



OPERATION GUIDELINES FOR THE EMERGENCY FUND FOR THE MESOAMERICAN REEF (MAR)

Updated July 2025

This document was produced by the MAR Fund's Reef Rescue Initiative. The document incorporates the procedures to follow to apply for funds intended to respond to emergencies that affect coral reefs in the MAR.

Likewise, this document describes the mechanism for the administration and distribution of parametric reef insurance payouts, as part of the MAR Insurance Programme, implemented by MAR Fund, in collaboration with WTW, with the financial support of the InsuResilience Solutions Fund (ISF) and other donors.

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1 INTRODUCTION

1.1 THE MESOAMERICAN REEF

The Mesoamerican Reef (MAR) is the most extensive coral reef system in the Atlantic Ocean. It stretches over 1,000 kilometers along the coasts of Mexico, Belize, Guatemala, and Honduras.

The MAR is one of the most beautiful and fragile ecosystems on the planet, containing a diversity of ecosystems that include wide mangrove forests, marine seagrasses, coastal lagoons, and coral reefs. These ecosystems provide essential environmental services that contribute to the livelihoods of communities and the economic growth of the MAR countries. Recent studies estimate the annual economic value of the different environmental services of the MAR, in which USD 183 million are accounted to fisheries account, USD 3.9 trillion are accounted to tourism, and between USD 320 and USD 438 million are accounted to shoreline protection.¹ MAR reefs are an asset of natural infrastructure that protects coastal populations against the impact of hurricanes and storms.

Given the biological and economic value of the MAR, the Mesoamerican Reef Fund (MAR Fund) implements actions that contribute to the recovery and resilience of the Mesoamerican reef, by implementing financial instruments that provide immediate funds for a rapid response and emergency reef restoration, in order to strengthen the continued provision of its benefits.

1.2 THE MESOAMERICAN REEF FUND

The Mesoamerican Reef Fund (MAR Fund) is a regional private financial mechanism that drives regional funding and builds partnerships for the conservation, restoration, and sustainable use of the Mesoamerican Reef (MAR).

MAR Fund was established as a result of the interest of environmental funds of Belize, Protected Areas Conservation Trust; Guatemala, Foundation for the Natural Resource and Environmental Conservation; Honduras, Biosphere Foundation, and Mexico, Mexican Fund for the Conservation of Nature. These countries share biodiversity and all the environmental benefits that the MAR provides. MAR Fund's mission is to drive regional funding and partnerships for the conservation, restoration, and sustainable use of the Mesoamerican Reef.

MAR Fund is led by a Board of Directors comprised of a multidisciplinary team of 14 international experts representing the founding environmental funds, the Central American Commission for Environment and Development (CCAD, for its initials in Spanish), partners, and donors.

MAR Fund works on five programmatic areas in order to achieve our goals in conservation and sustainable development:

¹ Economic valuation of the ecosystem services of the Mesoamerican Reef, and the allocation and distribution of these values / Itziar Ruiz de Gauna, Anil Markandya, Laura Onofri, Francisco (Patxi) Greño, Javier Warman, Norma Arce, Alejandra Navarrete, Marisol Rivera, Rebeca Kobelkowsky, Mayela Vargas, Marisol Hernández; editors, Santiago Bucaraman, Gregory Watson (IDB Working Paper Series).

- 1) **Saving our Protected Areas:** a conservation legacy. We support the establishment and protection of an interconnected and functional network of coastal marine protected areas (MPAs) in the region.
- 2) **Fishing for the Future:** Sustainable fisheries for a thriving reef. We support the participation of communities as co-managers of their fisheries.
- 3) **Clean Water for the Reef:** We support projects working on solid waste management, water quality, and public awareness. We also support wastewater treatment in the region.
- 4) **Belize Marine Fund:** We seek to provide long-term financial sustainability to address priority conservation and marine resource management issues in Belize.
- 5) **Climate Change:** We support the monitoring of climate change effects in the reef and mangroves by driving adaptation actions led by local organizations.

1.3 MESOAMERICAN REEF RESCUE INITIATIVE

As part of the Climate Change program, MAR Fund implements the Reef Rescue Initiative (RRI). The Initiative's goal is to increase the resilience and the recovery ability of the MAR and thereby the environmental and cultural services it provides.

It was possible to establish the Initiative thanks to the support from the German Government through KfW, who granted an endowment of EUR 7 million for its implementation. The Initiative operates in collaboration with the Central American Commission for the Environment and Development (CCAD), the project technical supervisory committee (TSC) comprised of one representative of government agencies responsible for natural resources and biodiversity in the four countries that share the reef, one CCAD representative, and one MAR Fund representative, the highest authority of the Initiative.

