ORRAA Submission: The Belém Mission to 1.5

The Ocean Risk and Resilience Action Alliance (ORRAA) welcome the opportunity to contribute to the Belém Mission to 1.5.

Achieving the goals of the Paris Agreement will require accelerating implementation of both mitigation and adaptation solutions that deliver economic, social, and environmental objectives simultaneously. Ocean and coastal systems represent some of the most significant opportunities to achieve these objectives. They support livelihoods, food security, biodiversity, climate resilience, renewable energy deployment, and long-term economic development, while helping communities adapt to increasingly severe climate impacts. Ocean-based solutions are integral to the three primary pillars of the global climate response: mitigation, adaptation, and addressing loss and damage. Through its capacity to absorb up to 35% of anthropogenic CO_2 emissions and over 90% of exceed heat,[i] the Ocean plays a central role in climate mitigation, while resilience marine and coastal ecosystems underpin adaptation and help limit climate-related loss and damage.

The Ocean, Earth's largest natural asset, is an economic powerhouse, contributing USD $2.6 trillion annually to the global economy and providing food security to over three billion people, while employing over 100 million people.[ii] Yet the share of climate finance allocated to ocean-based solutions has been insufficient to fully leverage these solutions: less than one per cent of global climate finance reaches this sector, and even less flows to those most vulnerable.

ORRAA's experience working across governments, financial institutions, insurers, multilateral organisations, civil society, and local partners shows that the challenge is not a lack of capital, but of equitable access and fit-for-purpose financing pathways connecting local solutions to opportunities for replication and scale.

The Belém Mission presents an important opportunity to focus international attention on the enabling conditions required to move proven solutions from pilots to scale.

About the Ocean Risk and Resilience Action Alliance

The Ocean Risk and Resilience Action Alliance (ORRAA) is the only multi-sector collaboration connecting the finance and insurance sectors, governments, multilateral organisations, civil society, and academia to pioneer finance and insurance products that incentivise investment into coastal and ocean resilience, and a regenerating ocean through Nature-based Solutions.

The mission, by 2030, is to activate at least $500 million of investment through finance and insurance products to build the resilience of 250 million climate vulnerable coastal people in the Global South.

ORRAA is delivering system-wide change by growing an investable product pipeline and generating the transformative investment instruments, vehicles and policies that contribute to a regenerative and sustainable blue economy. These solutions enable coastal communities and the Ocean to adapt and thrive, creating greater economic, social and cultural resilience.

Together with our over **140 members**, ORRAA takes a beachfront to boardroom approach, connecting frontline actors to philanthropies, governments, multilateral organisations, banks, asset managers, insurers, and institutional investors to create a capital market for the Ocean that has high integrity and works for our common future. Our work proceeds along three core pathways:

1. **On the beachfront**, our **Innovation Pipeline** is providing Global South market and mission-driven organisations with the backing they need to thrive, and in the process, incubating, innovating, and accelerating the development of finance and insurance products that invest in coastal and ocean nature-based solutions. **The perceived lack of an investable product pipeline is the single most cited issue deterring potential private sector investors from engaging**. ORRAA makes grants of up to $500,000 to help turn early-stage locally led ideas from the Global South into structured, "investment-ready" finance and insurance products that are nature, climate, and gender-positive. This ensures that innovative solutions already emerging on the ground can be replicated and scaled into bankable propositions.

2. Our **Sea Change Impact Financing Facility** **(SCIFF)** complements ORRAA's work to grow an investable product pipeline, by developing financial instruments and platforms that **tackle the missing middle - bridging the gaps between grant funding and investment finance**. SCIFF is pioneering the application of established business models from green and social finance into the regenerative and sustainable blue economy with a senior team of internationally recognised finance leaders to spearhead the next phase of capital mobilisation. From **fast-tracking blue bond issuances** to offering **guarantees** that de-risk emerging markets and sectors, to **matchmaking** and addressing **financing for blue nature (30x30)** initiatives, SCIFF's financial instruments and platforms are designed to mutually re-enforce each other, building investor confidence and the critical market infrastructure for capital to flow at scale. This missing middle work also includes integrating sustainable blue finance into broader climate and biodiversity finance and building an enabling environment for investments to flourish.

