



Department  
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## Darwin Initiative Innovation Annual 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: 30<sup>th</sup> April 2024**

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### Darwin Initiative Project Information

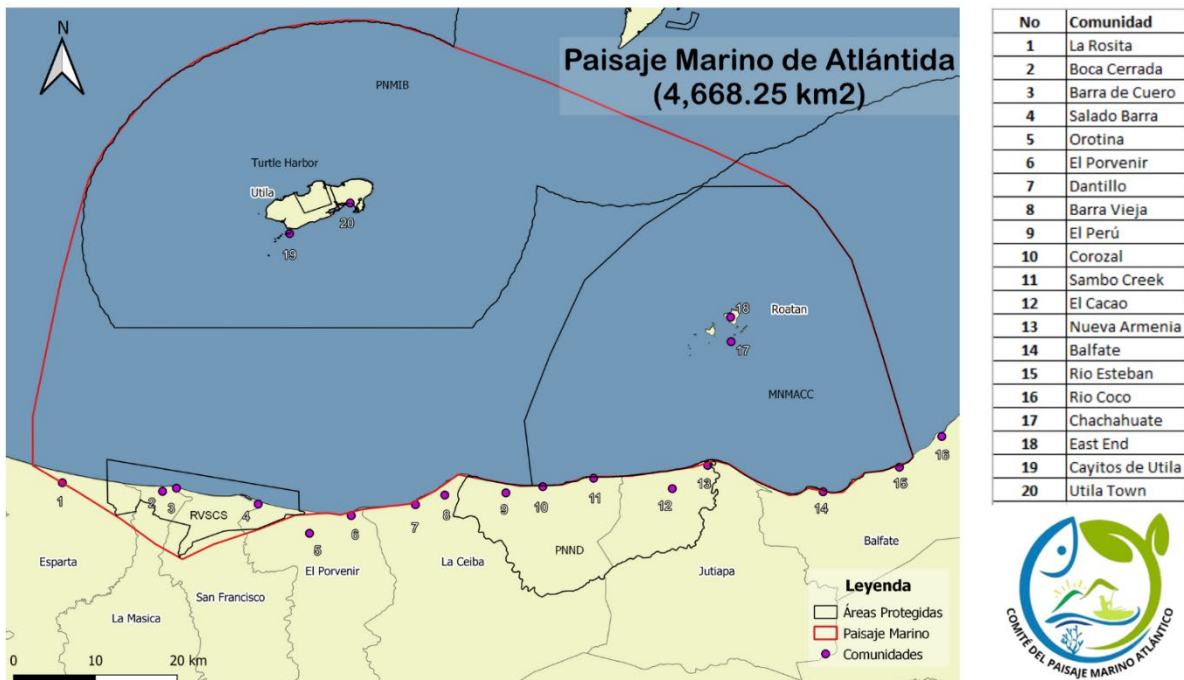
Project reference	DARNV001
Project title	Incentivising responsible fisheries in Central America: testing novel intermediary models
Country/ies	Honduras and Nicaragua
Lead Partner	Fauna & Flora
Project partner(s)	Centro de Estudios Marinos (CEM) La Asociación Pro Comunidades Turísticas de Honduras (LRC) 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 – 31/11/2024
Reporting period (e.g. Apr 2023 – Mar 2024) and number (e.g. Annual Report 1, 2, 3)	01/04/2023 – 31/03/2024 Annual Report 2
Project Leader name	Hazel Akester
Project website/blog/social media	N/A
Report author(s) and date	Hazel Akester, Fauna & Flora Maria Arteaga, Honduras Programme Facilitator Belén Yanes, CEM Rosalía Argueta, FIB Carolina Rodriguez, LRC 06/05/2024

# 1. Project summary

This project is testing innovative business models for supply chain intermediaries using a Honduras small-scale fisheries case study. The aim of these tests is to identify new intermediaries or ways to reinforce existing intermediaries so that they can play a much more active role in reinforcing and rewarding responsible small-scale fisheries (SSF) practices, allowing the market to support ecosystem and livelihood recovery amid climate change and other threats being faced by Central America’s marine biodiversity and vulnerable communities. This is needed due to the significant threat that intensive, poor SSF practices pose to the region’s biodiversity, particularly reef and finfish health, with implications for the wider ecosystem. By promoting a market that rewards responsible practices, the project is supporting the establishment of a more resilient livelihoods framework, supporting coastal communities dependent on SSF for income and subsistence. In turn, this enables the ecological resilience and wellbeing required to sustain these communities in the long term.

The approach is innovative in that it seeks to address the “missing middle” in sustainable fisheries supply chains, uses a lean start-up approach and conducts parallel testing of potential interventions. Whereas many conservation interventions to improve sustainable natural resource use typically focus solely on producers, we seek to support the intermediary suppliers as a necessary role in the responsible fisheries supply chain, where increasing capacity or catch of individual fishers is discouraged. The rapid participatory design of models and testing of three new/reinforced intermediary models in parallel has allowed this project to learn and adapt quickly.

This need was identified through a prior SSF markets-focused project in the Atlántida Seascape (see map below), where a Participatory Market Systems Development (PMSD) approach was implemented and missing/weak intermediaries were highlighted as one of the key barriers to achieving better livelihoods for small-scale fishers.



**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 protected area limits are known as the unprotected “grey area”. Red outline represents the Seascape (Paisaje Marino), which spans an estimated 4,668.25km<sup>2</sup>. 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 stakeholders/partners

Fauna & Flora has worked in the Atlántida Seascope with five Honduran NGO partners since 2016, forming a Seascope Partnership based on partner request, following their identification of the need to encourage a more collaborative and holistic approach to conservation. This Seascope 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 seascope approach, promoting social and ecological connectivity, resilience and wellbeing across the Atlántida Seascope. This partnership supports the seascope's 21 fishing communities and ensures that fisheries 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 Programme Facilitator – María Arteaga**  
All five in-country partners work together closely with María's support, as our Honduras Programme Facilitator and Fauna & Flora's liaison in Honduras. She has facilitated growth, cooperation and successful implementation across the Seascope 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 environmental management, and a track record of cooperation with communities and local government. In Y2, LRC has 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). In Y2, CEM has supported fisher association Brisas del Mar, based in Balfate (14 on map), to set up a new collection centre (as a community enterprise).
- **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. In Y2, 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 three Seascope MPAs, and is responsible for project activities and engagement with coastal communities in this MPA and its area of influence.
- **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.

This Darwin Innovation project was co-developed by Fauna & Flora, our five Honduran partners listed above and our Honduras Programme Facilitator (María), and was informed by key seascope stakeholders, in particular seascope communities and fisheries supply chain actors. Monitoring, evaluation and learning (MEL) and project decision-making is undertaken in a participatory manner, informed by Honduran NGO 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 markets-focused projects, particularly through training delivered on nature-positive enterprises, financial projections and how to present business models to potential investors. Honduran partners have also continued reinforcing their relationships with fishers, building a better mutual understanding of SSF finances.

