

## Fifth Steering Committee 20-21 June 2023

# SOFF within the Multilateral Climate Finance Architecture Role, Actions, Vision

Decision 5.5

Systematic Observations

Financing Facility

Weather and climate data for resilience





## Decision 5.5: Endorsement of "SOFF within the Multilateral Climate Finance Architecture: Role, Actions, Vision" document

The Steering Committee

**Endorses** the "SOFF within the Multilateral Climate Finance Architecture: Role, Actions, Vision" document.

#### **Requests** the SOFF Secretariat to:

- Further advance discussions with the Green Climate Fund, Climate Investment Funds, Adaptation Fund, Global Environment Facility and CREWS and based on the collaboration notes presented in the document, develop with the secretariats of these funds a framework of complementarity and joint actions, including means for harmonization and simplification of support to countries, for consideration and endorsement at the 6<sup>th</sup> SOFF Steering Committee meeting;
- Showcase the evolving collaboration with these funds in the first SOFF Annual Report;
- Prepare a proposal for how SOFF could maximize its impact including as a foundational element and delivery vehicle of the UN Early Warnings for All initiative – within the SOFF five-year funding target of USD 400 million through a phased and prioritized expansion of SOFF investment and compliance support to Middle-Income Countries for consideration and adoption at the 6<sup>th</sup> SOFF Steering Committee meeting;
- To seek inputs from the SOFF Steering Committee Members and the Advisory Board for the development of criteria for a prioritized SOFF expansion to Middle-Income Countries, acknowledging the Advisory Board recommendations from its fourth meeting.
- Advance fundraising efforts with the objective of securing additional pledges to be announced at UNFCCC COP28.
- Encourages the SOFF Steering Committee members and its co-chairs to actively support the SOFF Secretariat on SOFF resource mobilization efforts.
- Encourages current SOFF funders to follow the example of Norway and consider additional pledges.



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#### 1. Introduction

This document addresses the position of SOFF within the multilateral climate finance architecture, including a recap of the SOFF value proposition and the role it plays in that architecture, also related to the UN Early Warnings for All initiative. It describes how SOFF collaborates with the major multilateral climate funds. It further considers the potential expansion of SOFF support to Middle-Income Countries and a longer-term vision related to SOFF's role as the financing instrument of the evolving requirements of the Global Basic Observations Network (GBON).

#### The document

- Responds to the requests of the SOFF Steering Committee to develop collaboration notes between SOFF and the multilateral climate and environment funds represented in the SOFF Advisory Board (Adaptation Fund, Climate Investment Fund, Green Climate Fund, Global Environment Facility), as well as the Climate Risk and Early Warning Systems initiative (CREWS), and to present these notes for Steering Committee endorsement at the 5<sup>th</sup> SOFF Steering Committee (decision 2.4);
- Responds to the request of the SOFF Steering Committee to develop a proposal for mapping SOFF opportunities, synergies and funding complementarities in the SOFF programming countries as integral part of the SOFF collaboration notes with the major climate funds and mechanisms and to present this proposal to the 5<sup>th</sup> Steering committee for consideration (decisions 3.4 and 4.5);
- Includes a proposal on how to respond to requests to expand SOFF investment and compliance support to Middle-Income Countries;
- Provides an update on SOFF resource mobilization (<u>decision 2.3</u>) and outlines a longerterm SOFF vision; and
- Describes SOFF's role within the UN Secretary General's Early Warnings for All Initiative and suggests a potential response to calls for a new global compact to increase financial solidarity with the South to facilitate the access of vulnerable countries to the financing they need to address the consequences of ongoing and future crises.

#### 2. The SOFF value proposition – a recap

SOFF was created by WMO, UNDP and UNEP as a global initiative and UN Multi-Partner Trust Fund (UNMPTF) at UNFCCC COP26 in November 2021 to support the implementation of the commitments made in October 2021 by the 193 members of the World Meteorological Congress to establish the Global Basic Observing Network (GBON).<sup>1</sup>

GBON requires the international exchange of observational data, which underpin all weather and climate services and products. Local weather forecasts depend on access to 24/7 global observations. But currently, there are significant geographical gaps in the availability of these data. In some parts of the world, observations are either not made or not exchanged internationally, and in other parts, they are not made or exchanged frequently enough.

