



# Scaling Finance for Reef Resilience

Call for GFCR Capitalisation 2025-2030

# FORGING RESILIENCE

Coral reefs, which support the livelihoods of about 1 billion people, are facing unprecedented threats, making them one of the most vulnerable ecosystems on the planet. Climate change, in particular, is pushing these vital ecosystems toward **what could be the first functional extinction of an entire ecosystem within our lifetimes**. However, there is a critical opportunity to protect and conserve coral reefs, particularly by focusing on coral refugia—areas that demonstrate resilience to the impacts of climate change, including bleaching resistance and recovery.

To secure new sources of public and private funding for the protection of the world’s most resilient coral reefs and prevent their collapse, the Global Fund for Coral Reefs (GFCR) was launched in 2020. Hosting a UN-managed grant vehicle and collaborating with a diverse range of investment partners, the **GFCR supports locally led initiatives and transformative investments guided by an integrated, ecosystem-based approach focused on protecting coral refugia**.



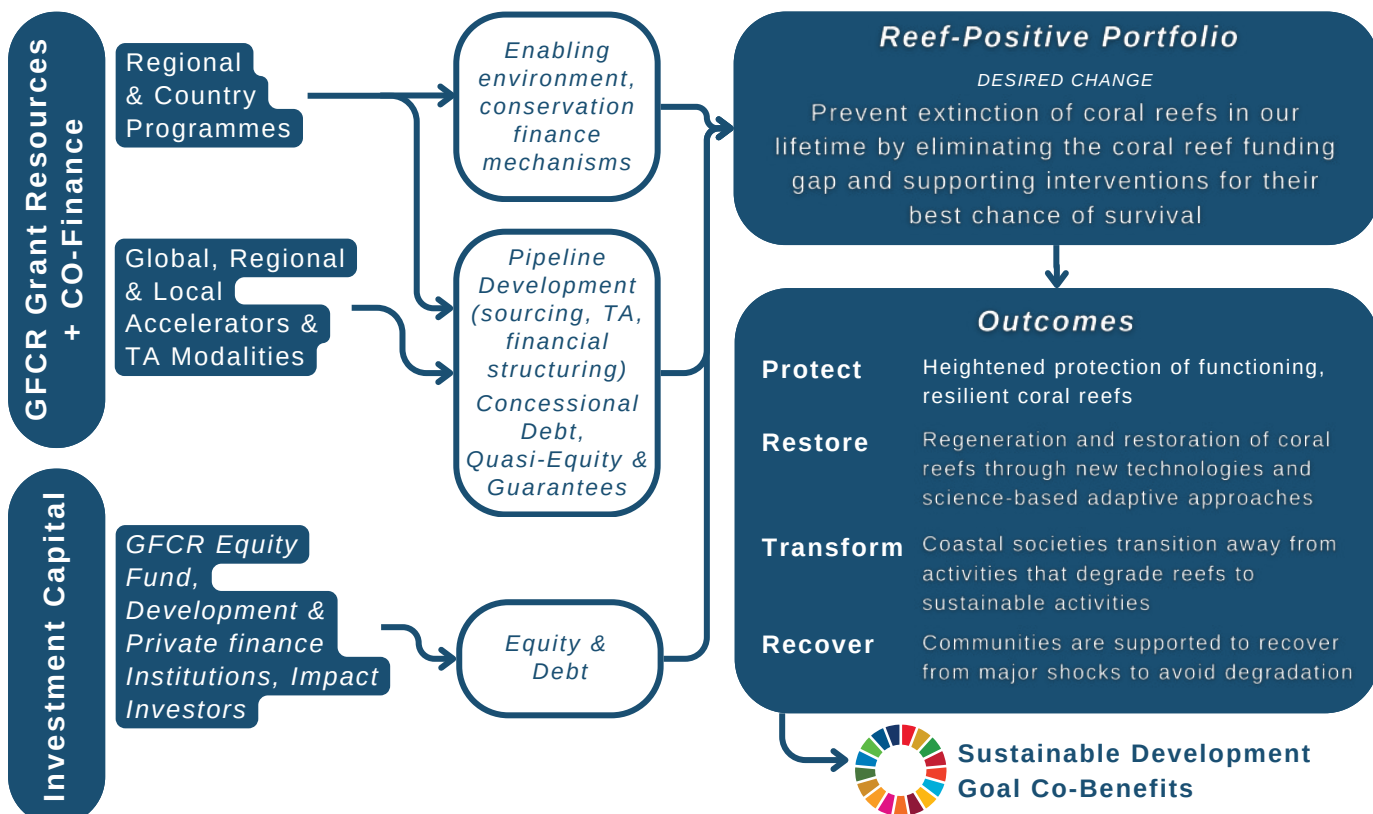
Positioned as the world’s leading coral reef finance instrument, the GFCR has built strong pipelines across 23 developing countries, establishing a robust portfolio of market-driven solutions. Through catalytic support and early investments, the GFCR is already making strides in closing the coral reef funding gap, enhancing the resilience of coral refugia and coastal communities. Looking ahead, **2025-2030 present a critical opportunity for the GFCR to scale its impact and meet ambitious 2030 targets**, including the conservation of 3 million hectares of coral reefs—representing more than 10% of the world’s remaining coral reefs.

