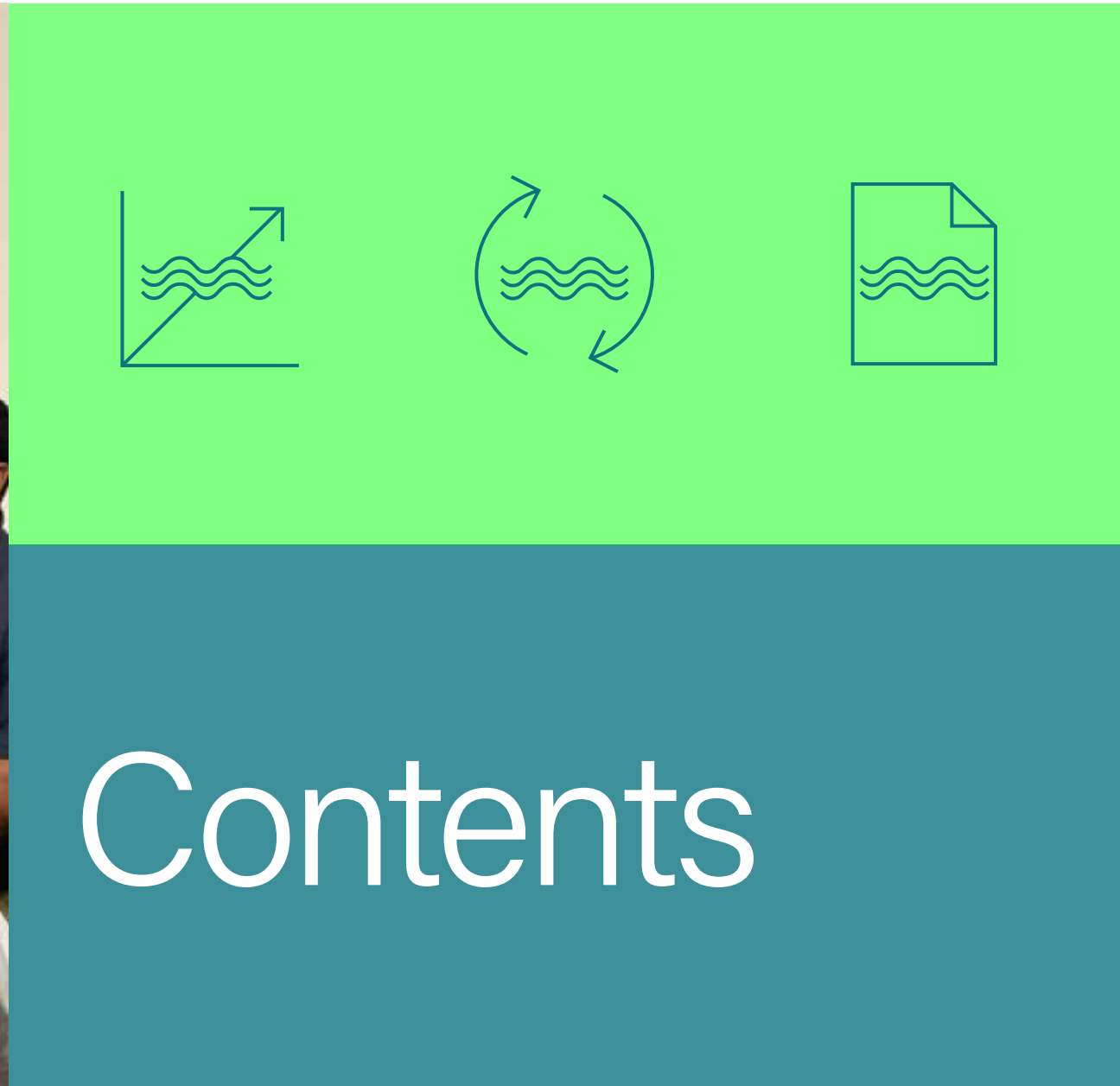


From Action ————— To Impact

2023
ACTION REPORT





From Action to Impact ————— 3

Product Pipeline ————— 7

Investor Engagement ————— 18

Building a Capital Market
for the Ocean ————— 23

Ocean, Climate
and Finance Interface ————— 27

Governance and Funding ————— 33



WE ARE MOVING From Action ————— To Impact



2023 has been a game-changing year for ORRAA as we have transitioned from an early start-up to a more established organisation. We have begun to see some of our early projects become bankable, the growth and expansion of our **investable product pipeline**, and made real progress on core elements of the **Sea Change Impact Financing Facility (SCIFF)**.

The ORRAA Secretariat has taken the strategy, which was reviewed by our Steering Council and the ORRAA Inc. Board and developed specific, time-bound workplans to deliver on its three goals: Building from the Ground Up, Tackling the 'Missing Middle' and, Delivering a Sea-Change from the Top-Down.

This Action Report provides an overview of what we have delivered in 2023 through radical collaboration which sits at the heart of the Alliance's work:

- Grow our product pipeline from the ground-up;
- Engage investors from the philanthropic, public and private sectors to blend and scale investment;
- Build the capital market for the Ocean, crowding in finance at scale; and,
- Contribute to multilateral ocean, climate and finance policy outcomes and discussions.



By the Numbers ————— Our Impact to Date

Since 2019, **USD\$36.6m**
directly committed to drive the Alliance's mission
through 2025.

USD\$22.5m directly invested into
40 projects to develop finance/insurance/policy products
that has leveraged an additional **USD\$9.7m**
of investment into coastal resilience.

Supporting
**170,000 Climate vulnerable
coastal people** to be more resilient.

85+ members,
contributing **USD\$7.4m in-kind**
to further advance our mission, including:

20
finance and insurance partners

15
governments

5
international organisations and
multi-lateral development banks

33
NGOs

7
non-finance corporates

1
philanthropic organisation

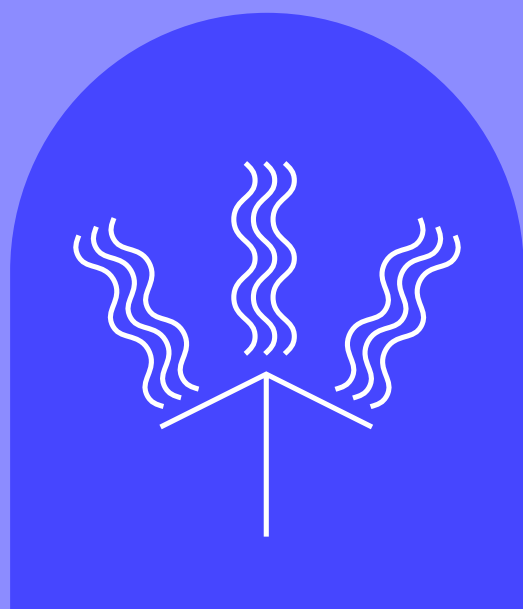
4
academic institutions



ORRAA is the only global alliance - with over 85 members - from finance, insurance, government, multilaterals and civil society which, through radical collaboration, is building the finance and insurance products needed to drive investment into coastal and ocean resilience by 2030.

