





Darwin Initiative Innovation: Final Report

To be completed with reference to the "Project Reporting Information Note": (https://www.darwininitiative.org.uk/resources/information-notes/).

It is expected that this report will be a maximum of 20 pages in length, excluding annexes.

Submission Deadline: no later than 3 months after agreed end date.

Submit to: <u>BCF-Reports@niras.com</u> including your project ref in the subject line.

Darwin Initiative Project Information

Project reference	DARNV001
Project title	Incentivising responsible fisheries in Central America: testing novel intermediary models
Country(ies)	Honduras and Nicaragua
Lead Organisation	Fauna & Flora
Project partner(s)	Centro de Estudios Marinos (CEM)
	La Asociación Pro Comunidades Turísticas de Honduras (LRC)
	Fundacion Cuero y Salado (FUCSA)
	Fundacion Cayos Cochinos (FCC)
	Fundacion Islas de la Bahía (FIB)
Darwin Initiative grant value	GBP 199,891
Start/end dates of project	01/06/2022 – 30/11/2024
Project Leader's name	Hazel Akester
Project website/blog/social media	N/A
Report author(s) and date	Hazel Akester
	Henry Duffy
	Maria Arteaga
	28/02/2025

1 Project Summary

This project piloted new and reinforced fish collection centres as intermediaries within the reef finfish supply chains of three coastal communities in Atlantida department, Honduras. The aim of this pilot was to identify equitable, effective ways to connect individual fisher associations with the wider SSF market on Honduras' north coast, so that they could play a much more active role in reinforcing, facilitating and rewarding responsible SSF practices, allowing the market to support ecosystem and livelihood recovery. Steps like these are needed due to the significant threat that intensive, poor SSF practices pose to the region's biodiversity, where commercial fish

biomass is at a critical low¹, with severe implications for the wider ecosystem and communities dependent on fisheries. By facilitating access to better, more stable prices for fishers committed to responsible practices, the project has supported the establishment of more resilient livelihoods in coastal communities dependent on SSF for income and subsistence. Furthermore, it has built financial literacy in individual fishers, fisher associations, women's groups and collection centres, which is crucial to the sustainability of this initiative. Increased income, diversified clients, improved legal status and collection centre facilities, improved negotiating skills, improved financial and catch record-keeping and basic financial literacy are all part of this project's success in alleviating poverty within the three focal communities.

The approach has been innovative in that it addressed the missing middle in Atlantida finfish supply chains. Whereas many conservation interventions seek to shorten supply chains to benefit fishers, our market research in 2021, we identified a key barrier to stable, higher seafood prices as the absence of well-equipped and accessible collection centres. Without these facilities, individual fishers were:

- Unable to afford enough ice or freezers to maintain the cold chain, causing post-harvest losses and reduced product quality
- Forced to sell quickly at potentially unfavourable prices to avoid fish spoiling
- Unable to afford fuel or vehicles to transport fish to distant collection centres
- Unable to take financial risk of being paid monthly, as required by supermarkets and processing plants
- Unable to accumulate sufficient fish volume for sale to more stable markets e.g. processing plants and/or supermarkets

This project began addressing these challenges by establishing and reinforcing collection centres where fishers can maintain the cold chain, collect higher fish volume for sale (crucially without individual fishers increasing catch), and share financial risk. Furthermore, collection centre investment depended on fishers demonstrating responsible practices and signing environmental and social commitments (e.g. no conch and lobster sale during closure seasons). The rapid participatory design of models and testing of three new/reinforced collection centres in parallel has allowed this project to learn and adapt quickly.

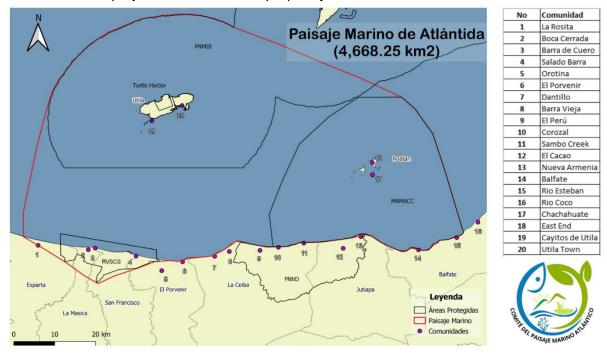


Figure 1. Map of the Atlántida Seascape on Honduras' Caribbean north coast. Bottom left: Cuero y Salado Wildlife Refuge. Top left: Turtle Harbor Wildlife Refuge and Utila Island of the Bay Islands Marine National Park. Middle right: Cayos Cochinos Marine National Monument. Black outlines are Marine Protected Area limits, and waters between

¹ Healthy Reefs for Healthy People 2024 report card: https://www.healthyreefs.org/en/healthy-reefs-data/report-cards
Darwin Initiative Innovation Final Report Template 2025

protected area limits are known as the unprotected "grey area". Red outline represents the Seascape (Paisaje Marino), which spans an estimated 4,668.25km². Seascape Committee logo represents the seascape policymakers, NGOs, academia and community representatives that come together to action plan and undertake conservation and sustainable development activities. N.B. Map shows 20 communities, but seascape project currently includes 21 coastal communities.

2 Project Partnerships

Fauna & Flora has worked in the Atlántida Seascape with five Honduran NGO partners since 2016, forming a Seascape Partnership based on partner request, following their identification of the need to encourage a more collaborative and holistic approach to conservation. This Seascape Partnership initially focused on building cooperation between its local members: three NGO co-managers and two transversal NGOs (listed below). Our collective work has focused on an integrated seascape approach, promoting social and ecological connectivity, resilience and wellbeing across the Atlántida Seascape. This partnership supports the seascape's 21 fishing communities and ensures that fisher representatives are fully prepared to engage in the national SSF debate for the protection of their livelihoods and marine environment. Beyond Fauna & Flora, the partnership includes:

- Honduras Seascape Facilitator María Arteaga
 All five in-country partners work together closely with María's support, as our Honduras Seascape Facilitator and Fauna & Flora's liaison in Honduras. She has facilitated growth, cooperation and successful implementation across the Seascape Partnership.
- La Asociación Pro Comunidades Turísticas de Honduras (LRC) specialises in sustainable development of coastal communities across Honduras' north coast, with a focus on fisheries, tourism and sustainable livelihoods development, and a track record of cooperation with communities and local government. During the project, LRC supported fisher association Asociación de Pescadores Artesanales de La Ceiba (APEARCE), based in Dantillo (7 on map), to reinforce their existing collection centre (a community enterprise).
- Centro de Estudios Marinos (CEM) is a marine research NGO that operates across Honduras' north coast, with strong expertise in fisheries and marine management. CEM is also co-manager of the Bay Islands Marine National Park, along with FIB (see below). CEM has supported fisher association Brisas del Mar and women's group Vista al Mar, based in Balfate (14 on map), to set up a new collection centre that they jointly manage (as a community enterprise). Where this report mentions activities or outcomes concerning both the fisher association and women's group, they may hereafter be referred to jointly as Brisas del Mar/Vista al Mar.
- Fundación Islas de la Bahía (FIB) is one of the co-managers of the Utila Island section
 of the Bay Islands Marine National Park, and is responsible for project activities and
 engagement with coastal communities in this MPA, along with CEM. FIB has reinforced
 private social enterprise Flying Fish, based in Cayitos de Utila (19 on map).
- Fundación Cayos Cochinos is the co-manager of Cayos Cochinos National Marine Monument, one of the four Seascape MPAs, and is responsible for project activities and engagement with coastal communities in this MPA and its area of influence. Their intermediary models were not progressed to piloting (see Annex 5 for scores against agreed criteria).
- Fundación Cuero y Salado (FUCSA) is the co-manager of Cuero y Salado Wildlife Refuge and is responsible for project activities and engagement with coastal communities in this MPA. Their intermediary model was not progressed to piloting (see Annex 5 for score against agreed criteria).

This Darwin Innovation project was co-developed by Fauna & Flora and our Seascape Partnership outlined above, and was informed by key stakeholders including seascape communities and fisheries supply chain actors. Monitoring, evaluation and learning (MEL) and project decision-making was undertaken in a participatory manner, informed by Honduran NGO and community knowledge and experience of the local context and Fauna & Flora's technical

expertise relevant to this project. In recent years, our partnership has grown in terms of locally embedded capacity to implement fisheries market-focused projects, particularly through training delivered on nature-positive enterprises, financial projections and how to present business models to potential investors (see Annexes 6 and 7 for training materials, and Annex 8 for attendance lists). Honduran partners have also continued reinforcing their relationships with fishers, building a mutual understanding of SSF finances.