The Initiative is carried out under two key approaches: **1) Continuous restoration and 2) Emergency response.**

The Initiative includes four strategies:

1. Secure long-term sustainable funding, both for continuous restoration and emergency interventions.
2. Ensure the commitment of the CCAD and governments for implementing policies and regulations that enable reef restoration and create the right conditions for effective and timely restoration interventions.
3. Support and implement restoration and rehabilitation actions in the region by exchanging and sharing knowledge between professionals and the CCAD.
4. Develop alternative livelihoods and create new job opportunities for local communities based on conservation rather than natural resource exploitation.

2 EMERGENCY FUND (EF)

2.1 Definition

The Emergency Fund (EF) is a financial instrument established by MAR Fund through the RRI to provide immediate and timely funding to the reefs affected by natural disasters or anthropogenic activities. This mechanism will strengthen the resilience and adaptive abilities of coastal marine areas in the MAR, especially affected coral reefs.

The EF was created in 2017 and is capitalized annually with funds obtained from the return rate of the endowment granted by KfW.

In addition, the EF is the primary mechanism for the payout management of the parametric insurance purchased by MAR Fund², in agreement with its partners and donors to implement an emergency response in the MAR reef sites affected by hurricanes. (**See Annex A**)

The objective of the parametric reef insurance instrument is to provide immediate funds for the repair of coral reefs after the impact of a hurricane. If the insurance is activated, the payout is received by MAR Fund through the Emergency Fund.

From the Emergency Fund, the insurance payout is transferred to the partners in charge of developing response actions on the impacted reef.

2.2 Fund allocation of the EF

Through the EF, MAR Fund will allocate funds to response teams with the capacity (training and equipment) to respond to an emergency.

Funds will be paid out to response teams through local organizations with the proven capacity of managing funds from grants (**See Section 6** for eligibility criteria).

The local organization receiving the funds will be in charge of procuring the supplies, resources, and necessary assistance for response teams to immediately address the emergency or disaster for which the funding was requested.

2.3 What is an emergency?

For the Emergency Fund purpose, an emergency is an unexpected –of natural or anthropogenic origin– situation or event, causing damage to coral reefs and that requires immediate intervention to be repaired.

² The MAR Fund in collaboration with Willis Towers Watson carries out the MAR Insurance Programme. This project, as well as the insurance coverage for the pilot reef sites, is made possible thanks to the financial contribution of the Insurance Resilience Solutions Fund (ISF) through the Frankfurt School of Finance & Management gemeinnützige GmbH (FS). The program has also received funding from the AFCIA/UNDP/ISGAP Small Grants Programme.

2.4 Eligible emergencies

- 1) Natural events, such as cyclones, hurricanes, and storms
- 2) Vessel groundings
- 3) Damage caused by different nautical devices (e. g. anchors, buoys, others)
- 4) Other types of damages that can be addressed using emergency funds within the framework of this instrument and which can be used to solve an emergency and provide a measurable result.

Requirements for the emergency response
• The emergency will be addressed in the first 15 days from the occurrence of the event³ until a maximum of two months (60 days). • A proven activity methodology must support the emergency response. • The activity methodology will depend on the type of emergency to address. • The decision of a financial contribution to repair the damage will be based on the availability of viable methodologies approved for the response.

2.5 Considerations on eligible emergencies

Damage caused by third parties (including vessel groundings and nautical devices): If a third party impacts the reef, EF funds may be paid out to repair the damage under the following conditions:

- 1) There is a commitment or certainty of payment from the third party.
- 2) The government of the country in which the damage occurred enforces the corresponding processes so that the third party is accountable for the damage.
- 3) Funds are available in the EF.

2.6 The EF will not finance

The emergencies that the EF will not finance include:

- 1) Long-term monitoring or activities that do not reduce the damage.
- 2) Response to activities for which there is no definitive solution with a proven methodology.
- 3) Emergencies that cannot be solved with funds available in the EF.
- 4) Monitoring activities or removal of contamination from plastic or other detritus.
- 5) Pollution or constant discharge.
- 6) Beach clean-ups or activities of/with sargassum.
- 7) Likewise, funds from this Emergency Fund cannot be allocated for reserve purposes, to be utilized post the emergency, or in anticipation of future emergencies.

3 SCOPE OF APPLICATION OF THE EMERGENCY FUND

The EF can be applied in coral reef areas of the four MAR countries, within or outside the Marine Protected Areas (MPA) that also respond to two or more of the following criteria:

³ As long as it is safe for response groups to approach the impacted reef site(s).

- 1) Sites that are important for fisheries
- 2) Sites with spawning aggregations
- 3) Sites important for key species
- 4) Sites important for providing tourism services
- 5) Sites with built capacities to manage reefs (representation of a governmental or non-governmental institution).
- 6) With a response staff or in close proximity to a site with trained staff able to address the emergency
- 7) In the event of insurance payout, reef sites with current coverage will be addressed, as well as those with built capacities to address the post-storm damage and the capability to receive grants to speed up the response **(See Annex A)**.