Driven by an expanding public-private coalition and backed by the United Nations, the GFCR mobilized \$225 million USD in grant and investment capital during its initial commitment round from 2020 to 2023. **Now recognized<sup>\*</sup> as a key implementation initiative of the Global Biodiversity Framework (GBF) and the Sustainable Development Goals (SDGs), the need to fully capitalize the GFCR is underscored by its resilience-focused strategies and established pipelines of impactful opportunities.**

<sup>\*</sup> [Australia, EU, Germany, Japan, Netherlands, Norway, UK, USA, et al. \(Dec 2022\) Joint Donor Statement on International Finance for Biodiversity.](#)

# REEF-POSITIVE SOLUTIONS

GFCR's *reef-positive solutions* encompass enterprises and financial mechanisms that tackle the local drivers of coral reef degradation while unlocking funding for conservation and delivering sustainable benefits to local communities and economies. To design, incubate, and scale these solutions, the GFCR offers technical assistance and risk-tolerant investment capital through a network of global, national, and regional implementation partners.



GFCR's portfolio encompasses four impact sectors:

- **Sustainable Ocean Production:** fisheries, aquaculture, mariculture
- **Sustainable Coastal Development:** ecotourism, blue and natural coastal infrastructure including reef restoration
- **Circular Economy and Pollution Management:** solid waste management, recycling, wastewater treatment
- **Financial Mechanisms:** MPA special purpose vehicles (SPVs), payment for ecosystem services (e.g., blue carbon, coral reef insurance, biodiversity credits), debt conversion, bonds, conservation trust funds



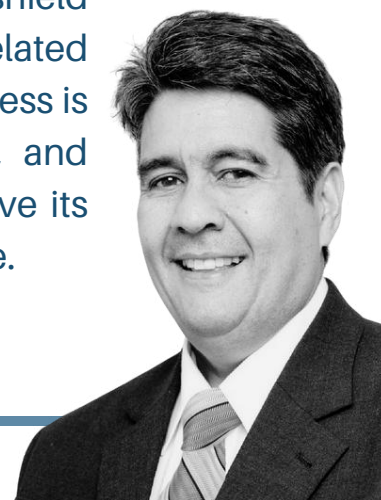
# CORAL ACTION COALITION



Convened by the United Nations, the GFCR Coalition is an expanding public-private partnership that brings together Member States, UN agencies, financial institutions, philanthropies, impact investors, and conservation organizations. To accelerate progress toward its mission, the Coalition employs a comprehensive strategy that integrates country-level, regional, and global approaches, leveraging a diverse range of partners and financial instruments.

“Coral reefs are integral to our way of life and cultural identity. Without urgent action, they are rapidly heading towards extinction. The Global Fund for Coral Reefs (GFCR) has been an invaluable partner in our efforts to protect this crucial resource and act as a vital shield against storm surges, coastal erosion, and other climate-related threats. To maximize the impact of this funding, streamlined access is essential. I urge member states, philanthropic organizations, and impact investors to increase their support to help GFCR achieve its urgent 2030 goals for coral protection and community resilience.

