



**BIODIVERSITY
CHALLENGE FUNDS**



Biodiversity Challenge Funds Projects Darwin Initiative, Illegal Wildlife Trade Challenge Fund, and Darwin Plus

Half Year Report

It is expected that this report will be a **maximum of 2-3 pages** in length.

If there is any confidential information within the report that you do not wish to be shared on our website, please ensure you clearly highlight this.

Submission Deadline: 31st October 2025

Please note all projects that were active before 1st October 2025 are required to complete a Half Year Report.

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

Project reference	30-027
Project title	Improving fisher livelihoods and protecting marine biodiversity in Timor-Leste
Country(ies)/territory(ies)	Timor-Leste
Lead Organisation	Blue Ventures Conservation
Partner(s)	<ul style="list-style-type: none"> • Government of Timor-Leste, Ministry of Agriculture and Fisheries • WorldFish • Dreamers Dive Academy (DDA) • Assosiasaun Mariniero Timor Leste (AMTL)
Project Leader	Bernardete Fonseca
Report date and number (e.g. HYR1)	31st October 2025 HYR3
Project website/blog/social media	http://www.blueventures.org

1. Outline progress over the last 6 months (April – September) against the agreed project implementation timetable (if your project started less than 6 months ago, please report on the period since start up to end of September).

Output 1 - Savings and loans groups established and livelihood projects piloted with fishing dependent households, are improving the economic resilience of coastal community households and contributing to support for conservation goals by the end of the project period.

Village Savings and Loans Associations (VSLAs) are active in four communities under the project (Activity 1.2); these are Pala, Iliknamu and Arlo on Atauro island, and Behedan on the mainland. In the last six months, a further two groups were established (one in Behedan and one in Arlo) as a result of additional community members expressing their interest in joining groups. Beforehand, training was delivered to 30 participants (12 men and 18 women) over three days (May-June) on VSLA formation, objectives, policies and regulations, and on building understanding of transaction procedures and using a record-keeping book. The training received positive feedback. This training will take place in the fifth project community (Usu'un) in October. Since the end of Y2, 10 members of existing VSLAs resigned at the end of the last cycle of

savings, leaving the total number of VSLA members at 128 (88 women and 40 men) across eight groups.

Monthly monitoring has been conducted with all groups to track progress, provide support, and collect information on total savings and loans (Activity 1.5): currently, a total of [REDACTED] is in circulation within the groups. Most participants saved money monthly, with average savings exceeding [REDACTED]. All members have accessed loans and the interest earned is redistributed among members. Some members have used the loans to start small businesses (such as buying and selling fish, opening kiosks), pay for school fees and cover emergencies (such as travel to hospital).

Value chain and livelihood improvement work continues to build on progress from Year 2. In August, a value chain assessment was conducted with 139 participants (118 men and 21 women) across the communities of Arlo and Pala on Atauro Island (Activity 1.7) to evaluate species sustainability and resilience, market demand, post-harvest losses, and the potential for increased income from value chain activities. Via data feedback sessions the results are used by the community to identify which species and methods they choose to prioritise for value chain work. In Arlo, the best option is fish drying, for which a higher price is available than for fresh fish as the community is located a long distance from the market. On the mainland (Behedan), participants of the livelihood technical training completed in Year 2 have continued to produce and sell fresh fish meatballs, with a daily income ranging from [REDACTED] [REDACTED], and in Usu'un early consultations indicate the community may be interested in trialling fish drying. However this will need to be formalised through the next focus group discussions and formal assessment.

To support business management and financial literacy, needs assessments were conducted with 150 community members (130 women and 20 men) across four communities to understand whether and what type of businesses are run, and what skills business owners require to support and sustain local businesses. The assessments informed the development of community training modules that cover topics on: developing a business idea; business selection criteria; planning and start-up; risk management; cash flow; setting financial goals; household budgeting; and savings and credit. From 3rd - 4th September, the first training was delivered to 25 participants (20 women and 5 men) in Behedan, and subsequently the training was also carried out with 28 participants (20 women and 8 men) across the other three communities on Atauro island (Activity 1.4).