3. In the **boardroom**, the **#BackBlue Ocean Finance Commitment** is ensuring that **a regenerating and sustainable ocean has a seat at the table in finance and insurance decisions**. ORRAA is driving this initiative focused on institutional investors and asset managers, with the World Economic Forum (WEF) ACT Ocean, as an Anchor Partner. Financial and insurance institutions supporting #BackBlue commit to taking specific actions including adopting robust net zero commitments, disclosing ocean-related financing, driving financial system policy change that is nature-positive with a particular focus on coastal resilience, accelerating the transition towards a healthy and sustainable ocean, and joining ORRAA and/or the Sustainable Finance Community at the WEF.

1. High-Impact Action Areas and Solutions

Coastal Resilience: Coastal and Marine Conservation and Ecosystem Restoration

Opportunities

Coastal ecosystems such as mangroves, coral reefs, and coastal wetlands provide adaptation, disaster risk reduction, biodiversity, and livelihood benefits simultaneously, while also contributing to climate mitigation through the Ocean's role as the planet's largest active carbon sink. Mangroves alone provide an estimated USD$65 billion a year in flood protection value,[iii] while the blue carbon market, though still a small share of climate finance, is projected to grow more than tenfold from $1 billion in 2025 to $10.3 billion by 2036.[iv] These opportunities are particularly important for Small Island Developing States (SIDS) and other climate-vulnerable coastal communities.

Barriers

However, too many of these initiatives remain trapped at the pilot scale due to a range of challenges, including gaps and fragmentation in the ocean finance landscape, weak or misaligned policy, mandates and incentives, access and capacity challenges, and underdeveloped metrics and data for ocean finance investments. In many coastal contexts, particularly for SIDS and coastal LDCs, limited institutional, technical, and financial capacity hinder bankability and pipeline development, so targeted investment in project preparation, financial structuring, governance, and data systems is essential. Ocean and coastal conservation and regeneration also requires predictable, long-term finance aligned with the timescale required for ecosystem regeneration, rather than short-term funding cycles.

Actionable Solutions

- CI-Atabey Foundation is developing the Dominican Republic's first Blue Carbon Exchange mechanism to conserve and restore mangrove forests, aligning with government efforts to protect mangroves and bringing together key national and local stakeholders. By formalising a carbon credit system and pairing it with monitoring and community training, the initiative helps translate national priorities into a durable, investable framework that can extend beyond an initial funding cycle.

- West Africa Blue is implementing a blue carbon project in Guinea. ORRAA's early-stage grant support, followed by philanthropic capital from Builders Vision, enabled West Africa Blue's project to pilot its business model, generate initial data, and build the foundation for future validation and credit issuance, which would not have been possible under traditional return expectations. The project has completed pre-sales of carbon credits and is now preparing to launch its credit issuance in 2027.

- Action for Ocean (AFO) is developing one of Tanzania's first community-driven Voluntary Carbon Markets. This innovative project was mentored through ORRAA's Ocean Resilience Innovation Challenge (ORIC) helping AFO refine its business model and attract further investment from the UK's Blue Planet Fund and the Government of Canada, thus unlocking the potential to scale this approach and expand its impact across the region. With new funding from the UK's Blue Planet Fund, AFO will bring the country's first fully community-led mangrove blue carbon initiative to credit-ready stage.

- The Mesoamerican Reef Fund (MAR Fund) has worked to develop parametric insurance for coral reefs to counter the impacts of tropical cyclones that reach pre-agreed thresholds. Payouts are immediately distributed to support reef response actions. After proving the model works covering reef sites in four areas, it has since expanded to cover 10 sites across Mexico, Belize, Guatemala, and Honduras. It is in the process of further replication across other regions as well as ensuring lessons learned are shared across communities.