Wider stakeholders with whom our partners worked closely, and with whom they will continue to collaborate beyond this project, include:

- Supply chain actors: Particularly fishers and processors from reef finfish and spiny lobster supply chains. We work to understand the supply chain dynamics and identify opportunities for intermediary creation or reinforcement.
- **Coastal communities**: Engagement with 21 coastal communities currently focuses predominantly on working with fisher associations, women's groups and youth groups.
- Fishers' Roundtable: Facilitated by LRC, with Seascape Partnership support, to bring together fishers from the 21 communities and support them to have a more unified voice across the seascape.
- **Seascape Committee**: Set up by the Seascape Partnership to convene municipal and departmental-level government agencies/policymakers, civil society, academia, community representatives and fisher representatives.

Our Seascape Partnership implements a vibrant, long-term programme of work with these stakeholders, and the relationships and commitments exist far beyond individual funding cycles. During this project, the Honduras Programme Facilitator, partner technical team and community members involved in each intermediary model gained in-depth, comprehensive understandings of how each model works and its needs to meet environmental and socioeconomic goals under this project and the wider seascape programme.

3 Project Achievements

3.1 Outputs

Output 1. Two impact-driven intermediary business models are collaboratively developed and trialled in the market for responsibly caught fisheries products

Indicator 1.1 Five documented and costed intermediary business models are collaboratively developed and drafted by Q2 Y1.

This project began with a baseline of 0 business models and financial projections developed. Partners have received formal training in nature-positive enterprises (August 2022), in-depth financial projections (March 2023), and in presenting their intermediary models to third parties (e.g. investors; May 2023) - see Annexes 6, 7 and 13 for training materials. Using these skills and working closely with community groups, seven business models were developed (see Annex 23) and reported in Y1, five of which had detailed financial projections, thus fulfilling this indicator.

Indicator 1.2 All five proposed intermediary business models are assessed for their fit against key criteria (e.g. financial sustainability, ecological sustainability, livelihood recovery potential, enabling responsible fisheries) by Q3 Y1, in order to prioritise those for pilot funding.

All seven models were assessed by Fauna & Flora experts against pre-determined criteria, including profitability, fisheries pressure, environmental impact, social impact, alignment to project outcome, equity, capacity, scalability and relationship with stakeholders (please see guiding questions under each criterion in Annex 14). Detailed feedback was provided to Honduran partners to support the continued development of the business models, after which the models were scored by partners and Project Steering Group (PSG) members in Y1 using the same criteria (see Annex 15). Three models were prioritised for funding based on their performance against the criteria. This indicator was fully achieved.

Indicator 1.3 At least two business models selected and supported through grants for business model testing, by end of Y1.

Once financial needs for the two top-scoring models (Dantillo and Cayitos de Utila) were determined, the third highest-scoring model (Balfate) was included in the budget. The three chosen models featured one existing community enterprise (APEARCE, Dantillo), one existing private social enterprise (Flying Fish, Cayitos de Utila), and one new community enterprise (Brisas del Mar and Vista al Mar, Balfate). All three models received funding and support, specifically from LARECOTURH (APEARCE), FIB (Flying Fish) and CEM (Brisas del Mar and Vista al Mar). This output indicator was fully achieved.

Output 2. Two piloted, innovative intermediary business models are evaluated, modified, and positioned for implementation

Indicator 2.1 Needs, opportunities and constraints of potential beneficiaries of at least two intermediary business models known by Q2 Y2.

This indicator was fully achieved, with needs of the intermediary business models identified in Y1, and further needs of the three selected business models identified and addressed in years 2 and 3 (see Annex 16).

Indicator 2.2 At least two business and financial reviews completed by Q2 Y2.

Seven intermediary models received initial feedback in Y1 (January 2023; see Annex 15), with further iterative support provided to partners working on the three prioritised business models (see indicator 1.2). The three selected models received one-to-one coaching from Fauna & Flora's Enterprise & Supply Chain Technical Officer, and were technically and financially reviewed in person during the Y2 site visit (January 2024). Following the site visit, partners continued to update financial projections with the fisher and women's groups running the intermediary models, as needed. This indicator was fully achieved.

Indicator 2.3 Funding is disbursed to improve the two selected intermediary business models by Q3 Y2.

Funding was disbursed to three partners (LRC, CEM, FIB) in June 2023, for them to support three intermediary business models (APEARCE, Brisas del Mar/Vista al Mar, and Flying Fish, respectively), thus fulfilling this indicator.

Indicator 2.4 At least one improved intermediary connected to financial providers by EOP.

With FCC support, Brisas del Mar members connected with Laru Bella community restaurant to undertake a learning exchange in April 2024 regarding handling and marketing of fisheries products. This created important new connections between fishers and fish sales outlets, improving mutual understanding of the challenges and expectations throughout the supply chain.

FIB connected Flying Fish with Bahía Food Corporation, a local company that buys invasive lionfish. Flying Fish has started buying lionfish from its fishers, to counterbalance the losses from no longer buying lobster and conch during closure season, which it now sells to Bahía Food Corporation as its highest-priced product, earning divers an estimated USD 30 extra per month on average.

Plans to establish a fisheries sales room in La Ceiba are underway, with a locale confirmed, which will house the sales room and an office for the seascape Fishers' Roundtable. Funding required for next steps has been secured by Fauna & Flora and partners. This sales room will connect the three intermediary models directly with local and tourist consumers in La Ceiba, reducing the need to rely solely on supermarkets and other intermediaries, and enabling higher income for the same volume of catch (see Indicator 0.5).

In addition, all three collection centres have been connected to Banadesa and Chorotega, two community loan providers. Associated interest payments are half of those charged by regular banks, and the opportunities for individual fishers and community enterprises are significant (e.g. targeted opportunities for women to access boat motors). Through rolling out OurFish catch monitoring app to Brisas del Mar, and building financial literacy as well as establishing community scientists to maintain catch records in all three collection centres, this project has also helped fishers evidence their income and cash flow, facilitating approval of bank loans.

As such, this indicator has been achieved.

Output 3. Knowledge developed on innovations in seafood supply chains disseminated locally and regionally for future replication, and partner capacity built to take learning forward

<u>Indicator 3.1 Global case studies identifying common themes developed and next steps identified by EOP, through learning workshop(s).</u>

Global case studies were collected through virtual learning exchange workshops that connected the Honduras partners with counterparts in Kenya, Nicaragua and Türkiye. Our Project Steering Group has drawn this learning together into a fisheries market intervention learning document (see Annex 17), as a roadmap to help partners and Fauna & Flora teams identify important steps and available in-depth guidance when developing fisheries enterprise projects. Next steps were identified and put forward in a successful OCEAN Partnerships proposal (OPG1\132 – see Annex 18 for relevant logframe sections), which began in November 2024, offering direct follow-on funding for next steps identified. This indicator was achieved.

Indicator 3.2 Learning disseminated for future replication, reaching at least 30 marine conservation actors from Central America not involved in this project.

Learning has been shared in Central America through both in-person and virtual exchanges with Fauna & Flora's Nicaragua team (12 partner staff members, 3 Nicaragua team members), including our Nicaragua Community Livelihoods Specialist joining an in-person review of the collection centres in January 2024. The Honduran business models were shared, and collaboration opportunities identified. In addition, at least 23 people from civil society, government, community and academia were reached through knowledge sharing to the Seascape Committee during quarterly meetings in 2023 and 2024.

To celebrate National Day of Small-Scale Fisheries in 2023 and 2024, the seascape fisher associations held SSF fairs, with the aims of sharing their responsible fisheries practices and identifying new potential clients for their produce. They also held a separate fair in 2024 to bring market actors together, share project learning and identify local clients. The event was attended by local and national authorities, representatives from across the supply chain and small-scale fishers. Attendance across all three events was 913 people.

In July 2024, the President of the Seascape Fisher's Roundtable, Don German Hernandez, who was also President of Dantillo fish collection centre and fisher association during the first two years of this project, travelled to FAO headquarters in Rome with parallel funding to take part in the second FAO-organised Small-Scale Fisheries Summit and biennial Committee on Fisheries. This set of meetings offered Don German the opportunity to connect, learn and exchange experiences with fishers from all over world, including 2 Nicaraguan fishers, 1 Guatemalan fisher and 2 Panamanian fishers. Connections made with Guatemalan fishers prompted new ideas on how to better market and process white fish that is traditionally viewed as poor quality in Honduras, but that sells very well in Guatemala.

This represents 31 marine conservation practitioners directly reached with learning from this project, thus achieving this indicator. Furthermore, participants of the seafood fairs will have gained project learning. As such, this indicator was achieved.

