The world has lost 14% of its coral reefs since 2009. Investing in a blue economy gives us a shot at saving the rest

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Coral reefs are one of the world's most valuable, yet most threatened ecosystems.

The Coral Reef Breakthrough calls for investments of $12 billion by 2030 from public and private sources to safeguard the future of drastically underfunded coral reefs.

Investing in coral involves interventions and enterprises that address local drivers of reef degradation, unlock sustainable conservation funding, and increase coastal communities' resilience to climate impacts.

Coral reefs are beautiful, yet their value transcends their beauty. Covering less than 1% of the ocean floor, coral reefs support the existence of at least 25% of all marine life. They are integral to sustaining Earth's intricate web of biodiversity and play a fundamental role in the health and function of our planet.

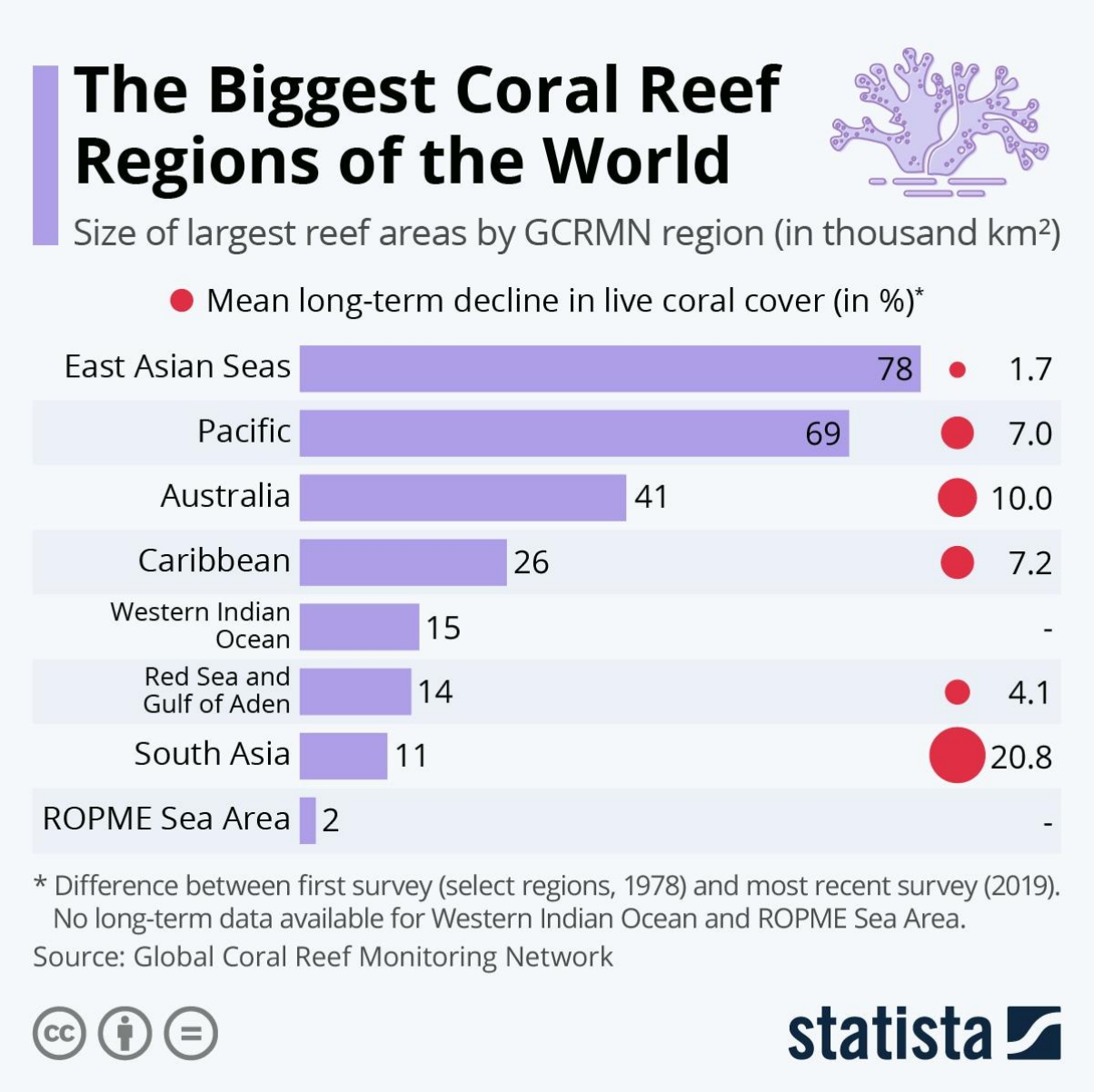
Coral reefs occur in more than 100 countries and territories, supporting the livelihoods of 1 billion people who depend on them, providing ecosystem services valued up to $9.9 trillion annually. This figure includes sustainable food, livelihoods and income generation, protection from storm surges, medicinal properties and significant cultural heritage. Coral reefs are essential to the security, resilience and climate adaptation of many of the most climate-vulnerable nations on Earth.