Resilient Livelihoods: Sustainable Fisheries and Aquaculture and Coastal Tourism

Opportunities

Climate resilience and economic resilience are closely linked. Sustainable fisheries, regenerative aquaculture, seaweed production, and other community-based blue economy activities can strengthen livelihoods while supporting adaptation and ecosystem health. Artisanal wild-catch fisheries alone support the livelihoods of an estimated 600 million people globally[v]. SIDS and coastal LDCs are disproportionately dependent on artisanal fisheries for food security, livelihoods, and government revenues, yet many remain underserved by formal finance. The World Bank identifies a $1.5 trillion investment opportunity in sustainable aquaculture by 2050.[vi] These approaches are often locally led and demonstrate strong potential for replication.

Barriers

Yet local innovators developing viable models, from sustainable fisheries to seaweed and blue carbon, often remain fragmented, small, and disconnected from the financing pathways needed to replicate and scale them. Many project developers also lack the support, visibility, and structuring capacity needed to meet investor expectations. Emerging solutions are deploying capital through project finance, growth equity, dedicated impact funds, blended finance vehicles, cooperative structures, and SME debt facilities, with sovereign wealth funds and DFIs well positioned to crowd-in private capital. Insurance products tailored to artisanal fishers and seaweed farmers are an emerging frontier, addressing the climate, disease, and price-volatility risks that have long excluded smaller producers from formal markets.

Actionable Solutions

- ABALOBI developed a tech platform to enable fishers to track income, access savings opportunities, and build financial resilience by diverting a portion of their earnings into savings for essentials during loan seasons. ABALOBI has also launched a life insurance product linked to responsible fisheries programme. This innovative project began with mentoring, training, and financial support from ORRAA's ORIC. ABALOBI is now working to expand its financial services, including tailored insurance products, while scaling its model across Africa and globally.

- Coast 4C is linking community-led regenerative seaweed farming to the maintenance and regulation of Marine Protected Areas (MPAs) in the Philippines, reducing dependence on dwindling fisheries, strengthening coastal ecosystems, and improving the financial resilience of coastal communities. Coast 4C's partnership with ORRAA shows how a combination of grant and investment finance can catalyse growth and accelerate investment readiness, with grant funding enabling the development and testing of more complex, higher-impact models that may not have been feasible through investment capital alone. Coast 4C has just secured $2.5 million in funding to scale its work in the Philippines.

- Rare's Small-Scale Fisheries (SSF) Impact Bond, launched in Indonesia's Southeast Sulawesi region with the UK's Blue Planet Fund via ORRAA becoming its first outcome funder. It is the world's first impact bond tailored to the needs of fishers and ocean ecosystems. Investors provide upfront capital to establish Managed Access with Reserves, community-managed marine areas that balance sustainable fishing with conservation, while outcome funders repay investors only once governance and ecological outcomes, such as stabilised fish populations, are achieved and independently verified. These efforts are intended to build a pathway from pilot toward a larger national, and eventually regional facility, capable of attracting government outcome funding and significant private investment. Having achieved and independently verified its first outcome in Southeast Sulawesi, Rare is scaling the impact bond to 15 additional sites across North Sulawesi, Maluku, and North Maluku with support from the UK's Blue Planet Fund. ORRAA is also exploring how this outcome-based finance approach can be applied to other underinvested components of the regenerative and sustainable blue economy.

- Rare, together with Willis, a WTW business, and the Government of the Philippines, also developed the world's first weather index-based parametric insurance product tailored to small-scale fishers, protecting them against income losses and incentivising them not to fish during storms, with premiums funded through the national budget. Rare, together with Global Parametrics and AB Entheos, and with further support from the UK's Blue Planet Fund is now working to replicate the product in Kenya.

- Fundación MarViva is working with coastal communities in Costa Rica, Panama, and Colombia to strengthen the financial resilience of small-scale fishers and incentivise sustainable fishing by improving access to microinsurance products, building on successful pilots to replicate and scale the model to other vulnerable coastal populations. With support from the UK's Blue Planet Fund, MarViva is replicating its microinsurance model in Colombia, deploying community-based insurance solutions for small-scale fishing communities.