Wider stakeholders with whom our partners are working closely 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 and women's groups.

- **Fishers' Roundtable:** Facilitated by LRC, with Seascope Partnership support, to bring together fishers from the 21 communities and support them to have a more unified voice across the seascope.
- **Seascope Committee:** Set up by the Seascope Partnership to convene municipal and departmental-level government agencies/policymakers, civil society, academia, community and fisher representatives.

Regarding our work in partnership in the past year, we have identified the following:

### **Achievements**

- Honduras Programme Facilitator, partner technical team and community members involved in each intermediary model have in-depth, comprehensive understandings of how each model works and its needs in order to meet environmental and socioeconomic goals under this project and the wider seascope programme.
- Dantillo community (7): Don German, President of APEARCE throughout Y2, has developed a much clearer understanding of the roles needed within APEARCE's collection centre. This includes an administrator who knows how to keep records of and market high quality, responsibly caught fisheries products, rather than someone who will sell fisheries products from the collection centre to anyone regardless of alignment with collection centre values.
- Balfate community (14): clear respect between women's group and fisher association, who will not start decision-making meetings regarding their collection centre without the other group's representatives being present.
- Signed commitment from APEARCE and Flying Fish to phase out fishing, purchasing and sales of conch, as soon as they were informed that this goes against Honduran fisheries law (see 1.3 for more details).

### **Lessons**

- Cayitos de Utila (19): When presented with the minimal profits that her business was making, Miss Bess and her daughter Chisui were not surprised. While they did not have a clear understanding of their business' incomings and outgoings, they did know that profits were minimal because Miss Bess prioritises fishers receiving a good income and supporting their fishing costs (e.g. by providing them with free ice). It is clear that collection centre cost minimisation is an avenue to explore, to see whether Flying Fish could be making better profits without charging fishers for ice or reducing income. It is also clear that a leadership transition plan will be required, given the importance of Miss Bess' values being upheld in future so that this can continue being both a social and nature-positive enterprise. A similar leadership transition plan is important regarding Don German at APEARCE – both collection centre leaders are elderly.
- Planning the implementation of the project with all three Honduran partners is necessary, regardless of differentiated activities and responsibilities for each chosen intermediary mode, because of the interconnected nature of the seascope. Through approaching the project in this holistic way, the idea of a fisheries sales room to which all three collection centres can sell is currently being pursued.
- See also section 8. Lessons learnt.

## **3. Project progress**

### **3.1 Progress in carrying out project Activities**

**Activity 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 Atlántida seascope.**

Completed and reported in Y1.

**Activity 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.**

Following initial feedback from Fauna & Flora's Conservation Finance Programme Officer, Destructive Fisheries Technical Specialist, Social Safeguards Technical Specialist and Marine Impact & Learning Programme Officer, the seven intermediary business models' Business Model Canvases (BMCs) and financial projections were refined in an iterative process to prepare them for scoring.

Of these seven business models developed, five were taken forward (one led by each partner) to scoring against selection criteria categories that had been participatorily developed by the partners and Fauna & Flora's specialists. These were:

- Ability to be financed by this project (Y/N)
- Rentability (1-5)
- Fisheries pressure (1-5)
- Environmental impact (1-5)
- Social impact (1-5)
- Alignment with project outcome (1-5)
- Equity (1-5)
- Capacity of partner to support (1-5)
- Scalability/replicability (1-5)
- Relationship between partner and community (1-5)

Each of these criteria categories was broken down into 1-4 questions against which partners scored their intermediary models, with a total of 100 points available (see Annex 4). Weighting for different criteria was collectively decided, and the fisheries pressure and environmental impact indicators were established as "red lines" (i.e. those for which a score of less than or equal to 3 precluded the model from funding).

Preliminary scoring was undertaken in advance by each partner individually, and finalised collectively with all partners, the Project Lead and at least one technical specialist during three model selection sessions at the end of May/beginning of June 2023. The following models were prioritised for funding:

- Dantillo collection centre (existing community enterprise, to be reinforced, in the unprotected "grey area" between MPAs; 82 points)
- Flyin' Fish (existing private enterprise, to be reinforced, in Cayitos de Utila of the Bay Islands Marine National Park; 81 points)
- Balfate collection centre (new community enterprise, to be created, in the unprotected "grey area" between MPAs; 72 points)

See full final scores for all models in Annex 5.

**Activity 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.**

Budgets for each intermediary model were developed by the Honduran partners and relevant fisher association and women's group members. Partners already had strong relationships with the fisher associations and women's groups running the intermediary collection centres, and furthermore undertook due diligence on and signed social and environmental commitments with each collection centre (see Annexes 6, 7 and 8 for commitments).

The due diligence process proved important in addressing misunderstandings regarding fisheries legislation. One of the intermediaries' fishers were targeting conch (translated from Spanish to "snail" in annexes) and another was procuring conch from La Moskitia region, both under the belief that this was legal. In fact, conch fisheries can only be undertaken by industrial vessels

with a permit or by Garifuna fishers for subsistence. Commitments were reviewed by Fauna & Flora technical advisors prior to signature.

Funds for financial Y2 were disbursed in November 2023. Funds for financial Y3 will be disbursed in May 2024.

**Activity 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.**

Fauna & Flora delivered in-country training on developing BMCs (a review of August 2022 training, focusing on partner questions; see Annex 9) and how to prepare intermediary business models to be presentable to third parties (e.g. investors, banks; see Annex 10) on the 2<sup>nd</sup> and 3<sup>rd</sup> of May 2023. As part of this training, financial projections of the business models were also reviewed in a group setting, so that the different partners involved could learn from the strengths and weaknesses of each other’s models. A general tendency to be overly optimistic about income was identified, as well as a need to be more specific about individual fish species costs and seasons. This has been tackled through one to one coaching sessions between the Fauna & Flora Conservation Enterprise team and partners.

This feedback and coaching process was time-intensive, particularly as this project has enabled a cascade of ongoing capacity building and technical knowledge development that is crucial to its long-term success. Our Honduran partners continue to build their knowledge in nature-positive enterprises, financial projections, financial management and market interventions through work with Fauna & Flora specialists and in-country networks that have expanded as a result of this and parallel projects (including Fundación Cayos Cochinos-led Darwin Main 30-024, and Trusts & Foundations projects). The partners in turn work iteratively with participating community and private enterprises to pass on these concepts and tools, ensuring that enterprise governance bodies are able to understand. This process of de-centralising technical capacity from international NGO to Honduran partners, and in turn from Honduran partners to local communities, is one that we consider deeply important for lasting positive environmental and social impact.

Our Enterprise & Supply Chain Technical Officer reviewed several financial projection refinements until these were finalised at the end of 2023. She, accompanied by Fauna & Flora marine and fisheries specialist, travelled to Honduras in January 2024 to visit each of the partners and collection centres, provide tailored support, see progress and exchange learning between our Nicaragua and Honduras programmes.