Despite being a cornerstone of ocean health and climate resilience, the existence of these critical ecosystems is at stake due to the climate crisis and human-driven threats including destructive fishing and tourism, agricultural run-off, sewage pollution and plastic pollution. The world has lost 14% of the coral on its reefs since 2009, an area larger than the entire Great Barrier Reef, and current projections highlight the risk of 90% of the world's remaining coral reefs disappearing by 2050.

Closing the reef funding gap

To prevent the extinction of coral reefs, urgent action must be taken at scale to protect, restore and manage these precious ecosystems and the valuable services they provide. Yet, scaling action necessitates commensurate resources, and ocean conservation is drastically underfunded. The cost of meeting Sustainable Development Goal (SDG) 14, Life Below Water, has been estimated at $174.5 billion per year. For reefs specifically, expert assessments estimate that the global investment required for their protection is approximately seven times greater than current funding levels.

The international community is increasingly calling for diversified funding sources for biodiversity that can achieve “triple bottom line” returns: social, environmental and financial benefits. The Kunming-Montreal Global Biodiversity Framework (GBF), adopted in 2022, contains a target to increase the level of financial resources for biodiversity from all sources, particularly leveraging private finance, blended finance and innovative schemes. The Sharm El-Sheik Adaptation Agenda similarly notes the imperative for public and private sector investors to dedicate increased resources towards climate adaptation and resilience.



Corals are a key indicator of ocean health.Image: Statista

But there is hope for coral reefs. This year, the International Coral Reef Initiative (ICRI), a global network of nations and organizations who represent over 75% of the world’s coral reefs, launched the Coral Reef Breakthrough in partnership with the Global Fund for Coral Reefs (GFCR) and the UN High-Level Climate Champions (HLCC). It was launched as part of

ICRI's Plan of Action 2021-2024: Turning the Tide for Coral Reefs, striving to promote resilient coral reefs through international policy.

The breakthrough calls upon the international community to secure the future of at least 125,000km2 of shallow-water tropical coral reefs with investments of at least $12 billion to support the resilience of more than half a billion people globally by 2030. To aid in facilitating this investment, the GFCR will serve as one of the key financing vehicles, operating through a blended finance approach designed to scale financial solutions and a blue economic transition that bolsters the resilience of coral reefs and the communities that depend on them. The initiative emphasizes that actions to conserve coral reefs identified as climate refuges also provides hope for lasting recovery and potential to resist climate threats in the decades to come.

How to invest in reefs

By calling for investments of $12 billion by 2030 from public and private sources, The Coral Reef Breakthrough aims to catalyze action in the sector. But how does investment in coral reefs take place in practice?

Investing in coral means investing in a sustainable blue economy that addresses local drivers of coral reef degradation, unlocks sustainable conservation funding flows, and transitions coastal communities away from harmful activities. These interventions and enterprises include waste treatment and recycling facilities, coral reef insurance, sustainable aquaculture and agriculture, ecotourism enterprises, blue carbon credits, and sustainable finance mechanisms for Marine Protected Areas (MPAs).

GFCR's work in Fiji, in partnership with the UN Joint SDG Fund and UNDP, illustrates the potential of investments to generate triple bottom line returns. In Fiji, funding is deployed to a local incubator, Matanataki, to identify, support and scale locally driven conservation solutions. Two supported transactions underway include an organic fertilizer company to reduce eutrophication and sedimentation from the sugar cane sector; and a waste management facility with a recycling component to reduce land-based solid waste and the leaching of pollutants to underground water sources and streams spilling onto Fiji's coral reefs. Both initiatives have attracted great interest by local and international investors with a further influx of private investment capital expected in 2024. Additional solutions in Fiji, including shark-based ecotourism tied to MPA finance and sustainable aquaculture enterprises, are now receiving support to expand conservation impact and community benefits.

Investing in coral reefs alone does not prevent the damaging impacts of climate change. However, these innovative initiatives, aimed at mitigating the factors driving reef degradation and unlocking conservation funding, may improve the health and resilience of coral reefs, thus offering a chance of avoiding functional extinction in our lifetime.