GBON represents a breakthrough global commitment in which the basic surface-based observing network is defined, designed, and monitored at the global level. GBON will improve

 $<sup>^1</sup>$  Chapter 2 of this document draws on the SOFF Terms of Reference published in October 2021 and refers to information contained in chapters 2,3 and 5.



the availability of the most essential surface-based data, which will have a direct positive impact on the quality of global, regional, national, and local weather forecasts and climate predictions, thus helping improve the safety and well-being of citizens worldwide.

Figure 1 shows how observations are the foundational element of the global meteorological value chain. The top half of the value chain (collection and sharing of observations and global numerical weather prediction) reflects the activities that have to be designed and provided globally if they are to support the effective delivery of weather and climate services for appropriate and timely action at a national and local level in the bottom half. Actions on early warning of impending weather and climate-related events are especially important, but others, including those relating to improved productivity in agriculture, energy, transport, tourism, etc., also matter, as do those relating to longer-term climate mitigation and adaptation.

A key feature of the meteorological value chain is that actions in the upper half of the chain provide global public goods. In other words, investments in improving observations in any particular country will have global benefits beyond those for the country itself. It is in the nature of global public goods that they will be underprovided unless special efforts are made through global institutions and financing mechanisms to support their provision. Investing in the achievement of GBON compliance in the countries with the largest gaps globally has been estimated to yield USD five billion in annual benefits, with a benefit-cost ratio of 25:1.<sup>2</sup>

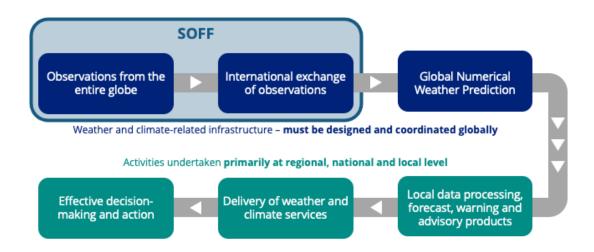


Figure 1. The Meteorological value chain: All links in the chain must operate effectively to yield success. Adapted source: WMO Secretariat, 2021.

While gaps in shared weather observations are most significant in the Small Island Developing States (SIDS) and Least Developed Countries (LDCs), Middle-Income Countries also struggle to generate and internationally exchange GBON data. Many of these countries lack the technical and fiscal capacity to meet their GBON commitments.

SOFF provides long-term grant-only resources and peer to peer technical assistance, recognizing the fact that investments made in a particular country also create benefits in other countries and contribute to a global public good. This responds to the global call on all

<sup>&</sup>lt;sup>2</sup> Kull, Daniel; Riishojgaard, Lars Peter; Eyre, John; Varley, Robert A. (2021). "The Value of Surface -based Meteorological Observation Data". © World Bank, Washington, DC. <a href="http://hdl.handle.net/10986/35178">http://hdl.handle.net/10986/35178</a>



developed countries and climate finance providers to increase the level and predictability of grant finance to support the most vulnerable, in particular for adaptation.

#### 3. SOFF as part of the Multilateral Climate Finance Architecture

The current global climate finance architecture has been challenged for being fragmented, uncoordinated, slow, and delivering too many small one-off projects rather than long-tem programs focused on sustainable impact at scale.<sup>3</sup> SOFF has been designed specifically with these challenges in mind. By bringing together the key development partners – WMO, Implementing Entities (Multilateral Development Banks and UN organizations), <sup>4</sup>Peer Advisors (advanced Meteorological Offices from 27 countries to provide technical assistance), and multilateral climate funds – SOFF delivers a coherent, coordinated package of technical and financial services for the sustained delivery of surface-based observations for effective deployment in the hydromet value chain at a global scale and with urgency.