We have Action in our Alliance's name for a reason. Because we take action to propel the breakthrough solutions that deliver outcomes with impact.

Through 2025, like Neptune's trident, our work has three prongs: _____



Karen Sack
Executive Director



1

Now ————— 2025

We are Building an investable Product Pipeline from the Ground Up - nurturing and scaling the development of community-led finance and insurance products and projects.

Action:

Between now and 2025, we will be investing at least USD\$10m to grow our pipeline (which already includes 48 projects focused on building finance and insurance products) to include at least 60 projects.

- At COP28 in Dubai, we announced, with the **UK's Blue Planet Fund**, **twelve additional projects, each of which will receive up to USD\$500,000** to either pilot or scale finance and insurance products.
- The United States also announced that ORRAA has been selected to be the **anchor partner for USAID's Coastal Resilience, Carbon, and Conservation Finance (C3F) initiative** which encourages the flow of private sector capital into coastal resilience and blue carbon projects.

2

Now ————— 2025

We are focusing on tackling the 'Missing Middle' - a place which many project developers and entrepreneurs call the "valley of death", because it is where they emerge from grant or philanthropic funding but aren't yet big enough to be of interest to impact or private sector investors.

Action:

We are focused on enabling greater private sector investment into impact-driven coastal and ocean resilience, particularly in emerging markets and Small Island Developing States (SIDS), which deliver a market-based return; and we are increasing ORRAA's expertise in finance and climate/ocean policy to inform the development and deployment of key policy frameworks that underpin greater investment action.

- We are working to ensure: the uptake of the **High-Quality Blue Carbon Principles and Guidance**, including through the development of a **Practitioners Guide** that is being led by Conservation International; ensuring that ocean-related metrics are integrated into Taskforce on Nature-related Financial Disclosures (TNFD) outcomes, inputting into the elaboration of the high-quality blue bond principles as well as other blue finance guidelines; and engaging on how to deliver on marine 30x30 financing commitments.



3

Now ————— 2025

We are delivering a Sea Change from the Top-Down, because to get to scale, we need to create a global ocean finance ecosystem.

Action:

We are working to develop the financing vehicles capable of deploying private sector, investment, sovereign, and regional level financial products to de-risk and accelerate financial intermediation towards sustainable blue finance investments that are nature positive, increase resilience, reduce unsustainable debt burdens, and mitigate losses and damages.

Deutsche Bank, which has 1,407 billion EUR of assets under management, has become the first bank to endorse ORRAA's **#BackBlue Ocean Finance Commitment** which ensures a sustainable and regenerating Ocean has a seat at the table in finance and insurance decisions. It joins AXA, WTW and Palladium. With these first movers onboard, the wind is in our sails as we work on more to follow.

ORRAA's Sea Change Impact Financing Facility (SCIFF), is working with a world-class crew of experts to develop a portfolio of financial instruments, including:

- Together with ORRAA member Investable Oceans, we are developing the **"Octopus Desk"** - a blue marketplace platform to match eligible blue resilience project developers with investment partners seeking environmental, social and financial returns.
- We have seen the first USD\$5m investment from Builders Vision into the **Outrigger Fund**, the only ocean impact fund designed to invest in Small and Medium sized Enterprises in SIDS to tackle the 'missing middle' in these large ocean states through USD\$1-10m investments. With support from the government of Canada, Outrigger is in its establishment phase, working towards a first close and is currently engaging with cornerstone investors.
- The **Nautilus Ocean Guarantee Company** is a protective shell designed to de-risk investments through the provision of guarantees. The establishment phase is underway by the Development Guarantee Group.
- We are in the process of scoping several other instruments, including a **Blue Bond Incubator**, and in early 2024, will kick-off work on the feasibility of a **30x30 ocean regeneration and resilience facility**.

Through incubation, innovation, acceleration and scaling, with our members and partners, who constantly add ideas, challenge assumptions, and stress-test developing products, we are delivering breakthrough ocean finance and insurance solutions to build the capital market for the Ocean.

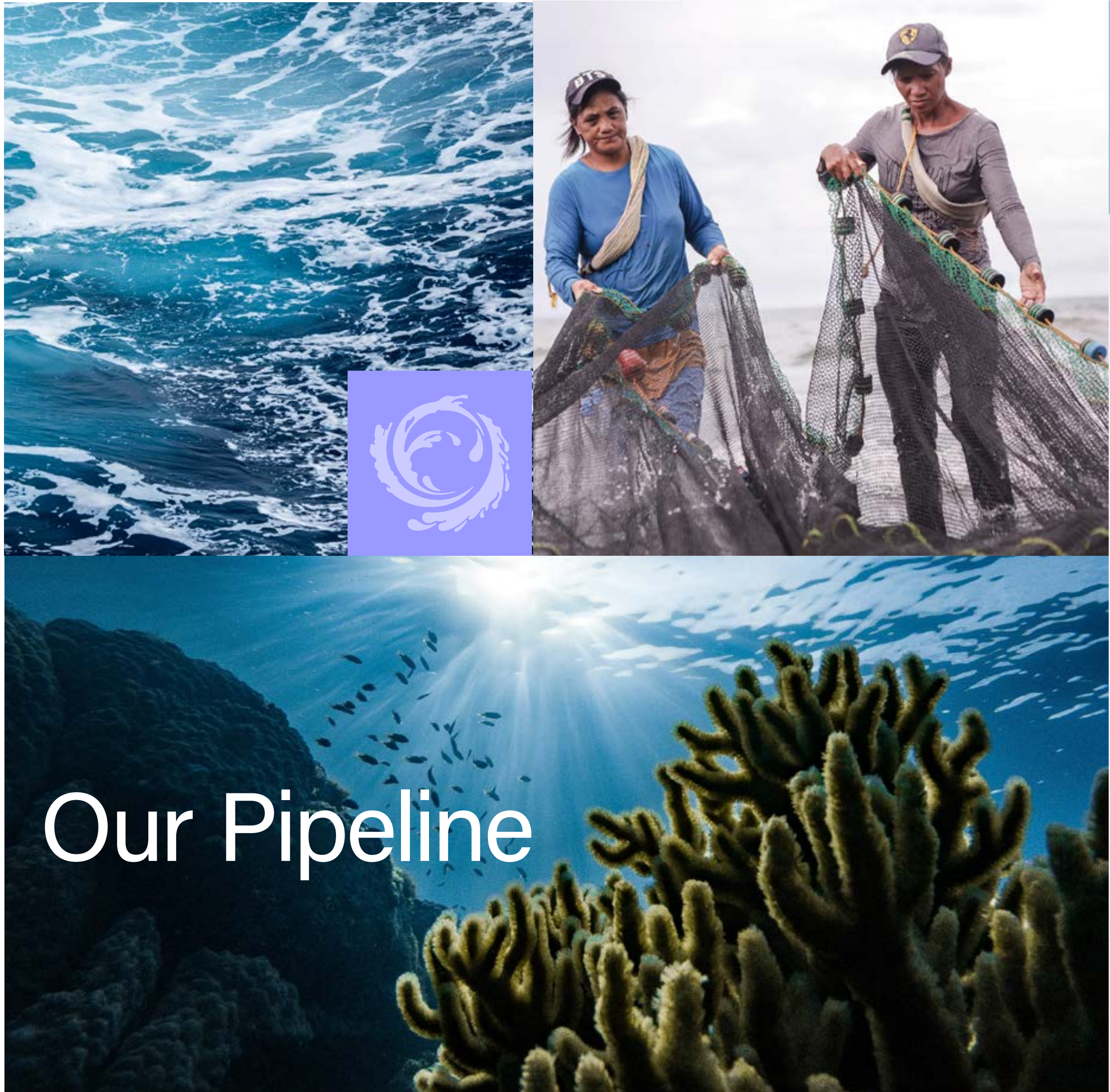
It is a great privilege for the ORRAA team to work collaboratively with all of our members, project partners and collaborators on these initiatives, so that together, by 2030, we deliver USD\$500m of investment into ocean and coastal resilience through finance and insurance products, catalysing up to 3.5 times more investment. Most importantly, that this investment builds the resilience of 250m climate vulnerable coastal people in the Global South.

