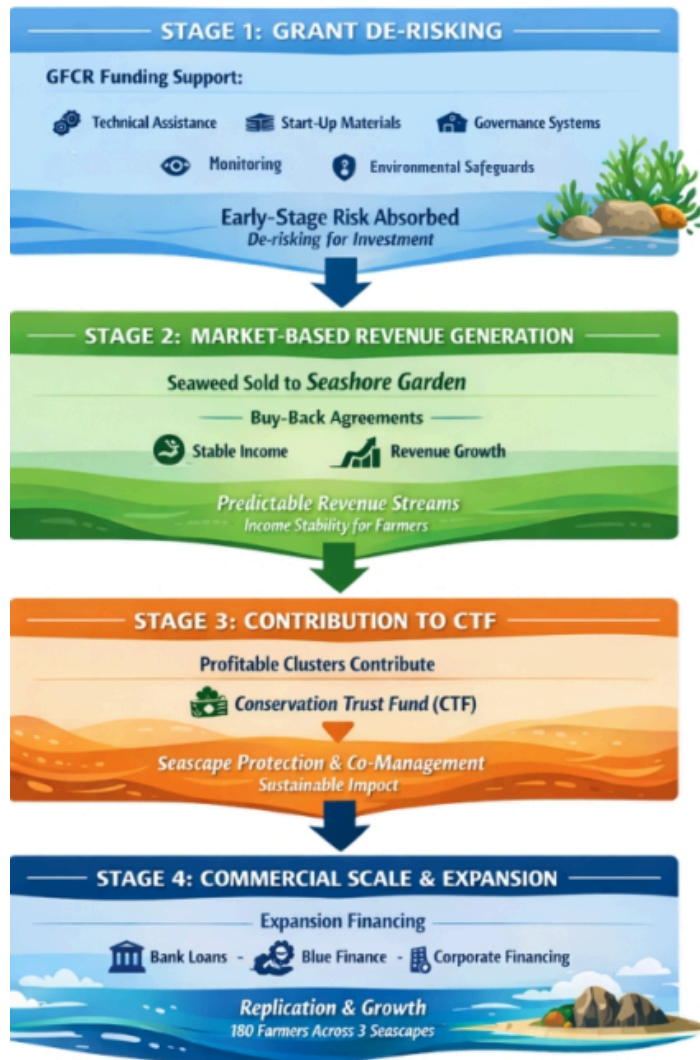
Under structured buy-back and cluster scaling seaweed farmers generally earn **USD 1,200-1,500 per year**. At the cluster level, conservative projections indicate Approx. **USD 70,000-90,000 annual gross revenue** for the initial 60 farmers (based on two production cycles)

This means that a **USD 15,000 catalytic grant proposed by the programme which is expected to unlocks ~USD 80,000 in annual production revenue**, representing more than a 5x return and demonstrating meaningful income diversification and revenue stability required for future bankability.

Scaling this activity across three landscapes, involving 180 farmers, could generate **USD 230,000-270,000** in cluster revenue. At this scale, voluntary contributions to the **CTF** could generate **USD 12,000-25,000** from seaweed alone, which will be used for long-term coral conservation in the areas.

Structure and Financing Flows

The blended finance sequencing is structured as follows (Figure 1.):



Stage 1 – Grant De-Risking

GFCR funding supports:

- Technical assistance
- Production start-up materials
- Governance and compliance systems
- Environmental safeguards
- Monitoring and validation

This absorbs early-stage risk that commercial lenders would not finance.

Stage 2 – Market-Based Revenue Generation

Seaweed is sold to Seashore Garden under buy-back arrangements, generating predictable revenue streams for farmers.

Stage 3 – Contribution to CTF

Once production stabilises voluntary contributions from profitable clusters can flow into the CTF to support seascape co-management and enforcement of SMA regulations.

Stage 4 – Commercial Scale (Phase II and Beyond)

Following revenue validation, expansion financing may include:

- Working capital loans from domestic banks
- Blue financing mechanisms (blue bonds, credits, etc.)
- Corporate financing (CSR, etc.)

This enables replication across Pigeon Island and Kayankerni, potentially reaching 180 farmers across three seascapes.



Co-Financing Leveraged

At the initial stage, co-financing consists primarily of:

- Private-sector market participation (off-take agreements)
- In-kind technical support from private partners

Future co-financing is expected through commercial lending and blue economy investment once cluster revenue reliability is demonstrated.