#### 3.1 A dedicated "vertical" fund

Prior to the establishment of SOFF, significant investments in observation capacity were funded by bilateral and multilateral development and climate finance partners. However, these investments frequently suffered from major shortcomings, including (a) lack of comprehensive needs assessments and of coherent planning and coordination of investments in observation capacity, (b) a multiplicity of providers of observation equipment with limited interoperability and high costs of maintenance and replacement, (c) one-off technical assistance of short-term duration, (d) lack of support for operations and maintenance once investments were completed, resulting in loss of functionality for the physical infrastructure, and (e) a lack of incentives to share observations even where collected.

As a result, in many instances the return on these investments was limited as equipment fell into disuse or observations were not shared. In fact, in recent years the amount of data shared has declined in some parts of the world. For example, in Africa there was a drop of 50% percent in the amount of upper air observations provided to the global weather centers between 2015 and 2020.

SOFF has been designed to address each of the above shortcomings.

By focusing on the top half of the meteorological value chain, and on the first two links – collection and sharing of observations- SOFF frees up other development and climate finance partners' resources to focus on regional, country, and local activities in the bottom half of Figure 1.

<sup>3</sup> Beata Cichocka and Ian Mitchell (2022). "Climate Finance Effectiveness: Six Challenging Trends." Policy Paper. Center for Global Development. <a href="https://cgdev.org/publication/climate-finance-effectiveness-six-challenging-trends">https://cgdev.org/publication/climate-finance-effectiveness-six-challenging-trends</a>; Philippe Le Houérou (2023). "Climate funds: time to clean Up." Working Paper 320. FERDI. <a href="https://ferdi.fr/dl/df-z4LdsA8Y7stAvmESarbZ1jGQ/ferdi-wp320-climate-funds-time-to-clean-up.pdf">https://ferdi.fr/dl/df-z4LdsA8Y7stAvmESarbZ1jGQ/ferdi-wp320-climate-funds-time-to-clean-up.pdf</a>; Johannes F. Linn (2023). "Scaling Up the Impact of Development Programs Must Complement Other Approaches to Achieve the SDGs and Climate Goals." Global Summitry. <a href="https://globalsummitryproject.com/special-issue-2023/scaling-up-the-impact-of-development-programs-must-complement-other-approaches-to-achieve-the-sdgs-and-climate-goals/">https://globalsummitryproject.com/special-issue-2023/scaling-up-the-impact-of-development-programs-must-complement-other-approaches-to-achieve-the-sdgs-and-climate-goals/</a>

<sup>&</sup>lt;sup>4</sup> The SOFF Implementing Entities are: Asian Development Bank (ADB), African Development Bank (AfDB), Inter-American Development Bank (IDB), Islamic Development Bank (IsDB), the World Bank; and UN organizations: UNDP, UNEP, World Food Programme (WFP). The International Fund for Agriculture Development (IFAD) has requested to join as a SOFF Implementing Entity. All SOFF Implementing Entities are members of the Alliance for Hydromet Development.



While SOFF is exclusively focusing its support to beneficiary countries on GBON data generation and international exchange, its operational and governance structure ensures that SOFF resources are effectively combined with resources for the latter part of the value chain provided by other development and climate finance partners. SOFF Implementing Entities – Multilateral Development Banks and UN organizations – are combining SOFF resources with their own finance or resources they draw from the multilateral climate funds so that countries can benefit from a comprehensive, integrated and coherent support package.

## 3.2 SOFF design features that ensure its effective role in the global multilateral climate finance architecture

To ensure an effective role for SOFF within the global climate finance architecture, SOFF design focuses on critical features including complementarity, accountability, competency and sustainability.