Karen Sack
Executive Director





Product Pipeline



Our Pipeline

The lack of an investable project pipeline is the single most mentioned issue raised by private sector sustainable blue economy investors as a barrier to engagement.

Building that pipeline with a focus on the potential for the finance sector to invest into such investable propositions sits at the core of the rationale behind ORRAA’s Product Development Pipeline.

We are proving day by day that a pipeline exists, that opportunities for investment to help build it are clear, and that the step change from development to bankability is swift, whenever there is patient capital available to smooth its way forward.

ORRAA’s projects drive investment into ocean and coastal Nature-based Solutions (NbS), as well as other solutions that mitigate risk multipliers like overfishing and pollution. Gender equality and women-focused targets are fully integrated into the development of our pipeline of finance and insurance instruments. These in turn enable coastal communities and marine ecosystems to thrive, creating greater economic security as well as social and cultural resilience for the most climate vulnerable coastal communities.

Since 2020, ORRAA has directly invested USD\$22.5m into 40 projects to develop finance/insurance/policy products. This has leveraged a further USD\$9.7m of investment

into coastal resilience. A further 20 projects are supported through the work of our members as their in-kind contribution to the Alliance.

The 60 projects in the ORRAA pipeline include 48 that are developing micro and macro-insurance tools, building financial literacy within coastal communities, and constructing finance products including blue carbon and resilience credits, as well as technological applications that deliver greater financial security. Others invest into policy and knowledge products to inform the space.

Our calls for proposals clearly show increasing demand for the seed funding needed to grow this pipeline.

Between 2023 and the end of 2025, ORRAA will continue to expand its portfolio of supported projects, deploying at least an additional USD\$10m into projects and products that promote the design, implementation, and replication of innovative finance and insurance solutions that build coastal and ocean resilience for coastal communities in the Global South.

Number of countries: _____ **78**

In 2023, ORRAA launched and ran a Call for Proposals with the UK's Blue Planet Fund. The response from around the world clearly showed the demand for investment by private sector, public sector and civil society organisations. From this Call, ORRAA has supported 15 projects worth USD\$4.46m.





The Ocean Resilience Innovation Challenge

ORRAA's Ocean Resilience Innovation Challenge (ORIC) has run three challenge rounds to-date since it launched in 2020.



The Challenge provides six months of mentoring and leadership training to a cohort of 10 to 15 early-stage, locally-led projects selected following an open call for interest. Each project is looking to build on initial ideas that require incubation and mentoring to support novel and scalable finance and insurance products that build coastal resilience and reduce ocean risk.

Based on this initial work, a sub-set of projects are selected to participate in a second phase of mentoring and support. This includes connecting projects with potential investors to help bridge the gaps between locally led innovation and the investment needed to accelerate their growth, and for some, seed funding of up to USD\$50,000.

ORIC project graduates are eligible to apply for scaling support through the ORRAA Product Development Pipeline and SCIFF and can be championed for investment by other ORRAA members and partners.





In September 2023, during Climate Week, ORRAA hosted its first Investor Forum at New York's Explorers Club - an opportunity for selected ORIC projects to pitch their ideas to investors.

More than 60 people from philanthropies, family offices, impact investment firms and ORRAA members, attended to learn about innovative financial products that aim to create more resilient coastal communities. Ten exciting projects pitched for a total of USD\$12m to take their work to the next level. Several are now in discussion with potential investors.

The forum also announced the winners of the 2023 ORIC Cohort, each of which could receive up to USD\$50,000 to help them scale up.

The event was made possible, thanks to support from the Swiss Re Foundation, the Government of Canada, the UK's Blue Planet Fund, and the United States Department of State.

[READ THE INVESTOR FORUM REPORT](#)[WATCH A VIDEO OF THE EVENT](#)



Pipeline Spotlight: Aqua-Farms Organisation

Support:
Received mentoring, training and funds from the second cycle of ORRAA's Ocean Resilience Innovation Challenge (ORIC) which was financially supported by the Swiss Re Foundation and the UK's Blue Planet Fund. Additional scaling support from the Government of Canada.

Location:
Tanzania.

Financial Innovation:
Microcredit and saving schemes.



Aqua-Farms Organisation (AFO) is a youth-led NGO in Tanzania. ORRAA began working with it through our 2021 Ocean Resilience Innovation Challenge (ORIC). AFO is developing a voluntary carbon market project, aiming to establish new sustainable sources of income for a coastal fishing community from the rehabilitation of mangrove forests.

During the second wave of ORIC, ORRAA began supporting another project led by AFO and Sea PoWer, a women-led initiative to scale deep-water tubular net seaweed farming technology through microcredit and saving schemes. The initiative trains women on financial literacy and how to produce seaweed value-added products like soap, shampoo, lotions and food additives.

ORRAA has now expanded its support to AFO through a grant from the government of Canada to scale its work.

In May 2023, Karen Sack and Chip Cunliffe, ORRAA's Programme and Risk Director, visited the team to learn about the work they are doing and experience first-hand the positive impact that AFO is making on coastal communities in Tanzania.





Pipeline Spotlight: ABALOBI

Support:

Received mentoring, training and financial support from ORIC, which was financially supported by the Swiss Re Foundation and the UK's Blue Planet Fund. ABALOBI also received funding from the Government of Canada.

Location:

South Africa.