IMPACT

Impact Ambition

Seaweed farming generates positive social, economic, and environmental outcomes:

Job Creation

- 60 direct positions in the initial phase
- Potential expansion to 180 full-time farmers across three landscapes
- 60% female participation expected in value-chain roles

Livelihood Enhancement

- Stable supplementary income, reducing fishing dependency
- Increased household financial resilience

Community Empowerment

- Training and entrepreneurial capacity development
- Strengthened local governance structures

Marine Conservation

- Reduced pressure on reef fisheries
- Improved compliance through CTF-supported enforcement

Climate & Ecosystem Benefits

- Nutrient uptake in lagoon systems
- Indirect support to coral resilience

Community and Stakeholder Engagement

The solution was developed through consultations with lagoon- and reef-dependent households in the Bar Reef seascape, including former seaweed farmers and active reef users. Farmers expressed willingness to re-engage in seaweed cultivation provided that:

- Farming sites were suitable
- Reliable market access was secured
- Technical support was available



Private-sector engagement was initiated early, with Seashore Garden confirming buyback arrangements to ensure commercial viability from the outset.

Co-Management Committees (CMCs) and related structures are involved in aligning seaweed operations with broader seascape governance.

Community members play a central role in:

- Day-to-day production and quality control
- Peer accountability within clusters
- Theft prevention and site stewardship
- Participation in enforcement discussions through Community Conservation Groups (CCGs)

Long-term success depends on maintaining farmer ownership of production and linking income stability to improved compliance with reef management regulations. To ensure success, we provide communities with training in best-practice techniques and entrepreneurial capacities, building local capacity and equipping communities to independently manage and scale their farms.

TAKEAWAYS

Process and Challenges

The seaweed businesses are developed through a deliberate, phased design process that combines technical evidence, market engagement, and institutional learning. Rather than starting from an investment ambition, the model was grounded in documented aquaculture benchmarks from northern Sri Lanka and lessons learned from earlier failed seaweed initiatives, which often struggled due to poor site selection and lack of reliable buyers. Early engagement with a private-sector off-taker was therefore prioritised to anchor commercial viability from the outset.

A key design principle was to avoid premature scaling. The approach was structured conservatively, focusing first on validating production reliability, onboarding farmers, and implementing safeguards before introducing commercial debt or expansion capital. Attention is given to seasonal lagoon dynamics, monsoon variability, and governance alignment within co-management structures to ensure the model is environmentally and institutionally coherent.

Several challenges remain inherent to the model. Environmental variability can affect yield stability, particularly in lagoon systems sensitive to seasonal fluctuations. Farmer confidence during initial cycles must be carefully managed to avoid a drop-off before revenue stabilises. Export-grade quality standards must be consistently met to maintain buyer trust. These risks are addressed through phased implementation, cluster aggregation to reduce individual exposure, and close coordination with the private off taker.



Key Takeaways

The primary lesson from this process is that de-risking must precede scaling. Grant capital plays a catalytic role by absorbing early-stage validation and coordination risks that commercial lenders are unwilling to finance. Once production reliability and revenue streams are demonstrated, commercial finance can be introduced with greater confidence and discipline.

A second insight is that market certainty is more important than production ambition. Securing a credible buy-back arrangement at the outset proved more critical than expanding the number of farmers. Predictable revenue builds trust within communities and provides the foundation for future bankability.

Aggregation also emerged as an important structural feature. Organising farmers into clusters distributes environmental and operational risk while reducing transaction costs for buyers and future lenders. This improves both resilience and scalability.

If the process were repeated, earlier engagement with domestic financial institutions during the initial stage could potentially accelerate the transition to debt-based expansion in Phase II.

Future plans

Building on the seaweed businesses, SLCRI is exploring the potential introduction of **Integrated Multi-Trophic Aquaculture (IMTA)** systems in collaboration with Seashore Garden and relevant technical partners.

Seashore Garden has piloted integrated models that combine seaweed cultivation with species such as sea cucumbers and selected finfish in controlled lagoon environments in northern Sri Lanka. IMTA systems are designed to enhance ecological efficiency by allowing waste nutrients from higher-trophic species to be absorbed by seaweed, thereby improving overall system productivity while reducing nutrient loading. This could further strengthen the coral-positiveness of our models.

References

- Lakmal et al. (2025). *A field visit report on aquaculture practices in Kalpitiya, Mannar and Jaffna, Sri Lanka*. Ocean University of Sri Lanka.
- FAO (2021). *The State of World Fisheries and Aquaculture*. Food and Agriculture Organization.
- World Bank (2023). *Global Seaweed: New and Emerging Markets*. World Bank.



Annex D – GESI Action Report

Definition: A GESI approach considers unequal power relations and inequalities experienced by individuals as a result of their social identities, including gender, location, (dis)ability, wealth, education, age, caste/ethnicity, race, sexuality. For more information, refer to GCFR Portfolio GESI Mainstreaming.