Indicator 3.3 Knowledge product developed incorporating case studies and synthesising lessons learnt, translated and publicly available by EOP.

Fauna & Flora and the Seascape partners have collaborated to develop a fisheries knowledge product, which focuses on: how fisheries market interventions can bring about conservation benefits; a timeline of possible market approaches; and important learning based on Fauna & Flora and partners' experience implementing these market approaches. This document will be externally sharable in English and Spanish; please see Annex 17 for the English version.

3.2 Outcome

Outcome: Innovations in seafood supply chains promote more equitable relationships between buyers and small-scale fishers (SSFs), removing a barrier to sustainable marine resource-based economic development, with evidence shared globally

0.1 At least two new and/or improved intermediaries are negotiating contracts to buy responsibly caught fisheries products at higher or more stable prices from SSFs by EOP.

Flying Fish private enterprise has a new agreement with Bahía Food Corporation for sale of lionfish, helping to maintain income after committing to no longer buying conch or out-of-season lobster from their fishers. This results in an additional monthly income of approx. USD 30 per diver on average.

APEARCE is negotiating a formal contract with La Colonia supermarket, building on their existing agreement, in which their president Don German is seeking better pricing for their products to reflect their increased quality.

All three intermediary models, with partner support, have obtained municipal agreement for the establishment of a fisheries sales room in La Ceiba, to cater directly to the local and tourist market instead of relying on sales to supermarkets and other intermediaries. Direct sales result in an increased income of approx. 25% for the same volume of fish (see Indicator 0.5 below).

As such, this indicator was achieved.

0.2 At least two new and/or improved intermediaries are providing regular relevant market updates to SSFs by EOP.

A community scientist in each collection centre is now using the same biological and financial records form (see Annex 22), to keep track of catch, sales and costs to the collection centre on a weekly basis. This information is available to all fishers who form part of the collection centre. APEARCE now presents monthly data to its fishers.

Furthermore, since February 2024 Brisas del Mar/Vista al Mar collection centre in Balfate has been using the OurFish catch monitoring app to keep records that are then analysed and summarised by CEM, who share results with each collection centre taking part in OurFish on a monthly basis.

As such, this indicator was achieved.

0.3 At least one new and/or improved intermediary is undertaking necessary steps to become legally incorporated to issue invoices for products bought from SSFs by EOP.

Brisas del Mar/Vista al Mar in Balfate is in the process of becoming a legally incorporated community enterprise, with guidance from a legal consultant. APEARCE in Dantillo is already a community enterprise, and has updated its legal status, applied for registration in the National Tax Registry and is in the process of securing a sanitary registration and invoicing ability with the Revenue Administration Service (SAR). Flying Fish is already a legally incorporated private enterprise, able to provide invoices. Through the progress achieved by all three intermediaries, this indicator has been exceeded.

0.4 Intermediary business models are developed with the inclusion of minority groups (e.g. women and Garifuna communities) and promote equitable relationships across the supply chain.

Each business model relies on and is strengthened by active participation of women, young people and Garifuna people in their activities (see disaggregation below). Furthermore, financial literacy and negotiation skills that this project have provided to all three collection centres put them in a much stronger position when negotiating with supply chain actors, as evidenced by APEARCE's president feeling confident enough to negotiate a written contract with La Colonia supermarket for the first time and Flying Fish securing a new buyer, thus fulfilling this indicator and promoting more equitable supply chain relationships.

 Brisas del Mar/Vista al Mar comprises 23 community members, of whom 8 are women and 7 are young people between the ages of 18 and 25. No Garifuna fishers are present in Balfate.

- APEARCE comprises 46 community members, of whom 20 are women, 7 are young people and 11 are Garifuna.
- Flying Fish comprises of 42 community members, of whom 3 are women and 7 are Garifuna.

0.5 Income of 150 small-scale fisheries households increased, with at least 15% of these being Garifuna, by EOP.

The project has delivered direct income benefits to 125 households, of which 42 are Garifuna households (34%). This falls 25 households short of the indicator, but the project has doubled the target percentage of Garifuna households. It is also worth noting that we have only captured the impact on direct beneficiaries.

Increases to income were documented as follows:

	Households (Garifuna members, %)	Average income increase per month (% increase)
Brisas del Mar/Vista al Mar – Balfate	16 (0, 0.0%)	
APEARCE – Dantillo	35 (2, 22.9%)	
Flying Fish – Cayitos de Utila	42 (8, 19.0%)	

See Annex 19 for full baseline and EOP survey data for these three collection centres.

In addition to the households above, 32 households benefitted from higher prices in Garifuna community restaurants in Chachahuate (20 households) and East End (12 households). Both restaurants are run by women's groups whose price increases (documented below from Y1 to Y3) are directly linked to training received in Y1 regarding food processing, safety, and quality:

- Plates of fish increased from HNL 250 to HNL 330 (+32%)
- Plates of prawn increased from HNL 350 to HNL 460 (+31%)
- Plates of shellfish soup increased from HNL 400 to HNL 552 (+38%)

While these are significant increases in average estimated income from fisheries, it is worth noting that baseline data was collected from fishers most actively involved in their respective collection centres, and prior to fishers receiving financial projections training and having community scientists in place to support with systematic record-keeping. Inflation has also led to increases in operations prices in Honduras. Going forward, fishers from all three collection centres are better equipped to understand their personal and collective finances, placing them in much better stead for negotiating, demonstrating income, and identifying financial needs.

Please see Annex 27. for a video capturing FIB, Flying Fish and Cayitos de Utila perceptions of the project.

3.3 Monitoring of assumptions

Outcome level assumptions

<u>Assumption 0.1 Fishers have sufficient capacity to adapt practices when direct incentives are provided.</u> Note that this is being address by another grant.

Fishers have demonstrated capacity to align gear use with responsible fishing guidelines. For example, Brisas del Mar has adopted responsible fishing guidelines for 12 ecologically and economically important reef fish. These guidelines are available to fishers across the seascape (see Annex 24). All collection centres have also signed environmental and social commitments, and Dantillo community is actively pursuing the designation of a Fisheries Recovery Zone, which they currently maintain as a voluntary no-take zone.

However, through this project it also became clear that the processes required to meet a recognised standard, even new international SSF standard 'Community Catch' (see Annex 25 for summary), are outside seascape fisher and fisher association capacity due to just how small the scale of their operations are.

Assumption 0.2 Project delivery is not significantly affected by unavoidable impacts of the Covid-19 pandemic and extreme climate events, such as hurricanes.

There are no significant ongoing impacts from the pandemic. All community groups involved in the development of intermediary models had previously received biosecurity training in response to the pandemic.

Regarding weather events, Mesoamerican Reef (MAR) Fund parametric insurance is being developed to support fisher income when poor weather severely affects fishing activity. The seascape suffered from the effects of Tropical Storm Sara in November 2024. While many seascape communities suffered significant losses and damage, Balfate, Cayitos de Utila and Dantillo escaped severe impacts.

Output-level assumptions

Assumption 1.1 Quantity of funds disbursed is sufficient to test models in the market.

Funds were sufficient to invest in improvements and creation of three models. While ongoing funds will be needed, the budget under this project was sufficient for the planned initial phase of investment.

Assumption 1.2 Models can be tested extensively enough within the project lifetime to assess their potential efficacy in achieving the desired impact.

With the no-cost extension granted by DEFRA, the project had an additional six months to sufficiently assess potential efficacy of the investment in the collection centres. This additional time allowed us to demonstrate that the training, coaching and financial investment provided to partners and intermediaries led to significant, demonstrable progress in collection centre income and financial literacy.

Assumption 2.1 Intermediaries are able to provide market information.

Yes, provided confidentiality of market actors is preserved as needed based on contractual agreements.

Assumption 2.2 There is sufficient time to adjust business models and increase sales using a lean start-up approach.

As noted in Y1, on reflection, the intention is to increase revenue rather than sales, since the project goal is to increase income based on the same or lower catch, thereby reducing pressure on marine biodiversity. The investment in all three collection centres has demonstrated increased income and high potential for increased revenue (depending on collection centre costs), particularly for APEARCE with its sanitation registration and application for invoicing, and for the new Brisas del Mar collection centre.

Assumption 3.1 Partners are able to utilise learning to inform future market interventions that support ecosystem and livelihood recovery.

A technical team member from each partner organisation will focus on continuing fisheries market interventions and support business model development. This technical team continues to grow their expertise with coaching from Fauna & Flora specialists. Learning from this project, particularly the Business Model Canvas (BMC) and financial projections, has already been used by CEM in a separate project. See Annex 18 for how project learning is being applied with a new OCEAN Partnership grant (OPG1\132).