- Save the Waves is developing a bespoke parametric insurance product and a surf ecosystem resilience trust fund in El Salvador to protect surf ecosystems and the tourism revenue they support. This innovative project received mentoring, training, and financial support from ORRAA's ORIC, backed by the Swiss Re Foundation and the UK's Blue Planet Fund, and has since attracted further funding from the Government of Canada. Save The Waves aims to protect 1,000 surf ecosystems by 2030, with the insurance model designed for replication across other surfing regions through the World Surfing Reserves Network.

Ocean-Based Renewable Energy

Opportunities

The transition to low-emissions future will require rapid expansion of ocean-based renewable energy alongside sustainable ocean management. It offers significant mitigation potential, estimated at 4.5 gigatonnes of CO_2 equivalent a year by 2050[vii], while contributing to energy security and economic development. Ocean-based renewable energy sits at the intersection of two of the most urgent crises of our time: the climate emergency and the collapse of ocean health. Offshore wind, tidal, wave, floating solar, and ocean thermal energy conversion collectively represent significant power source opportunities, the commercial development of which is integral to decarbonising the global economy.

Barriers

However, offshore renewable energy projects remain exposed to permitting delays, grid bottlenecks, changing tax regimes, and potential biodiversity impacts, which may affect timelines and capital costs. Marine spatial planning to avoid ecologically sensitive areas, nature-positive design for artificial reefs and co-uses with regenerative aquaculture, and material circularity and end-of-life recyclability are essential to accelerate deployment while ensuring positive outcomes for nature and coastal communities.

Actionable Solution

The sector illustrates the wider case for pairing climate mitigation with ocean health. Nature-positive design, such as artificial reefs combined with careful marine spatial planning and Marine Protected Areas, can deliver significant decarbonisation while generating co-benefits for ocean health.

- Germany's Federal Maritime and Hydrographic Agency, for example, has found that multi-use concepts, integrating offshore wind with aquaculture, cable infrastructure, and nature conservation in the North Sea and Baltic Area, offer material opportunities to reduce spatial conflicts and generate synergies across ocean users, underscoring that well-designed maritime spatial plans can accelerate the deployment of ocean-based renewable energy while delivering co-benefits for ocean health.
- In 2023, Ørsted became the first energy company to issue a blue bond, a five-year €100 million placement directing capital to ocean-based renewable energy and marine biodiversity outcomes, aligned with the International Finance Corporation's Blue Finance Guidelines.[viii]

Innovative financial instruments

Barriers

One of the most significant barriers to implementation is the "missing middle" between local innovation and institutional investment. A persistent financing gap exists for projects that outgrow grant funding but remain too small or risky for commercial investment. These projects need tailored support: nature and climate investment often demand a long-term horizon and upfront capital, yet they are frequently exposed to shifting policies and fragmented public support. Addressing this bottleneck requires both catalytic finance and enabling policy frameworks that reduce uncertainty, improve the risk-return profile, and enable investors to commit for the long-term.

Opportunities

The Sea Change Impact Financing Facility-supported instruments and mechanisms are designed to help address the financing and capacity constraints facing early-stage innovators and emerging sustainable ocean sectors by providing catalytic capital and targeted technical assistance to strengthen business models, improve risk-return profiles, and help projects move from pilot stage to investment readiness. Through the SCIFF, ORRAA has developed six financial instruments and platforms, working together to deliver the corner stone elements of a regenerative and sustainable capital market for the Ocean.

Actionable Solutions

- **The Outrigger Impact Fund** is the first-of-its-kind impact investment fund deploying catalytic investment into small and medium-sized enterprises (SMEs) in the regenerative and sustainable blue economy in SIDS. The fund is supported by a Technical Assistance Facility that provides investment readiness and early-stage grant funding to island projects that have the potential over time to graduate to an investment from the fund. SIDS are recognised as being particularly at risk from climate change despite being responsible for less than one per cent of global greenhouse gas emissions, and steward over 30 per cent of our Ocean through their Exclusive Economic Zones, meaning their blue economies and marine assets are filled with potential. The Outrigger Impact Fund has agreed a repayable grant of USD$250,000 to INVERSA, which started as an ORIC project, illustrating the potential for such projects to move along the financing continuum when the right support is in place.