Financial Innovation:

Savings Accounts for Small Scale Fishers.



On the heels of our trip to Tanzania, the ORRAA team visited our partner ABALOBI in South Africa. ABALOBI is a social enterprise developing thriving small-scale fishing communities across Africa and beyond. In 2023 it was a finalist in the Earthshot Prize – a testament to how far it has come, the impact it is having and its bright future.





Through its technology, ABALOBI connects small-scale fishers directly with consumers, ensuring a fair, transparent income for the fisher, and fully traceable, sustainably caught “Fish With A Story” for the consumer. Its innovative app allows fishers to set up savings accounts that help them save towards pre-defined targets, such as repairing or replacing fishing equipment, and provides a full suite of tools that combine e-commerce with marketing, data services, training and community development. This creates an enabling environment for a transition to fully reported fisheries, fisheries rebuilding and conservation.

We first started working with ABALOBI through our Ocean Resilience Innovation Challenge (ORIC), then they ‘graduated’ to receive a building grant through ORRAA from the Government of Canada, and we then nominated them for the 2023 Earthshot Prize along with Coleman Family Ventures and Nekton.

ABALOBI, was selected as one of three finalists (out of more than 1100 total nominees) in the Reviving Our Oceans category.

ORRAA has been and continues to be excited to be a part of ABALOBI’s journey and was thrilled to visit with the team in South Africa in March.

We are now busy working on Earthshot 2024 nominees from among the projects we are supporting through our pipeline.



”

Coastal communities are instrumental in the fight to preserve the health of our oceans. Our technology, developed in partnership with fishing communities, is both easy to use and can be adopted at scale, meaning responsible small-scale fishers across the globe can be appreciated as stewards of the ocean. Our gratitude to The Earthshot Prize for recognising the efforts of coastal communities in this endeavour.

Serge Raemaekers
Co-Founder and Managing Director
ABALOBI

[WATCH ORRAA’S VISIT TO ABALOBI](#)



Pipeline Spotlight: The Coastal Risk Index

Supporting Partners:

IHE Delft and the University of California Santa Cruz.

Location:

Global.

Financial Innovation:

AXA, the United States Department of State, the Government of Canada, and the UK's Blue Planet Fund.

Coastal ecosystems protect more than 14 million people, and more than USD\$363bn in assets every year, providing key insights into why nature needs to be incorporated into risk management and resilience-building strategies.

The Coastal Risk Index (CRI), a ground-breaking open-source tool, is designed to equip financial institutions, investors, insurers, infrastructure project managers, and policymakers with unparalleled insights into coastal risks in the face of the escalating climate crisis and the critical role of Nature-based Solutions in building cost-effective coastal resilience.

It calculates coastal flood hazards under different climate change scenarios and quantifies the potential risk reduction benefits of coral reefs and mangroves for coastal communities around the world.

It is designed to provide better data, to enable better decisions and better outcomes.

The CRI showcases present and potential future global coastal flood hazard and storm surge to 2050, underscoring the flood reduction benefits of natural habitats like reefs and mangroves. Users will also be able to examine areas of high social vulnerability and identify where investing in coastal Nature-based Solutions plays a role in protecting communities.



Contact

Haiphong, Vietnam
Illustrative view of coastal flooding without ecosystems

Better Data
Better Decisions
Better Outcomes





Pipeline Spotlight: Vessel Viewer Insuring against Illegal, Unreported and Unregulated (IUU) Fishing

Removing access to insurance is one lever that has significant potential to deter IUU fishing globally.

Supporting Partners:
Global Fishing Watch, TMT, and Oceana.

Location:
Global.

Financial Support:
Gordon and Betty Moore Foundation and the UK's Blue Planet Fund.

Vessel Viewer is a big-data Application insights and history tool, developed by ORRAA, Global Fishing Watch and TMT, along with support from Oceana. It helps insurers evaluate the current and past behaviours and characteristics of fishing vessels to estimate their likelihood of engaging in or supporting IUU fishing.

In so doing, it helps insurers fill information gaps on the vessels they insure to create a positive cycle of information-sharing, delivering increased data transparency and improved risk assessment before vessels/fleets are insured.

To co-develop the tool with industry insight, a beta-version of Vessel Viewer was pilot tested over 12 months, with inputs from 16 insurance and reinsurance companies. Feedback from insurers was then fed into an updated tool: Vessel Viewer 2.0, which was launched in October 2023.

Vessel Viewer is now available for commercial use by insurers. Its Application Programming Interfaces (APIs) are also now available for integration directly into insurers' internal data tools. Further work is now underway to develop new features for the tool based on requests from the pilot users, including aggregated and dynamic reporting insights to be released in 2024.

[PODCAST ABOUT VESSEL VIEWER](#)



[VESSEL VIEWER BLOG POST](#)





In May, over 70 delegates from various sectors, including private finance and insurance, government, community leaders, multilateral organisations, Marine Protected Area (MPA) managers, and civil society, gathered in Cape Town, South Africa for a two-day workshop supported by the Blue Action Fund, to unpack Sustainably Financing MPAs in South Africa and delivering on the 30x30 ocean agenda.

This convening was one of the first that focused on how to deliver the country-level financing required to achieve the Global Biodiversity Framework target adopted at the December 2022 Convention on Biological Diversity's Conference of the Parties meeting in Montreal, Canada.

The Workshop was hosted by WILDTRUST and ORRAA who are working together in a multi-year effort to implement sustainable MPA financing mechanisms in a South African context. Diverse partners including Deutsche Bank, Standard Chartered, AXA Climate, WWF, IUCN, the Caribbean Biodiversity Fund, Minderoo Foundation and Blue Finance, along with representatives from the South African Government and local NGOs, discussed and identified sustainable finance options for the uThukela and Isimangaliso MPAs as well as for 30x30 across the country's vast ocean territory.

South Africa approved 20 new and expanded MPAs in 2019, bringing the total number in the country's mainland coastal zone to 41. This network covers 50,000 km² or 5.4% of South Africa's Exclusive Economic Zone (EEZ). However, there is still much work to do for South Africa to achieve the 30% target by 2030. The National

government has signaled a clear commitment to this target and has already embarked on a process to develop an Implementation Plan aimed at achieving 10% by 2025 and 30 per cent by 2030. To achieve this, significantly increased capacity and resources are needed.

At COP28 in Dubai, ORRAA announced with the UK's Blue Planet Fund that it is now supporting WILDTRUST and its partners, Ezemvelo KZN Wildlife, Local Traditional Authorities, iSimangaliso Wetland Park Authority and the National Department of Forestry, Fisheries and the Environment, to undertake a 30x30 MPA expansion and financial funding needs assessment, incubating sustainable financial mechanisms which match the MPA investment needs and timescales, and further workshops to develop practical steps to implement the most promising solutions.

