

MAR+Invest

The Business Development and Finance Facility of the Mesoamerican Reef



Photo: Selene E. Jacobo Cabral



FONDO MEXICANO
PARA LA CONSERVACIÓN
DE LA NATURALEZA, A.C.
INSTITUCIÓN PRIVADA



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Healthy Reefs
for healthy people



GLOBAL FUND FOR
CORAL REEFS

The Mesoamerican Reef (MAR) extends over 1000 km across the coastlines of Mexico, Belize, Guatemala and Honduras. Rich in biodiversity, it includes the longest barrier reef in the Western Hemisphere and a complex array of reef types. Seventy-two percent of MAR's reefs are within Coastal and Marine Protected Areas (CMPAs). The MAR is critical for connectivity in the Wider Caribbean, as its reefs are “upstream” and ecologically connected to Florida, Cuba, and the Bahamas. The MAR has the highest coral cover in the Western Caribbean. However, the region faces important threats. The main sources of degradation are uncontrolled runoff of nutrients and sediments (from land, mangrove and seagrass clearing and dredging), lack of sanitation infrastructure, tourism-related coastal development, overfishing and climate change. Stony Coral Tissue Disease Loss is also affecting the MAR since 2018, when it was first detected in Mexico.



The annual value of the MAR is US\$ 4.5 billion, integrated by reef-related tourism (US\$ 3.9 B), reef-related fisheries (US\$ 183 M), and shoreline protection (between US\$ 320 and US\$ 438 M).¹ However, much of this value is at risk. If the MAR continues to decline, by 2030 the per annum value of the system could fall by US\$ 3.1 billion a year (in tourism, fisheries and coastal development). Conversely, a shift towards healthy reefs by 2030 could unlock an additional US\$ 2.5. billion annually across the three sectors.²

MAR+Invest, supported by the Global Fund for Coral Reefs, is a blended finance mechanism with strong monitoring and evaluation of impacts, business acceleration and a capacity building program that aims to enable conditions for a sustainable ocean-based economy in the MAR. It will invest in market-based initiatives that make a positive contribution to the health and resilience of the Mesoamerican Reef. It:

- **Aims to deliver long-term conservation of the value of the natural capital of the MAR through active generation, development and growth of market-based opportunities that contribute to the reduction of the threats affecting the MAR.**
- **Will focus on businesses and projects working to solve long-term challenges faced by the MAR and that demand diverse types of capital to be developed.**
- **Will focus on the generation of sustainable financing solutions for CMPAs of the MAR.**
- **Will develop financial mechanisms with investors and donors to manage risk, close early-stage capital gaps, provide technical assistance and finance for coral positive solutions.**
- **Aims to raise additional capital (philanthropic, development, commercial) for the initiative.**

1 IDB – WRI. Economic Valuation of the Mesoamerican Reef. <https://publications.iadb.org/publications/english/document/Economic-Valuation-of-the-Ecosystem-Services-of-the-Mesoamerican-Reef-and-the-Allocation-and-Distribution-of-these-Values.pdf>

2 UN Environment, ISU, ICRI and Trucost 2018. The Coral Reef Economy: The business case for investment in the protection, preservation and enhancement of coral reef health. 36pp

The project has four pillars, each carried out by one of the partners: Mexican Fund for the Conservation of Nature & Sureste Sostenible, New Ventures & Viwala, Healthy Reefs Initiative and Mesoamerican Reef Fund (MAR Fund).



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MAR+Invest

BUILD & CONNECT: ENABLING CONDITIONS & INNOVATION

- Generate enabling conditions for coral positive investment.
- Generation of ocean-oriented portfolios for investors and incubators in the MAR.
- Market-based leadership for CMPAs in the MAR.

FINANCING FACILITY

- Map potential solutions.
- Business acceleration.
- Structure financing solutions for different stages of development.
- Investment banking.
- Impact milestones.

IMPACT MONITORING & EVALUATION

- Generation of environmental criteria and baselines for portfolio.
- Co-design impact assessment tools & impact evaluation (due diligence).
- Impact monitoring, from due diligence to exit.

MARTAF (TECHNICAL ASSISTANCE FACILITY) CONVENING AGENT

- Technical assistance for portfolio and pipeline.
- Attraction of catalytic capital.
- MAR+Invest coordination and communications.



Photo: Fundación Albatros



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The inception portfolio seeks to identify growth paths and blended financing solutions –linked to the generation of revenues for the CMPAs of the MAR and livelihoods for local communities– through, among others, blue carbon, seaweed farming, sustainable artisanal fisheries and King Crab mariculture.

These projects can generate ecological gains via the reduction of fleshy macroalgae, the increase of fish biomass, and the conservation and restoration of mangrove ecosystems critical for the health of the reef ecosystems.

During the inception phase these projects will undergo modeling, design and/or planning, MAR+Invest will generate blended solutions to finance scaling and expansion, and will raise commercial and catalytic capital to ensure these solutions can grow and contribute to improving the health of the MAR.

MAR+Invest will identify –via calls for proposals– develop, and finance solutions that offer a scale of impact capable of reducing local threats to the reef, generating alternative livelihoods, increasing financial sustainability for CMPAs in the MAR, grow an Emergency Fund managed by MAR Fund, and ultimately attract capital to develop a coral positive investment portfolio. The first call for proposals is planned for 2023 where 6 to 10 solutions are expected to be identified. The identified solutions will be integrated into MAR+Invest’s portfolio of reef-positive pipeline for the subsequent phase of the program.

Success requires broad collaboration with entrepreneurs, conservation agencies and governments, to develop and finance enterprises that generate both market returns and coral positive outcomes through restoration, protection and/or reduction of threats.

**Are you an investor, an entrepreneur, an interested collaborator
or want to know more about this initiative?**
Please visit www.mar-invest.org or contact us at info@marfund.org