- **Blue Finance Facility** has similarly graduated from ORRAA's product pipeline to becoming a SCIFF instrument. Blue Alliance's Blended Finance Facility for Marine Protected Areas shows how layered capital can match risk and function: non-recoverable grants cover technical assistance and start-up costs; recoverable grants from impact-first donors provide repayable start-up capital that absorb risk first; and a senior impact loan facility, anchored by BNP Paribas, finances capital and operating expenditure with returns linked to environmental and social outcomes.

- **Nautilus, the Blue Guarantee Company** is the first guarantee facility designed to de-risk investments focused on the regenerative and sustainable blue economy. Guarantees are the most critical instrument to get right: they de-risk capital flows and unlock investor confidence. While guarantees are proven in climate finance, it is largely missing in the regenerative and sustainable blue economy. Nautilus fills this structural gap by offering investment-grade guarantees in both local and hard currency and supporting innovative blended finance structures to unlock larger volumes of capital from private and institutional investors that would typically be possible via direct investment models. It is expected to have leverage ratio of 1:5 and at least 20 percent of guarantee capacity allocated to SIDS and coastal LDCs.

- **The Blue Bond Accelerator (BBA)** aims to build a high-quality blue bond market that will future-proof economies and societies by incorporating the Ocean into balance sheets. As a market builder, a technical advisor and a convenor, the BBA aims to support governments and partners in the Global South to structure high-quality blue bond transactions linked to both international best practice and local priorities, such as those enumerated in NAPs, NDCs, and National Biodiversity Strategies and Action Plans (NBSAPs). In partnership with the Commonwealth, ORRAA and the BBA have supported the development of *The Commonwealth Guide to Blue Bond Issuance* to help governments assess, design and implement credible sovereign blue bond programmes, and to support informed, practical decisions that balance sustainability goals with fiscal realities. BBA launched the Commonwealth Blue Bond Readiness Programme in April 2026 to guide participating countries through a structured country-level Blue Bond Roadmap.

- **The Deep Blue Verified Impact Facility (Deep Blue):** Deep Blue, currently in development by ORRAA in partnership with Levoca and Rare, is exploring how outcome-based financing can be applied to ocean contexts, linking payments to independently verified results. The goal is to drive measurable improvements in marine ecosystem health and biodiversity, while shifting market behaviour towards performance-based investment and catalysing systemic change in ocean finance.

2. Strengthening International Cooperation

ORRAA's experience as a multi-sector alliance connecting governments, financial institutions, and communities, points to four practical opportunities to strengthen international cooperation in support of NDC and NAP ambition and implementation.

Shifting from Dialogue to Implementation and Action-Oriented Partnerships

International cooperation should shift from dialogue to implementation. Rather than continuing to fund fragmented, isolated pilots, partners should focus on replicating and scaling models that have already shown results. ORRAA's experience supporting more than 50 finance, insurance, and policy projects across 30 countries shows the value of structured knowledge-sharing, peer learning, and practical exchange, particularly between countries facing similar barriers. These mechanisms can help proven solutions reach scale faster.

In just over five years, ORRAA has demonstrated what is possible when catalytic capital, cross-sector convening, and financial innovation combine. ORRAA's $26 million of direct investment in innovation grants and the SCIFF has mobilised $140 million and incubated 29 finance and insurance products and 21 science, data, and policy tools – 14 of which have already reached the market, with none having failed. The leverage ratio from products in our innovative pipeline is 1:4, while for the SCIFF, it is 1:6.

The examples in Section 1 show how this can work in practice. Parametric reef insurance has expanded across the Mesoamerican Reef, while impact bonds and microinsurance models for small-scale fisheries are being replicated across countries. These examples show that cooperation between governments, financiers, and implementing partners can turn a single proof of concept into a regional or global solution.