**H.E. Surangel S. Whipps, Jr.**  
**President of the Republic of Palau**



# CORAL NATIONS

Focused on protecting coral refugia, the GFCR's portfolio spans over 20 coral nations across regions including Latin America and the Caribbean, Eastern Africa, and the Asia-Pacific. The initiative is also exploring opportunities to expand support to additional Polynesian Small Island Developing States (SIDS).

## *Latin America & the Caribbean*

- Brazil
- Belize
- Colombia
- Guatemala
- Honduras
- Mexico
- The Bahamas

## *Africa & Middle East*

- Jordan
- Egypt
- Kenya
- Mozambique
- Seychelles
- Tanzania

## *Asia-Pacific*

- Fiji
- Indonesia
- Maldives
- Marshall Islands
- Micronesia
- Palau
- Papua New Guinea
- Philippines
- Solomon Islands
- Sri Lanka



52%

SIDS & LDCs



91%

ODA



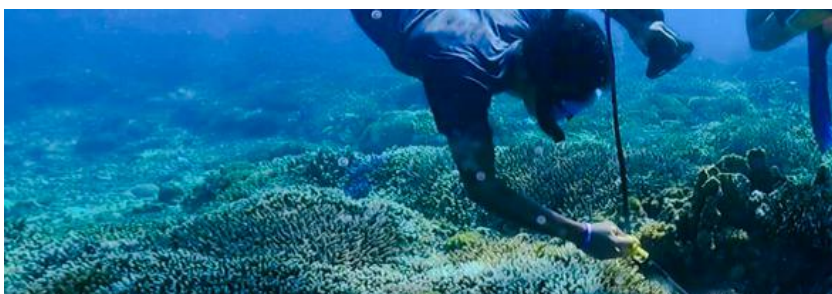

# IMPACT TARGETS

**400+**  
Reef-Positive  
Businesses & Financial  
Mechanisms





**30K+**  
Directly Supported  
Reef-Positive  
Jobs

**20M+**  
Community Members  
with Increased  
Resilience



**3M HA**  
Area of Coral Reefs  
Under Improved  
Management

**7.5M HA**  
MPA Extent with  
Sustainable Financing  
Support



**\$2-3B USD**  
Private & Public  
Finance Leverage

# PATHWAYS TO SCALE



Based on the lessons learned and identified growth opportunities to reach 2030 Targets, GFCR's 2025-2030 implementation will focus on accelerating action and finance through five *Pathways to Scale*:

01

## Finance Mechanisms

Expanding sustainable finance instruments and solutions to assure abundant and stable resources dedicated to coral reefs and marine conservation is crucial to ensure the effective management and sustainability of MPAs and OECMs.

02

## Ocean-Positive Businesses

Continuing to grow investible reef and ocean-positive business pipelines that demonstrate how to transform coastal economies and communities toward sustainability and abundance is at the core of GFCR.

03

## National Investment Ecosystems

Ensuring the establishment of an enabling environment at the national level for investments in reef-positive business is a priority for GFCR. This will require an assessment and interventions in areas such as institutional support, policy and regulatory revisions, attention to the political economy, and support to the finance and general business sectors.

04

## Knowledge, Learning & Impact Cycle

Creating a virtuous cycle of knowledge and learning to escalate the integration of science and impact measurement in the coral finance community is essential for advancing resilience efforts. A community-wide adaptive management approach is key to facilitate positive investments and policy choices.

05

## Global Ocean Finance & Policy Shift

Mainstreaming blended and innovative finance approaches for a sustainable blue economy and leveraging GFCR opportunities are crucial steps towards influencing the global negotiation processes for the advancement of sustainability.

# FINANCE MECHANISMS

## PATHWAY ONE

Under *Pathway One*, implementation is organised by three categories: (1) MPA Financial Structuring for Effective Management; (2) Financial Mechanism Deployment and Feasibility; and (3) Planning and Science.



 Blue Alliance Marine Protected Areas, Philippines

**MPA Financial Structuring for Effective Management:** The GFCR requires greater grant funding to establish and enable MPA financing entities, supporting **management effectiveness and technical capacity for generating and managing revenue streams**. Capacity building includes support to: co-management and local management MPAs/entities, Special Purpose Entities (SPEs), public-private MPA partnerships, conservation trust funds, etc.