The enforcement of this reef insurance instrument will be void of any legal binding effect regarding or in connection to territorial sovereignty (territorial, island, and maritime) claimed by the Republic of Guatemala and/or Belize, nor will have binding effect over the rights or claims from any of the countries in such territory.

4 OPERATION AND COORDINATION OF THE EMERGENCY FUND

4.1 Operation of the Emergency Fund

The EF is managed by MAR Fund through an **EF Coordination Committee (EFCC)**, composed of MAR Fund's RRI Coordination Unit and the Project Technical Supervisory Committee (TSC), the highest technical authority of RRI.

The EFCC oversees reviewing and approving technical and financial proposals included in the funding application.

The **RRI Coordination Unit** (henceforth **RRI Unit**) is the managing unit of the Reef Rescue Initiative (RRI).

The actions of the RRI regarding the EF include the following:

- 1) Receive funding applications for emergency response.
- 2) Review and discuss the submitted technical and budget proposals.
- 3) Submit the proposal and budget to the TSC with recommendations on the actions to be taken.
- 4) Once the proposal is approved, the RRI Unit, with the support of the MAR Fund's administrative management, will prepare a grant agreement and transfer the funds to the applicant organization.
- 5) Afterward, the RRI Unit will be in charge of conducting the corresponding technical and financial follow-up.

Resources must be requested in accordance with the administrative processes indicated by the MAR Fund

The TSC and the RRI Unit will work together and keep each other informed on all the EF activities.

The **MAR Restoration Network (MAR-RRN)** is a regional platform that works to restore, rehabilitate, and repopulate coral reefs in the MAR. MAR-RRN members have comprehensive knowledge and experience in the conservation, restoration, and monitoring of coral reefs in the MAR.

For the operation of the EF, the EFCC (RRI Unit plus TSC) can consider the input from the MAR-RRN, who, through the Executive Committee (EC) or any other member that the EC deems fit, will review the emergency response methodology, as well as the monitoring and evaluation methodology of damage repair and restoration activities.⁴

4.2 Responsibilities of the RRI Unit

- 1) Provide information to the applicant related to the procedures (including Due Diligence and the list of environmental and social Safeguards) and access to EF.
- 2) Receive and review technical and budget proposals and share their assessment with the TSC.
- 3) In conjunction with the person in charge of the Environmental and Social System of the MAR Fund, review the Safeguards presented by the partner.
- 4) When the Safeguards are complete, and TSC has approved the proposals, the RRI Unit must request the documents required by MAR Fund's Administrative Department to support the grant.
- 5) Arrange for the transfer of funds.
- 6) Oversee and follow up on the grant agreement and delivery of products and reports as agreed with the applicant organization.
- 7) Coordinate evaluation and monitoring activities of emergency attention and response activities and, if necessary, directly participate in assessment activities.
- 8) Review technical and financial reports related to the grant.
- 9) Provide a financial acquittal when the grant ends and after verifying the fulfillment of activities.

4.3 Responsibilities of the TSC

- 1) Review each application carefully and objectively.
- 2) Reply to the RRI immediately whether the received proposals have been approved or not.
- 3) Support, as much as possible, the issuance of permits necessary to conduct repair activities on damaged reefs.
- 4) Participate in and/or support the coordination of evaluation and monitoring of emergency attention and response activities.

4.4 Responsibilities of the MAR-RRN Executive Committee

- 1) When required, review the emergency response and monitoring and evaluation methodology of the activities to be implemented.
- 2) Share knowledge, experiences, better practices, and methodologies on reef restoration and associated ecosystems.
- 3) Facilitate the collaboration between MAR-RRN members.
- 4) Foster the exchange of knowledge between MAR-RRN members.

⁴ MAR Fund, the TSC, and several organizations that are part of the emergency response teams in the MAR are also members of the MAR-RRN.

- 5) When required, support as much as possible the issuance of necessary permits to conduct repair activities on damaged reefs.

4.5 Responsibilities of the grantee organization

- 1) Conduct an initial diagnostic to determine the extent of damage to the reef⁵ by applying the methodologies outlined in the approved proposal.
- 2) Obtain the permits and authorizations required at national and/or regional levels to conduct restoration activities (e. g. permits to handle coral species, navigation, and others).
- 3) Collaborate or work with response teams adequately trained to address the emergency.
- 4) Prepare and present to MAR Fund, in advance, a proposal and budget with the activities to be implemented to address the emergency.
- 5) Develop response activities following the guidelines of the approved proposal. If a change in the methodology is deemed necessary during the response process, notify the RRI Unit.
- 6) Make sure there are no negative consequences during the response process.
- 7) Include environmental and social risks and their mitigation measures in the grant application.
- 8) Request for assistance and advice from professionals specialized in reef damage restoration when necessary.
- 9) Document and report the evaluation and response activities during and after the emergency.
- 10) Prepare a detailed technical and financial report of how the funding is used.
- 11) Provide the technical documents and products derived from the donation.
- 12) Ensure efficient and transparent use of grant funds.
- 13) Reimburse the funds that were not used for the grant objectives back to MAR Fund.