- **Complementarity:** As the dedicated global fund to support GBON implementation in SOFF beneficiary countries, the SOFF business model is designed to provide specialized long-term technical and financial support for GBON observations that other funds and mechanisms cannot offer as an integrated package. Therefore, SOFF works with multilateral partners to ensure that their activities complement and do not duplicate SOFF activities. The climate funds, Multilateral Development Banks and bilateral development partners are expected to complement SOFF activities through investments in the latter parts of the meteorological value chain that dovetail with SOFF upstream investments.
- Accountability: SOFF actions are guided by an internationally agreed global design and corresponding metrics the GBON. GBON metrics establish the "right" level of investments, and SOFF delivers these investments through an integrated and comprehensive intervention. The GBON metrics and WMO's data quality monitoring system allow for an objective assessment of SOFF results. Under the proposed collaboration between SOFF and other funds, SOFF is accountable for delivering financing and technical assistance for GBON while other funds are ensuring that countries are supported with the other aspects of the meteorological and climate services value chain.
- Competency: SOFF has been created as the "competency center" for supporting beneficiary countries in achieving GBON compliance. SOFF enhances beneficiary countries' capacity by harnessing the technical and operational experience of advanced National Meteorological and Hydrological Services (NMHS) that serve as SOFF peer advisors and the investment operations experience of the Implementing Entities. Therefore, SOFF creates a closely-knit community of practice of institutions supporting countries in achieving sustained GBON compliance.

The NMHSs provide hands-on peer-to-peer technical and institutional assistance, including South-South peer support. Advanced NMHS are WMO Members who have a long-term history of operating observing systems and corresponding expertise and knowledge of WMO standards and guidelines. This facilitates standardization, coherence, and coordination of SOFF technical advice across countries, regions and globally. Contrary to the provision of fragmented advice through disconnected sources of advice, peer-to-peer institutional support allows continuous feedback and



sustainable capacity development of both the providers of technical assistance and the benefited countries.

SOFF not only harvests the capacity of advanced NMHS as peer advisors, but it also draws on Implementing Entities' expertise in delivering SOFF investments to recipient countries. By working with a limited number of multilateral Implementing Entities that have vast operational capacity and experience with significant country footprints, SOFF enables efficiency gains in the delivery of its investments as well as a uniform approach to GBON investments across countries and regions.

• **Sustainability:** Achieving sustained GBON compliance requires not only capital expenditures and short-term efforts to improve institutional capacity, e.g., resources to purchase or improve fixed assets such as observation equipment and staff training, it also requires the provision of finance for operations and maintenance and long-term technical support. SOFF substantially contributes to covering operations and maintenance costs – in the long term and through results-based finance. This ensures that countries have the means for sustained generation and international exchange of observational data following GBON regulations, with payments made upon achievement of results. Continued peer advisor support in the compliance phase helps assure that the technical capacity of meteorological services in recipient countries is maintained.

#### 3.3 Collaboration with other climate funds

There are important opportunities to optimize synergies between SOFF and five major multilateral climate funds for maximum effectiveness of their respective mandates. These five funds are the Adaptation Fund (AF), the Climate Investment Funds (CIF), the Green Climate Fund (GCF), the Global Environment Facility (GEF), and the Climate Risk and Early Warnings System (CREWS). SOFF will engage with them closely in three important regards:

- **Portfolio coordination**: SOFF and the climate funds will exchange portfolio programming information regularly including for countries and regions. This process has already started and is reflected in the Annex to this document, based on consultations held between the SOFF Secretariat and the funds' secretariats. The portfolio coordination will focus on identifying both legacy projects (i.e., multilateral climate funds' past and ongoing investments) and projects under preparation, which will be priorities for exploring cofinancing and parallel financing opportunities between SOFF (for GBON upstream investments) and the climate funds (for downstream investments). Special attention will be paid to identifying which legacy projects are expected to require SOFF compliance grant support to ensure the sustainability of previous investments.
- GBON requirements for country engagement: As all countries have committed to achieving GBON compliance (World Meteorological Congress 2021, Resolution 2), the multilateral climate funds are encouraged to request countries that seek support from these funds to close the GBON gap through SOFF as a foundation for more effective use of their funds.
- Standardized country assessments: During the SOFF Readiness Phase, in addition to undertaking a GBON national gap analysis and developing the GBON national contribution plan, a Country Hydromet Diagnostics (CHD) is conducted when requested by beneficiary



countries. The CHD is the common assessment tool of the <u>Alliance for Hydromet Development</u> that has as its members major multilateral climate funds and SOFF Implementing Entities. Through a peer review, the CHD provides a maturity assessment of the National Meteorological Services, their operating environment, and their contribution to high-quality weather, climate, hydrological and environmental services. The CHD informs policy and investment decision-making, particularly guiding investments of the Alliance members. It offers an opportunity to identify gaps, priorities, and linkages across the value chain as well as the current and planned activities of development partners, including climate funds.

