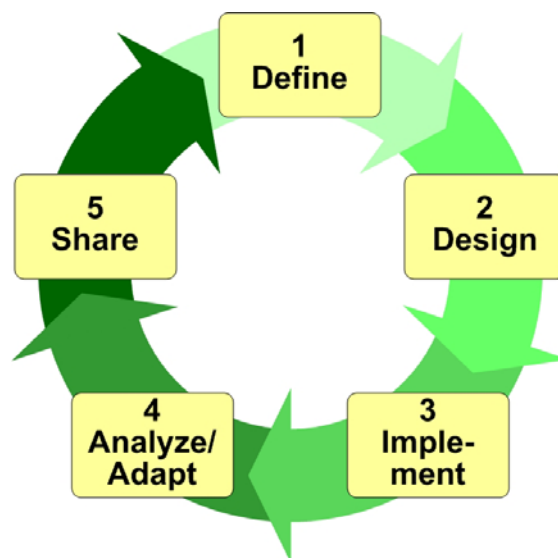## Resources for Implementing the WWF Project & Programme Standards

# Step 1.4

# Define Situation Analysis

**December 2006**

# Step 1.4 Define Situation Analysis

## Contents

# Define: Situation Analysis

## What is a Situation Analysis?

Before you even begin to think about what you should do to protect biodiversity at your site, you need to have a clear understanding of what is happening there. A situation analysis is a process that will help you and your project team create together a common understanding of your project's context – including the biological environment and the social, economic, political, and institutional systems that affect the biodiversity targets you want to conserve.  This practice is one that is sometimes overlooked in conservation projects, yet it is one of the most important steps to consider.  By understanding the biological and human context, you will have a better chance of developing appropriate goals and objectives and designing activities that will help you achieve them. The challenge here is to make your logic explicit without spending too much time trying to develop a perfect model of reality.

A situation analysis involves an analysis of the key factors affecting your targets including direct threats, indirect threats, opportunities, and enabling conditions.  Each factor can typically be linked to one or more stakeholders - those individuals, groups, or institutions that have an interest in or will be affected by your project's activities.

The situation analysis often involves linking local, national, and global levels.  This means understanding the conditions at the local level and then the economic and institutional changes made at national and international levels by government and the private sector that affect those local conditions. At a local scale, it explores such issues as livelihood needs and concerns of local people and institutions. At a national or international level, we analyze the relationship of local issues with such major drivers as national debt, trade policies, government or private investments, and poverty reduction strategies.

Analyzing such relationships and their impacts on biodiversity requires expertise from different disciplines including social sciences, policy, economics and the natural sciences. Key information gaps and associated questions should be identified as part of this process. Understanding these relationships and their impacts at each level leads to the development of *vertically integrated* strategies and activities that link broad policies and local practices and, therefore, have wider – even global – impacts (Box 1).

## Why a Situation Analysis Is Important

Without a clear understanding of what is happening at your site, it is nearly impossible to develop goals, objectives and activities that make sense for your site's conditions. In addition, often project teams *think* they have a shared understanding of their project's context and the main threats and opportunities present. In going through a formal process to document underlying assumptions about the project's context, however, project teams often find they have somewhat different perceptions of the same situation. For example, biologists tend to focus on the site's biological aspects , whereas development organizations tend to focus on the socioeconomic factors. A situation analysis helps all project team members come to a common understanding of your site's context, its critical threats, underlying factors (indirect threats and opportunities), trade offs, and incentives you should consider in your project planning.

## When to Use a Situation Analysis

A situation analysis should be one of the first steps your project team undertakes. It is the main undertaking in Step 1.4 of the WWF Standards, but it is something you will use throughout the life of your project. In particular, your situation analysis is an essential first step in developing and implementing your action, monitoring, and operational plans.

## How to Develop and Use a Situation Analysis

Carrying out a situation analysis means integrating perspectives from social sciences, policy, economics and the natural sciences; it also requires looking at issues at a range of levels, from local through to subnational, national and international.