Solution Spotlight: Sustainably Financing South Africa's MPA Network





Investor Engagement





Investor Engagement: #BackBlue

On the eve of Ocean Day at the 2023 COP28 climate summit in Dubai, Deutsche Bank became the first bank to endorse #BackBlue – a Blue Finance Commitment which ensures that a sustainable and regenerating Ocean has a seat at the table in finance and insurance decisions. ORRAA launched the #BackBlue Ocean Finance Commitment ahead of the UN’s Climate COP26 in Glasgow in 2021.

The first financial institutions to join #BackBlue were AXA, WTW and Palladium.

The cumulative value of the Assets Under Management by current endorsers of #BackBlue amounts to USD\$2,303bn.



Deutsche Bank is proud to announce that we are intensifying our relationship with ORRAA and commitment to investing into, sustaining and regenerating blue nature by joining the #BackBlue Ocean Finance Commitment. Deutsche Bank will continue to work on developing financial solutions supporting ocean protection and will review its internal policies during the course of 2024 to strengthen its due diligence requirements for ocean-related activities. This review will take into consideration aspects of international frameworks including the Sustainable Blue Economy Finance Principles of the UNEP FI and the Global Biodiversity Framework agreed at the Biodiversity COP15 in December 2022.

Markus H.-P. Müller,
Managing Director,
Chief Investment Officer ESG
(Environmental, Social, Governance)
and Global Head of Chief Investment
Office, Private Bank

Those companies which endorse #BackBlue commit to ensuring a blue lens is applied to investment decision-making by:

- Setting robust Net Zero commitments by joining a UN Race to Zero Financial Initiative and by adopting science-based targets to reach Net Zero no later than 2050 in line with their criteria. This includes aligning investments with the UN convened Net Zero Asset Owner Alliance’s target setting protocol.
- Driving financial system policy change by adopting corporate Environmental, Social and Governance standards and disclosures that align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and adopting taxonomies on sustainable economic activities that define common and clear criteria for classifying projects and investments as sustainable.
- Investing in nature-positive outcomes for the ocean, based on the UNEP FI Sustainable Blue Economy Finance Principles, that drive investment into coastal and marine nature which halts biodiversity loss and sustains and builds the benefits that these ecosystems provide, while preserving and improving livelihoods.



- Accelerating the transition towards a healthy and sustainable Ocean through lending, investment and insurance practices that mitigate ocean risk and build the resilience of climate vulnerable coastal communities; and by supporting work to raise an initial USD\$500m of investment into coastal nature by 2030 with the aim of creating scalable and investable finance and insurance projects and products.
- Joining ORRAA so that together the challenges posed by ocean risk can be met by pioneering new and innovative finance products that focus on driving investment into ocean and coastal natural capital which reduce risk and build a sustainable, equitable, resilient ocean and regenerate its biodiversity.

LEARN MORE ABOUT #BACKBLUE





Investor Engagement: #BackBlue GIIN

The annual Global Impact Investing Network (GIIN) Forum brings together more than a thousand impact investors from around the world. In 2023, GIIN invited ORRAA to work with them on a plenary session focused on the Sustainable Blue Economy.

Along with Philippe Cousteau Jr, and Ted Janulis (Investable Oceans and ORRAA Inc. board member), Karen Sack explained the meaning of the 'sustainable blue economy' and highlighted the urgent need for investment to build coastal and Ocean resilience, particularly in Small Island Developing States.

The panel event was introduced by Sir Richard Branson, a dedicated advocate for the Ocean.

Karen, Philippe and Ted engaged in a discussion that featured nuclear sharks, the incredible potential for ocean recovery and regeneration, and blended finance.

How do we invest
for both financial return and
positive impact?

”

The answer lies in the Earth's most valuable but under-appreciated asset, our magnificent Ocean. When we support projects that boost Ocean health and resilience, we're also supporting local economies and industries. We're feeding innovation and driving growth. We're building a sustainable future that's not just environmentally sound, but also delivers financial returns, and that's where ORRAA comes into play!

Sir Richard Branson
at the 2023 GIIN Forum

SIR RICHARD BRANSON VIDEO INTRO





Building Coastal Resilience: the role of insurance and data.

ORRAA member, IDF, held its annual Summit – the global flagship event of the climate and disaster risk finance and insurance community in June in Zurich.

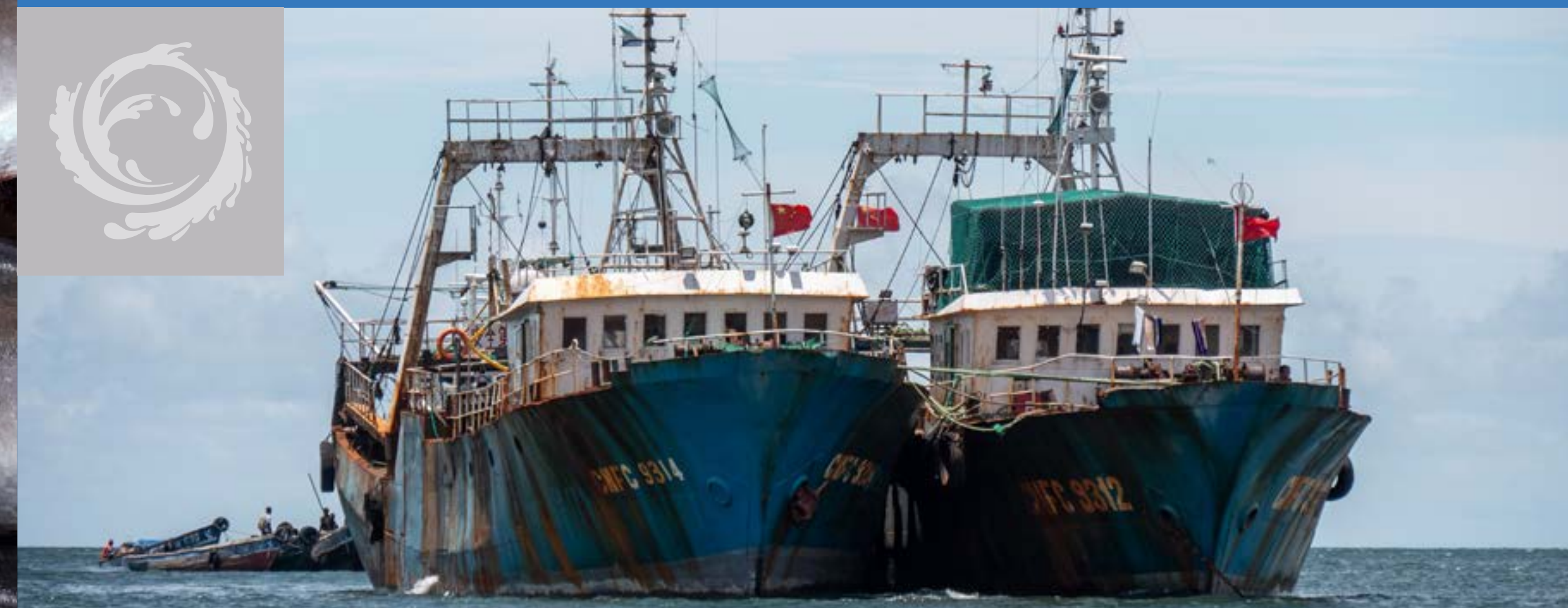
As part of its Innovation Afternoons, ORRAA hosted a session entitled “Building Coastal Resilience: The Role of Insurance and Data”.