4.6 Grant amount from the Emergency Fund

The maximum amount to request for attention to an emergency is **USD 35,000**. This limit does not apply to sites with current parametric insurance coverage.

If the budget estimated for damage repair exceeds **USD 35,000**, it should be indicated and justified clearly in the proposal, which the EFCC will review.

The contribution from the Emergency Funds for reef response will cover the following items:

- 1) Rapid damage assessment.
- 2) Emergency response planning,
- 3) Procurement and acquisition of equipment, supplies, and materials for emergency activities (does not include diving gear, drones, vessels, any type of vehicle, computers, or other equipment),
- 4) Payment of daily wages to the people participating in the response.
- 5) Cost of meals, water, and first aid kit.
- 6) Others deemed necessary for specific cases.
- 7) Indirect or overhead expenses,

⁵ Provided the emergency has abated, and it is safe for response teams to set out to sea.

8) Unforeseen expenses (up to a maximum of 5% of the grant).

This amount may also cover post-response monitoring activities, provided they are carried out sixty days following the emergency response.

5 EMERGENCY NOTIFICATION PROCEDURE

The described procedure does not replace any early warning or emergency notification that, at the national level, has been established by the corresponding authorities in each of the countries in the region.

The steps described and outlined below in Figure 1a explain the procedure to notify an emergency.

5.1 Emergency notification

The person or entity in the country where the emergency has occurred and who has identified the emergency or receives information about it can firstly **notify directly** to MAR Fund's RRI Unit or any other of the following divisions (see contacts in **Annex B**):

- 1) The TSC country member
- 2) The country member of the MAR-RRN Executive Committee
- 3) A MAR-RRN member (does not have to be part of the Executive Committee)
- 4) In the event of a hurricane, may also directly notify response teams organized in each country (see contacts in **Annex C**)

- If the notification is delivered to the TSC, MAR-RRN, or response team, they must notify MAR Fund's RRI Unit immediately.
- If a different RRI Unit in MAR Fund receives the notification, it must notify any member of the RRI Unit immediately.

5.2 Means for notification

- 1) An emergency will be notified through an immediate communication system, such as WhatsApp or phone call.⁶
- 2) Must keep record of the emergency notification through an e-mail, which should be sent 72 hours after the notification has been sent via phone call or WhatsApp.

The person from the TSC, MAR-NNR Committee, or a member of any response team who has been notified of the emergency must communicate the emergency to MAR Fund's RRI Unit (see contacts in **Annex B**) via a WhatsApp message or phone call. A copy of the received e-mail must also be sent to RRI.

⁶ The Early Warning and Immediate Response Protocol provides examples of how communications should be managed in emergency situations, and recommends the use of instant messaging systems because it is fastest way to communicate.

5.3 Receiving the emergency notification

- 1) If the TSC receives the notification, the TSC must notify directly to the RRI Unit through an immediate communication means (e. g. WhatsApp or phone call).

The communication will be sent on the following business day after receiving the emergency notification. The person who notifies must also keep a record of the communication by sending an e-mail to the RRI Unit.

- 2) If a member of the MAR-RRN receives the notification, they must notify immediately to someone in the TSC, preferably a TSC member in the country where the emergency occurred. Or notify directly to the RRI Unit (**Annex B**).

The emergency notification will be sent immediately after receiving the communication. The person who notifies must also keep a record of the emergency communication by sending an e-mail to the RRI Unit.

- 3) Once the RRI Unit receives the notification, either directly or through a different means, the RRI Unit will contact the person who notified to request more information about the emergency.
- 4) Next, the RRI Unit will coordinate with the TSC to verify the emergency. During this step of communication, the RRI will provide information on current events (e. g. affected sites, type of emergency, estimated budget to address the damage, and immediate response activities).

The information from the RRI to the TSC will be sent through an immediate communication system (e. g. WhatsApp or phone call) no later than 24 hours after contacting the person who made the emergency notification. Must keep a record of the information by sending an e-mail to the TSC.

5.4 Verifying the emergency

MAR Fund's RRI Unit and the TSC will coordinate the verification of the emergency. The emergency will be verified directly or indirectly⁷ if it is actually occurring or has occurred in the place of notification, and can be made through a photograph, a video or by confirming the emergency through weather reports or other sources.

⁷ If a TSC member is at the site or nearby, they can approach to directly verify the emergency. Or they could rely on other members or colleagues, such as MAR-RRN members or members of a certain response team, who could approach the site and verify the event.