Actionable Solution

ORRAA's #BackBlue Ocean Finance Commitment, in partnership the World Economic Forum, provides a practical model. Endorsers of #BackBlue commit to taking specific actions including adopting robust net zero commitments, disclosing ocean-related financing, driving financial system policy change that is nature-positive with a particular focus on coastal resilience, accelerating the transition towards a healthy and sustainable ocean, and joining ORRAA and/or the Sustainable Finance Community at the WEF. Financial and insurance institutions that have endorsed #BackBlue represent USD$3.45 trillion in assets under management, including AXA, Deutsche Bank, Standard Chartered, BNP Paribas, Eurazeo, Mirova, WTW, and Palladium. As part of the #BackBlue initiative, *From Red Lines to Blue Lines, Redrawing How We Invest in a Regenerative Blue Economy* is a new report, published by ORRAA in collaboration with the WEF ACT Ocean and UNEP Finance Initiative, which provides clear guidance to financial institutions on how they can transition and align their investment portfolios towards a regenerative and sustainable ocean. Further work of #BackBlue will include, among others, the launch of the Ocean Compass, a blue finance literacy-building tool designed specifically for financial institutions and insurers. Extending this model, and similar coalitions that bridge global guidance to real-economy investment, offers a concrete route to align private capital with the ambition set out in NDCs and NAPs.

Build Fit-For-Purpose Cooperation for SIDS and Vulnerable Coastal Countries

Many SIDS and vulnerable coastal countries face disproportionate climate risks while also serving as stewards of globally significant ocean resources. Despite their leadership and ambition, these countries often encounter significant barriers in accessing finance, developing pipelines, and implementing climate priorities. To translate blue finance commitments into investable action, SIDS and coastal LDCs require a stronger suite of fit-for-purpose financial and insurance instruments that match long-term stewardship and resilience needs, including structures that enable longer tenors and predictable capital, reduce hard-currency exposure, and use risk-sharing mechanisms to crowd in investment in small, higher-risk markets while reinforcing country ownership.

International cooperation should prioritise simplified access to finance, enhanced project preparation support, capacity strengthening, and locally led implementation approaches that reflect national priorities and local realities, particularly in SIDS and coastal LDCs, where capacity constraints, small project sizes, and high transaction costs can inhibit access to finance.

Actionable Solution

ORRAA is working with our SIDS members and partners to define principles of high-integrity blue finance based on SIDS' priorities and translating them to concrete opportunities to enhance cooperation and finance in SIDS context. This includes:

- keeping decision-making sovereign and country-led rather than externally originated;
- using grant-first, debt-sensitive and shock-responsive instruments that recognise that over 40 per cent of SIDS are already in or near debt distress; and
- correcting the systematic misclassification of SIDS as high-risk markets, so that risk-sharing tools mobilise private capital without transferring undue risk onto governments and communities that steward more than 30 per cent of the global ocean under national jurisdiction.
- Committing capital through multi-year, programmatic vehicles, rather than financing projects one at a time, would further reduce transaction costs and build the durable pipelines SIDS need to translate ambition into implementation.

Build Shared Market Infrastructure

Long-term success will depend on building functioning markets for climate resilience and sustainable ocean investment rather than support individual projects in isolation. This requires investment in market infrastructure, common, metrics, standardised approaches, aggregation platforms, and scalable investment vehicles that can operate across countries and sectors.

Building these systems can help unlock larger-scale investment flows and accelerate implementation of climate and resilience solutions at the pace required to achieve the goals of the Paris Agreement. A lack of shared market infrastructure, including standardised frameworks, practical guidance, credible metrics, and data tools, constrains transparency, comparability, and investor confidence. ORRAA is working on addressing this market infrastructure gap through multiple avenues.

Actionable Solutions

- Coastal Risk Index (CRI) provides a detailed set of global flood maps, using hydrodynamic models, to understand current and future coastal flood risk and value the flood reduction benefits of natural habitat. These can be integrated into risk models, with potential for insurers to develop new products with more accurate pricing and allow them to work with their clients to manage their risks more proactively. CRI estimates that USD$363 billion worth of coastal assets could be at risk of flooding without the protective benefits of mangroves and coral reefs, and 14.2 million more people would be flooded annually, illustrating the value of blue nature on our doorstep.