As part of your analysis of the situation, you should describe the relationships among targets, direct threats, indirect threats, opportunities, and associated stakeholders. The description of interrelated factors can be in text form or in a diagrammatic illustration of these relationships, or both.  Either way, a good situation analysis shows quite clearly the context in which your project will take place and illustrates the cause-and-effect relationships that you and your team assume exist within the project area.  In other words, the analysis helps articulate the core assumptions inherent in your project and communicate the intentions and expected impacts of your actions to other people outside of your project.  The following box provides an example of how one WWF team in China developed and used their situation analysis.  This example demonstrates the kind of detail that emerges from exploring the local, subnational and national issues leading to, in this case, forest degradation.  This

type of situation analysis allowed for the development of activities at these three levels in the type of vertical integration discussed throughout the Standards.

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**Box 3. How a WWF Team in China Used a Situation Analysis to Inform Their Work**

Isolated in the mountainous northwest corner of China's Yunnan province, the WWF project area is an extremely rugged and diverse area that comprises part of the temperate forests ecosystem of Southwest China. Baimaxueshan Nature Reserve, expanded in the year 2000 to cover one-third of the county, protects a biologically rich sample of mountain forests and river systems with thousands of endemic plant and animal species. Socioeconomically, the area is poor and sparsely populated. After a 1998 countrywide logging ban, cash flows withered dramatically, and a three-fold increase in the size of the nature reserve placed many of the county forests off limits to the local population. Based on conventional assumptions about resource use and management, authorities tend to consider local people as one of the greatest threats to the forest and its wildlife. Reserve laws and related regulations were therefore often targeted to limit the access rights of local people. Conflict between villagers and local government agencies increased.

Research with local authorities helped to established contacts with provincial managers of appropriate ministries and government agencies. Interviews carried out with a range of managers provided much needed information about the responsibilities and limits of provincial managers and how they transmit national policy to local levels. Perhaps the most significant outcome was the researchers' understanding of the limits that were placed on district and county officials, as well as on managers of the forest reserve, in terms of being able to experiment with new forest management relations and altering relations with local communities. This information allowed the researchers to chart the path that needed to be followed to propose and implement new forest management regimes at the local level. At the national levels researchers worked with members in the State Forestry Administration, the State Environmental Protection Administration and the Poverty Alleviation Office of the State Council, which provided up-to-date inside thoughts on policy directions. Individuals from these offices made up a National Advisory Committee to the project.

WWF China chose to promote community forest co-management as a key activity. WWF-China worked with forest reserve managers and more than 30 communities to provide community co-management training and establish small businesses inside the Baimaxueshan Forest Reserve. After a lengthy application process, the Baimaxueshan Nature Reserve Bureau established a new department in charge of research and project implementation related to community development. Now, community- based resource management issues are formally considered as one of the main areas of work within the official management system, paving the way for improved sustainable forest management and reduced conflict.

The national advisory group provided the critical link to replicating the positive local experiences and creating a policy dialogue at the highest levels of government. As project results emerged from local and district levels, the Advisory Group's influential members became enthusiastic advocates for policy and institutional reforms in various government agencies. The project also provided forums and facilitated dialogue among the Chinese government, other Chinese organizations, and international experts to raise awareness and exchange experiences, including focusing on the prospects for national legislation that recognizes community rights.

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In this document, we present two distinct but closely related processes – 1) undertaking a situation analysis and 2) organizing and communicating the information about your site (in a conceptual model or textual description). Project teams will often sketch out an initial idea of what is happening at their

site, perhaps using a conceptual model to present this information. They can then use the conceptual model to help them identify information needs and gaps and frame their situation analysis. The situation analysis will be a more in-depth process to collect data on issues such as land use, land tenure, employment rates, national and international policies, and market forces. Data collection will likely involve a variety of both qualitative and quantitative methods and will likely take place on local, national and international levels. Several months may be needed to refine your situation analysis and answer specific questions raised in your draft analysis.

Results from a situation analysis can help teams revise and improve their initial conceptual model. The conceptual model, thus, provides a way to guide the situation analysis, identify gaps, organize data, and consolidate stakeholder knowledge of the site. The situation analysis itself will help you develop a more refined conceptual model. Even as teams move into later planning steps or the implementation phase though, they may find they need to revisit their conceptual model based on new findings. This back-and-forth is characteristic of the adaptive management process.