The event convened a panel including key ORIC partner, Swiss Re Foundation and ORRAA members AXA, WTW and UNDP, to highlight the importance of cross-sector partnerships and the role the insurance sector can play in identifying and co developing innovative solutions that support building coastal resilience.

It showcased the importance of data as the foundation to enable better risk management decisions, including highlighting the Coastal Risk Index as the new platform for assessing coastal risks, and Vessel Viewer, the insurance de-risking tool to tackle illegal, unreported and unregulated (IUU) fishing.



Investor Engagement: #BackBlue Insurance Development Forum





Building a Capital Market for the Ocean



Building a Capital Market for the Ocean

Through the Sea Change Impact Financing Facility (**SCIFF**), ORRAA is driving a step-change in ocean financing from the top-down.

The SCIFF complements ORRAA's development of an investible project and product pipeline from the ground-up by building out the large scale investments needed to build the capital market for the Ocean – an ocean financing ecosystem.

It is a collaborative effort designed to drive at least USD\$1bn of private investment into coastal and ocean ecosystems, with a focus on the Global South, by 2030 - a springboard from which to mobilise at least USD\$2.5bn of broader finance capital.

It will also integrate sustainable blue finance into climate and biodiversity finance so that it becomes second nature to invest into planetary health on land and at sea.

ORRAA launched the SCIFF concept at the One Ocean Summit hosted by President Macron in Brest, France, in early 2022. The Alliance has worked since then to further develop the vision to accelerate and unlock investment, to innovate and scale.

The SCIFF will ensure that the perspectives and priorities of stakeholders from the Global South are fully integrated into its functions, and that gender diversity and equity are central. It will offer all key partners a seat at the table and encourage cooperation and learning while crowding in public, philanthropic and private capital.





The SCIFF

Supports an open architecture for global coastal and ocean finance, complementing the efforts of impact funds, NGOs, corporates, asset managers, institutional investors, development banks and facilitating the entry of additional sources of capital into the space.

Focuses on delivering positive adaptation and resilience outcomes, that are nature and climate positive, and bring integrity and equity to investments through the full engagement of local communities and locally-led initiatives.

Integrates insurance tools, guarantees and concessional capital to de-risk investments, helping to attract additional capital to accelerate investment into coastal and ocean resilience.

Deploys an integrated set of standards and guardrails with mission-led governance based on strong Small Island Developing States (SIDS) and Least Developed Country (LDC) representation.

In 2023, ORRAA focused on constructing 5 foundational elements of the SCIFF:

1

The Outrigger Fund

A dedicated ocean impact fund focused on investing into sustainable and regenerative blue economy Small and Medium-sized Enterprises in Small Island Developing States.

2

Octopus Desk

A blended finance marketplace platform connecting eligible blue resilience project developers with investment partners seeking environmental, social and financial returns. It will enable sustainable blue economy transaction match-making and technical assistance for investors and project developers.

3

The Nautilus Ocean Guarantee Company

Providing guarantees that de-risk sustainable blue economy investments providing the confidence needed to crowd-in private sector finance.

4

The Blue Bond Incubator

To support the growth of the blue bond market in a way that benefits the blue economy in Small Island Developing States and low- and middle-income countries.

5

Neptune Fund

The Neptune Fund gives donors the opportunity to provide long-term support—either through a single donation or a series of donations—and plug the gaps left by more traditional fundraising approaches.



Six Sector Focus:

The various components of the SCIFF focus on investments into six critical sustainable and regenerative blue economy sectors:

Ocean Conservation

Investment into projects to improve biodiversity and resilience in coastal communities, creating business opportunities through marine protected areas, ecotourism, payments for ecosystem services and blue carbon.

Sustainable Seafood

Capital and technical resources for best practice aquaculture and wild-caught seafood businesses and supply chains, particularly in emerging markets and Small Island Developing States that can be certified sustainable and access high-value markets globally.

Circular Economy & Blue Technology

Businesses that leverage ocean assets or directly prevent ocean degradation by using innovative new techniques or technologies such as plastic upcycling and waste management.



Sustainable Blue Infrastructure

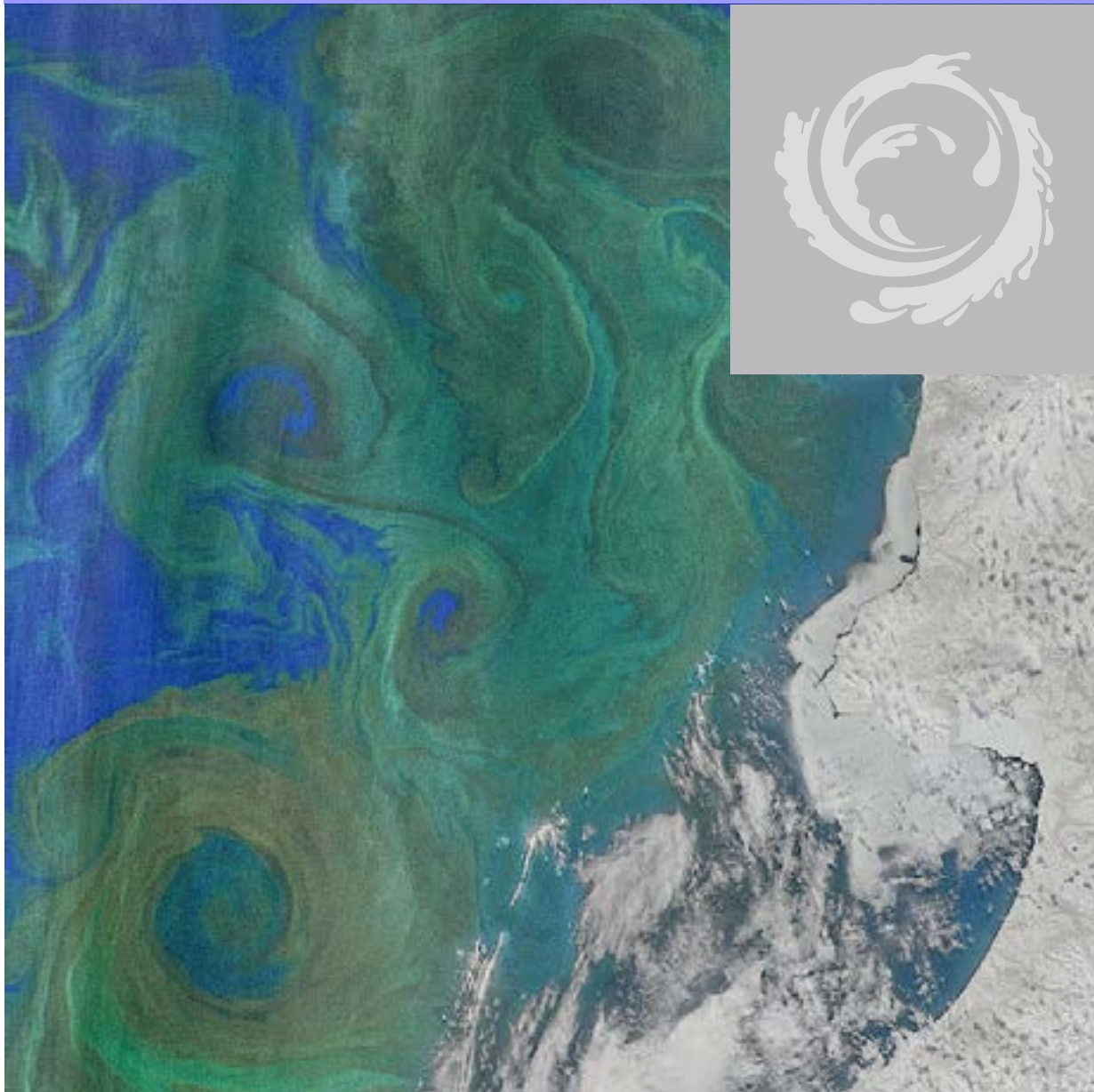
Technologies and efficiencies, including green/blue solutions to freight and passenger shipping and green ports.