**Financial Mechanism Deployment and Feasibility:** Greater funding is also required to **deploy and ensure feasibility of mechanisms** that diversify and increase sustainable revenue streams for effective MPA management. This includes the **piloting of financial mechanisms, with viable reef-positive businesses or other revenue streams identified, aiming to generate sustainable revenues by 2028**. Identified solutions include blue carbon, insurance products, blue infrastructure, biodiversity credits, ecotourism, water funds, and national financing opportunities including debt-swaps and bonds.

**Planning and Science:** Further, grant needs present through planning and science for MPAs. This includes identification and integration of climate refugia into management plans, conservation agreements, piloting new restoration technologies, disaster risk reduction plans, and other core activities.



# CASE STUDY

## PHILIPPINES



Situated within the coral triangle, the Philippines coral reefs in the Philippines face mounting pressure as a result of climate change and local threats, including overexploitation and unsustainable development. In response, the GFCR is funding *Mamuhunan sa Mga (Responsible Investments) Marine Protected Areas*. Led by Blue Alliance, the Philippines country programme is designed to enable high-priority MPAs to regenerate marine biodiversity and enhance food security through financial sustainability achieved from tangible revenue streams that are reinvested directly into MPAs. The programme now aims to include support for more than 100 MPAs and locally managed areas spanning Northeast Palawan, North Mindoro and Occidental Mindoro.

## MAMUHUNAN SA MGA MARINE PROTECTED AREAS



### 2030 Programme Targets

**80K**  
Hectares of  
coral reefs  
under improved  
management

**1.5M**  
Hectares of  
MPAs/OECM with  
sustainable financing  
support

**2.6M**  
Community  
members  
with increased  
resilience

**\$14M USD**  
returns,  
investment  
& co-finance  
leverage

MPA revenue streams are derived from a pipeline of reef-positive enterprises, including ecotourism, community-based aquaculture, blue carbon, and fishery improvement projects. Individually, each reef-positive business reduces drivers of coral degradation, alleviates poverty and generates long-term income for MPAs. The programme expects to see the first MPA revenues by mid-2024 followed by annual growth until full MPA financial sustainability is attained by 2026 (i.e., covering their annual operational expenditures). The model is scalable and can be replicated to underfunded MPAs throughout the Philippines and beyond.

### Reef-Positive MPA Impact Loan Facility & Unlocked Investment

With support from GFCR, Blue Alliance has established a MPA Impact Loan Facility attracting investor capital to grow a local pipeline of reef-positive businesses. Investors have agreed on establishing impact-based interest relief. Early impact investment capital has been already secured through UBS Optimus Foundation, BNP Paribas, and GenEM Foundation.

# OCEAN-POSITIVE BUSINESSES

## PATHWAY TWO

The GFCR Grant Fund portfolio aims to support growth of over 400 small and medium reef-positive businesses and 20,000 jobs by 2030. In addition, the GFCR Equity Fund target is 10-20 medium and large businesses with at least 10,000 jobs supported through a total investment size of \$500M. When considering revenue streams from businesses and financial mechanisms, total financing leverage will be substantially higher with a \$2-3 billion leveraging impact by 2030 and beyond.

**Approximately half of GFCR Grant Fund financial needs are attributed to Pathway Two. This includes concessional funding direct to reef-positive businesses, as well as support through technical assistance facilities (TAFs), incubation and financing facilities.** TAFs identify pipeline and provide tailored technical assistance to ensure solution viability, while financing facilities aggregate the pipeline to attract investment into reef-positive portfolios.

To date, 19 Technical Assistance Facilities and Financing Facilities are catalysing growth of pipeline and approximately 50 businesses. With TAFs established and targets provided by partners, the number of business solutions is expected to grow quickly over the next five years. Additional flexible funds are needed for technical assistance to grow the highest performing/impact solutions, including GFCR Equity Fund enterprises.



# CASE STUDY

## MESOAMERICAN REEF REGION

The largest barrier reef in the Western Hemisphere faces mounting pressures from the surge of tourism, proliferation of sargassum, expansive agriculture and aquaculture, and other stressors causing ecosystem degradation, such as climate change. In response, the GFCR-funded MAR+Invest programme aims to invest in market-based solutions that address local drivers of degradation and contribute to the resilience of the Mesoamerican Reef (MAR) and coastal communities in Mexico (in the state of Quintana Roo), Belize, Guatemala, and Honduras. The initiative is led by the MAR Fund and implemented through a strategic alliance of organizations including the Mexican Fund for the Conservation of Nature/Sureste Sostenible, Healthy Reefs for Healthy People (HRHP), and New Ventures/VIWALA.