Governance: Four climate funds (AF, CIF, GCF, GEF) participate in the SOFF Advisory Board;
CREWS is represented on the SOFF Steering Committee. Through these governance
arrangements, the climate funds are contributing to SOFF policy, operations, and
investment decisions. In addition, the SOFF Secretariat is an observer on the CREWS
Steering Committee.

It is proposed that the SOFF Secretariat, in consultation with the Secretariats of the five multilateral climate funds and building on the joint action collaboration notes in the Annex, will develop a further fleshed-out collaboration framework between SOFF and the other funds for information and consideration of the SOFF Steering Committee at its 6<sup>th</sup> meeting. This collaboration framework will further specify complementarity between SOFF and the multilateral climate funds, address the coordination processes regarding programming, resource mobilization (where appropriate) and governance. The SOFF Secretariat will showcase the evolving collaboration with the multilateral climate funds in the first SOFF Annual Report that is expected to be launched at COP28.

#### 4. Potential SOFF expansion and long-term vision

Weather and climate are inherently global, and to understand and predict them anywhere, observations even from the farthest reaches of the globe are needed. There are currently large data gaps in basic weather and climate observations, negatively affecting the quality of weather forecasts and climate prediction everywhere. Closing these data gaps, is essential for the world to be better prepared and to effectively adapt to a changing climate. So far, SOFF has focused principally on closing the observations gaps in Small Island Developing States (SIDS) and Least Developed Countries (LDCs).

However, Middle-Income Countries (MICs) also face difficulties to provide the GBON-required observations. In these countries, often, the lack of observations is tied to the lack of national resources to pay for additional infrastructure and in particular, for the operation and maintenance of existing infrastructure. In addition, a larger surface area implies a larger observing remit. The combination of limited fiscal capacity with large geographic responsibilities makes it particularly challenging to achieve a reasonable density of sustained observations in many of these countries.

So far, MICs are eligible for SOFF readiness phase support only, i.e., are not eligible for investment and compliance support. Recent calls for extending SOFF to MICs add urgency to the need to explore whether, when and how SOFF should expand its coverage to include MICs in its investment and compliance support, and through this further strengthen SOFF role as a vertical fund within the climate finance architecture. This chapter addresses these questions. It also provides an update on current resource mobilization efforts. Finally, it provides initial potential elements of a SOFF long-term vision and the associated resource implications.



## 4.1 Potential SOFF investment and compliance support to Middle-Income Countries

Since its creation, there have been recurring calls for expanding SOFF investment and compliance support to Middle-Income Countries:

- In June 2022, countries from the WMO Regional Association from South America highlighted their concerns regarding their ability to maintain the current infrastructure to comply with the GBON provisions and effectively contribute to the global nature of the initiative. They requested WMO, as a member of the SOFF Steering Committee, to propose and discuss the possibility of considering the provision of support for improving observations in the region, beyond its "readiness" phase.
- At COP27, the UN Secretary-General launched the UN Early Warnings for All (EW4All) initiative to ensure that every person around the world is protected by early warnings within five years. SOFF is the foundational element of this initiative warnings are only as good as the data they are built upon and is a key delivery vehicle of the initiative. The EW4All initiative also covers Middle-Income Countries and, of the initial group of 30 countries included in this initiative, a few have Middle-Income status.
- The COP27 Sharm el-Sheikh Implementation Plan emphasized the need to address existing gaps in the global climate observing system, particularly in developing countries (including MICs), as well as the need for enhanced coordination of activities related to systematic observations to provide actionable climate information for early warning systems. SBSTA 57 conclusions also "(...) encouraged the (SOFF) Facility to continue to prioritize the least developed countries and small island developing States in its provision of support and to evaluate opportunities to support developing countries (...)"
- In February 2023, all African countries, through a decision of the WMO Regional Association, requested SOFF to consider a comprehensive African regional SOFF program to be implemented with urgency and to explore opportunities to provide full support to all developing counties (i.e., including Africa's Middle-Income Countries). That same month, WMO Central American Members requested a SOFF program to enable GBON compliance in the region.