**Activity 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.**

The following investments were made in each intermediary model, based on the needs identified through prior Participatory Market Systems Development (PMSD) work and needs assessed in Y1 of this project.

	Flying Fish Cayitos de Utila collection centre	APEARCE Dantillo collection centre	Brisas del Mar & Visa al Mar Balfate collection centre
Legal consultancy	Consultant (accountant) delivered accountancy training to Flying Fish to improve their income reporting and invoicing; income was being reported, but not enterprise expenses,	Consultant (lawyer) hired to complete the legal paperwork and processes involved in securing a sanitation registration, including payment of taxes, municipal permits,	Consultant (lawyer) managed the initial steps of legal incorporation of the collection centre as a social sector company of the economy, under

	<p>which resulted in Flying Fish's paying more than they should to the Revenue Administration Service (SAR) and municipality.</p>	<p>regional permits, updating board of directors in company registration documents, management of invoicing.</p> <p>Sanitation registration needed to comply with requirements of better buyers.</p>	<p>Honduras' company framework.</p>
Equipment	<p>Purchase of freezers to minimise rapid loss of ice and maintain cold chain (old freezers were working as cooler boxes and no longer maintaining sub-zero temperatures); infrastructural improvements to address health &amp; safety concerns, including changing electrical system; repairing roof, walls and doors;</p>	<p>Purchase of a freezer to keep different species separate in order to comply with Agency for Sanitary Regulation (ARSA) requirements, and chairs for fisher meetings</p>	<p>Purchase of storage and processing equipment, including cold storage, stainless steel counters and manual vacuum packers.</p>
Working capital	<p>Manual labour for building modifications, installation of fire extinguishers, stipend for landings monitoring and records, waterproof paper purchase, transport costs for moving product from La Ceiba to Cayitos de Utila, supplies for fishers (first aid kits, sun hats, fishing line).</p>	<p>Collection centre was fitted in accordance with conditions and suggestions made by the ARSA representative, including: expansion to have a storage and sales area; wooden shutters replaced with glass windows to minimise contamination; cement sinks replaced with stainless steel sinks; PVC false ceilings installed; walls treated and painted.</p> <p>Training on business management, leadership and decision-making was also delivered to women involved in the business model, as this was an area of governance that needed strengthening.</p>	<p>Materials and manual labour for construction, as well as seed capital for purchasing fisheries products and funds to pay for operational costs to launch the enterprise.</p>

**Activity 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.**

Revisions were recommended to all three models based on their scores against the criteria detailed under 1.2. Written commitments were developed between the partners and each intermediary to ensure a clear focus on positive environmental and social impact.

**Activity 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.**

In September 2023, FCC coordinated training in fisheries landing site monitoring methods, aimed at young community scientists, associations and traders, in which 9 community scientists (5 women and 4 men, of which 7 are Garífuna) and 7 technicians (3 FCC, 2 FUCSA, 1 FIB, 1 CEM; 5 women and 2 men) took part. The purpose of this training was to facilitate collection of comparable fisheries landing data across the seascape, thus informing decision-making and monitoring the transition to responsible fishing. In addition, the training promoted accurate record-keeping of biological and socioeconomic data at landing sites for each intermediary, in order to subsequently identify catch per unit effort (CPUE) and monitor fish stocks (through landings as a proxy) and fisheries management measures.

This training has supported each intermediary model in their hiring of a community scientist to keep records at each collection centre of weekly catch, sales and costs (see Annex 14 for record sheet), setting baselines as of 2024. Baseline model surveys were also run by all partners in project Q2 Y2, prior to investment in legal advice, equipment and working capital. A summary of all responses can be found in Annex 12.

**Activity 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.**

See 1.5. Given the additional time taken to ensure financial projections and business models were more complete in the first phase of the project (see Annex 18 for Dantillo's BMC, as an example), funds were allocated in the practical phase after due diligence and written commitments had been undertaken/signed.

**Activity 2.4 Provide technical advice and facilitation to support legal incorporation and access to sources of credit for intermediaries.**

Partners have received training in how they and business governance bodies can present their business models to external investors, as a starting point to prepare them for seeking additional funding. Fauna & Flora is also scoping opportunities for these intermediaries through MAR Fund's MAR+INVEST initiative, which links private investment with coral reef conservation and prioritises the improvement of livelihoods and climate resilience in reef dependent communities.

See 1.5 for legal support received by each collection centre.

**Activity 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.**

Two mid-point virtual learning exchange workshops were held in May and June 2023, respectively. In May the Honduras partners presented their project and received presentations from a member of Fauna & Flora's team and a private enterprise partner in Kenya, and a member of Fauna & Flora's team in Turkey. In June the Honduran partners heard from a member of our Nicaragua team regarding their aquaculture and fisheries markets work.

**Activity 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.**

To date, our five Honduras partners that form part of the Seascope Partnership have received a comprehensive series of formal training sessions (those reported in Y1 and additional training delivered in May 2023 – see Activity 1.4). We have also held two exchanges with our Nicaragua team and Honduran partners; one virtual in June 2023 and one an in-person site visit in January 2024 to enable first-hand learning of the Honduran intermediary models and discussions of similarities, differences and areas for collaboration between our Nicaragua and Honduras programmes. Coaching, both in group settings and one-to-one, has supported the practical use of this training and learning, and partners have integrated the tools they have learnt into other proposals (e.g. CEM in an Oceans 5 project).

Furthermore, project learning, tools and updates are shared by our Seascope Partnership with the Seascope Committee, reaching at least 20 people representing government, civil society, community and academia working on conservation in Honduras.

### **Activity 3.3 Develop a knowledge product based on outputs of activities 3.1 & 3.2 and disseminate within the sector in English and Spanish.**

Outputs from the exchanges held under 3.1 are being integrated into a learning document, which is in development and focuses on: how fisheries market interventions can bring about conservation benefits; a timeline of possible market approaches; and key recommendations based on Fauna & Flora and partners' experience implementing these market approaches. This document will be externally sharable in English and Spanish.

## **3.2 Progress towards project Outputs**

### **Output 1. Two impact-driven intermediary business models are collaboratively developed and trialed 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.

Seven business models developed, with detailed financial projections, and reported in Y1.

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.

Seven intermediary models were assessed by Fauna & Flora experts against the following criteria: 1) financial rentability, 2) likelihood of positive environmental impact, 3) likelihood of positive social impact, 4) alignment to the desired project Outcome and long-term Impact, 5) ability to promote equity, 6) whether the Seascope Partnership had the required capacity to take the enterprise idea forward, 7) scalability and replicability of the enterprise model, and 8) likelihood of positive societal perception. Detailed feedback was provided to Honduran partners to support the continued development of the business models, after which the models were scored during three model selection workshops in May/June 2023 using the same criteria, with all five partners, the Project Lead and at least one additional PSG member present in all sessions (see scores in Annex 5). Three were prioritised for funding – see Activity 1.2.