### MAR+Invest



#### 2030 Programme Targets



MAR+Invest holds an acceleration arm, offering business and financial mentoring to early- or growth-stage companies. The first cohort of supported enterprises and projects spanned sustainable tourism, water monitoring technology, sargassum management, as well as co-management of coastal MPAs. Promising pipeline opportunities include Belize shrimp farm investment to eliminate local shrimp farming effluent run-off, carbon credit schemes, on-reef king crab aquaculture to address algae growth, and various other bankable initiatives linked to reef-positive impact.

#### Unlocked Investment in Carbonwave

The GFCR Equity Fund has committed up to \$6M USD in equity capital to Carbonwave; a leading developer of sargassum-based biomaterials. This investment offers a significant step toward addressing the MAR's sargassum challenge and scaling circular economy practices. With grant support, MAR Fund will issue technical assistance to assess sargassum collection and recycling methods, alongside complementary pilot projects, to further impact.

# GFCR EQUITY FUND

De-risked by the Green Climate Fund's anchor investment, the Equity Fund managed by Pegasus Capital Advisors targets fast-growing sectors through identified coral impact opportunities, as highlighted under Pathway Two. Areas of investment focus include:

- **Fisheries & Aquaculture**

- Investments address local drivers of reef loss, including overconsumption and destructive extraction practices
- Facilitate transformation, including of fragmented supply chains, address inefficiencies, alleviate waste and bycatch
- Focus on mariculture, including farming activities in coastal waters

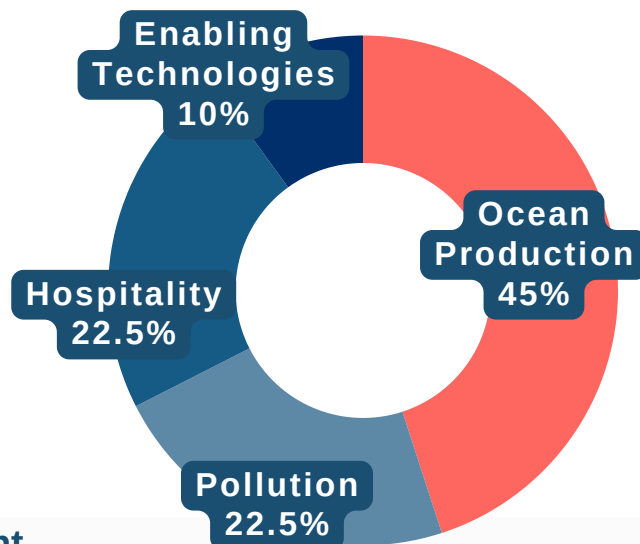
- **Circular Economy & Waste Management**

- Focus on investment waste and wastewater management industries to address pollution affecting coral reefs
- Investments facilitate circularity and pollution management to minimise waste production and leakage onto reefs

- **Sustainable Tourism**

- Over 80% of global tourism occurs in coastal zones; \$36B USD are attributed to coral reef-related tourism alone
- Eco-tourism investment to address unsustainable practices, and facilitate finance and other support for ocean protection

Target investment breakdown:



# NATIONAL INVESTMENT ECOSYSTEMS

## PATHWAY THREE

Fostering of an enabling environment at the national level will help to ensure growth and sustainable environmental, social and economic returns of reef-positive businesses and financial mechanisms.

**Programmes require funding to support policy activities related to mainstreaming coral reef finance into national policy, strategies, and roadmaps.** Key in this effort will include the enhancement of benefits and action for coral reefs specifically through National Biodiversity Strategies and Action Plans (NBSAPs), Biodiversity Finance Plans, Blue Economy Roadmaps, and National Policy Frameworks. Emphasis will also be placed on supporting enabling conditions through Strategic Guidelines, e.g., related to coral reef restoration, as well as for regulations of financial mechanisms (e.g., blue carbon markets). Further, opportunities will be explored to drive synergies and joint action through complementary initiatives, such as those supported by the Global Environment Facility (GEF), Biodiversity Finance Initiative (BIOFIN), Ocean Risk and Resilience Action Alliance (ORRAA), International Union for Conservation of Nature (IUCN), Blue Nature Alliance, and other finance focused initiatives.