A potential expansion of SOFF investment and compliance support to MICs raises important questions related to its benefits, costs, programming criteria, and SOFF's capacity to deliver. These aspects are briefly explored below. Upon the SOFF Steering Committee's consideration of this document, the next step would be to request the SOFF Secretariat to develop an analysis of these and related issues for a decision on how to proceed at the SOFF Steering Committee at its 6<sup>th</sup> meeting in November 2023.

• **Benefits**: Currently, the GBON gaps in non-SIDS and LDCs Official Development Assistance eligible countries – i.e., MICs currently not covered by SOFF investment and compliance support – represent close to 40% of the total surface-based gap and close to 50% of the upper air GBON gap.<sup>5</sup> Closing part of this gap requires investments in infrastructure, but a relatively large part of the gap relates to existing stations that are

<sup>&</sup>lt;sup>5</sup> Estimations for the GBON standard density requirements for upper-air and surface stations according to the WMO GBON Gap Analysis as of January 2022.



not being operated and maintained due to lack of resources. Supporting MICs represents an enormous opportunity regarding two concrete benefits: quick wins in increased observations critical for the Numerical Weather Prediction models; and faster implementation of additional observing infrastructure critical to improving data coverage in under-observed areas. Many MICs have meteorological offices with relatively strong capacity to achieve fast results for new and improved GBON infrastructure. With some support, these countries could rapidly provide observations and improve forecast skill in those areas where other countries with more challenging situations will require more time to make progress in GBON implementation.

- Programming criteria: SOFF focuses on maximizing the impact of investments on the Numerical Weather Prediction models. A potential expansion of SOFF to MICS would continue following this principle, including through the application of the SOFF programming criteria. If a MICs expansion were to be considered, SOFF would continue focusing on SIDS and LDCs but phasing and prioritizing support to MICs through the definition of additional programming criteria relative to, for example, the impact of additional observations, the geographic size or the country's debt level.
- SOFF organizational capacity: Expanding SOFF to cover MICs would expand the number of countries that would have to be supported by the Peer Advisors, the Implementing Entities, and the SOFF Secretariat. Delivery capacity considerations and consultations with the SOFF operational partners would need to be part of the SOFF MIC expansion analysis.
- SOFF financing requirements: It is expected that the SOFF funding requirements to support MICs could be accommodated within the SOFF fundraising target of USD 400 million for the first five years. This figure was originally estimated based on an ambitious target of achieving a GBON high-density network in SIDS and LDCs for surface stations. In October 2021, the World Meteorological Congress decided that the GBON requirements for high-density spatial distribution are conditional ("should"), while the GBON requirements for a standard spatial distribution of the stations (200 km for surface stations and 500 km for upper-air stations) are mandatory ("shall") for all countries. As WMO and SOFF have advanced the countries' assessments of GBON gaps and status, WMO constituencies and stakeholders have stressed the need for achieving a standard density of stations in as many countries as possible, including MICs, rather than focusing only on achieving a high-density coverage in SIDS and LDCs. This would bring larger benefits to the Numerical Weather Prediction products. SOFF focusing on standard density networks would free up financial resources to cover a phased expansion of investment and compliance phase support to MICs.

#### 4.2 SOFF long-term vision and potential expansion to other observing domains

The longer-term vision of SOFF is for it to serve as the financial instrument for the implementation of GBON as GBON continues to evolve based on WMO Members' decisions. While surface-based weather and climate observations compliant with GBON in SIDS and LDCs are for now the main focus of SOFF, with a possible expansion to cover MICs, there are other areas of potential expansion which SOFF needs to acknowledge as part of a long-term vision.