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 legal consultancy, equipment and working capital of the two top-scoring models were determined, it was decided that the third highest-scoring model (Balfate) could be included within the budget available. The three models prioritised for funding featured one existing community enterprise (APEARCE, in Dantillo) to be reinforced, one existing private social enterprise (Flying Fish, in Cayitos de Utila) to be reinforced, and one new community enterprise (Brisas del Mar and Vista al Mar, in Balfate) to be created.

All three models received funding through our NGO partners LARECOTURH (supporting APEARCE), FIB (supporting Flying Fish) and CEM (supporting Brisas del Mar and Vista al Mar).

**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.

Needs of the intermediary business models were identified and reported in Y1. Progress on these original needs and new needs are detailed in Annex 13.

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

Completed and reported in Y1 – first round of feedback completed by PSG for seven intermediary models in January 2023. First round of financial projection feedback completed by Enterprise & Supply Chain Technical Officer in April 2023 (project Q4 Y1). Iterative feedback and coaching provided to partners working on the three business models taken forward after May 2023 model selection workshops.

Selected models received one-to-one coaching from Enterprise & Supply Chain Technical Officer, and were reviewed in person during January 2024 (project Q3 Y2) site visit.

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) for them to support three intermediary business models (APEARCE, Brisas del Mar/Vista al Mar, and Flying Fish, respectively) by November 2023 (project Q3 Y2).

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

With Fundación Cayos Cochinos' (FCC) support, Brisas del Mar members were connected with Laru Bella community restaurant to undertake a learning exchange in April 2024 regarding handling and marketing of fisheries products.

FIB has helped to connect Flying Fish with a new intermediary called Bahía Food Corporation, a local company that buys lionfish (invasive in the Caribbean). Flying Fish has started buying lionfish from its fishers, to counterbalance the losses from no longer buying lobster during closed season and conch.

Plans to establish a fisheries sales room in La Ceiba are underway, with Fauna & Flora and partners putting funding needs forward into proposals and discussions with private enterprises. This sales room would connect the three intermediary models directly with local and tourist consumers in La Ceiba, reducing the need to rely on supermarkets and other intermediaries.

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

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

Progressing – see Activity 3.1.

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

Progressing – see Activity 3.1.

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

Under development – see Activity 3.1.

### 3.3 Progress towards the project 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 provides the fishers and enterprise with the opportunity to at least maintain prices

All three intermediary models, with partner support, are pursuing 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. They are promoting local interest in high quality, responsibly caught fish through seafood fairs, supported by parallel funding.

This new sales relationship and initiative create a strong basis for improved and/or stable prices on the basis of responsible fisheries.

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, 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.

Furthermore, Brisas del Mar collection centre in Balfate is a new OurFish catch monitoring app user, meaning that they will be maintaining records of their collection centre's catch through the app. These are analysed and summarised by CEM, who shares results with each collection centre taking part in OurFish.

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.

Brisas del Mar in Balfate is in the process of becoming a legally incorporated community enterprise, with guidance from a legal consultant.

APEARCE in Dantillo is a community enterprise. In the past year, it has updated its legal status, has 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.

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 is actively and equitably including women, young people and Garifuna people in their activities, specifically:

Brisas del Mar is comprised of 28 community members (pertaining to 19 households), of whom 9 are women and 6 are young people between the ages of 18 and 25. No Garifuna fishers are involved in this model because Balfate is not a Garifuna or mixed community.

APEARCE is comprised of 44 community members (pertaining to 30 households), of whom 18 are women, 8 are young people and 3 are Garifuna. Dantillo is a mixed community, with some Garifuna families and fishers.

Flying Fish is comprised of 33 community members (pertaining to 40 households), of whom 3 are women and 7 are Garifuna. Cayitos de Utila is a mixed community, with some Garifuna families and fishers.

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

Income increases in SSF households connected to the three collection centres will be assessed prior to EOP. At this stage, the project has documented the following information on the numbers

of households directly benefitting from each collection centre, along with the percentage of these households that are Garifuna.

Brisas del Mar collection centre directly benefits 19 households. None are Garifuna (see 0.4).

APEARCE collection centre directly benefits 30 households, 2 are Garifuna (6.7%).

Flying Fish collection centre directly benefits 40 households, 7 are Garifuna (17.5%).

In total, this represents 89 direct beneficiary households, including 9 Garifuna (10.1%). This is additional to the 32 households who benefitted from higher prices being charged in Chachahuat and East End Garifuna community restaurants (as reported in Y1). This brings the project total to 121 direct beneficiary households, 41 of which are Garifuna (33.9%).

Seascope communities are highly dependent on fisheries. For example, CEM undertook a socioeconomic survey in Balfate municipality (in which Balfate community is situated; see Annex 15), and found that of 275 households surveyed, 129 households are dedicated to SSF (46.8%) and that SSF-related income represents 51% of total household income. Collection centres are often central points of these communities and represent livelihoods opportunities as well as subsistence and food security. The project is currently assessing indirect beneficiaries related to Dantillo, Cayitos de Utila and Balfate collection centres, including community restaurants. While household income is less likely to increase for indirect beneficiaries, non-economic measures of poverty reduction are expected to improve.

### **3.4 Monitoring of assumptions**

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

Fishers have demonstrated that they have the capacity to adapt their gear use to align with responsible fishing guidelines. For example, Brisas del Mar has adopted the responsible fishing guidelines for 12 ecologically and economically important reef fish (developed by CEM and NGO Rare under complementary funding received directly by the CEM-Rare partnership). These guidelines are available to fishers across the seascope.

However, the processes required to meet a recognised standard, even Community Catch, which is being developed specifically with small-scale fishers in mind (although applicable for vessels up to 24m in length), are outside seascope fisher and fisher association capacity. Priorities for addressing this gap are being assessed, following detailed Community Catch surveys in Y1. However, the process has highlighted how out of reach international standards are for small-scale fishers operating in canoes and small motorboats, such as those in the seascope.

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 impact remains as a result of the Covid-19 pandemic, and all government restrictions have been lifted. All community groups involved in the intermediary models being developed have previously received biosecurity training, in response to the pandemic and the threats it posed to individuals and their businesses.

Regarding weather events, Mesoamerican Reef (MAR) Fund parametric insurance is being developed to support fisher income when poor weather severely affects their ability to fish for several days. The Seascope Partnership will work with MAR Fund to involve seascope fishers in this initiative when launched. The seascope has not suffered severe hurricanes since 2020.

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, instead of two. While ongoing funds will be needed, the budget under this project was sufficient for an 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, we have an additional six months to assess potential efficacy of the investment in the collection centres. As such, we and our partners feel that we have sufficient time to assess long-term potential.

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 our Y1 report, on reflection, the intention is to increase revenue rather than sales, since the goal of the project is to increase income based on the same or lower catch, thereby reducing pressure on marine biodiversity.

The investment in all three collection centres provides a strong basis upon which to increase revenue in coming months, particularly for APEARCE with its sanitation registration and application for invoicing, and for Brisas del Mar whose collection centre is new.