3.4 Impact

Impact: Small-scale fishers across the Atlántida Seascape have stable incomes and equitable relationships within market systems that respect and reward responsible fisheries, protecting livelihoods and enabling ecosystem recovery

Stable incomes and equitable relationships: Ongoing record-keeping and financial training, and development of collection centre capacity is focused on ensuring that fishers, women's group members and associated supply chain actors better understand their finances, position in the supply chain and negotiating power (e.g. through having sight of annual income and costs, as were calculated for Miss Bess' private enterprise Flying Fish in Cayitos de Utila, highlighting the high cost of ice and minimal business returns*). In building capacity to actively manage their livelihoods and businesses, and providing support in legal incorporation processes, this project is helping fishers, women's groups and their collection centres to understand the full value of their product (based on responsible fisheries practices, product quality, processing) and the ways in which they can evidence this in order to negotiate better, more stable prices with existing and new clients, as APEARCE is currently doing with La Colonia supermarket and as Flying Fish managed to do with Bahía Food Company. It is also helping them to better understand environmental legislation, to avoid unwittingly engaging in illegal fisheries and purchase (e.g. Flying Fish fishers previously catching and selling closure season conch and lobster; APEARCE buying illegal conch catch from La Moskitia). This supports informed, equitable relationships between downstream and upstream tiers of the supply chain.

*NB While returns are minimal, Miss Bess prefers to see most of the the collection centre's income go to fishers. As such, support has focused on how high costs can be reduced (e.g. through investing in new freezers and improved protection from corrosive sea air, since the previous ones no longer worked and were being used as cool boxes, with high, costly ice turnover to keep catch frozen).

Rewarding responsible fisheries: The project supports fishers (predominantly men) and fish processors (predominantly women), wider coastal community members and upstream supply chain actors to have a better understanding of fisheries regulations and what constitutes responsible fisheries, as well as how this is interlinked with socioeconomic wellbeing and resilience. Building this understanding is embedded in the nature-positive enterprise development process. See Annex 9 and 10 for commitments from Flying Fish and APEARCE to no longer fish and trade conch (NB this will appear in automatically translated text as "snail"). Flying Fish has also incorporated an invasive species (lionfish) into its business model, which has gone beyond mitigating losses and is estimated to result in USD 30 additional monthly income for divers. The process supports the Bay Islands Marine National Park's efforts to tackle lionfish numbers.

Protecting livelihoods and enabling ecosystem recovery: The interlinked nature of socioeconomic wellbeing and resilience with ecological wellbeing and resilience is central to our seascape programme. An evaluation undertaken for a separate project highlighted the growing understanding of fisheries' reliance on a healthy marine ecosystem and vice versa, and during the 2024 Seascape Fishers Assembly, fisher Santos Tomas from El Porvenir stated "We have to work together to look after our ecosystem, be guardians of our ecosystem" to widespread support, with the discussion focusing on the importance of balancing fisheries income with protection of marine resources to enable the long-term existence of both.

Furthermore, this project works with fishers and women's groups on understanding how to develop/reinforce business models and their financial projections. Most coastal communities in Honduras have multiple income sources but rely heavily on SSF (see Annex 20).

Contribution to higher-level impact on biodiversity conservation

Commitments from APEARCE and Flying Fish to no longer buy, sell or fish closure season lobster or conch are an encouraging indication of potential for change in practices once community groups understand existing legislation and its purpose, as well as important steps in the recovery of both species. All community groups understand that the investment in their collection centres is based on their implementation of responsible fishing practices, thereby helping to reinforce and reward these practices. Given the critical state of commercial reef fish in Honduras (see HRHP 2024 report card), all steps to bolster biomass of native species contribute to the overarching health of the reef.

Contribution to higher-level impact on poverty reduction

Through building fisher and women's group skills in financial and catch record-keeping, business management, negotiation, product processing and added value, and environmental legislation,

this project contributes to building financial literacy in Atlantida coastal communities. The increased income that collection centres and individual fishers are starting to see through having accurate financial tracking is a helpful additional incentive to implement responsible fisheries practices, which support food security and livelihood viability. Furthermore, improved financial literacy and business management skills are applicable to households' other livelihoods, such as those emerging as climate-resilient from the Climate Vulnerability and Capacity Assessment (CVCA) community workshops being undertaken with FCC-led Darwin Main project 30-024.

4 Contribution to Darwin Initiative Programme Objectives

4.1 Project support to the Conventions, Treaties or Agreements

This project supported the following elements of Honduras' national and international policy commitments:

National:

Environmental General Law No. 104-93 ref 2010-2011 & Forestry, Protected Areas and Wildlife Law No. 98-2007: through promoting legal, sustainable SSF practices that help stabilise overexploited fisheries resources, e.g. conch, lobster.

Nationally Determined Contribution: Objective 1, Objective 11 and Commitment G2: through collaboration with civil society (seascape partners) and supporting vulnerable groups in the Seascape e.g. Afro-Honduran (Garifuna) communities, women and youth. Of direct beneficiaries, 30% are Garifuna and 28% are women (see indicator 0.5).

National Climate Adaptation Plan:

<u>Strategic Objective 4</u>, "Supporting food security and promoting ecosystem protection, management and restoration". The project has improved the value, sustainability and security of SSF resources. It has also helped establish comparable catch monitoring data to support environmental monitoring, management and protection.

International:

Sustainable Development Goals:

<u>Goal 5</u> (Gender Equality): Measures to promote participation, inclusion and benefits for men and women, including dedicated support to women's groups (Vista al Mar) and women-owned business (Flying Fish).

<u>Goal 8</u> (Decent Work and Economic Growth): Provide community members with access to more stable fisheries livelihoods through reinforcement and creation of three collection centres; increased income; financial literacy.

Goal 12 (Responsible Consumption and Production): Promoting the continued growth of local markets, which reward and incentivise responsible fishing practices. Development of responsible fishing and consumption guides (see Annex 24).

Kunming – Montreal Global Biodiversity Framework:

Target 10. Incentivising responsible SSF practices, such as through developing SSF business models that meet social and environmental sustainability criteria (see Annex 5), and through promoting the observance of responsible fisheries guidelines by fishers (see Annex 24).

4.2 Project support for multidimensional poverty reduction

See Indicator 0.5 for direct beneficiaries who are involved in the three intermediary models, and 3.4 for wider impact in reducing multidimensional poverty. This project has helped all direct beneficiaries to better understand and manage their fisheries and businesses, through increasing their capacity regarding financial management and forecasting (e.g. Flying Fish now understands that their highest annual cost is ice), record-keeping (all collection centres now have a community scientist keeping catch and sales records — see Annex 22), fisheries regulations, market dynamics and financial literacy. In seeking to secure higher incomes from the same (or lower) volume of catch and reward sustainable fishing practices, the project also works to slow the global trend of increasingly extractive/intensive fishing within the seascape, thereby contributing to improved food security.

Further to the price and income increases reported under Indicator 0.5, the investments in two existing and one new collection centre during this project have established robust foundations

for these intermediaries to access additional better-paying clients. For example, the creation of Balfate's collection centre means that all fishers' catch can be stored, aggregated, processed and sold together, meeting the higher volumes required by many buyers and reducing reliance on daily demand. The establishment of a La Ceiba sales room will facilitate sale directly to local and tourist consumers.

Furthermore, improvements in all three collection centres are addressing prior health & safety concerns for fishers and fish processors, reducing potential exposure to harm through unsafe handling and preparation of fish products.

4.3 Gender Equality and Social Inclusion (GESI)

Please quantify the proportion of women on the Project Board ² .	4/5 members of the Project Board are women (Project Lead, Conservation Finance Programme Officer, Destructive Fisheries Technical Specialist, Marine Impact & Learning Programme Officer) 1/5 members of the Project Board are men
Please quantify the proportion of project partners that are led by women, or which have a senior leadership team consisting of at least 50% women ³ .	(Social Safeguards Technical Specialist) Leadership 2/5 partners led by a woman 3/5 partners led by a man
	Separately, there is a partner technical team leading this project with one representative from each organisation, and of these 3/5 are women. Facilitation: 1 woman as Honduras Seascape Facilitator

GESI Scale	Description	Put X where you think your project is on the scale
Not yet sensitive	The GESI context may have been considered but the project isn't quite meeting the requirements of a 'sensitive' approach	
Sensitive	The GESI context has been considered and project activities take this into account in their design and implementation. The project addresses basic needs and vulnerabilities of women and marginalised groups and the project will not contribute to or create further inequalities.	
Empowering	The project has all the characteristics of a 'sensitive' approach whilst also increasing equal access to	Х

² A Project Board has overall authority for the project, is accountable for its success or failure, and supports the senior project manager to successfully deliver the project.

