

# Overview of the step-by-step process



The step-by-step process begins by identifying the need and scope for using policy and financing instruments to address a particular conservation or development issue. It ends with the handover of the finalised in-strument for implementation.

## Stage 1: Preparation

Step 1 explains the preparation for the process.



### Step 1. Getting organized.

- 1A. Specifying the vision, broad aims, and the spatial scope.
- 1B. Forming the core assessment team and ensuring relevant expertise.
- 1C. Making a work plan.

## Stage 2: Understanding the situation and identifying opportunities

Steps 2–4 describe a stakeholder-inclusive assessment process to analyse the context and issues in order to understand the situation, and to identify the opportunities for using policy and financing instruments.



### Step 2. Scoping the context and stakeholders.

- 2 A. Stakeholder analysis and developing stakeholder engagement strategy.
- 2 B. Scoping the environmental situation.
- 2 C. Understanding institutions, laws, policies, economic and social conditions.



### Step 3. Identifying ecosystem service opportunities.

- 3 A. Clarifying relevant issues and the role of ecosystem services.
- 3 B. Understanding how human activities and actors relate to ecosystem services.
- 3 C. Ecosystem service opportunities: recognizing gaps, imbalances, and potentials.



### Step 4. Selecting policy and financing instruments.

- 4 A. Understanding the policy-scape related to the opportunities.
- 4 B. Identifying policy and financing instruments that fit the opportunities.
- 4 C. Selecting the most appropriate opportunities and instrument(s).

## Stage 3: Designing and planning the instrument

Steps 5–7 deal with the participative design and planning process of the policy or financing instrument. They clarify what exactly is to be implemented, how, and by whom.



### Step 5. Sketching out the instrument.

- 5 A. Specifying key actors and their roles, motivations, and constraints.
- 5 B. Clarifying necessary and supporting conditions.
- 5 C. Providing supporting analyses.



### Step 6. Designing and agreeing on the instrument.

- 6 A. Elaborating the basic design and architecture of the instrument.
- 6 B. Clarifying institutional and administrative modalities.
- 6 C. Double-checking feasibility, acceptability, and buy-in.



### Step 7. Planning for implementation.

- 7 A. Developing an action plan.
- 7 B. Drafting an agreement and handing over to implementing partners.
- 7 C. Reporting and evaluating the process and the instrument.