In your situation analysis, you will need to consider perspectives from the multiple, key stakeholders identified in your stakeholder analysis (click here for basic guidance on Stakeholder Analysis). These could include affected communities, government managers, policy makers, economic decision makers, business leaders and international development agencies. Engaging with these stakeholders will help you clarify how events, policies, and/or institutional structures at various scales affect the factors that you have identified in your draft situation analysis.

A situation analysis involves doing on-the-ground research, colleting primary and/or secondary data, and consulting with stakeholders to develop a well-grounded understanding of your site. Two helpful methods to support and communicate information from a situation analysis are conceptual modelling and brainstorming. Your team should feel free to modify or adapt these methods as you see fit – or to substitute other methods that you find more useful.

### *Recording Method #1: Conceptual Model (Box-and-Arrow Diagram)*

Conceptual modelling is an information recording method that involves using boxes and arrows to represent factors and the links between them (for more complete guidance on this method, see basic guidance on conceptual models).

1) If you are just starting your situation analysis, conduct a quick information search in preparation for a team meeting. Relevant background information may include maps of the area, research reports and government plans relevant to the project, and an examination of relevant national policies and political processes.

2) Assemble your project team. Plan to spend at least a few hours together – ideally an entire day. The project team can be limited to internal staff but ideally will include external experts who can expand the base of information to include areas that are not areas of expertise for staff, but are relevant to the conservation issue.

3) Put the scope of your project area on a card and put it at the far right-hand side or the top centre of your workspace (e.g., large flip chart sheets taped together, a white board or a chalk board).

4) Put each of your biodiversity targets on a card and arrange them near the project scope card (see Box 3). If relevant, you should show relationships between different targets (e.g., upland forest affecting downstream wetlands).

5) Identify one of the most important direct threats to your targets and write it on a card (you may wish to use a different colour than the one used for your biodiversity targets). A direct threat is a human action that immediately degrades one or more biodiversity targets. For example, "logging" or "fishing." Put this card on your workspace and use arrows to connect it to the biodiversity targets that it directly affects. Repeat this process for the other main threats at your site – do not try to include every single threat though; just focus on the main ones.

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**Box 4. Main Components of a Conceptual Model**

Some terminology we use in developing conceptual models:

**Scope:** Definition of the broad parameters or rough boundaries (geographic or thematic) for where or on what a project will focus (e.g., La Amistad International Park and its buffer zone; Asian rhinos and elephants)

**Biodiversity Target:** An element of biodiversity at a project site, which can be a species, habitat/ecological system, or ecological process on which that a project has chosen to focus (e.g., river turtles, high value wetlands, montane forest).

**Direct Threat:** A human action that immediately degrades one or more biodiversity targets. For example, "logging" or "fishing."

**Factor:** A generic term for targets, direct and indirect threats, and opportunities. It is often advantageous to use this generic term since many factors – for example tourism – could be both a threat and an opportunity.

The following generic conceptual model illustrates the relationship of these terms:



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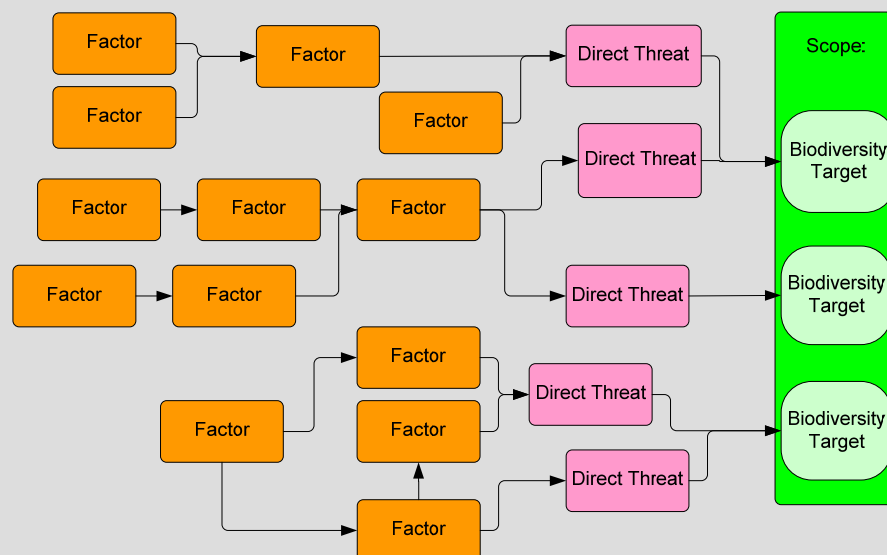
6) Identify the most critical threats via a threat rating method. Rate each threat on criteria such as scope, severity, and irreversibility and then combine the individual ratings to produce an overall