In addition, building on the success of gender and social inclusion training carried out in Year 2, in August a second round of training was held for 42 participants (17 women and 25 men) from the VSLA and fisheries monitoring group (see Output 3) in Arlo. The training aimed to improve understanding of diversity, equity, and inclusion concepts, domestic violence, gender-based violence (GBV), sexual abuse of minors, and women's roles in decision-making. Participants expressed strong interest, as it was their first exposure to this type of training and there was some hesitation around accepting shared household roles and women's full participation in decision-making. Feedback indicated improved awareness of women's leadership potential, greater respect for gender equality, and a reduction in common misconceptions such as the belief that men should not do household chores.

In VSLA interviews in Arlo and Pala, members have shared that local marine management has brought positive changes to their community, improvement to the environment (including more fish observed locally) and stronger community cooperation. High engagement and support was recorded, as members feel locally managed marine areas (LMMAs) are benefitting them and their children's future (Activity 1.10). Surveys to assess support will be conducted in the other three communities by the project end.

Output 2 - Local marine management plans in place, governed by effective LMMA committees and implementing sustainable marine management measures which reduce threats to biodiversity, by the end of the project period.

In this six month period, two further communities (Pala and Arlo) on Atauro island have established management measures through the traditional practices and local governance system of Tara Bandu, doubling the number of communities under the project implementing marine management through established committees since the end of Year 2 (Outputs 2.1 and 2.2). As a result, a total area of 4.03 km² ocean is now under locally led management across four communities. In addition, preparations continued in the fifth site (Usu'un) to design co-management zones, as further outlined below.

Mainland - Usu'un and Behedan (in the village of Ilimano, Manatuto)

Initial consultation began with Usu'un, the fifth and final community under the project, at the end of Year 2. Following meetings and information sessions with the community and local authorities about developing a LMMA, there was a unanimous vote from 40 fishers and gleaners (13 women and 27 men) representing Usu'un to establish a Tara Bandu and test rotational fishing closures in the area. At the same time, the voters decided ongoing consultation was necessary to include the wider community in the process - this engagement continued over these six months, including via a learning exchange detailed below. Meanwhile, in April to May, participatory mapping of local fishing and gleaning areas was conducted with involvement from six representative fishers, to identify potential areas for management. The results of this mapping were shared during a participatory fish assessment workshop with the community in August, attended by 34 fishers and gleaners (17 women and 17 men). Subsequently, the community designed two closure zones. The first area is to be a temporary closure to all fishing. The second is to be a permanent fishing closure, however it will permit entry for tourism activities with a small fee to be paid to the LMMA committee (this will support income for the management unit as the area is a well-known dive site) (activities 2.2–2.4.3).

In Behedan, an LMMA was established successfully in Year 2. The 1.37 km² area was closed to octopus fishing for six months, to be followed by a one-month reopening period; a cycle that is to continue for two years. During the first closure period the community monitored the area to see whether any octopus were present before the temporary reopening, which subsequently took place on 6th June and brought together representatives of the community, municipality government, police, village heads, fishers and youth in celebration. The opening unfortunately coincided with the rainy season, which resulted in challenging sea conditions making it difficult to fish in deeper waters, but despite this fishers were able to catch a significant amount almost every day during the reopening. A local fisher from Behedan, Juliao da Cunha, shared, "Today, when we opened the LMMA, I went diving and fishing. I felt so happy seeing how many fish were there compared to six months ago. I caught fish with local names like *angelfish*, *rabbitch*, *unicornfish*, and *grouper*. If we want to keep this abundance, we can close it again after a month".

In September, a three-day [peer-to-peer knowledge exchange](#) was held to support the project communities with LMMA management (Activity 2.9). During the project, learning has taken place in observing that when establishing LMMAs through Tara Bandu, communities can experience challenges with members' trust and commitment to the process, and some lack sufficient knowledge and experience regarding the benefits of management. As such, 14 community members (all men) and local authorities from Usu'un and Behedan visited participating communities on Atauro Island (11 LMMA members, nine women fisheries monitors and three local authority members (two men and one woman) from Pala and Iliknamu) to learn from each other, and discuss and share their experiences of the management benefits and impacts.