# KNOWLEDGE, LEARNING & IMPACT CYCLE

## PATHWAY FOUR

Systematic knowledge management and learning enables GFCR to implement effectively, demonstrate solutions for scaling and replication, and facilitate global biodiversity finance knowledge. To achieve this aim, further funding is required to enable Monitoring and Evaluation (M&E) and the GFCR Community of Practice.

Through a network of partners including UNEP, Marine Ecological Research Management Aid (MERMAID), and Wildlife Conservation Society (WCS), **GFCR will provide a cutting-edge M&E data storage and analysis software platform, paired with capacity-building.** GFCR's will invest in innovations in coral reef monitoring, including use of Artificial Intelligence, remote sensing, and underwater drones to collect real-time data. The GFCR headline M&E indicators include:



“ As the leading coral finance instrument globally, the GFCR offers an investment-ready pathway aligned to deliver on the ambitious targets set by the Coral Reef Breakthrough, the 2030 Agenda, and the Global Biodiversity Framework. After more than three years of building a robust investment pipeline and initiating early projects, GFCR's portfolio of innovative market-based solutions is poised to conserve 3 million hectares of coral reefs globally—this represents 25% of the Coral Reef Breakthrough's spatial target.

**H.E. Razan Khalifa Al Mubarak,  
UN Climate Change High-Level Champion for COP28**



# KNOWLEDGE, LEARNING & IMPACT CYCLE

## PATHWAY FOUR

Led by UNDP, GFCR's REEF+ Community of Practice aims include:

- **Informative knowledge management platform, exchange and capacity building sessions.** The knowledge platform includes a growing solution data base, investment case studies, knowledge products, policy papers, funding opportunities, best practice guidelines, and informative news. Informative sessions include webinars and practitioner discussions, as well as a capacity development series of events on key themes identified to better equip implementing partners to deliver reef positive impacts.
- **Engaged global network of impact investors** to attract greater investment.



# GLOBAL OCEAN FINANCE & POLICY SHIFT

## PATHWAY FIVE



GFCR's initial 10-year demonstration phase is pioneering a blueprint for blended finance in marine biodiversity conservation. By mainstreaming innovative financing models, strengthening local institutions, and leveraging global negotiation processes, the GFCR has a unique opportunity to unlock greater resources for ocean conservation and the sustainable blue economy.

Looking ahead to the second phase in the post-2030 setting, the GFCR has the potential to evolve from a demonstration initiative into a globally recognized vehicle for sustaining long-term ocean investments and impact.

Through the implementation of a comprehensive sustainability plan, **the GFCR can transform into a cornerstone platform for sustainable ocean finance**, with the following key features:

- A dedicated mandate for ocean conservation;
- The flexibility to deploy a diverse range of funding instruments—including loans, grants, equity, guarantees, and more—to both public and private entities;
- Sustainable funding from a mix of public and private revenue sources.

This institutionalization will enable continued portfolio growth, increased scale and replication, and expansion into additional ocean states, ensuring that more regions benefit from the lessons, best practices, and partnerships cultivated through the GFCR by 2030.

To initiate the implementation of this sustainability plan, financial support is essential.





# GLOBAL BIODIVERSITY FRAMEWORK DELIVERY

Through its five Pathways to Scale, GFCR is designed to directly drive impact across 21 of the 23 GBF Targets. Its M&E system tracks contributions to at least 11\* of these targets, ensuring measurable progress toward global biodiversity goals.