rating of the threat for each target and the project as a whole (click here for basic guidance on threat ranking).

7) For each direct threat, but focusing especially on the highest ranked direct threats, work with your team to brainstorm additional factors (indirect threats and/or opportunities as well as enabling conditions) that lie behind the direct threat. Indirect threats are often related to demographic change; inequality and poverty; public policies, markets, and politics; macroeconomic policies and structures; social change; and development biases. These factors can often be favorable and, therefore, present themselves as opportunities. Opportunities may also include conditions, attitudes, and values that will support conservation action. When you are ready to develop your strategies, you will need to take a closer look at all of these factors to determine where you should intervene. (Note: Sometimes teams will first build their conceptual model and then rate their direct threats. Both approaches are fine – your team should do what works best for your circumstances.)

8) For each factor, you may also want to list the relevant actor/stakeholder who is responsible for the factor and/or the motivation for their action (on the front or back of each card). Put each factor on a card, put each card on your workspace, and then show the relationship to other cards.

9) As you work, you may have to rearrange, add, delete, or combine cards. Try not to get stuck on any one section of the model. Instead, work to create an overarching picture of the situation. If there are uncertainties, you can note them using question marks and try to reconcile them later through further inquiry.

10) You may wish to add additional threats and the factors behind them. You may also show the stresses between a threat and biodiversity target if necessary to show the logic connecting a threat to a biodiversity target. Stresses describe the biophysical impact of the threat on the biodiversity target. Examples of stresses include sedimentation, forest fragmentation, and low breeding success. These are all biophysical impacts resulting from a human activity on a biodiversity target. For example, sedimentation (stress) is caused by clearing for agriculture (direct threat) and negatively impacts rivers and streams (biodiversity target).

11) At the end of the meeting, capture what you have done in a small sketch or using a computer flow-chart program (e.g. MS Visio or the drawing feature of MS Word). You may also want to develop brief text paragraphs describing each part of the model. These will provide detail that will be useful to describing your model to others who did not participate, as well as for formally documenting group discussions and decisions.

12) As discussed above, the process of developing a conceptual model is highly iterative. As part of that iterative process, you should discuss with your group your confidence level in the different portions of the model and which stakeholders or other experts you might need to consult or engage to revise different sections of your model. Make assignments as necessary and reconvene with your team to collectively agree on modifications to your model.

### *Recording Method #2: Brainstorming*

This information recording method involves making lists of factors and using narrative text to describe them and their links to other factors and your biodiversity targets.

1) If you are just starting your situation analysis, conduct a quick information search in preparation for a team meeting. Relevant background information may include maps of the area, research reports and government plans relevant to the project, and an examination of relevant national policies and political processes.

2) Assemble your project team. Plan to spend at least a few hours together – ideally an entire day. The project team can be limited to internal staff but ideally will include external experts who can expand the base of information to include areas that are not areas of expertise for staff, but are relevant to the conservation issue.

3) If you have not already done so, agree upon and write down the scope of your project and your biodiversity targets.

4) Identify one of the most important direct threats to your biodiversity targets. Write down the biodiversity target(s) that this threat affects. A direct threat is a human action that immediately degrades one or more biodiversity targets. For example, "logging" or "fishing."

5) Identify the most critical threats via a threat rating method. Rate each threat on criteria such as scope, severity, and irreversibility and then combine the individual ratings to produce an overall rating of the threat for each target and the project as a whole (click here for basic guidance on threat ranking).