³ Partners that have formal governance role in the project, and a formal relationship with the project that may involve staff costs and/or budget management responsibilities.

	assets, resources and capabilities for women and marginalised groups	
Transformative	The project has all the characteristics of an 'empowering' approach whilst also addressing unequal power relationships and seeking institutional and societal change	

This project was designed based on fisheries supply chain needs identified with fisher associations and women's groups along coastal communities of the Atlántida Seascape, spanning a range of ethnicities, including Afro-Honduran Garifuna communities. The "missing middle" was identified as a barrier to low-income fishers (mostly men) and fish processors/marketers (mostly women) accessing stable, fair prices for the quality of fisheries product being caught and the commitment of these groups to responsible fisheries practices. As detailed under Indicator 0.5, 33.6% of beneficiary households are Garifuna and 28% of beneficiaries are women.

While Garifuna communities of East End, Chachahuate, and Rio Esteban were ultimately not selected for investment (see Annexes 5 and 15 for scores and feedback), East End and Chachahuate both benefitted earlier in the project from training on added value and fair pricing, which led them to increase plate prices in their community restaurants and therefore their income (see Indicator 0.5). While support to these communities' existing intermediary models did not advance directly under this project, the Seascape Partnership continues to work closely with all three communities and the women-run community restaurants under parallel projects.

The project works closely with the fisher associations and women's groups in Dantillo and Balfate, and with women-owned private enterprise Flying Fish on Cayitos de Utila (which supplies the community with the majority of its fish). This ensures that women in diverse fisheries supply chain roles (e.g. operations, processing, marketing, cooking, bookkeeping) are supported to develop their financial literacy, understand their role in the supply chain, and have the necessary capacity to effectively manage their existing/new collection centres. Importantly, the project has also been responsive to community concerns. Balfate saw tensions emerge between women's group members and (all-male) fisher association members over the legal name of the collection centre in Y3 (whether to name women or men first), leading to a delay in legal incorporation. The CEM team navigated this tension, respecting individual beliefs while ensuring that women's roles in processing and governance remain clearly understood and valued, and the problem has been resolved. The team is working closely with Balfate Municipality's women's department.

By focusing on intermediaries rather than exclusively on fishers, the project captures women whose jobs and roles in society are inextricably tied to fisheries but who, in the context of Honduras, are rarely fishers themselves, and ensures that their livelihood-related needs are being heard and met. Partners meet separately with women's groups, as well as collectively with women's groups and fisher associations, to provide varied opportunities for women to feel comfortable expressing themselves. Technical team members will often take turns looking after children during work sessions with women's groups, and sometimes bring their own children along to support community women to feel comfortable in doing the same, particularly when meetings take place on weekends when children are not at school.

4.4 Transfer of knowledge

See indicators 3.1, 3.2 and 3.3, as well as this project's learning document in Annex 17.

Knowledge and learning from this project have been shared formally via:

- Seascape Committee: to government, civil society, community and fisher representatives, academia
- Fishers' Roundtable: to fisher representatives from across 23 seascape communities
- Technical team: within the Seascape Partnership technical team, and between partner teams and Fauna & Flora teams (e.g. Nicaragua-Honduras exchange). BMC being applied by CEM team in two new communities and by FCC to new community enterprises.

- International events: FAO SSF Summit, COFI, CBD COP, meeting in 2024 of the Union for Latin American Artisanal Fishers (ULAPA) attended by Don German
- Community Catch international standard: learning from Honduras piloting of the standard criteria for SSF was shared with the technical team developing the standard

4.5 Capacity building

Partners have a strong understanding of business models and financial projections, enabling them to discuss livelihoods investment opportunities and plans with government, the private sector and communities in a much more informed way, supporting long-term success of these initiatives. This learning is being applied to livelihood ideas emerging from CVCAs undertaken across the seascape under a parallel project, and will help guide municipal action plans.

Don German (APEARCE's president) and Miss Bess (Flying Fish's owner) have increased their negotiating skills and power through the support that this project has provided, with both of them securing significant new opportunities for their collection centres (La Ceiba sales room and Bahía Food Corporation, respectively).

5 Monitoring and evaluation

The Steering Committee, made up of the four Fauna & Flora technical experts and Project Lead, met quarterly to monitor progress and adaptively manage the project, in line with the Theory of Change and timeline. Separately, the three partners supporting the intermediary models, with guidance from the Project Lead and Honduras Seascape Facilitator, kept track of the project monthly by filling in progress against project indicators in the monitoring matrix, working through one-to-one and technical team meetings. The matrix tracks partners responsible for each activity, the month at which the activity/indicator should be completed to meet the project timeline, the year to which this corresponds, the status (not started, in progress, delayed, achieved), and results to date. Informal monitoring is conducted routinely with all communities involved in the project as part of field visits, fisher association or women's group meetings, and capacity building sessions. Formal MEL is also undertaken, as is the case with the baseline and end-point beneficiary surveys (see Annex 19 for a summary of results).

Fauna & Flora's approach to project-level MEL draws upon best practices and standard approaches. MEL methods for this project include:

- Scoring sheets to evaluate progress and undertake final model selection (see Annex 5).
 Models assessed against criteria described under Indicator 1.2.
- Undertaking baseline and end point surveys with collection centres (see Annex 12 for summary of survey results).
- Baseline socioeconomic surveys being undertaken to feed into a complementary parallel project are providing wider contextual socioeconomic information at municipality level.
 See Annex 20 for Balfate municipality results, which are being compared with intermediary-specific socioeconomic data (see Annex 12).
- Assessment of evolving needs of the intermediary models, and how they are being met in line with the socioeconomic and ecological vision of the seascape programme (see Annex 16).
- Throughout the project all data collection and analysis are gender and ethnicitydisaggregated wherever relevant and appropriate, to enable assessment of gender and ethnicity-differentiated impacts.

The approaches outlined above enabled effective tracking of both the qualitative and quantitative indicators of achievement, as evidenced by14/15 indicators being fully met. There have been no changes to the MEL plan during this reporting period.

6 Lessons learnt

What worked well?

 Investment in community member financial literacy and improved equipment/facilities for collection centres (freezers, processing equipment, support in complying with H&S

- requirements), which have increased household income and supported supply chain equity (see Outcome indicators).
- In-depth review of business operations, which allowed partners to identify closure season
 fishing, purchasing and sale of conch and lobster, and to work with collection centres and
 fishers to remove these products, as well as mitigate losses through alternative products
 and/or pricing (e.g. lionfish).
- Iterative BMC and financial projections feedback and coaching from the Enterprise & Supply Chain Technical Officer, who took over from the Conservation Finance Programme Officer due to the need for Spanish language skills. Both the coaching and the ability to engage directly with partners in Spanish (including during a site visit in January 2024) helped build their confidence in both tools, and delved into enough detail to identify illegal fisheries products that two collection centres were unwittingly purchasing/selling. Both have now committed to stop engaging in these purchases/sales.
- Continued participatory approach, including regular sessions with communities to develop the enterprise model in a way that addresses the barriers that they face while also aligning with the project Outputs, Outcome and Impact.
- Additional time to adjust the BMC and financial projections, run collection centre due diligence, and sign environmental and social commitments. Taking more time to run theoretical pilots to ensure that the financial investments were the right ones was a crucial step in keeping the collection centres focused on the project outcome.
- Having separate meetings with women and men's groups, as well as joint meetings, so that feedback could be sought in a gender-disaggregated way, particularly as partners have noticed previously that women in mixed groups do not participate or voice their opinions as often, even if they outnumber men. The value of this approach was demonstrated when addressing the conflicting stances on group governance and a legal name between Brisas del Mar fisher association (all men) and Vista al Mar women's group for their collection centre. Providing opportunities for both sides to express concerns and perceptions was pivotal in resolving the tensions.

What did not work well?

- Sensitive information, please do not publish: Community Catch surveys and feedback highlighted that even standards developed specifically to be accessible to small-scale fishers are far beyond the capacity of SSF within the seascape, particularly when "small-scale" includes vessels up to 24m long (see Annex 25). This, combined with low catch volumes (that we are not seeking to increase), results in internationally accepted standards consistently being inaccessible to small-scale fishers. However, Community Catch, which plans to launch in May 2025, will provide support and peer to peer learning for fishers regardless of whether they are able to become certified, and is a promising way to connect SSF actors with international best practice.
- While there are buyers who are willing to pay increased prices for better quality fisheries products, we have not identified a big seascape market interested specifically in responsibly fished products. There is often significant overlap in criteria for quality and responsible fishing (e.g. size, method of capture), which has supported project success. Furthermore, parallel activities to build SSF commitment for responsible guidelines (see Annex 24, which builds on FAO guidelines) and efforts to establish responsible fisheries interest (see Annex 26 for traffic light responsible consumption guide) are ongoing.