Following the exchange, local authorities and fishers from Usu'un have progressed towards the final stages in establishing a Tara Bandu in their own area, discussing final management options, drafting the regulation, presenting it to stakeholders for approval, and preparing for the official launch. A challenge in this process has been that fishers from neighbouring sub-villages share the Usu'un fishing grounds and therefore, the consultation process has worked to ensure that all fishers and gleaners from other communities understand the importance and benefits of the Tara Bandu plan in Usu'un before proceeding to the final stages and launch.

Atauro Island - Iliknamu and Pala (in Biqueli), and Arlo (in Beloi)

Following the success of the Iliknamu LMMA in Year 2, its neighbouring community Pala officially launched its LMMA on 3rd June: 1.35 km² of seagrass, mangrove and reef closed to fishing and gleaning of all species for five years. It was launched on World Oceans Day, and as such was a large celebration attended by 212 participants (118 women and 94 men), including the General Director of Fisheries and all national fisheries directors, the President of the Atauro Administrative Authority, Navy & Maritime Police, church pastors, council members, fishers and community members. This led to wide engagement and publicity, including via [social media](#) and a post from the [Atauro Administrative Authority](#). Building on this momentum, in the following month on 25th July another LMMA was officially launched; Arlo's LMMA covers 0.20 km² of seagrass and reef for a five-year ban on all fishing. This LMMA area is smaller than the others because Arlo's narrow beach stretches only about 1 km of coastline and the limited suitable habitats here means the area covers a primary target zone for the protection of key biodiversity. The LMMA launch was attended by 115 participants (52 women and 63 men) and covered on [social media](#). During both launch ceremonies, the LMMA regulations were signed and marker buoys and signboards installed at each site (Activities 2.4.12–2.4.14). The next steps involve formalised training to the Pala and Arlo LMMA committees on governance and surveillance. This training will empower the community to effectively monitor and protect the LMMA (Activities 2.6, 2.11).

To enhance the effectiveness and ensure continuous monitoring of the Iliknamu LMMA, monthly follow-ups and ongoing support was delivered to the committee and local leaders, which included assisting them in managing the LMMA, updating on challenges and progress, and maintaining buoys, ropes, and surveillance equipment (activity 2.7). To support the public's wider knowledge and understanding of LMMAs, 50 booklets were produced, sharing details of their location, the regulations in place and the committees in charge of managing them. These were distributed to local stakeholders on Atauro Island and the national government (activity 2.4.13). In addition, Blue Ventures (BV) plans to raise community and public awareness of key marine ecosystems and fish species by creating learning materials and infographics from ecological and landings data, to be shared by the end of next quarter.

BV continues to collaborate with the Government of Timor-Leste, holding quarterly meetings with the Directorates of Fisheries and Biodiversity to discuss project activities. The government has actively supported the implementation of activities, the launch of LMMAs, and the development of a guidance manual for community-based fisheries management via LMMAs across Timor-Leste. Further discussions on these initiatives are expected to continue until the end of the project (Activities 2.8 and 2.12).

Output 3 - Communities are engaged in collecting ecological and fisheries data, which is being regularly analysed and fed back to communities to inform marine-management decisions, by the end of the project period.

In July, a fifth community-based fisheries monitoring (CFM) group was established with five members (all women) in Usu'un, the final project community (Activity 3.4). As such, CFM groups are established in all communities, meeting the final project targets for Outputs 3.1 and 3.2 (five groups established with 55 members, 98% of whom are women). Following this, a two-day training session was held for the new members covering landing profiling, monitoring using the 'Kobo Toolbox' smartphone application, and data collection methods with a focus on fish and octopus (Activity 3.5). Due to poor sea and weather conditions in August (and a focus on ecological data collection in September - October), the collection of landing profiling and monitoring data will resume in early November and continue until the completion of the project (Activities 3.8–3.9).