Ocean-based Renewable Energy

Small-scale wave, solar and tidal power where the investment provides innovation or uniquely leverages the Ocean without detriment to biodiversity.

Ridge to Reef

Investment into integrated solutions between agriculture, sustainable forestry and land use, recognising the importance of watersheds and coastal management.





Ocean, Climate and Finance Interface



ECONOMIST IMPACT

World Ocean Initiative



The **Economist's World Ocean Summit** took place in Lisbon, Portugal, in March. ORRAA announced the Neptune Fund, in collaboration with ORRAA members Synchronicity Earth and Aurum. Already capitalised at USD\$500,000, the Neptune Fund will provide a source of vital, targeted funding for critical yet overlooked and underfunded marine conservation. The Fund is an expendable endowment fund enabling donors to supply regular long-term support to locally led grassroots organisations working at the forefront of ocean conservation. Hedge fund investment specialist and ORRAA member, Aurum, is providing financial and institutional support.

The Ocean, Climate Finance Interface

Rising sea levels could cost the global economy USD\$14.2tn in loss or damaged assets by the end of the century – with risks to 52% of the global population and 46% of global assets¹.

Ocean-based climate action could deliver up to 21% of the emissions reductions needed by 2050² to limit global temperature rise to 1.5°C – demonstrating that the ocean can be a powerful part of the climate solution. Intact “blue carbon” ecosystems such as mangroves, saltmarshes, seagrasses are particularly efficient in mitigating climate change due to high CO₂ sequestration and storage capacity. Despite covering only 2% of the total ocean area, coastal ecosystems account for approximately 50% of the total carbon sequestered in ocean sediments³.

In 2023, ORRAA engaged at multilateral convenings to press for the type of investment by the public, private and philanthropic sectors that is needed to deliver on our mission, the need for developing an investable product pipeline, and the imperative to act at scale and at speed.

1: [Nature.com](https://www.nature.com)

Projections of global-scale extreme sea levels and resulting episodic coastal flooding over the 21st Century

2: [Oceanpanel.org](https://oceanpanel.org)

The Ocean as a Solution to Climate Change:
Updated Opportunities for Action

3: [Bg.copernicus.org](https://bg.copernicus.org)

Major role of marine vegetation on the oceanic carbon cycle



The Ocean, Climate Finance Interface



IMPAC 5



International Marine Protected Areas Congress

IMPAC5, the 5th International Marine Protected Areas Congress, took place in February in Vancouver and brought practitioners from around the world together to focus on best practices for implementing marine protected areas. ORRAA and several of our members joined the discussions.

We briefed the **High-Level Panel for a Sustainable Blue Economy** on opportunities for investment and an assessment of the blue finance space. We also participated in the **Leadership Forum Finance Roundtable** which was facilitated by Torsten Thiele (Global Ocean Trust) and Kate Brown (Global Island Partnership and ORRAA member) and included representatives from a number of ORRAA members including: Rt Hon Lord Benyon, Minister of State (Minister for Biosecurity, Marine and Rural Affairs) at the UK's Department for Environment, Food and Rural Affairs; Steven Guilbeault, Canadian Minister for Environment and Climate Change; Melissa Garvey from The Nature Conservancy; Matt Rand from Pew; as well as Karen Sack, on how to finance effective MPA implementation. We also had the pleasure of meeting with Commonwealth Secretary General, the Rt Hon Patricia Scotland KC, and Nick Hardman-Mountford, who leads the Commonwealth Blue Charter Initiative.

Our Ocean Conference

The Our Ocean Conference (OOC) has always been a wonderful opportunity for the ocean community to meet, confer, and develop new ideas, as well as pledge new commitments. Participants at this year's meeting in March were thrilled as conference host, Panama, pledged to protect over 50 per cent of its waters. Many also had one ear tuned to the High Seas negotiations in New York, while side events and the plenary focused on everything from combatting illegal fishing to blue carbon opportunities, meeting the 30x30 MPA targets, green shipping, and the next big ocean treaty: plastics.

During the OOC, three G7 countries – the United States, Canada and the United Kingdom – confirmed their multi-year commitments to building ocean resilience through ORRAA, amounting to USD\$22m.



TNFD POLICY BRIEF



The Ocean, Climate Finance Interface

Solution Lab Spotlight 1: Taskforce on Nature-related Financial Disclosures (TNFD)

The TNFD is a key mechanism for the private sector to measure, report, and act on biodiversity impacts, risks, and opportunities. As part of its framework, the TNFD aims to address nature-related risks to the ocean, but questions remain on how to adequately measure impacts on ocean biodiversity and how it will be applied in practice to marine sectors.

In April our member **Clyde & Co** hosted an **ORRAA Solution Lab** to convene partners to discuss lessons learned from the TNFD's work to date and issues that need to be addressed in the TNFD's approach to ocean and marine resources. The Lab aimed to set out practical steps to assist the TNFD in further refining the ocean components and metrics in the framework. Nearly 40 attendees joined the Lab session.

Following the Solution Lab, ORRAA developed a [policy brief](#) for members.

Coming out of the Lab, we submitted joint feedback to the TNFD's public consultation on the fourth draft version of its framework.