What would you do differently?

 Set aside time and budget to hold more business model and financial projection review meetings in person, within each collection centre so that partners and collection centre representatives can work with Fauna & Flora technical specialists, given how beneficial this was during the January 2024 site visit.

What recommendations would you make to others who are doing similar projects?

 Hold practical, in-person workshops/training sessions on any tools that will be implemented.

- Carefully manage community member/group expectations regarding funding opportunities to progress the models after participatory development.
- Where possible, adapt to the time availability of community groups, to ensure that models
 are developed in a participatory way and that community groups are invested in,
 understand and support the models.
- Work with community members to build shared, more holistic understanding of what responsible fishing refers to and why it is important.
- See Annex 17 for additional learning and recommendations.

7 Actions taken in response to Annual Report reviews

Comment 1: Annex 13 presents, among other things, a comparison between the original needs of the selected models, and the needs that were identified following initial training. Two findings among the "later needs" are somewhat concerning. For two models, one of the new "needs" reads: "Identifying long-term strategy to maintain this enterprise nature-positive, given that its values are upheld by: NAME" (previous president in one model, new owner in the second one). These statements imply that the nature-positive approach is someone compromised by the current director/owner. Please elaborate on this, with a specific focus on what are the potential problems with this in terms of impact of the business model, and what strategies are in place to address this issue.

The needs table in question acknowledged Don German (APEARCE) and Miss Bess (Flying Fish) as people in collection centre leadership roles who spearhead the enterprises' values and are champions for nature-positive fisheries. Flying Fish has not changed ownership. Leadership change in APEARCE did not reduce the collection centre's commitment to responsible fisheries, social inclusion and nature-positive enterprise. The need was identified in acknowledgement of the importance of making sure that leadership qualities, project learning and environmental and social values form an integral part of all collection centres supported, to make sure personnel changes do not slow progress. This succession planning is actively supported by LRC, FIB and CEM, through regular leadership, governance, financial and environmental training and coaching. All three collection centres signed environmental and social commitments (see annexes 9-11). Wider seascape initiatives focus on responsible fisheries commitments and biological monitoring, building community and partner capacity to manage SSF (see annexes 22, 24 and 26). APEARCE is voluntarily implementing a no-take zone in fishing grounds they consider important and are receiving CEM's support in having this officially designated as a Fishery Recovery Zone. Divers at Flying Fish have benefited from fishing invasive lionfish instead of conch and lobster during closure season, building widespread support for this transition.

Comment 2: Please explain what specific measures or initiatives will be taken to address the issue of the two business models engaging in illegal fishing. The report mentions the importance of: "delving more regularly into species-specific enterprise details, as well as training and legislation". Please comment on whether the project intends to deliver training on this.

As discussed above, all collection centres have signed environmental and social commitments (see annexes 9-11), including a commitment not to fish, buy or sell conch during closure season. Training on Honduran fisheries legislation, international best practice and MPA regulations is regularly delivered by partners to each collection centre individually. This is reinforced and clarification of regulations/voluntary best practice is actively enabled through the Fishers' Roundtable (which meets quarterly and holds an annual general assembly) and the Seascape Committee (which connects fishers with government entities from municipal to national level).

Furthermore, partner and fisher capacity to track collection centre catch accurately enables much closer inspection of species caught and their sizes throughout all seasons. This facilitates identification of catch that should not be permitted, and of size/species composition changes.

8 Sustainability and legacy

Sustainability was built into the project through training and coaching partners in nature-positive enterprise development, as part of a suite of capacity building under Fauna & Flora's wider Honduras programme. Partner growth in this area has been evidenced by more than one partner

subsequently including nature-positive enterprise development in successful grant applications, and in their use of the BMC and financial projections in other livelihood development initiatives. Partners have worked directly with communities to develop their intermediary models, with Fauna & Flora providing feedback on model iterations. Practical sessions during training, continual feedback and one-to-one coaching sessions have ensured that partners feel supported, while also fully able to apply the learning and tools provided, thus embedding this capacity in-country. This follows Fauna & Flora's institutional model of building partner capacity and providing technical support and guidance as they grow in new areas of expertise.

In turn, implementing partners are identifying ways to reinforce community group capacity and decrease dependence on partner support, such as through basic financial management training and provision of forms to record income and outgoings at collection centres.

Partner staff, community groups, and resources remain in place supported by secured programme-wide funding (see Section 12.2), while all parties continue to identify sustainable financing opportunities. Social connectivity and work planning platforms (Seascape Committee, Fishers' Roundtable) with joint responsibility further reinforce the sustainability of this programme.

9 Darwin Initiative identity

Darwin Initiative's logo has been included in training materials shared with partners and the Seascape Partnership is fully aware that Darwin Initiative is funding this project, specifically under its Innovation category. The project is acknowledged with its own clear identity, as well as in its contribution to the wider Honduras seascape programme, both during internal Seascape Partnership meetings and through external platforms, such as the Seascape Committee and Fishers' Roundtable. Fauna & Flora's communications team actively works to share progress across our wide portfolio of work, and highlights donor support where possible and appropriate.

FIB produced a short video of Flying Fish's experience, featuring Darwin's logo – see Annex 27.

10 Risk Management

No new risks were identified during the reporting period. The Balfate tensions regarding legal name of the collection centre (see Section 4.3 above) and mitigating actions were recorded in the updated Risk Register – see Annex 28.

11 Safeguarding





12 Finance and administration

12.1Project expenditure

Project spend (indicative) since last Annual Report	2023/24 Grant (£)	2023/24 Total actual Darwin Initiative Costs (F)	Variance %	Comments (please explain significant variances)
Staff costs (see below)				
Consultancy costs				

Overhead Costs			
Travel and subsistence			
Operating Costs			
Capital items (see below)			
Others (see below)			
	40.4EC	10 107 70	
TOTAL	18,156	18,107.72	
Staf	f employed		Cost

Staff employed (Name and position)	Cost (f)
Hazel Akester	
Rhona Perkins	
Hannah Richardson	
Sergio Rosendo	
Alison Gunn	
Ronald Miranda	

Yuann Chang
María Arteaga
Various (distribution depends on intermediary model analysis)
TOTAL

Capital items – description	Capital items – cost (£)
Equipment purchase	
TOTAL	

Other items – description	Other items – cost (£)
Working capital Bank charges	
TOTAL	

12.2 Additional funds or in-kind contributions secured

Matched funding leveraged by the partners to deliver the project	Total (£)
Arcadia Charitable Trust	
Arcadia Charitable Trust	
Paul M. Angell Family Foundation	
OCEAN Grants Programme	
TOTAL	

Total additional finance mobilised for new activities occurring outside of the project, building evidence, best practices and	Total (£)
the project	
Instituto Interamericano de Cooperación para la Agricultura	
Turning Tides	
Balfate Municipality	
TOTAL	

12.3 Value for Money

In broad terms, this project delivered value for money by leveraging the existing Seascape Partnership, and the strong connections already established between the Honduran organisations and seascape communities. Each of the Honduran seascape partners are based in, or close to, the participating communities, thus minimising costs associated with project activity travel and relationship management.

Moreover, the project's rigorous and transparent business model selection process ensured that the most effective models were selected, maximising the value achieved through the project's support to community initiatives (see Annex 5 for the scored assigned to each submitted model, Annex 14 for scoring criteria and Annex 15 for feedback given to applicants). The project's business startup approach was also designed to avoid excessive planning costs, instead focusing on testing and refinement of selected business models within the project period. Detailed financial projections for each model also helped with financially logical decision-making in terms of equipment and working capital, e.g. investing in freezers and protection from corrosive sea air to minimise excessive cost of ice at Flying Fish.

The reporting against Indicator 0.5 further demonstrates project value for money in terms of effectiveness. This is shown by the project's direct contribution to observable income increases for participating households in Dantillo, Balfate and Cayitos de Utila (see report section 3.2, and Annexes 19 and 20 for details of income increases).

13 Other comments on progress not covered elsewhere

Ambassador Nick Whittingham visited APEARCE collection centre in Dantillo during his three-day trip to Honduras (see Annex 19), to meet Darwin Main 30-024 lead partner FCC and the rest of the Honduras-based Seascape Partnership. The Ambassador was given in-depth briefings on both Darwin projects during this visit, and we understand from our partners and his team that the visit was very successful, with Ambassador Whittingham gaining an excellent overview of the conservation and poverty alleviation work carried out under our seascape programme.