Regular support to CFM groups established in Pala, Iliknamu, Arlo and Behedan has continued through monthly meetings to review collected data and provide additional technical guidance (Activity 3.10), including training sessions on fish species identification, data literacy, and communicating data findings (fisheries profiling, catch/landings and value chain results) back to the community (Activities 3.2, 3.11). Several communities reported that having access to and

increased understanding of this data has helped to track changes in local fishing activity. An infographic is currently being developed to facilitate further data presentation and discussion.

A significant milestone in this reporting period is the collection of quantitative ecological data in all five LMMA sites based on the habitats present at each (Output 3.5) to get a higher resolution picture of biodiversity, habitat condition and ecosystem functionality, informing future adaptive management of LMMAs as they age (see section 7). Seagrass and reef surveys were carried out in Pala, Iliknamu and Arlo on Atauro island, and Behedan and Usu'un on the mainland (as all have both seagrass and reef present); mangrove surveys were carried out in Pala and Usu'un. Surveys included associated fish and invertebrates within each ecosystem. The monitoring protocols for each habitat followed BV's internationally recognised methodologies, adapted for the local context. These included: for coral reefs - Point Intercept Transect (PIT), reef fish belt transects, and coral cover and diversity with 'Manta Tow'; for seagrass - quadrat sampling, species identification, cover estimation; and for mangroves - plot sampling, species diversity, canopy cover, tree density.

The surveys required collaboration with the Coral Triangle Centre (CTC), alongside BV staff, the Government Ministry of Agriculture, Livestock, Forestry and Fisheries (MALFF), and local fishers and community members. Community participation was key, with the activity being an opportunity to build community capacity in ecological data collection and interpretation. Participating community members received a one-day training on data collection and survey protocols before the surveys, which was important to familiarise participants with the methodologies, and to build community trust and a sense of ownership. During surveying, community members were put into groups with supporting technical staff members, and conducted fish identification and counts, recorded seagrass and mangrove species, cover and height, and supported the mapping of site transect boundaries using GPS. After the surveys, the participating community members also supported data validation. Across the sites, 29 CFM and LMMA members (14 women and 15 men) were involved in ecological monitoring (activity 3.15). The data collected is now undergoing validation, analysis, and interpretation, with feedback to the community planned for November to update progress and support decision-making around their continued management of LMMAs.

Collaboration with CTC and the Directorate of Fisheries led to an agreement signed in September to conduct surveys across a further 16-point no-take zone within the Atauro Marine Protected Area and additional points in Ilimano on the mainland. This collaboration has further strengthened not only BV's relationship with the project stakeholders, but also the local management units' relationships with them, supporting the understanding of reef health at Atauro and other sites.

2. Give details of any notable problems or unexpected developments/lessons learnt that the project has encountered over the last 6 months. Explain what impact these could have on the project and whether the changes will affect the budget and timetable of project activities.

Challenges with severe weather (rough sea conditions in July and strong winds from mid-August to early September) delayed field surveys. However, previous project learning was applied to the fieldwork schedule during this period, and integrated flexibility in the timeline allowed contingencies for unexpected weather, so scheduling was able to be adapted and updated continuously to adjust to these events. The budget impact has been minimal, and timelines revised to accommodate these delays without affecting final deliverables.

The work with CTC to complete ecological monitoring resulted in positive learning around how stakeholders can work together to support community-based management. During the presentation of preliminary results to the President of Atauro, he noted that it was the first time he had seen two organisations, BV and CTC, successfully collaborate with the government to collect reef data for fisheries management. He encouraged such collaborations, recognising that these partnerships better support communities.