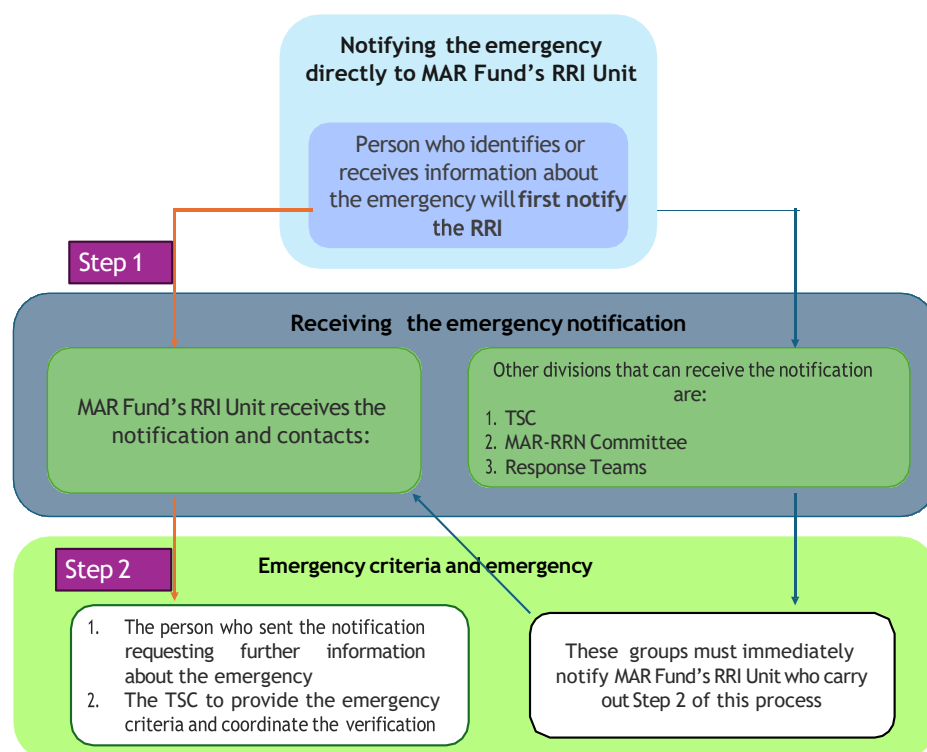


Figure 1a. Steps to notify the emergency

After completing the verification, the person who notified the emergency and/or who can conduct the response will be advised on the necessary steps to expedite the funding request process in order to address the emergency.

6 PROCEDURE TO RECEIVE FUNDING FROM THE EMERGENCY FUND

6.1 Beneficiary Region

- 1) State of Quintana Roo in Mexico
- 2) Belize
- 3) Guatemalan Caribbean Coast
- 4) North coast of Honduras, from the border of Guatemala to Patuca River

6.2 Eligibility Criteria

Stakeholders eligible as ER funding recipients are non-governmental organizations (NGO) that have the administrative mechanisms to manage grant funding in a prompt and effective manner at the time of an emergency.

The funding recipient must be legally incorporated as an NGO in the country where the response action will take place.

Such entity does not require being part of a response team, yet it must have a working relationship with these teams and be committed to working together to address the emergency.

Applying entities must meet the following characteristics:

- 1) To be established in the MAR region, preferably in close proximity to the sites affected by the emergency.
- 2) To be legally incorporated in the country of the emergency.
- 3) To have administrative mechanisms to receive and manage grant funding (deductibility).
- 4) To prepare and present to the MAR Fund, in advance, a proposal and budget with the activities to be implemented to address the emergency.
- 5) To have a local bank account to be able to receive bank transfers.
- 6) To be able to issue grant receipts.
- 7) With capabilities and administrative procedures to hire individuals and pay wages.
- 8) To comply with due diligence requirements set by MAR Fund for an expeditious outlay of the funding. MAR fund will send the list of documents to the applicant organization to comply with the due diligence.

6.3 Requirements for funding request

Figure 1b shows the complete funding request process in a flowchart.

Applicant entities must meet the requirements outlined in **section 6.2**. They must also submit the following documents:

- 1) Submit a technical proposal and budget to request funding.
 - a) The RRI will send the proposal application template to the NGO (**Annex D**).
 - b) The proposal must include:
 - i) **The methodology for addressing the emergency**
 - (1) If there is already a protocol that addresses the given emergency, the proposal must outline the specific actions to be carried out according to such protocol.
 - (2) If no protocol is available, a **response plan** must be enclosed, specifying the steps/strategies and mechanisms to address the emergency.
 - ii) Information on the **capacities developed** to address the emergency. That is, specify which types of response teams will be addressing the emergency. Also, indicate the level of knowledge and training of response teams and how they are organized. Additionally, specify the name and contact information of the response team and/or brigade leader.
 - iii) An activity implementation timetable.
 - iv) Complete the requirements indicated in **Annex E**, on possible **environmental and social risks** of the planned activities and how they can be prevented or mitigated (**Annex E**).
 - v) Enclose a detailed **budget** for the use of requested funds.
 - vi) A document with approval from the PMA manager, if response activities must be carried out in any of the PMA management zones.
- 2) If necessary, enclosed documentation proving that permits required to implement emergency actions have been issued or that they are in process.