6) Work with your team to brainstorm additional factors (indirect threats and/or opportunities) that lie behind the direct threat. Indirect threats are often related to demographic change; inequality and poverty; public policies, markets, and politics; macroeconomic policies and structures; social change; and development biases. Positive aspects to these conditions can often present themselves as opportunities. (Note: Sometimes teams will first build their conceptual model and then rate their direct threats. Both approaches are fine – your team should do what works best for your circumstances.)

7) For each factor, you may also want to list the relevant actor/stakeholder who is responsible for the factor and/or the motivation for their action.

8) Repeat the process for your other major direct threats. Try not to get stuck too long on any one factor – if there are uncertainties, you can just note them for further inquiry.

9) At the end of the meeting, ensure that one or two persons are assigned to take each direct threat and associated factors and write a text paragraph or two describing the relationship among the factors, threats, and biodiversity targets.

10) As discussed above, the process of developing a conceptual model is highly iterative. As part of that iterative process, you should discuss with your group your confidence level in the different portions of your analysis and which stakeholders or other experts you might need to consult to vet

**Box 4.  Sample Questions to Identify Indirect Threats and Opportunities**
These questions can be used to guide the identification and description of indirect threats and opportunities that are detailed in your conceptual model and situation analysis. The questions can be used during the initial team meeting or during the analysis. Not all questions will be relevant to the situation you are exploring, and there may be other questions not listed here that are relevant to your analysis.

*Demographic Change*
- What patterns of demographic change are occurring?
- Is population growth associated with changing production patterns?
- Is population growth altering resource tenure patterns?
- What social, political, and economic changes are being driven by demographic change?

*Inequality and Poverty*
- What are the features of the local natural environment and the key environmental issues affecting the welfare and livelihoods of local groups and individuals?
- What are the principal dynamics of local poverty-environment relations, and what are the main drivers of those relations?
- Is poverty preventing desired investments in conservation?
- Do tenure arrangements favor large and/or commercial producers?
- Is expansion of commercial production displacing populations?
- Are practices of wealthy landholders contributing to biodiversity loss?

*Public Policies, Markets, and Politics*
- What are the principal institutions and social relations at the subnational, national, and international levels that influence local development dynamics?
- How do national institutional arrangements create conditions and opportunities whereby the local poor can improve their livelihoods and manage their surrounding environment?
- Who has the power to shape policies and markets?
- Who is benefiting from policies and markets?
- Are any costs imposed on the consumption or degradation of natural resources? Who bears these costs?
- Whose access to "cheap" resources is favored?
- What values of biodiversity and natural ecosystems are ignored by markets?
- Does government policy favor increased exploitation and/or commercial production? Where are funds for development concentrated?

*Macroeconomic Policies and Structures*
- What are the main economic and development policies that currently influence the development options and opportunities of local actors, and how are those policies transmitted to the local level?
- Have economic policy changes altered resource use patterns?
- What is the relation of production patterns to national and international demand and investment?
- What are the positions of small- and large-scale producers in markets?
- What forms of natural resource use do policies on trade and investment favor?

*Social Change and Development Biases*
- Does government policy favor frontier expansion and resource transformation?
- Do rural people see alternatives to current land use?
- What is happening to traditional social and cultural mechanisms for regulating resource use? Has social change promoted the breakdown of traditional resource use and consumption patterns?
- What social or cultural pressures are contributing to changing patterns of resource use?
- What social or cultural changes are promoting acceptance of new resource uses?

# Examples

## Recording Method #1: Conceptual Model

Below is an example of a real-world conceptual model, adapted from a model developed by a WWF project team. This project was site-based and had several conservation targets. For an example of a species-based conceptual model, please see basic guidance on conceptual models.