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

Partners have a technical team with a representative from each organisation to focus on taking forward fisheries market interventions and support business model development. This technical team continues to grow quickly in their expertise with coaching from Fauna & Flora technical specialists. We are confident all training and coaching will be maximised for future market interventions focused on ecosystem and livelihood wellbeing and recovery.

### **3.5 Impact: achievement of positive impact on biodiversity and poverty reduction**

**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 their associated intermediaries 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 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 and their collection centres to understand the full value of their product (based on responsible fisheries practices, product quality, and other factors) and the ways in which they can evidence this in order to negotiate better, more stable prices with existing and new clients. 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 conch and closed season 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 the majority of the collection centre's income go to fishers. As such, next steps are focusing on how high costs can be reduced (e.g. through assessing cost of purchasing and running an ice machine vs. current approach of purchasing ice from the mainland).

**Rewarding responsible fisheries:** The project is supporting 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 6 and 8 for commitments from Flying Fish and APEARCE to no longer fish and trade conch (will appear in automatically translated text as "snail"). Flying Fish has also

incorporated an invasive species (lionfish) into its business model, to mitigate for losses to fishers from committing to end conch purchase and sales, and has found a buyer for this product. 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 Seascope 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 projects. Most coastal communities in Honduras have multiple income sources (see Annex 15 for socioeconomic data from 2023 for Balfate municipality, highlighting the importance of SSF for the community, as well as the prevalence of multiple income streams per household).

#### **4. Project support to the Conventions, Treaties or Agreements**

In the past year, this project has 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.

**Nationally Determined Contribution:** Objective 1, Objective 11 and Commitment G2: through collaboration with civil society (seascope partners) and supporting vulnerable groups in the Seascope e.g. Afro-Honduran (Garifuna) communities, women and youth.

**National Climate Adaptation Plan:**

Strategic Objective 4, "Supporting food security and promoting ecosystem protection, management and restoration". The project has worked to improve the value, sustainability and security of SSF resources and associated MPAs.

**International:**

**Sustainable Development Goals:**

Goal 5 (Gender Equality): Measures to promote participation, inclusion and benefits for men and women, including dedicated support to women's groups (Brisas del Mar) and women-owned business (Flying Fish).

Goal 8 (Decent Work and Economic Growth): Provide community members with access to more stable fisheries livelihoods through reinforcement and creation of three collection centres.

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

**Kunming – Montreal Global Biodiversity Framework:**

**Target 10.** Incentivising responsible SSF practices.

#### **5. Project support for multidimensional poverty reduction**

See Tables 1 and 2 in Annex 16 for a list of direct beneficiaries who are involved in the three intermediary models, and for the wider community context in which these collection centres are operating. This project has helped all direct beneficiaries to better understand and manage their livelihoods and fisheries, 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 14), fisheries regulations and market dynamics.

Further to the price increases reported in Y1 (in Garifuna communities Chachahuate and East End), the investments in two existing and one new collection centre in Y2 are setting up the foundations for these intermediaries to be able to access 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.

Furthermore, improvements in all three collection centres are addressing prior health & safety concerns for fishers and fish processors.

## 6. Gender Equality and Social Inclusion (GESI)

Please quantify the proportion of women on the Project Board <sup>1</sup> .	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 (Social Safeguards Technical Specialist)
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 <sup>2</sup> .	<p><u>Leadership</u></p> <p>1/5 partners led by a woman 4/5 partners led by a man</p> <p>However, there is a partner technical team leading this project with one representative from each organisation, and of these 5/5 are women.</p> <p><u>Facilitation</u></p> <p>1 woman as Honduras Programme Facilitator</p>

GESI Scale	Description	Put X where you think your project is on the scale
<b>Not yet sensitive</b>	The GESI context may have been considered but the project isn’t quite meeting the requirements of a ‘sensitive’ approach	
<b>Sensitive</b>	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.	
<b>Empowering</b>	The project has all the characteristics of a ‘sensitive’ approach whilst also increasing equal	X

<sup>1</sup> 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.

<sup>2</sup> 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.

	access to assets, resources and capabilities for women and marginalised groups	
<b>Transformative</b>	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.

While Garifuna communities of East End, Chachahuatate and Rio Esteban were ultimately not selected for investment due to BMCs and financial projections not being sufficiently developed for the latter two, and the former's model struggling to mitigate a fisheries pressure red flag indicator (see Annex 6), East End and Chachahuatate both benefitted earlier in the project from training on fair pricing, which led them to increase plate prices in their community restaurants and therefore income. While support to these communities' existing intermediary models did not continue directly under this project, the Seascape Partnership continues to work closely with all three communities 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.

By focusing on intermediaries rather than just directly on fishers, the project captures women whose jobs and roles in society are inextricably tied to fisheries but who are rarely fishers themselves, and ensures that their needs for their livelihoods are being heard and met. Partners meet separately with women's groups, as well as collectively with women's groups and fisher associations, to ensure that women 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.

## 7. Monitoring and evaluation

The Steering Committee, made up of the four Fauna & Flora technical experts and Project Lead, have continued meeting 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 Programme Facilitator, keep track of the project on a monthly basis 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 mid-point beneficiary surveys (see Annex 11 for an example of a full baseline survey from Balfate and Annex 12 for a summary of all three baseline surveys).

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

- Scoring sheets to evaluate progress and undertake final model selection (see Annex 5).  
Models assessed against criteria described in 3.1.



- Undertaking baseline and midpoint surveys with collection centres (see Annex 12 for baseline survey summary).
- Baseline socioeconomic surveys being undertaken to feed into a complementary parallel project are providing wider contextual socioeconomic information at municipality level. See Annex 15 for Balfate municipality results, which are being compared with intermediary-specific socioeconomic data (see annexes 11 and 12).
- 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 13).
- Throughout the project all data collection and analysis are gender-disaggregated wherever relevant to enable assessment of gender-differentiated impacts.

The approaches outlined above are enabling effective tracking of both the qualitative and quantitative indicators of achievement, as outlined in the project logframe. There have been no changes to the M&E plan during this reporting period.

## 8. Lessons learnt

### What worked well?

- 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 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 during Y2, and delved into enough detail to identify illegal fisheries products that two collection centres were unwittingly purchasing/selling (see Activity 1.3). 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. While the lean start-up approach is designed to test in practice, 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 can 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.

### 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. This, combined with low catch volumes (that we are not seeking to increase), makes it difficult to reach higher-paying/premium markets interested in responsible fisheries, and thus to incentivise fishers for upkeeping responsible practices.
- While there are buyers who are willing to pay increased prices for better quality fisheries products, we have not identified seascape clients interested specifically in responsibly fished products. There is often significant overlap in criteria for quality and responsible fishing (e.g. size, method of capture), and efforts to establish responsible fisheries interest 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.