6.4 Remittal of the technical proposal and budget

- 1) The applicant organization must send back the technical proposal and budget to the RRI Unit.
- 2) The RRI receives, evaluates, and comments on the proposal and submits it to the TSC with its recommendations for final approval.

6.5 TSC Resolution

- 1) The TSC will have a maximum of 24 hours to evaluate the proposal and reply to the RRI Unit, either by e-mail or WhatsApp, if the grant is approved.
- 2) The 12 hours apply to business days during office hours (8 a. m. to 6 p. m.). Messages received on weekends or holidays and night hours will be replied to on the following business day.

A **no-reply** at the established time will be considered as an approval of the grant to address the emergency.

6.6 Granting process (support to the emergency)

After the TSC has approved the grant, the RRI Unit will draft a **grant letter**, a MAR Fund internal instrument that supports the grant and the transfer of funding to the grantee organization.

6.7 Transfer of funds

- 1) Once both parties have signed the grant letter, MAR Fund and the grantee organization, the RRI Unit, with the support from MAR Fund Administrative Department, will follow the corresponding process of transferring the funds.
- 2) During this process, the RRI Unit will communicate directly with the grantee to request all the required documents to expedite the grant process.
- 3) Once the funds have been received, the grantee organization will issue a grant receipt in the name of MAR Fund, following the guidelines provided by MAR Fund Administrative Department.
- 4) The implementing organization will transfer the funds to response teams that will execute the grant.

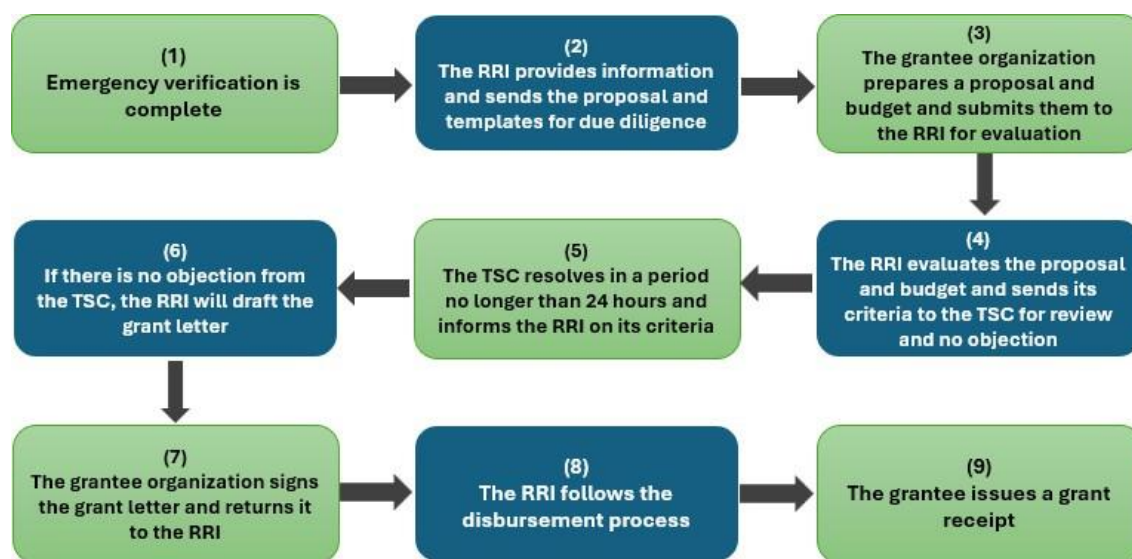


Figure 1b. Steps to request funding from the EF

7 GRANT IMPLEMENTATION

The grantee organization implements grant funding (Figure 2) through immediate response teams that exist in the country and are organized and trained to address the emergency for which the grant was requested.

7.1 Response teams and management of funds

As indicated above, response teams managing grant funding should have the capacity to provide emergency assistance, including trained staff, adequate equipment, and technical knowledge to address the reef.

Regarding reefs affected by hurricanes, response teams can be Response Coordination Committees, Response Operation Committees, and response brigades that have been officially established and trained in the MAR (**Annex C**).

7.2 Development of emergency response activities

The intervention must address the emergency for a maximum of two months (60 days) and must be supported by a proven activity methodology. The activity methodology will depend on the type of emergency.

If a [national or regional protocol](#) or an established methodology approved by the country is **already in place** to address the emergency, response activities must be based on such protocols and/or methodologies⁸.

⁸ For example, to address damage emergencies caused to reefs from the impact of hurricanes, there is an Early Warning and Immediate Response Protocol prepared by TNC. MAR countries can implement the actions within this protocol to address a reef in case of damage after a storm.

7.3 Grant reporting

The grantee will submit an executive report to the RRI Unit, describing the activities during the emergency response, from the planning and damage evaluation to the actions taken during and after the emergency.

Additionally, the grant report must include a detailed grant expenditure and use of funds.