14 OPTIONAL: Outstanding achievements of your project (300-400 words maximum). This section may be used for publicity purposes

I agree for the Biodiversity Challenge Funds Secretariat to publish the content of this section (please leave this line in to indicate your agreement to use any material you provide here).

Promoting and rewarding responsible fisheries practices is one of the fundamental aspects of this project, in order to support conditions of ecological and livelihood resilience and wellbeing. As such, having commitments from two collection centres and their fishers to no longer fish*, purchase or sell conch during closure season is a significant achievement, both in terms of raising awareness and understanding of existing legislation and taking steps towards building business legitimacy and compliance with requirements of potential new buyers. This has also highlighted the importance of the work that the Seascape Partnership does in terms of simplifying and explaining fisheries and environmental legislation, particularly as much of this legislation is inaccessible to fishing communities. Both collection centres saw increases in fishers' estimated monthly income, also underlining the compatibility of environmentally responsible practices and profitable livelihoods.

*NB – it is legal for Garifuna fishers to target conch for subsistence; this is not something with which the project is interfering and all project partners have full respect for traditional rights.

I agree for the Biodiversity Challenge Funds to edit and use the following for various promotional purposes (please leave this line in to indicate your agreement to use any material you provide here).

Annex 1 Report of progress and achievements against final project logframe for the life of the project

Project summary	Progress and achievements			
Impact Small-scale fishers across the Atlantida Seascape have stable incomes and	Ongoing record-keeping and financial training, and community scientists in place to record-keep so that all intermediary models have a clear record of their catch, sales and costs as important evidence for business management.			
equitable relationships within market systems that respect and reward responsible fisheries, protecting livelihoods and enabling ecosystem recovery	Women play a central role in all business models selected, supporting their equitable relationships in fisheries supply chains.			
	Changes to existing businesses in order to practice responsible fisheries, including no longer fishing/purchasing/selling conch or lobster during closure season, and adding lionfish to traded products.			
	New sales relationships in place or in process (see Indicator 2.4).			
Outcome				
Innovations in seafood supply chains promote more equitable relationships between resource-based economic development, with evidence shared globally	buyers and small-scale fishers (SSFs), removing a barrier to sustainable marine			
Outcome indicator 0.1 At least two new and/or improved intermediaries are negotiating contracts to buy responsibly caught fisheries products at higher or more stable prices from SSFs by EOP.	0.1 New sales relationship in place for Flying Fish, mitigating losses from no longer fishing/buying/selling conch or lobster during closure season. APEARCE in process of securing sanitation registration and invoicing, as well as negotiating a new contract with La Coloniaa supermarket. Brisas del Mar becoming legally incorporated to enable improved/new sales relationships.			
	Indicator achieved.			
Outcome indicator 0.2 At least two new and/or improved intermediaries are providing regular relevant market updates to SSFs by EOP.	0.2 Standardised data collection sheets being filled in weekly by community scientists, providing collection centre information, supporting owners in having clear information to hand to share with fishers on a regular basis.			
	Indicator achieved.			
Outcome indicator 0.3 At least one new and/or improved intermediaries are undertaking necessary steps to become legally incorporated to issue invoices for products bought from SSFs by EOP.	0.3 Two intermediaries were already legally incorporated, and project has supported additional steps of legitimisation. APEARCE is seeking sanitation registration and invoicing. Brisas del Mar is in the process of becoming legally incorporated as a community enterprise.			
	Indicator achieved.			
Outcome indicator 0.4 Intermediary business models are developed with the inclusion of minority groups (e.g. women and Garifuna communities) and promote	0.4 Of the 111 community members taking part in the three models, 31 are women (28%), 10 are Garifuna (16%) and 14 are young people (13%).			
equitable relationships across the supply chain.	Indicator achieved.			

Outcome indicator 0.5 Income of 150 small-scale fisheries households increased,	0.5. The project has delivered direct income hanefite to 105 have shalds of which 10		
with at least 15% of these being Garifuna, by EOP	0.5 The project has delivered direct income benefits to 125 households, of which 42 are Garifuna households (34%). This falls 25 households short of the indicator, but the project has doubled the target percentage of Garifuna households. It is also worth noting that we have only captured the impact on direct beneficiaries.		
	Indicator largely achieved.		
Output 1 Two impact-driven intermediary business models are collaboratively devel-	oped and trialled in the market for responsibly caught fisheries products		
Output indicator 1.1 Five documented and costed intermediary business models are collaboratively developed and drafted by Q2 Y1.	1.1 Seven documented and costed intermediary business models collaboratively developed with their respective communities and Fauna & Flora expert feedback. See Annex 5 for scoring.		
	Indicator achieved.		
Output indicator 1.2 All five proposed intermediary business models are assessed for their fit against key criteria (e.g. financial sustainability, ecological sustainability, livelihood recovery potential, enabling responsible fisheries) by Q3 Y1, in order to prioritise those for pilot funding.	1.2 Of seven intermediary models developed by partners and communities, three were selected for practical trials following model selection workshops in May/June 2023. See Annex 14 for selection criteria and Annex 5 for scoring.		
	Indicator achieved.		
Output indicator 1.3 At least two business models selected and supported through grants for business model testing, by end of Y1.	1.3 Three business models selected (one existing community enterprise, one existing private enterprise, one new community enterprise). Sub-grants sent to three partners to support models with identified needs (see Annex 16 for needs).		
	Indicator achieved.		
Output 2. Two piloted, innovative intermediary business models are evaluated, mod	ified, and positioned for implementation		
Output indicator 2.1. Needs, opportunities and constraints of potential beneficiaries	2.1 Progress on needs and new needs identified can be seen in Annex 16.		
of at least two intermediary business models known by Q2 Y2.	Indicator achieved.		
Output indicator 2.2. At least two business models selected and financial reviews completed by Q2 Y2.	2.2 Three business models selected in Q1 Y2. Financial reviews completed by Q2 Y2, after which funding was disbursed to partners.		
	Indicator achieved.		
Output 2.3 Funding is disbursed to improve the two selected intermediary business	2.3 Funding disbursed to LRC, FIB and CEM in Q3 Y2.		
models by Q3 Y2.	Indicator achieved.		
Output 2.4 At least one improved intermediary connected to financial providers by EOP.	2.4 FCC and CEM enabled a learning exchange between Brisas del Mar/Vista al Mar and Laru Bella community restaurant, creating new connections between fishers and sales outlets.		

	FIB connected Flying Fish with Bahía Food Corporation, who now purchases their lionfish.
	All three collection centres have been connected with Banadesa and Chorotega, two community loan providers whose interest rates are half those of local banks.
	Indicator achieved.
Output 3. Knowledge developed on innovations in seafood supply chains disseminal learning forward	ited locally and regionally for future replication, and partner capacity built to take
Output indicator 3.1. Global case studies identifying common themes developed and next steps identified by EOP, through learning workshop(s).	3.1 Learning exchange workshop held on the 30th of May 2023, with presentations from Honduras (Project Lead), Kenya (private enterprise Kumbatia and Fauna & Flora staff) and Türkiye (Fauna & Flora staff) fisheries market projects. Fauna & Flora Nicaragua team shared their fisheries market project with Honduras partners in a presentation on June 2023, and provided an update during site visit in January 2024. Kenya, Türkiye and Nicaragua projects all fed into the knowledge product for this project – see final learning document in Annex 17.
Output indicator 3.2. Learning disseminated for future replication, reaching at least 30 marine conservation actors from Central America not involved in this project.	3.2 Learning from this project has been shared during Seascape Committee meetings, exchanges between Fauna & Flora Nicaragua team and Honduras partners, National Small-Scale Fisheries day in Honduras, the FAO Small-Scale Fisheries Summit, reaching over 31 marine conservation practitioners from Central America. Indicator achieved.
Output indicator 3.3 Knowledge product developed incorporating case studies and synthesising lessons learnt, translated and publicly available by EOP.	3.3 Knowledge document completed with input from Honduras, Kenya, Nicaragua and Türkiye, as well as with feedback from other Fauna & Flora programmes that have not yet implemented fisheries interventions (e.g. Cabo Verde). See Annex 17.
	Indicator achieved.