<b>Target 1</b> Plan and Manage all Areas To Reduce Biodiversity Loss	<b>Target 2*</b> Restore 30% of all Degraded Ecosystems	<b>Target 3*</b> Conserve 30% of Land, Waters and Seas
<b>Target 4</b> Halt Species Extinction, Protect Genetic Diversity, Manage Human-Wildlife Conflicts	<b>Target 5*</b> Ensure Sustainable, Safe and Legal Harvesting and Trade of Wild Species	<b>Target 6</b> Reduce Introduction of Invasive Alien Species by 50% and Minimize Impact
<b>Target 7*</b> Reduce Pollution to Levels That Are Not Harmful to Biodiversity	<b>Target 8</b> Minimize the Impacts of Climate Change on Biodiversity and Build Resilience	<b>Target 9*</b> Manage Wild Species Sustainably To Benefit People
<b>Target 10*</b> Enhance Biodiversity and Sustainability in Agriculture, Aquaculture, Fisheries, and Forestry	<b>Target 11</b> Restore, Maintain and Enhance Nature's Contributions to People	<b>Target 12</b> Enhance Green Spaces and Urban Planning for Human Well-Being and Biodiversity
<b>Target 14</b> Integrate Biodiversity in Decision-Making at Every Level	<b>Target 15*</b> Businesses Assess, Disclose, and Reduce Biodiversity-Related Risks and Negative Impacts	<b>Target 16</b> Enable Sustainable Consumption Choices to Reduce Waste and Overconsumption
<b>Target 18</b> Reduce Harmful Incentives and Scale Up Positive Incentives for Biodiversity	<b>Target 19*</b> Mobilize \$200 Billion per Year for Biodiversity from all Sources	<b>Target 20</b> Strengthen Capacity-Building, Technology Transfer, and Scientific and Technical Cooperation
<b>Target 21*</b> Ensure that Knowledge is Available and Accessible to Guide Biodiversity Action	<b>Target 22*</b> Ensure Participation in Decision-Making and Access to Justice and Information Related to Biodiversity	<b>Target 23*</b> Ensure Gender Equality and a Gender-Responsive Approach to Biodiversity Action

“By aligning its work with the goals of the Post-2020 Global Biodiversity Framework, the Global Fund for Coral Reefs can be a powerful tool for implementation, for tracking of progress towards global goals and targets for biodiversity, and for elevating awareness on our collective goals for a future with healthy and robust coral ecosystems.

**Elizabeth Maruma Mrema, former Executive Secretary of the Secretariat for the Convention on Biological Diversity, current UN Assistant Secretary-General and UNEP Deputy Executive Director**