Note: The RRI Unit will provide the technical report template when the grant requirements are formalized.

7.4 Use of funds

Grant funds must be used only for emergency activities agreed on in the grant letter and the proposal submitted by the grantee organization.

If funds are not fully used **60 days** after the grant was awarded, they must be returned to MAR Fund's Emergency Fund.

If monitoring and follow-up activities are required concerning the same emergency, the grantee organization can apply for an extension to allow more time to use the grant funds. The extension application must be sent to MAR Fund at least 15 days prior to the ending of the grant.

7.5 Grant monitoring and evaluation

As part of the process, the grantee organization, the RRI Unit, the TSC, and the MAR-RRN will visit or ask a third party to do so in order to evaluate and monitor emergency restoration activities, either during or after response activities. These costs will be covered by MAR Fund.

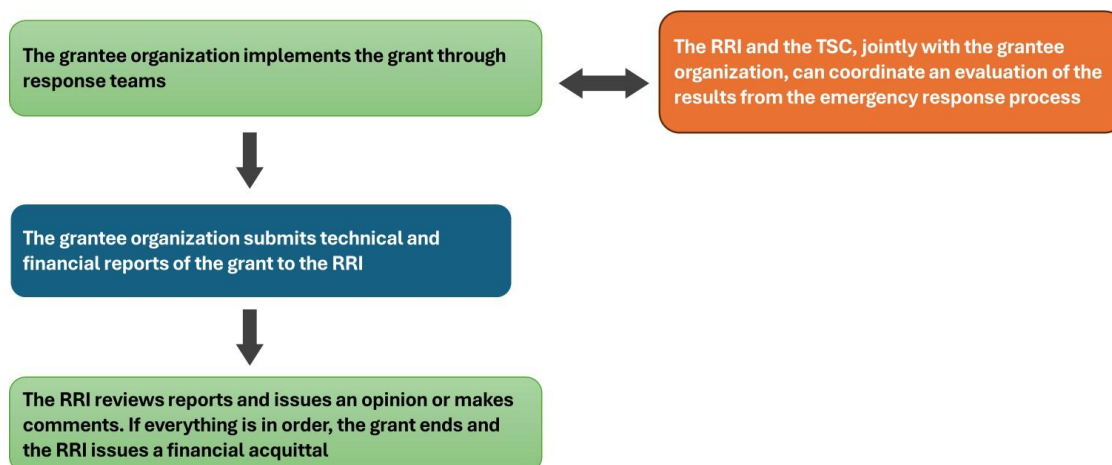


Figure 2. Implementation of grant funds

8 EVALUATION OF THE EMERGENCY FUND OPERATION AND GUIDELINES UPDATE

The described guidelines in this document for the application and operation of the EF of MAR Fund's Reef Rescue Initiative must be evaluated annually and updated as appropriate.

This is a public document. It is available on MAR Fund website, in English and Spanish, on the MAR-RRN web page (www.coralmar.org) and on web pages of other organizations. MAR Fund will make sure that the interested public will have easy access to the document.

TSC members will be able to share this document with key organizations, both governmental and non-governmental. It will also be shared with emergency response teams via e-mail or instant messaging. Local organizations will be encouraged to disseminate this information through their web pages or other means of communication.

9 CONSIDERATIONS

1. The occurrence of an emergency does not immediately qualify a group or an organization to receive funds.
2. If the number of applicants is greater than the availability of funds in the EF, MAR Fund's RRI Unit and the TSC will review each application on a first-come, first-served basis, prioritizing beneficiaries based on the requirements indicated in the eligibility sections of this document. Moreover, another aspect to consider is the capacities of local organizations to respond to the emergency and their experience and capability to manage grant funds.
3. If a grantee has applied for funding for more than one site and receives a lower amount than the requested, the response team can prioritize the sites to address⁹.
4. Emergency funds must be requested to address an emergency. The Fund will not be able to reimburse or finance activities that have been implemented without executing the due process of requesting funds.
5. Funds for reef sites with parametric insurance coverage coordinated by MAR Fund will be distributed according to the payout calculated for each site, based on the established coverage terms.

⁹ For example, the Post-Storm Response Protocol describes the techniques used for a rapid evaluation that will be implemented to determine the extent of damage on the reef. It also includes methods to prioritize and identify sites that require an immediate response.