Project Summary	SMART Indicators	Means of Verification	Important Assumptions		
	ne Atlántida Seascape have stable inco		market systems that respect and		
reward responsible fisheries, protecti	ng livelihoods and enabling ecosystem				
Outcome:	0.1 At least two new and/or	0.1 Agreements/contracts between	Fishers have sufficient capacity to		
Innovations in seafood supply	improved intermediaries are	intermediaries and SSFs,	adapt practices when direct		
chains promote more equitable	negotiating contracts to buy	purchasing and sales records of	incentives are provided. Note that		
relationships between buyers and	responsibly caught fisheries	new/improved intermediaries,	this is being address by another		
small-scale fishers (SSFs), removing a barrier to sustainable	products at higher or more stable prices from SSFs by EOP.	OurFish catch monitoring app.	grant.		
marine resource-based economic		0.2 Market reports, established	Project delivery is not significantly		
development, with evidence shared globally	0.2 At least two new and/or improved intermediaries are	channels of communication.	affected by unavoidable impacts of the Covid-19 pandemic and extrem		
3 • • • 9	providing regular relevant market	0.3 Documents in support of legal	climate events, such as hurricanes		
	updates to SSFs by EOP.	incorporation, certificates of	,		
		incorporation if ready, copies of tax			
	0.3 At least one new and/or	invoices if ready.			
	improved intermediaries are				
	undertaking necessary steps to	0.4 Workshop attendance sheets,			
	become legally incorporated to	fisher association and Fisher			
	issue invoices for products bought	Roundtable representation of			
	from SSFs by EOP.	women and Garifuna fishers.			
	0.4 Intermediary business models	0.5 Gender disaggregated data			
	are developed with the inclusion of	collected for each intermediary			
	minority groups (e.g. women and	model trialled, beneficiary survey			
	Garifuna communities) and promote	with questions about comparative			
	equitable relationships across the supply chain.	income levels.			
	0.5 Income of 150 small-scale				
	fisheries households increased, with				
	at least 15% of these being				
	Garifuna, by EOP.				
Outputs:	1.1 Five documented and costed	1.2 Documents submitted by	Quantity of funds disbursed is		
1. Two impact-driven intermediary	intermediary business models are	partners for the grants.	sufficient to test models in the		
business models are collaboratively	collaboratively developed and		market.		
developed and trialled in the market	drafted by Q2 Y1.				

for responsibly caught fisheries products	1.2 All five proposed intermediary business models are assessed for their fit against key criteria (e.g. financial sustainability, ecological sustainability, livelihood recovery potential, enabling responsible fisheries) by Q3 Y1, in order to prioritise those for pilot funding. 1.3 At least two business models selected and supported through grants for business model testing, by end of Y1.	Minutes of meeting with documented decisions, selection matrix for business. Sub-grant agreements signed, grant reports.	Models can be tested extensively enough within the project lifetime to assess their potential efficacy in achieving the desired impact.
2. Two piloted, innovative intermediary business models are evaluated, modified, and positioned for implementation	2.1 Needs, opportunities and constraints of potential beneficiaries of at least two intermediary business models known by Q2 Y2. 2.2 At least two business models selected and financial reviews completed by Q2 Y2. 2.3 Funding is disbursed to improve the two selected intermediary business models by Q3 Y2. 2.4 At least one improved intermediary connected to financial providers by EOP.	2.1 Completed survey data (including feedback gained from customers and sellers) and analysis report. 2.2 Completed, documented business model review recommendations. 2.3 Sub-grant agreements to lead partners supporting both intermediary business models. 2.4 Presentation(s) prepared for financial providers on businesses.	Intermediaries are able to provide market information. There is sufficient time to adjust business models and increase sales using a lean start-up approach.
3. Knowledge developed on innovations in seafood supply chains disseminated locally and regionally for future replication, and	3.1 Global case studies identifying common themes developed and next steps identified by EOP, through learning workshop(s).	3.1 Workshop attendance records, action plan for project next steps.3.2 Presentations, meeting minutes, correspondence.	Partners are able to utilise learning to inform future market interventions that support ecosystem and livelihood recovery.

partner capacity built to take learning forward	3.2 Learning disseminated for future replication, reaching at least 30 marine conservation actors from Central America not involved in this project.	3.3 Knowledge product document in English and Spanish.	
	3.3 Knowledge product developed incorporating case studies and synthesising lessons learnt, translated and publicly available by EOP.		

Activities (each activity is numbered according to the output that it will contribute towards, for example 1.1, 1.2 and 1.3 are contributing to Output 1) 1.1 Run a conservation enterprise workshop with partners in Honduras to facilitate the preliminary design of at least five intermediary business models that would improve SSFs equitable access (with particular consideration for women and Garifuna communities) to better and more stable prices for their catch, on the basis of responsible fisheries that support ecosystem and livelihood recovery in the Atlantida seascape.

- 1.2 Review and evaluate the five intermediary business models for their potential to address i) identified supply chain gaps, ii) equitable access barriers and iii) threats to biodiversity. Select at least two models for pilot funding.
- 1.3 Provide funds in the form of subgrants to Honduran partners to implement testing of the five selected intermediary business models, to cover staff/contractors, equipment purchase, and payment for inputs including fish, fuel and transport.
- 1.4 Provide technical advice on stock management, handling, responsible marketing and book-keeping in support of the development of the designed intermediary business models from concept to test phase. Support the implementation of 'lean start-up' approaches and general problem-solving in development phase.
- 1.5 Support partners to operationalise the selected intermediary business models, including purchase or hire of equipment, management and/or training in handling, storage, marketing and shipping, and other supply chain considerations.
- 2.1 Review and evaluate the business progress of pilots considering equity, sustainable natural resource use/ biodiversity impact, and profitability, efficiencies, and make recommendations for design revisions to the models.
- 2.2 Undertake baseline and midpoint surveys with target beneficiaries of selected models to understand market access, catch information, and income, barriers to participation and relational dynamics (communication, trust, etc.) prior and post testing to measure impact on different groups and types of fishers/fish processors (e.g. based on target species, gear type, gender, ethnic group, etc.) and understand how intermediary model design affects access, equity and incentives for responsible fishing.

- 2.3 According to trial performance and further analysis, provide further funds (as budgeted in this project) to support intermediary models to move towards financial sustainability, such as scale up, cost-reduction or equipment purchase.
- 2.4 Provide technical advice and facilitation to support legal incorporation and access to sources of credit for intermediaries.
- 3.1 Hold an evaluation workshop on the effectiveness of the different approaches in addressing supply chain gaps and realising the biodiversity and poverty-reduction benefits of livelihoods interventions higher up the supply chain. Include presentations and data from other FFI geographies where other approaches have been used to address this 'missing intermediary' supply chain gap including Lamu, Kenya and Southwest Turkey.
- 3.2 Build capacity amongst marine conservation actors in central America to undertake supply chain interventions through participation in training, access to technical support and the evaluation workshop. Support them to undertake market engagement and strengthen their project design to incorporate intermediary-focused supply chain interventions.
- 3.3 Develop a knowledge product based on outputs of activities 3.1 & 3.2 and disseminate within the sector in English and Spanish.

Annex 3 Standard Indicators

Table 1 Project Standard Indicators

DI Indicator number	Name of indicator using original wording	Name of Indicator after adjusting wording to align with DI Standard Indicators	Units	Disaggregation	Year 1 Total	Year 2 Total	Year 3 Total	Total to date	Total planned during the project
DI-A01	Number of partner staff members attending safeguarding and social safeguards training	Number of Honduran NGO staff members taking part in formal training in safeguarding and social safeguards	People	Gender	14	0	11	16	10
DI-A03	Number of Honduran partner staff members with conservation enterprise capacity	Number of national organisations with improved capacity to implement nature positive market initiatives	Organisa tion type	NGO	5	5	6	8	5
DI-A05	Number of Honduran partner staff members becoming trainers in areas of capacity building delivered by Fauna & Flora	Number of trainers trained reporting to have delivered further training in nature positive enterprises	People	Gender	6 women	5 women	3 women	8	0

Table 2 Publications

Title	Type (e.g. journals, manual, CDs)	Detail (authors, year)	Gender of Lead Author	Nationality of Lead Author	Publishers (name, city)	Available from (e.g. weblink or publisher if not available online)
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Checklist for submission

	Check
Different reporting templates have different questions, and it is important you use the correct one. Have you checked you have used the correct template (checking fund, type of report (i.e. Annual or Final), and year) and deleted the blue guidance text before submission?	Х
Is the report less than 10MB? If so, please email to BCF-Reports@niras.com putting the project number in the Subject line.	Х
Is your report more than 10MB? If so, please discuss with BCF-Reports@niras.com about the best way to deliver the report, putting the project number in the Subject line. All supporting material should be submitted in a way that can be accessed and downloaded as one complete package.	N/A
If you are submitting photos for publicity purposes, do these meet the outlined requirements (see section 14)?	Х
Have you included means of verification? You should not submit every project document, but the main outputs and a selection of the others would strengthen the report.	Х
Have you involved your partners in preparation of the report and named the main contributors?	Х
Have you completed the Project Expenditure table fully?	Х
Do not include claim forms or other communications with this report.	1