**Figure 1. Conceptual Model for Tropical Forests**
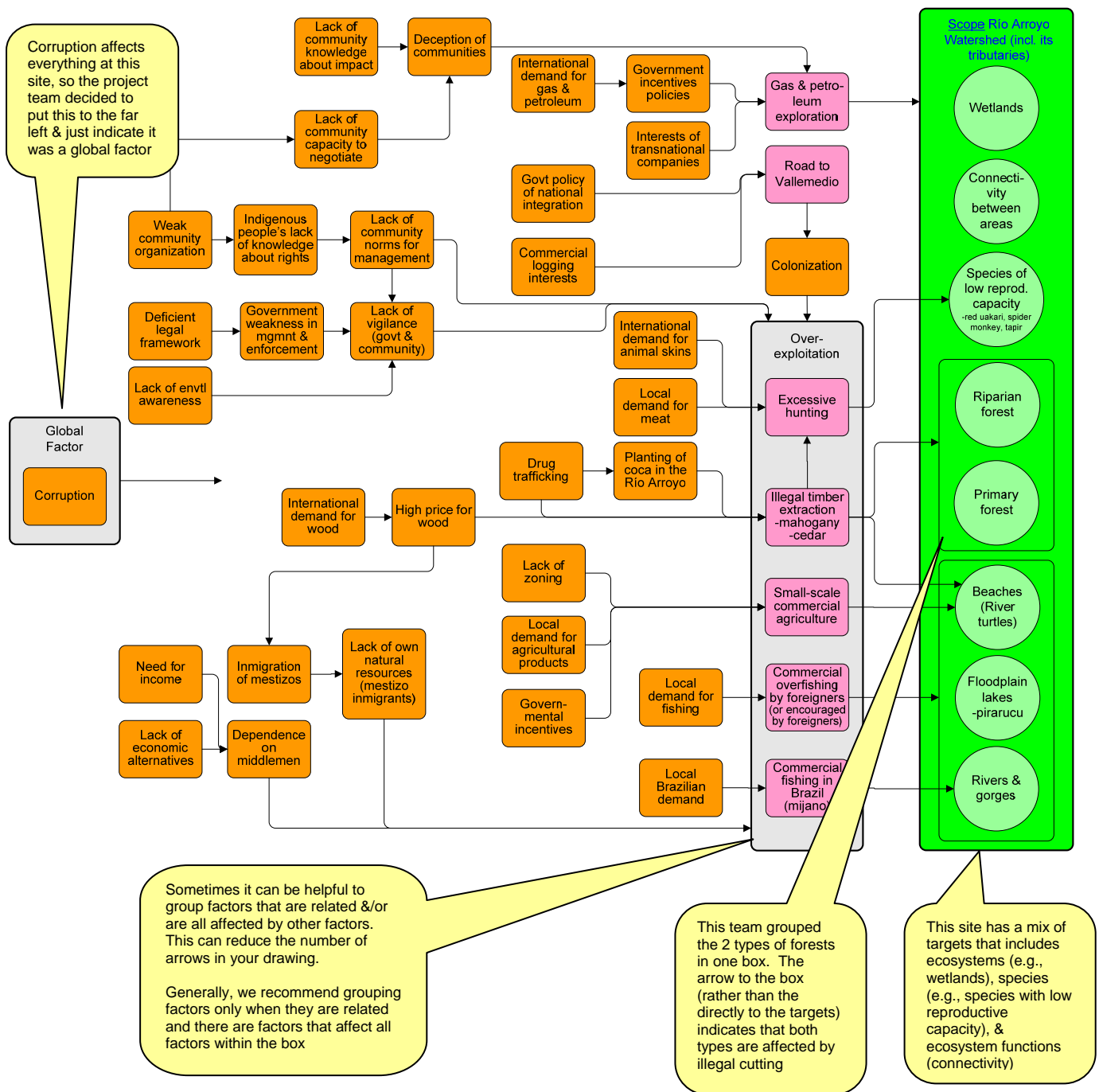
### *Recording Method #2: Brainstorming*

The following example is based on the tropical forest site, portrayed in Figure 1. For simplicity's sake, we present only a portion of what the narrative text might look like. Your team should use a similar process for each direct threat.