### **How will you incorporate learning into the project and future plans?**

- Continue working with other actors at seascape and national levels to identify clients interested in responsibly sourced fisheries products, the requirements that they have, and how to evidence this (e.g. OurFish).
- Learning from this project has been integrated into new proposals, to maintain momentum and to address needs identified (see Indicator 2.1 and Annex 13).
- Learning from this and all other seascape projects is shared with the Seascape Committee (bringing together government, civil society, community members and academia) and Fisher's Roundtable (representing 23 fisher associations). As such, lessons learnt are woven into joint seascape action planning, working towards long-term impact.
- Work with tour operators, hotels and restaurants on the concept of nature-positive enterprises, particularly to inform their practices during high tourism season.

## **9. Actions taken in response to previous reviews (if applicable)**

Please see below the feedback points from our Y1 report review, and how they have been addressed:

**Feedback 1: The level of evidence provided was generally excellent. However, please avoid offering evidence “on request”. There is no time in the review process to access it. Where evidence is voluminous, include a representative sample and a brief description of the totality.**

All evidence considered pertinent is provided as an annex to this report.

**Feedback 2: The one area where no evidence was provided was M&E. Please include at least some of the M&E documents described in the AR section 7.**

Please see Annex 5 (intermediary model selection matrix), Annex 11 (Brisas del Mar collection centre baseline survey results), Annex 12 (baseline survey summary for all three intermediary models) and Annex 15 (Balfate municipality socioeconomic data, undertaken with parallel funding).

## **10. Risk Management**

New risks noted since our last update six months ago include:

- Absence of clear leaders to uphold collection centre values once current owners step down, in the case of Flying Fish and APEARCE. Our Seascape Partnership continues to provide community leadership training and coaching, and CEM is establishing a youth network across the seascape to support the transition of this kind of role and value. However, specific strategies will also be important with both of these intermediaries to ensure that the current trajectory of the collection centres is maintained.

- Intermediary models unknowingly engaging in illegal fisheries, as was the case with conch fishing, purchasing and selling in two of the collection centres, despite both having long-standing relationships with our partners and being committed to responsible fisheries. This highlights the importance of delving more regularly into species-specific enterprise details, as well as training and legislation.

These risks and mitigating actions are in the updated Risk Register – see Annex 17.

Project design was altered slightly to allow time for the development and signature of environmental and social commitments, which were deemed important prior to investing in each of the collection centres. Change request submitted 09/11/2023 and approved 17/11/2023, and resulted in an extension of the project from an original 31/05/2024 end date to a 30/11/2024 end date.

## 11. Sustainability and legacy

Sustainability is being built into the project through training and coaching partners in nature-positive enterprise development. Partner growth in this area has been evidenced by more than one partner including nature-positive enterprise development into 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.

## 12. Darwin Initiative identity

Darwin Initiative’s logo has been included in training materials shared with partners and the Seascope 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 seascope programme, both during internal Seascope Partnership meetings and through external platforms, such as the Seascope Committee. Fauna & Flora’s communications team actively works to share progress across our wide portfolio of work, and highlights donor support where possible and appropriate.

## 13. Safeguarding

Has your Safeguarding Policy been updated in the past 12 months?	No
Have any concerns been reported in the past 12 months	No
Does your project have a Safeguarding focal point?	<p>Yes</p> <p>Fauna &amp; Flora institutional safeguarding focal point is [REDACTED]</p> <p>Fauna &amp; Flora institutional social safeguards focal point for Americas &amp; Caribbean is Alejandra Pizarro Choy [REDACTED]</p>

	<p>On our Project Steering Group we also have [REDACTED] previous A&amp;C social safeguards focal point, who continues to support our partners in Honduras due to his knowledge of the country and programme.</p>
<p>Has the focal point attended any formal training in the last 12 months?</p>	<p>Yes. Fauna &amp; Flora has an internal Learning Management System, which enables online training in policies and procedures and all Fauna &amp; Flora staff are required to attend compulsory safeguarding training, including: Safeguarding essentials; Fauna &amp; Flora's Safeguarding Children and Vulnerable Adults Policy'. As a new staff member, Alejandra Pizarro Choy has undertaken this training in the past 12 months.</p>
<p>What proportion (and number) of project staff have received formal training on Safeguarding?</p>	<p>Past: 100% [21] Planned: 100% [21] As well as additional Seascope Partnership staff members who will form part of an upcoming (autumn 2024) social safeguards training workshop for the Seascope Committee, under FCC-led Darwin Main project 30-024.</p>
<p>Has there been any lessons learnt or challenges on Safeguarding in the past 12 months? Please ensure no sensitive data is included within responses.</p> <p>The cultural context of Honduras, which, like much of Latin America, grapples with machismo, presents regular challenges to ensuring that women's roles are appropriately valued and represented. Furthermore, traditional rights granted to Garifuna communities place a strain on relationships with communities whose ethnicities and traditional rights are not protected by law. Navigating these tensions in a way that respects traditional rights and acknowledges that these rights can extend to damaging fishing practices also presents a challenge. We continue to work with other organisations and traditional rights experts to identify the best ways to manage this context, in a way that is respectful to all involved.</p>	
<p>Does the project have any developments or activities planned around Safeguarding in the coming 12 months? If so please specify.</p> <p>While this project does not have specific formal upcoming activities or indicators around safeguarding and social safeguards, project 30-024 led by FCC includes Fauna &amp; Flora as a project partner in a capacity building, coaching and guiding role.</p>	
<p>Please describe any community sensitisation that has taken place over the past 12 months; include topics covered and number of participants.</p> <p>N/A</p>	

Have there been any concerns around Health, Safety and Security of your project over the past year? If yes, please outline how this was resolved.

No serious Health, Safety and Security (HSS) concerns have been identified. Where working conditions within collection centres were identified as requiring improvement to meet sanitation and HSS standards, working capital funding was prioritised for this (see Activity 1.5).

#### 14. Project expenditure

**Table 1: Project expenditure during the reporting period (1 April 2023 – 31 March 2024)**

Project spend (indicative) since last Annual Report	2023/24 Grant (£)	2023/24 Total Darwin Initiative Costs (£)	Variance %	Comments (please explain significant variances)
Staff costs (see below)				N/A
Consultancy costs				FIB used fewer fund than expected on legal consultancy in support of Flying Fish, and instead prioritised efforts towards identifying ways to mitigate fisher losses from Flying Fish's commitment to phase out conch fishing, purchasing and sales (see Annex 6).
Overhead Costs				N/A
Travel and subsistence				N/A
Operating Costs				N/A
Capital items (see below)				N/A
Others (see below)				N/A
<b>TOTAL</b>	<b>115,738.00</b>	<b>115,738.00</b>	<b>0.0%</b>	

**Table 2: Project mobilised or matched funding during the reporting period (1 April 2023 – 31 March 2024)**

	Secured to date	Expected by end of project	Sources
Matched funding leveraged by the partners to deliver the project (£)			Trusts & Foundations
Total additional finance mobilised for new activities occurring outside of the project, building on evidence, best practices and the project (£)			Trusts & Foundations

**15. 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 Seascope Partnership. Both Darwin projects were shared with him during this visit, and we understand from our partners and his team that the visit was very successful, with the Ambassador Whittingham gaining an excellent overview of the conservation and poverty alleviation work carried out under our seascope programme.