For information, in October, BV had the opportunity to meet with the FCDO's British Embassy in Jakarta to present our ongoing work, including progress under this project. This meeting strengthens our collaboration moving forward and builds on the relationship between BV and the British Consulate in Bali, as well as the British Embassy in Jakarta.	
3. Have any of these issues been discussed with NIRAS and if so, have changes been made to the original agreement?	
Discussed with NIRAS:	No
Formal Change Request submitted:	No
Received confirmation of change acceptance:	N/A
Change Request reference if known: N/A	

4a. Please confirm your actual spend in this financial year to date (i.e. from 1 April 2025 – 30 September 2025) Actual spend: [REDACTED]
4b. Do you currently expect to have any significant (e.g. more than £5,000) underspend in your budget for this financial year (ending 31 March 2026)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Estimated underspend: N/A
4c. If you expect an underspend, then you should consider your project budget needs carefully. Please remember that any funds agreed for this financial year are only available to the project in this financial year. If you anticipate a significant underspend because of justifiable changes within the project, please submit a re-budget Change Request as soon as possible, and not later than 31st December. There is no guarantee that Defra will agree a re-budget so please ensure you have enough time to make appropriate changes to your project if necessary. Please DO NOT send these in the same email as your report. NB: if you expect an underspend, do not claim anything more than you expect to spend this financial year.
5. Are there any other issues you wish to raise relating to the project or to BCFs management, monitoring, or financial procedures? Suspicions or allegations related to fraud and error concerns should be reported to fraudanderror@Defra.gov.uk
No
6. Project risk management 6a. If your project has an Overseas Security and Justice assessment, please provide an update on any related risks, and any special conditions in your award paperwork if relevant for your project.
The project managed risks associated with ecological monitoring activities by identifying potential risks throughout the planning stage, for example around in-water surveys and, in some cases, applying scuba dive methods, and taking actions to mitigate the risks. These included checks of equipment being in suitable working order, procurement of medical insurance specifically covering in-water activities, and allocating roles appropriately amongst participants (i.e. scuba diving methods were only applied in some instances and used by individuals with an up-to-date

international diving qualification). Weather, tides, and currents were all monitored carefully and considered in planning and scheduling of in-water activities.

7. Please use this section to respond to any feedback provided when your project was confirmed, or from your most recent Annual Report. As a reminder, all projects that were scored as 'Not Yet Sensitive' in the Gender Equality and Social Inclusion (GESI) assessment of their latest Annual Report should demonstrate how they are meeting the minimum GESI-Sensitive standard.

Comment: Consider discussing project progress with BCF Admin with regard to completing all project activities at the final site (Usu'un) within the final year

Response: Consultation in Usu'un is ongoing to develop an LMMA, and whilst this has taken time (to ensure neighbouring fishers and communities are also brought into the process), several key activities have been implemented, as outlined in section 1. However, given the remaining timeframe, the project will not include Usu'un in the measurement of compliance (under Output 2.5) as management measures will only be in place at this site in the final months of the project. Similarly, the baseline household socioeconomic survey has been completed, however Usu'un will not be included in the 'endline' measurement for Outputs 0.5 and 1.3, as these refer to households participating in VSLAs for more than one year, and would skew the data. The focus in Usu'un is to complete the most critical activities, such as establishing an LMMA with a functional management structure, conducting safety-at-sea and surveillance training, forming savings and loan groups, and conducting regular catch data collection, to ensure that meaningful results are achieved in the final site.

Comment: Reporting all activities against the logframe in Annex 1 (marked as 'No response needed')

Response: N/A - relevant to the Final Report

In addition to these two comments provided in the independent review of the Year 2 annual report, the evaluator noted a concern that the project will "achieve a baseline but not any subsequent monitoring surveys for ecosystem status by the end of the project". Qualitative ecological information was collected (via participatory mapping) at the development stage of each LMMA, and was used to inform management decisions during consultation and drafting of the management regulations. Quantitative ecological monitoring data has now been collected across all project sites, and provides a higher resolution picture of the status of the LMMA early on in its implementation. These data serve as a snapshot of ecological conditions in the LMMA within its first year of existence, and beyond the project, change over time can be measured by assessing ecological status as management becomes even more established, continuing to inform community decision-making. As these are new sites under the project, it was not anticipated within the original project concept that ecological change would be observed within the project period, however an 'increase in ecosystem health' was anticipated as a long term goal (3-8 years). Collecting a baseline of ecological data achieves the project scope and deliverable (Output 3.5).