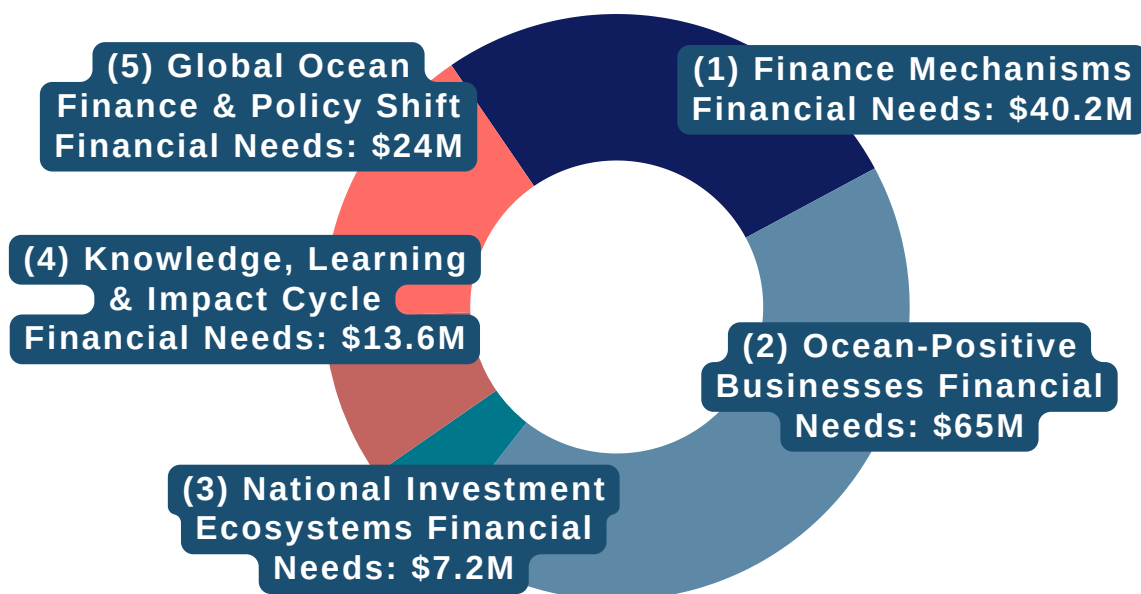


# FINANCIAL NEEDS

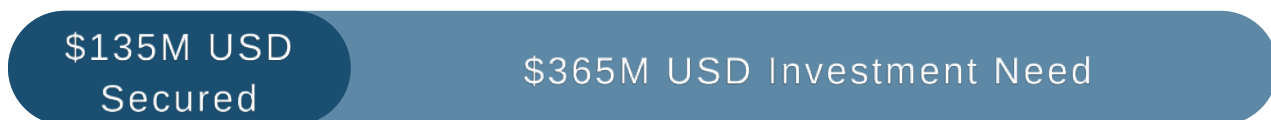
A total of US\$225 million in grant and investment capital has been mobilized during the initial GFCR commitment round (2020-2023), with contributions from state donors, including the Governments of the United Kingdom, the United States, Canada, France, and Germany; the Green Climate Fund; as well as philanthropies such as Builders Initiative, Bloomberg Philanthropies, the Paul G. Allen Family Foundation, Minderoo Foundation, ICONIQ Impact Co-Lab, and the Prince Albert II of Monaco Foundation.

The implementation of the GFCR Capitalisation Strategy aims to fully capitalise the initiative, securing the necessary funding to address remaining financial needs and achieve the 2030 targets for coral reef conservation.

## \$240M USD Grant Fund Capitalisation Target



## \$500M USD Equity Fund Capitalisation Target





# UNITED NATIONS OCEAN CONFERENCE



With the launch of the GFCR Call for Capitalisation, **states, philanthropies, and the private sector are called upon to invest in strengthening the resilience of coastal reef ecosystems, communities, and economies.** By supporting the GFCR, donors and investors will directly contribute to the implementation of the GBF, SDGs, and the *Coral Reef Breakthrough*—an ambitious goal to conserve at least 50% of the world’s remaining coral reefs by 2030.

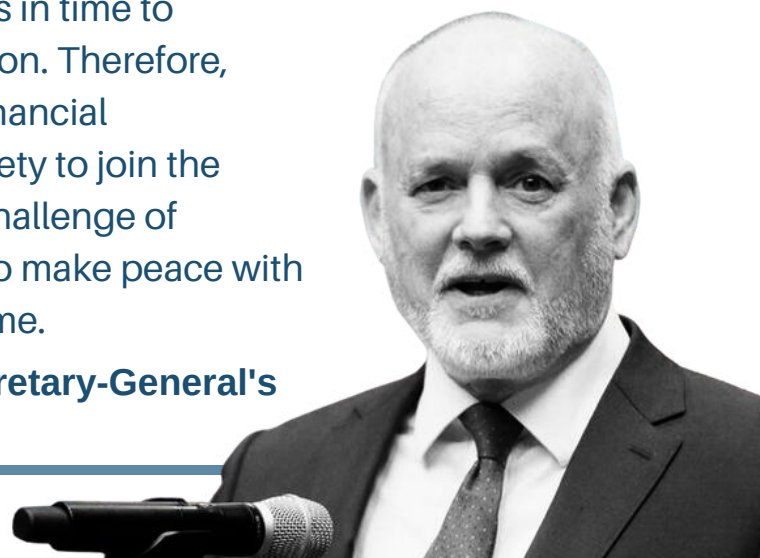


Commitments from state, philanthropic, and investment leaders will be delivered at the 2025 UN Ocean Conference (UNOC), co-hosted by the Governments of France and Costa Rica. At UNOC’s *Coral Reef Pledge Session*, GFCR Coalition members will present capitalisation commitments, launch new investments, and outline plans to scale up coral reef conservation efforts toward the 2030 targets.

“

There can be no healthy planet without a healthy ocean, and coral reefs are critical to maintaining the health of the ocean. The Global Fund for Coral Reefs may well be the last and greatest hope we have of closing the coral reef funding gap and scaling investments in time to save the planet’s coral reefs from extinction. Therefore, I call upon countries, private investors, financial institutions, philanthropies, and civil society to join the Fund’s coalition to meet the existential challenge of scaling reef-positive solutions. If we are to make peace with nature, we must act while we still have time.

**Ambassador Peter Thomson, UN Secretary-General's Special Envoy for the Ocean**





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