**16. OPTIONAL: Outstanding achievements or progress of your project so far (300-400 words maximum). This section may be used for publicity purposes**

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 is a significant achievement, both in terms of raising awareness and understanding regarding 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 Seascope Partnership does in terms of simplifying and explaining fisheries and environmental legislation, particularly as much of this legislation is inaccessible to fishing communities.

\*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).

<b>File Type (Image / Video / Graphic)</b>	<b>File Name or File Location</b>	<b>Caption including description, country and credit</b>	<b>Social media accounts and websites to be tagged (leave blank if none)</b>	<b>Consent of subjects received (delete as necessary)</b>
				Yes / No
				Yes / No
				Yes / No
				Yes / No
				Yes / No

## Annex 1: Report of progress and achievements against logframe for Financial Year 2023-2024

Project summary	SMART Indicators	Progress and Achievements April 2023 - March 2024	Actions required/planned for next period
<p><b>Impact</b></p> <p>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</p>		<ul style="list-style-type: none"> <li>• 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.</li> <li>• Women play a central role in all business models selected, supporting their equitable relationships in fisheries supply chains (see 6).</li> <li>• Changes to existing businesses in order to practice responsible fisheries, including no longer purchasing/selling conch and adding lionfish to traded products (see 3.5).</li> <li>• New sales relationships in place or in process (see Indicator 2.4).</li> </ul>	
<p><b>Outcome</b></p> <p>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</p>	<p>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.</p> <p>0.2 At least two new and/or improved intermediaries are providing regular relevant market updates to SSFs by EOP.</p> <p>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.</p>	<p>0.1 New sales relationship in place for Flying Fish, mitigating losses from no longer buying/selling conch. APEARCE in process of securing sanitation registration and invoicing and Brisas del Mar becoming legally incorporated to enable improved/new sales relationships.</p> <p>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.</p> <p>0.3 Two intermediaries were already legally incorporated. APEARCE is</p>	<p>0.1 With finalised financial projections, partners are supporting intermediaries to review their prices for future clients and negotiations. Once legal steps being pursued by APEARCE and Brisas del Mar (sanitation registration, invoicing and legal incorporation) are complete, opportunities with new buyers will be explored.</p> <p>0.2 CEM will continue supporting relevant co-managers to roll out OurFish with intermediaries across the seascape, as a standardised, comparable way for intermediaries to collect and share catch data. Financial options to maintain community scientists recording catch, income and</p>



	<p>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.</p> <p>0.5 Income of 150 small-scale fisheries households increased, with at least 15% of these being Garifuna, by EOP.</p>	<p>seeking sanitation registration and invoicing. Brisas del Mar is in the process of becoming legally incorporated as a community enterprise. See Activity 1.5.</p> <p>0.4 Of the 112 community members taking part in the three models, 30 are women (27%), 10 are Garifuna (9%) and 14 are young people (13%).</p> <p>0.5 No additional price/household income increase beyond those reported in Y1, but collection centre investments setting up strong potential for income increases in coming months.</p>	<p>costs under each collection centre will be discussed.</p> <p>0.3 Working with legal advice to complete necessary sanitation registration and invoicing for APEARCE and community enterprise incorporation for Brisas del Mar. Funds disbursed for additional legal consultant support.</p> <p>0.4 Inclusion of women, Garifuna community members and young people will continue to be supported through targeted strategies for each of these minority/vulnerable groups. See 6.</p> <p>0.5 Support collection centres to capitalise on their improvements/creation through seeking better/new sales relationships and expanding to new areas (e.g. through La Ceiba fisheries sales room). Identify wider indirect beneficiaries.</p>
<p><b>Output 1.</b></p> <p>Two impact-driven intermediary business models are collaboratively developed and trialled in the market for responsibly caught fisheries products</p>	<p>1.1 Five documented and costed intermediary business models are collaboratively developed and drafted by Q2 Y1.</p> <p>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.</p> <p>1.3 At least two business models selected and supported through grants for business model testing, by end of Y1.</p>	<p>1.1 Completed and reported in Y1.</p> <p>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 4 for selection criteria and Annex 5 for scoring.</p> <p>1.3 Three business models selected (one existing community enterprise, one existing private enterprise, one new community enterprise). Funds used to reinforce/create these models as described in Activity 1.5.</p>	

<p>Activity 1.1</p> <p>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 Atlántida seascape.</p>	<p>Completed and reported in Y1.</p>	<p>N/A</p>
<p>Activity 1.2</p> <p>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.</p>	<p>After iterative theoretical testing and feedback from Fauna &amp; Flora experts, three models were selected for practical piloting during model selection workshops in May/June 2023. See Annex 5 for scoring matrix.</p>	<p>N/A</p>
<p>Activity 1.3</p> <p>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.</p>	<p>After reviewing proposed budgets and how they addressed intermediary model needs, funds sent to partners supporting each model (LRC, FIB, CEM) in Q3 Y2. Due diligence undertaken and social/environmental commitments signed with each collection centre (see annexes 6, 7 and 8) prior to using funds for legal consultancy, equipment and working capital.</p>	<p>Y3 funds already allocated, and to be disbursed in May 2024. New needs identified in Annex 13 will be supported, and longer-term funding will be sought.</p>
<p>Activity 1.4</p> <p>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.</p>	<p>Formal training delivered to partners on business model canvas development (refresher) and pitch deck creation for investors (2<sup>nd</sup> – 3<sup>rd</sup> May); see annexes 9 and 10 for training materials.</p> <p>Coaching provided one to one to all partners by Enterprise &amp; Supply Chain</p>	<p>Any additional training needs will be assessed at the start of Y3 (June 2024). Coaching will continue with Fauna &amp; Flora technical specialists and Project Lead.</p>

		Technical Officer, including in person during January 2024 site visit.	
Activity 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.	Budgets for each intermediary model reviewed and discussed with Project Steering Group. Partners supported by Project Lead and Enterprise & Supply Chain Technical Officer throughout model reinforcement/operationalising.	Continued support to intermediary models will be discussed with Project Steering Group to maximise impact during the remainder of the project. Focus will be on collection centre needs in order to practice responsible fisheries and access better, more stable prices for their catch.
<b>Output 2.</b> Two piloted, innovative intermediary business models are evaluated, modified, and positioned for implementation	<p>2.1 Needs, opportunities and constraints of potential beneficiaries of at least two intermediary business models known by Q2 Y2.</p> <p>2.2 At least two business models selected and financial reviews completed by Q2 Y2.</p> <p>2.3 Funding is disbursed to improve the two selected intermediary business models by Q3 Y2.</p> <p>2.4 At least one improved intermediary connected to financial providers by EOP.</p>	<p>2.1 Identified and reported in Y2. Progress on needs and new needs identified can be seen in Annex 13.</p> <p>2.2 Three business models selected in Q1 Y2. Financial reviews completed by Q2 Y2, after which fund was disbursed to partners.</p> <p>2.3 Funding disbursed to LRC, FIB and CEM in Q3 Y2.</p> <p>2.4 While new sales relationships have been identified (see Indicator 2.4), models have not yet been connected to a financial provider. This will be a focus of the coming months, now that the models have had legal support and equipment/working capital investments to reinforce/create them.</p>	
Activity 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.	Completed and reported in Y1.	N/A
Activity 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	Building on partners' baseline information regarding community groups, undertaken and reported in Y1, baseline intermediary model surveys have been undertaken for all three	A second set of surveys will be taken prior to EOP, to compare with baseline surveys and support planning of next steps beyond this project.