Solution Lab Spotlight 2: Risk Management and Nature-based Solutions

This Solution Lab, **co-hosted with ORRAA members Swiss Re Foundation, Iberostar and Reefy**, brought together 35 experts from across insurance, the tourism sector, academia, and civil society to workshop how the benefits of nature can be incorporated into risk management.

The Lab focused on practical application, insurance pricing considerations, measuring risk reduction benefits of nature, and the investment journey for companies implementing Nature-based Solutions. The discussion identified challenges and opportunities in linking the resilience benefits of nature to risk management and how this could (and in some cases, could not) offer a potential long-term financing pathway for Nature-based Solutions.

Solution Lab Spotlight 3: High-Quality Blue Carbon

ORRAA with partners Salesforce, the World Economic Forum (WEF) Friends of Ocean Action, The Nature Conservancy, Conservation International and Meridian Institute, developed the [High-Quality Blue Carbon Principles and Guidance](#) which was launched at COP 27 in November 2022.

Exactly a year later, ORRAA hosted a Solution Lab with 70 attendees to further share, understand and address barriers to the adoption of the High-Quality Principles and Guidance in blue carbon projects.

With speakers from both the project development and investment sides, the Lab highlighted case studies that exemplify the challenges and opportunities inherent in developing high-quality blue carbon projects and coordinating efforts across the supply chain.

We are also excited that one of the **new projects being supported by the Blue Planet Fund is the development of a Practitioner's Guide for the application of the Principles and Guidance**. Its development is being led by Conservation International.

The Ocean, Climate Finance Interface

United Nations Framework Convention on Climate Change

The UNFCCC Ocean and Climate Change Dialogue in Bonn in June, chaired by Canada and Chile, facilitated interactive discussions and effective deep dives of what is needed to further centralise the role of the ocean in climate change mitigation and adaptation action in preparation for COP28. ORRAA signed onto a statement by a number of members focused on the policy actions needed to strengthen action on the ocean and coasts under the UNFCCC.

Our Innovation and Scaling Director, Ariane Steins-Meier, spoke at the Dialogue, showcasing locally led innovative finance solutions in support of building climate resilience in fisheries and food security.

At **UNFCCC COP28** in Dubai in November, ORRAA worked to elevate and advance the global narrative on ocean risk and coastal resilience, together with practical, scalable finance solutions by:

- Showcasing new announcements, donor commitments, and investments;
- convening policymakers, finance leaders and investors;
- mobilising political and financial commitments for blue finance;
- demonstrating investment-ready Nature-based Solutions ready to be scaled to increase ocean resilience and build the resilience of coastal communities, particularly in the Global South.



ORRAA COP28 Outcomes:

- Announced endorsement of #BackBlue by Deutsche Bank.
- Announced ORRAA as USAID's anchor partner on its C3F initiative under President Biden's project PREPARE.
- Announced first USD\$5m investment into Outrigger Ocean Fund.
- Announced 12 new UK Blue Planet Fund/Defra- supported projects.
- Showcased 16 projects across 4 ORRAA-hosted events.

ORRAA's Key Messages for COP28:

1. Keep the Paris 1.5 degree Celsius target alive.
2. Ensure that we have a healthy, regenerating ocean, which is essential for a livable planet and a stable climate.
3. Significantly scale-up sustainable finance and investment into blue nature to achieve the mitigation, adaptation, resilience and regeneration that is required to avert the climate and biodiversity crises.
4. Establish high-quality safeguards and guardrails for coastal communities to thrive.
5. Do not invest in fossil fuels/deep-sea mining.





The Ocean, Climate Finance Interface

OCEAN BREAKTHROUGHS

[MORE ON OCEAN BREAKTHROUGHS](#)

RACE TO ZERO



Ocean Breakthroughs

During 2023 the ocean/climate community united under the Marrakesh Partnership for Global Climate Action and launched the Ocean Breakthroughs with the support of the UN High-Level Climate Champions.

The Ocean Breakthroughs are transformative pathways covering five key ocean sectors, where accelerated action and investments could deliver up to 35% GHG emissions reduction and contribute to a resilient, nature-positive and net zero future by 2050. **ORRAA has been part of the core group drafting the Ocean Breakthroughs, in particular, the Mangrove Breakthrough.**

The Mangrove Breakthrough commits to invest USD\$4bn to halt loss, restore half, and double protection of 17 million hectares of mangroves. This will create a climate benefit of sequestering over 43.5 million tons of CO₂ into mangrove biomass and 189 million tons of CO₂ in the soil.

- The High Quality Blue Carbon Principles and Guidance have been integrated into the Mangrove Breakthrough.
- 37 countries are members of the Mangrove Alliance for Climate (MAC), led by the UAE and Indonesia, and covering more than 60% of the world's mangroves.
- 49 countries formally endorsed the Mangrove Breakthrough at COP28.



Governance and Funding



Governance and Funding

ORRAA Inc.

Board of Directors

ORRAA is co-hosted by the Global Resilience Partnership of Stockholm University (“GRP”) and the Ocean Risk and Resilience Action Alliance Inc. (“ORRAA Inc.”), a U.S. tax-exempt non-profit organisation headquartered in Washington, DC, USA, that employs the ORRAA Secretariat.

The Secretariat coordinates all Alliance communications, outreach, work programmes, and member and policy engagement, as well as the management of philanthropic and other grants to support the ORRAA mission and objectives.

ORRAA Inc. is governed by an independent Board of Directors with fiduciary responsibilities, in compliance with U.S. tax-exempt requirements. We are incredibly grateful to the members of the ORRAA Inc. Board of Directors for the leadership, guidance and connections they provide for the organisation.

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Governance and Funding Alliance Steering Council and Funder Advisory Board

The Alliance is governed by a Steering Council comprised of representatives elected from different sectors that comprise ORRAA’s members.

The Funder Advisory Board, comprised of donors that contribute at least USD\$100,000 annually to the the core functioning of the Alliance, also provides advice and counsel to the Secretariat.

It is our privilege to have the partnership of these organisations.

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- Government of Canada through Environment & Climate Change Canada
- Builders Initiative
- Deutsche Bank
- ICONIQ Impact
- Gordon and Betty Moore Foundation
- UK Government - Defra, Blue Planet Fund
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Thank you

ORRAA’s work would not be possible without the support and encouragement of our donors from across the world. We are grateful for their commitment to ORRAA's mission to build the resilience of 250 million climate vulnerable coastal people by 2030.

TO LEARN MORE ABOUT SUPPORTING ORRAA, PLEASE CONTACT
secretariat@oceanriskalliance.org



We are pleased to acknowledge the following donors who made pledges and/or financial contributions to ORRAA Inc. and the Global Resilience Partnership at Stockholm University in calendar year 2023 in support of the Ocean Risk and Resilience Action Alliance.

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- AXA XL
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