10 TERMINOLOGY

- **Brigade member:** A member of the team known as a brigade and has the training for evaluating and addressing reefs after a natural or anthropogenic event causing damage to the reef.
- **Central American Commission for Environment and Development (CCAD, for its initials in Spanish)**¹⁰: The CCAD was established with the purpose of developing a regional regimen for environmental cooperation and integration that contributes to improving the quality of life of the populations of its member states (Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, and the Dominican Republic).
- **Emergency Fund (EF):** Financial instrument established by MAR Fund through the RRI to respond promptly and timely to the damage caused by particular impacts or emergencies on reef ecosystems of the MAR.
- **Emergency Fund Coordination Committee:** Coordinates the administration of the Emergency Fund. It is formed with MAR Fund's RRI Unit and the Project Technical Supervisory Committee (TSC), which oversees the implementation of the Reef Rescue Initiative.
- **MAR Parametric Insurance:** A financial instrument designed to cover emergency response costs in reefs damaged by hurricanes.
- **MAR Reef Restoration Network (MAR-RRN)**¹¹: Regional platform, comprised of civil society organizations and governmental and academic institutions engaged in the reef restoration and rehabilitation in each of the four countries of the MAR region.
- **Non-governmental organizations (NGOs)**¹²: For this document's purpose, an NGO is an organization that carries out environmental activities for the reef in the MAR without pursuing a profit and independent from public administration.
- **Technical Supervisory Committee (TSC):** It is the highest authority of MAR Fund's Reef Rescue Initiative.
- **Protected Management Areas (PMA):** Area geographically defined that is designated or regulated and managed in order to achieve specific conservation objectives¹³.
- **Response brigades:** Teams of adequately organized and trained individuals who can evaluate the damage and respond to emergencies on reefs impacted by natural disasters or anthropogenic events.
- **Response Coordination Committee:** Response teams formed by representatives from different sectors, responsible for planning, leading, and coordinating all emergency response activities.
- **Response Plan:** Technical document that details the immediate attention activities that each response group must implement at the affected site. This is a specific document for post-storm response actions on coral reefs.
- **Response protocols:** Technical documents that outline immediate action procedures for addressing damage caused to reef ecosystems of the MAR due to different types of emergencies. An example is the [Early Warning and Rapid Response Protocol Actions to mitigate the impact of Tropical Cyclones on Coral Reefs](#)

¹⁰ <https://www.sica.int/ccad/breve.aspx>

¹¹ For more information on the MAR-RRN, please visit www.coralmar.org

¹² Oxford Dictionary. <https://www.lexico.com/definition/ngo>

¹³ Convention on Biological Diversity. <https://www.cbd.int/doc/legal/cbd-en.pdf>

- **Response teams:** Are organized groups trained to address emergencies that impact reef systems in the MAR.
- **RRI Coordination Unit:** It is responsible for carrying out all operational and programmatic activities for the Reef Rescue Initiative (RRI).

11 ANNEXES

- **ANNEX A. Pilot sites included in the parametric insurance, coordinated by MAR Fund**

From July 2021 to May 2024, included, MAR Fund¹⁴ has established coverage through parametric insurance for reefs in the following sites:

1. Banco Chinchorro,
2. Xcalak Reefs,
3. Hol Chan,
4. Turneffe Atoll
5. South Water Caye
6. Glovers Reef
7. Bay Islands (Roatan, Guanaja and Utila)
8. Cayos Cochinos
9. Tela Bay
10. Motaguilla and Cabo Tres Puntas in Guatemala

The execution of this Agreement shall not have any effect with respect to, or in connection with, any sovereignty claims over any territory (land, insular and maritime) claimed by the Republic of Guatemala and/or Belize; nor shall it have any effect over the rights and/or claims of either country over such territory.

Steps to apply to the parametric insurance payout:

1. The insurance is activated- A payout is generated that goes into MAR Fund's Emergency Fund.
2. The organization in charge of managing funds for the post-storm response sends a proposal and budget to MAR Fund.
3. MAR Fund, through the RRI, evaluates the proposal and budget, issues comments, and prepares the Donation Letter or Agreement Letter.
4. Once the proposal and budget are approved, the Donation Letter is signed by MAR Fund and the grantee.
5. MAR Fund issues the agreed disbursement based on the disbursement table agreed upon in the Donation Letter.
6. The entity receiving the funds carries out the post-storm response and reports to MAR Fund through intermediate and final, technical, and financial reports.

For the specific case of Parametric Insurance, the organization receiving the funds may prepare the proposal in advance based on the activities and budget proposed in the Post-Storm Response Plan for the site.

¹⁴ MAR Fund, in collaboration with Willis Towers Watson, carries out the MAR Insurance Program. This project and the coverage of the four initial pilot sites is possible thanks to the financial contribution of the Insurance Resilience Solutions Fund (ISF), through the Frankfurt School of Finance & Management Gemeinnützige GmbH (FS).

- **ANNEX B. CONTACT INFORMATION**

- i. **MAR Fund and RRI Coordination Unit**

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- ii. **Technical Supervisory Committee (TSC) of the Reef Rescue Initiative**

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iii. MAR Restoration Network Executive Committee

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- **ANNEX C: Response Groups, in case of Post Storm emergencies:**

[Response Coordinating Committees by country](#)

ANNEX D. GRANT PROPOSAL TEMPLATE OF THE EMERGENCY FUND

[Grant proposal format download here](#)

ANNEX E: Potential risks and mitigation measures

[Download template here](#)

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