<p>understand how intermediary model design affects access, equity and incentives for responsible fishing.</p>	<p>models. See Annex 11 for an example of CEM's survey for Brisas del Mar.</p>	
<p><b>Activity 2.3</b></p> <p>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.</p>	<p>Initial trials were done theoretically, using financial projections and BMC updates. Practical trials were therefore only done in one phase, with funding dispersed between the three intermediary models selected, as agreed with partners based on each collection centre's needs, barriers and opportunities.</p>	<p>One tranche of funds was disbursed during Y2 and a second tranche will be disbursed in May 2024, for three partners and the collection centres they are supporting.</p>
<p><b>Activity 2.4</b></p> <p>Provide technical advice and facilitation to support legal incorporation and access to sources of credit for intermediaries.</p>	<p>Sanitation registration and invoicing application submitted for APEARCE. Brisas del Mar is in the process of becoming incorporated as a community enterprise. See Activity 1.5.</p>	<p>Continued support to APEARCE in obtaining sanitation registration and invoicing, and to Brisas del Mar in becoming legally incorporated, as well as securing handover of land from municipality to collection centre once legal incorporation has been successful. Land has been committed, but cannot be owned by the collection centre until they are legally incorporated.</p>
<p><b>Output 3.</b></p> <p>Knowledge developed on innovations in seafood supply chains disseminated locally and regionally for future replication, and partner capacity built to take learning forward</p>	<p>3.1 Global case studies identifying common themes developed and next steps identified by EOP, through learning workshop(s).</p> <p>3.2 Learning disseminated for future replication, reaching at least 30 marine conservation actors from Central America not involved in this project.</p> <p>3.3 Knowledge product developed incorporating case studies and</p>	<p>3.1 Learning exchange workshop held on the 30<sup>th</sup> of May 2023, with presentations from Honduras (Project Lead), Kenya (private enterprise Kumbatia and Fauna &amp; Flora staff) and Türkiye (Fauna &amp; Flora staff) fisheries market projects. Fauna &amp; 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 are all feeding into the knowledge product for this project (see 3.3).</p> <p>3.2 Learning from this project has been shared during Seascope Committee meetings, reaching over 20 organisations involved in seascope and wider Honduran conservation initiatives.</p>

	synthesising lessons learnt, translated and publicly available by EOP.	3.3 Knowledge product framework developed and surveys completed. Members of the PSG are writing sections based on their expertise, as are other Fauna & Flora staff, based on their experience with fisheries market interventions.
Activity 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.	A mid-point learning exchange was held on the 30 <sup>th</sup> of May 2023 (see above). Too early to report on end-of-project evaluation workshop.
Activity 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.	Capacity of five Honduran NGO partners has been built during this project, through a series of formal workshops and more in-depth coaching for the three partners supporting the selected intermediary models. Seascope Committee has and will continue to benefit from project approaches and learning, as these are regularly shared during quarterly meetings.
Activity 3.3	Develop a knowledge product based on outputs of activities 3.1 & 3.2 and disseminate within the sector in English and Spanish.	In progress. Once complete, knowledge product will be presented to Fauna & Flora staff, partners and Seascope Committee. Other platforms or avenues through which to share learning will be discussed internally and externally.

## Annex 2: Project’s full current logframe as presented in the application form (unless changes have been agreed)

Project Summary	SMART Indicators	Means of Verification	Important Assumptions
<b>Impact:</b> 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			
<p><b>Outcome:</b> 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</p>	<p>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.</p> <p>0.2 At least two new and/or improved intermediaries are providing regular relevant market updates to SSFs by EOP.</p> <p>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.</p> <p>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.</p> <p>0.5 Income of 150 small-scale fisheries households increased, with at least 15% of these being Garifuna, by EOP.</p>	<p>0.1 Agreements/contracts between intermediaries and SSFs, purchasing and sales records of new/improved intermediaries, OurFish catch monitoring app.</p> <p>0.2 Market reports, established channels of communication.</p> <p>0.3 Documents in support of legal incorporation, certificates of incorporation if ready, copies of tax invoices if ready.</p> <p>0.4 Workshop attendance sheets, fisher association and Fisher Roundtable representation of women and Garifuna fishers.</p> <p>0.5 Gender disaggregated data collected for each intermediary model trialled, beneficiary survey with questions about comparative income levels.</p>	<p>Fishers have sufficient capacity to adapt practices when direct incentives are provided. Note that this is being address by another grant.</p> <p>Project delivery is not significantly affected by unavoidable impacts of the Covid-19 pandemic and extreme climate events, such as hurricanes.</p>
<p><b>Outputs:</b> 1. Two impact-driven intermediary business models are collaboratively developed and trialled in the market</p>	<p>1.1 Five documented and costed intermediary business models are collaboratively developed and drafted by Q2 Y1.</p>	<p>1.2 Documents submitted by partners for the grants.</p>	<p>Quantity of funds disbursed is sufficient to test models in the market.</p>

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

<p>partner capacity built to take learning forward</p>	<p>3.2 Learning disseminated for future replication, reaching at least 30 marine conservation actors from Central America not involved in this project.</p> <p>3.3 Knowledge product developed incorporating case studies and synthesising lessons learnt, translated and publicly available by EOP.</p>	<p>3.3 Knowledge product document in English and Spanish.</p>	
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**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		14	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	Organisation type	NGO	5	5		7	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		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 <b>correct template</b> (checking fund, type of report (i.e. Annual or Final), and year) and <b>deleted the blue guidance text</b> before submission?	Yes
<b>Is the report less than 10MB?</b> If so, please email to <a href="mailto:BCF-Reports@niras.com">BCF-Reports@niras.com</a> putting the project number in the Subject line.	Yes
<b>Is your report more than 10MB?</b> If so, please discuss with <a href="mailto:BCF-Reports@niras.com">BCF-Reports@niras.com</a> about the best way to deliver the report, putting the project number in the Subject line.	No
<b>Have you included means of verification?</b> You should not submit every project document, but the main outputs and a selection of the others would strengthen the report.	Yes
If you are submitting photos for publicity purposes, do these meet the outlined requirements (see section 16)?	N/A
Have you involved your partners in preparation of the report and named the main contributors	Yes
Have you completed the Project Expenditure table fully?	Yes
Do not include claim forms or other communications with this report.	