- The Octopus Platform is a first-of-a-kind high-tech platform being developed by ORRAA with support from AXA, Salesforce, and 2050, matching regenerative and sustainable blue economy projects to investors and market intelligence, designed to aggregate investment opportunities, curate AI-driven investment matchmaking and project screening, enhance transparency with impact verification tools, and facilitate investor peer-learning and capital mobilisation strategies to scale blue finance participation.

- Ocean Positive Metrics is working to establish a scientifically credible, practical, and standardised set of marine ecosystem metrics for the regenerative and sustainable blue economy, being built with the World Economic Forum, the Nature Positive Initiative, and the Oceanographic Institute of Monaco.

- The High-Quality Blue Carbon Principles and Guidance establishes a shared understanding of integrity and quality while improving transparency and facilitating effective collaboration between project developers, investors, and other stakeholders, built in partnership with Conservation International, The Nature Conservancy, the World Economic Forum, and Salesforce, and in consultation with numerous ORRAA members.

3. Recommendations

Drawing on its experience mobilising finance and insurance for coastal and ocean resilience in the Global South, ORRAA offers the following considerations to strengthen international cooperation and enable the effective implementation of NDCs and NAPs:

- **Strengthen alignment between national climate frameworks and investable product pipelines:** While ocean and coastal priorities are increasingly reflected in NDCs, NAPs, and sectoral strategies, these priorities are not consistently translated into finance-ready project pipelines. Greater support is needed for project preparation, technical assistance, and early-stage capital to bridge this gap and accelerate deployment and scale.

- **Address the "missing middle" through blended finance and de-risking instruments:** Blended finance structures, guarantees, and other de-risking instruments play a catalytic role in bridging the gap between grant funding and return-seeking investment, particularly for early and emerging ocean sectors and in contexts where transaction costs and risk remain high.

- **Mobilise diverse finance and insurance actors through action-oriented partnerships:** Coordinated engagement across governments, multilateral development banks, philanthropies, commercial banks, asset managers, insurers, and institutional investors is essential to mobilise capital at scale and reduce fragmentation.

- **Prioritise inclusive, locally led, and country-driven approaches:** Financing mechanisms should support locally led, gender-responsive, and community-based solutions, ensuring equitable participation and benefits for women, youth, Indigenous Peoples, and local communities.

- **Simplified access to finance through trusted intermediaries:** Simplifying access and channelling finance through trusted intermediaries can reduce transaction costs, aggregate demand, and better align global finance with national systems and local delivery capacity, particularly in SIDS and coastal LDCs.

- **Design cooperation and finance mechanisms around SIDS-centred principles:** International cooperation should reflect the priorities SIDS have consistently articulated across international fora: sovereign, country- and community-led decision-making; simplified and equitable access to finance; grant-first, debt-sensitive and shock-responsive instruments; and risk-sharing mechanisms that correct the systematic misclassification of SIDS as high-risk markets, without transferring undue risk onto governments and communities.

ORRAA will continue working with governments, financial institutions, investors, and communities to help bridge these gaps and accelerate ocean-based climate solutions that strengthen resilience, protect nature, and support inclusive, sustainable blue economies.

[i] The OCED – The Ocean Economy to 2050
[ii] Hazin, C., & Diz, D. (2024). Less Specific and More Comprehensive? An Analysis of How the Ocean Is Reflected in the Kunming-Montreal Global Biodiversity Framework.
[iii] Menéndez P, Losada IJ, Torres-Ortega S, Narayan S & Beck MW (2020), The Global Flood Protection Benefits of Mangroves, Nature
[iv] Future Market Insights (March 2026), "Blue Carbon Market Forecast 2026–2036"
[v] From Red Lines to Blue Lines, Redrawing How We Invest in a Regenerative Blue Economy
[vi] World Bank (2025), "Harnessing the Waters: A Trillion Dollar Investment Opportunity in Sustainable Aquaculture"
[vii] From Red Lines to Blue Lines, Redrawing How We Invest in a Regenerative Blue Economy
[viii] From Red Lines to Blue Lines, Redrawing How We Invest in a Regenerative Blue Economy