Guidance: Use the table below to provide an updated Gender Equity and Social Inclusion (GESI) Action Report that reflects the programme's achievements, progress, and challenges in GESI mainstreaming during the reporting period. **Evidence** should be shown of the following:

- Mechanisms or processes in place to ensure meaningful participation and representation of diverse groups (women, youth, ethnic minorities, persons with disabilities etc) in activities implementation.
- The perspectives, needs and priorities of diverse groups have been taken into account in decision-making processes during implementation
- Effort to diversify representation on governance mechanisms such as programme steering committee or investment committee
- GESI indicators integrated into the Programme's M&E framework and disaggregated data is collected
- Practices to mainstream GESI principles in programme activities
- Staff, time, budget and resources allocated to work on GESI mainstreaming
- Training and capacity-building opportunities on GESI concepts, analysis, and mainstreaming approaches
- Identification of specific risks related to gender-based violence, exploitation, discrimination, or exacerbation of existing inequalities
- Strategies, protocols, and accountability mechanisms in place to mitigate identified GESI-related risks and adhere to "do no harm" principles
- Channels for raising concerns related to safeguarding issues
- Identification of good practices and lessons learned

Format: GESI Action Report

Linked Programme Outcome	Objective	Action	Indicator	Milestone – 2025	Remarks
Outcome 1: Strengthened protection of coral associated priority seascapes in Sri Lanka.	Strengthen women's participation in MPA management and ensure that all resource users' needs, ideas and priorities are reflected in plans.	Women's participation has been ensured in the SLCRI National Steering Committee, Seascape-level SMACCs, and CCGs. The SLCRI PMU is also gender balanced, with representation from both men and women.	Number of women participations in 2 nd National Steering committee – Number of women participations in 3 rd National Steering committee – Number of women participations in Kayankerni SMACC-	As per the evidence requirements	Substantiate / explain milestone/s that were (not) accomplished through the reporting period, as necessary.



			Number of women participations in Pigeon Island SMACC-		
Outcome 2: Transformed livelihoods of coral reef-dependent communities through coral-positive entrepreneurship in coral associated seascapes in Sri Lanka.	Promote equitable participation of women in coral-positive livelihoods and entrepreneurial opportunities within coral reef-dependent seascape communities through inclusive engagement mechanism.	Guidelines were developed for the feasibility study to ensure the engagement of women and to explore opportunities for their participation in livelihoods and business. A dedicated programme was developed with SDB bank to support women in marginalised communities in Pigeon Island Seascape.	A total of 158 women were trained in livelihood skills, and 38 women entrepreneurs have already launched businesses under the SDB engagement.		
Outcome 3: Improved research and development capabilities in coral reef restoration in Sri Lanka.	Enhance gender equality and social inclusion within coral reef restoration by ensuring equitable participation of women and under-represented groups including youth.	This is one of the under-represented areas, as historically only a few women have been engaged in coral reef research and restoration. However, progress has been made to address this gap, a small number of women were actively involved in the development of the coral restoration guidelines, and young graduates - including young women - were engaged as interns and consultants to support coral research.		This engagement has helped to begin expanding opportunities for women and youth in the field of coral-related research and restoration, contributing to a more inclusive research environment.	



Annex E – Safeguards

Part 1. The Social and Environmental Risks Checklist has been provided as a guide to re-screen programme risks as programmes operate in a dynamic environment. For responses with a “Yes” expand on the mitigation measure.

Part 2. Has any grievances been registered through the Convening Agent or implementing partner grievance mechanism in relation to the GFCR programme? Yes/No. If Yes, explain the situation and how it has been addressed.

Part 3.

- How are you promoting your organisation’s grievance mechanisms when engaging with communities and partners?
- Does the programme incorporate safeguard screening during sourcing, investment appraisal, and monitoring?

Part 4.

- Describe the management structure within the implementation team and procedures followed (or planned) for handling grievances related to programme implementation.

CHECKLIST POTENTIAL SOCIAL AND ENVIRONMENTAL RISKS		Answer (Yes/No)
Principles 1: Human Rights		
1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of vulnerable/marginalized groups?	No
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? ¹	No
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	No
6.	Is there a risk that rights-holders do not have the capacity to claim their rights?	No

¹ Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to “women and men” or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.



7.	Have local communities or individuals (including local opinion leaders), given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and/or individuals?	No
Principle 2: Gender Equality and Women's Empowerment		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3.	Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4.	Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	No
1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	No
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No



1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	<p>Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area?</p> <p><i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i></p>	No
Standard 2: Climate Change Mitigation and Adaptation		
2.1	Will the proposed Project result in significant ² greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	No
2.3	<p>Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)?</p> <p><i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i></p>	No
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No

² In regards to CO₂, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]



3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions? ³	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? <i>If the answer to the screening question 6.3 is “yes” the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.</i>	No

³ Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.



6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No