**Direct threat:** Illegal timber extraction (mahogany and cedar)
**Biodiversity targets affected:** Riparian forests; Primary forest; and Beaches (rivers and turtles)
**Indirect threats and other factors influencing critical threat:**

- International demand for wood has resulted in high prices for wood, directly leading to more illegal extraction.
- High price of wood has also caused mestizos to migrate to the area. These mestizos do not have their own resources and are exploiting timber (and other resources) without regard to how they should be managed to ensure they are available over the longer term.
- A need for income and a lack of economic alternatives has prompted people to extract timber illegally (either directly or through middlemen).
- Drug trafficking in the area has led to the planting of coca and the cutting of trees.
- Weak community organization and capacity mean that indigenous peoples are not knowledgeable about their rights, and they lack the capacity for developing sound community norms for managing their resources. This has resulted in an inability to control the illegal extraction of timber in their communities.
- A deficient legal framework has resulted in governmental weakness in management and enforcement; this, combined with a lack of environmental awareness on the part of both governments and communities has led to an overall lack of vigilance and an inability to control illegal timber extraction.
- The governmental policy of national integration and commercial logging interests have resulted in discussions to build a road to Vallemedio. If this road is built, this will lead to colonization of the area and an expansion into forested areas through illegal clearing of these areas.

Note: In the brainstorming method, your project team might choose to describe in more detail the relationships bulleted above. How detailed you make this exercise depends on how you want to use the information and to whom you will be presenting it. If the information provides sufficient detail for your project team to identify areas for your strategic activities, you may not need further detail. If you are presenting this to a donor or an external audience, you may choose to write this up as a more detailed narrative.

# References

Some good, more detailed sources on conducting a situation analysis include:

IUCN – CMP. 2006. Unified Classification of Direct Threats. Version 1.0.
   A hierarchical classification system of direct threats, jointly developed by the World Conservation Union (IUCN) and the Conservation Measures Partnership (CMP). This system can help project teams identify, name, and classify direct threats that may be affecting their sites.

Margoluis, Richard, and Nick Salafsky. 1998. Measures of Success: Designing, Managing, and Monitoring Conservation and Development Projects. Chapter 3. Island Press, Washington, D.C.
   This is an extensive project management and monitoring guide aimed at conservation practitioners. Chapter 3 provides detailed guidance on how to develop a conceptual model.

PPM&E Resource Portal.
   This is a Web site with several links to good M&E resources, methods, and tools – some of which would be helpful for a situation analysis.

World Conservation Union M&E Initiative. 1999. Situation Analysis: An IUCN Approach and Method for Strategic Analysis & Planning. World Conservation Union, Gland, Switzerland.
   A description of IUCN's approach to situation analysis. This document discusses some of the criteria and filters that IUCN uses to aid in the selection of programme and project priorities.

Stedman-Edwards, Pamela. 1998. The Root Causes of Biodiversity Loss: An Analytical Approach. WWF, Washington, DC.
   This booklet serves as the theoretical and methodological underpinnings for the User's Guide "Assessing Root Causes." This booklet provides a reference tool for understanding the connections between social and economic structures and biodiversity loss. This work brings together knowledge from a variety of fields.

Robinson, Doreen L. 1999. Assessing Root Causes: A User's Guide. WWF, Washington, DC.
   The guide provides a step-by-step practical methodology for conducting in-depth studies of the root causes of biodiversity loss. The purpose of a Root Causes Analysis for biodiversity loss is to better understand underlying factors that drive such loss in order to more appropriately target conservation actions and resources.

Reed, David. 2006. The 3xM Approach: Bringing Change Across Micro, Meso and Macro Levels. By David Reed. WWF, Washington, DC.
   The 3xM approach links efforts to reduce poverty and improve natural resource management at the local level to changing policies and institutions at higher levels in a society, resulting in long term sustainable solutions.

Robinson, Doreen and Dawn Montayne. Supporting Socioeconomic Aspects of Ecoregion Conservation: An analysis of the issues and players. WWF, Washington, DC.

DGIS-WWF Tropical Forest Portfolio. Situation Analysis: A Short Overview of Key Elements, Outputs and Process.

This short paper focuses on key elements and outputs of and process of doing a situation analysis (SA). The aims are to capture (i) what the SA process is, (ii) what some of the key tools of the SA available to ecoregion teams are, (iii) what the expected outcomes of a SA are, and (iv) how an SAt contributes to ecoregion conservation plans and activities in the 3 key areas of policy, landscape and livelihoods.

Chapman, Jennifer and Antonella Mancini. 2006. Linking Policy and Practice in WWF UK-Lessons, Challenges and Opportunities.