- GBON marine-based observations: GBON already includes requirements for marine-based observations of the atmosphere within the exclusive economic zones (EEZ) extending from countries' coasts.<sup>6</sup> However, the application of these regulations requires further guidance and technical specifications that need to be developed and decided by the WMO constituency and partners. Once guidance material and technical specifications are developed, the SOFF Secretariat will inform the Steering Committee and work with WMO to prepare a proposal as to how marine-based observations support could also be addressed by SOFF, and what the financial implications would be.
- Potential future GBON expansion into other observing domains: To respond to the increasing weather, climate and weather information service's needs, the WMO Members are expected to continue exploring avenues to integrate further essential observing domains into the GBON requirements driven by the needs of global NWP or of other priority applications. The potential areas of expansion currently being envisioned include hydrological observations, cryosphere observations, and ocean observations beyond EEZs. As discussions evolve and the regulatory and technical material for these domains evolve, SOFF will work with WMO to consider the operational and financial options for a long-term expansion of SOFF's scope to these observations.

The SOFF Secretariat will keep the Steering Committee informed of all developments regarding World Meteorological Congress discussions related to GBON. Any potential GBON expansion is expected to take significant time before a Congress decision to adopt new GBON Technical Regulations placing obligations on all Members.

#### 4.3 Resource implications and resource mobilization update

Any potential expansion of SOFF would need to take place in a phased and prioritized manner taking into consideration available and potential financial resources.

Within the first SOFF implementation period (July 2022 to June 2025) SOFF could, as noted above, potentially expand its investment and compliance support to Middle-Income Countries. Whether this also applies to marine observations cannot be determined at this time in the absence of technical specifications. Any further potential expansion would only be considered for the SOFF second implementation period and based on the results of the independent external evaluation that is expected to be undertaken towards the end of the first three-year period.

At its 2<sup>nd</sup> meeting, the SOFF Steering Committee endorsed the SOFF Resource Mobilization and Outreach Strategy in Decision 2.3. At the same meeting, the Steering Committee also adopted a number of short-term resource and outreach actions in their Decision 2.4. This section provides an update on progress with raising financing for SOFF.

With first pledges announced in March 2022, seven funders had pledged a total of USD 28 million by June 30, 2022. Since then, three more funders have pledged contributions and one funder (Norway) has entered a second pledge for total pledges of more than USD 65 million as

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<sup>&</sup>lt;sup>6</sup> Annex to Resolution 2 (Cg-Ext (2021)) "Amendments to the Technical Regulations related to the establishment of the Global Basic Observing Network": <a href="https://library.wmo.int/doc\_num.php?explnum\_id=11113">https://library.wmo.int/doc\_num.php?explnum\_id=11113</a>



of today (Tables 1 and 2). This represents one-third of the goal of total pledges of USD 200 million for the first three years of SOFF that was established by the SOFF Resource Mobilization and Outreach Strategy. The SOFF Secretariat aims to mobilize an additional USD 60 million in 2023 and USD 75 million in 2024. To achieve this ambitious target the SOFF Secretariat will continue to actively reach out to potential funders. Potential funders have been invited to join the SOFF Steering Committee meetings as observers. The Secretariat will also engage with existing funders to encourage them to make additional pledges, following Norway's leadership. The Secretariat will keep working with the Steering Committee funder members and co-chairs in reaching out to potential funders to mobilize additional contributions as well as exploring potential contributions from multilateral organizations and mechanisms.

It is expected that bilateral and multilateral contributions to the EW4All will result in additional financial resources for SOFF, since weather and climate observations are a critical underpinning for effective action in latter parts of the value chain as warnings are only as good as the data they are built upon.

Table 1: Funder pledges in USD

| Contributors                 | Pledges*   | Year of pledge |
|------------------------------|------------|----------------|
| Austrian Development Agency  | 4,149,590  | 2022           |
| Denmark, Government of       | 3,501,896  | 2022           |
| Finland, Government of       | 3,218,884  | 2022           |
| Iceland, Government of       | 500,000    | 2022           |
| Ireland, Government of       | 4,291,845  | 2022           |
| Netherlands, Government of   | 16,094,420 | 2023           |
| Nordic Development Fund      | 10,042,250 | 2022           |
| Norway, Government of        | 6,992,959  | 2022           |
| Spain, Government of         | 3,218,884  | 2022           |
| United States, Government of | 13,337,000 | 2022           |
| Grand Total                  | 65,347,728 |                |

<sup>\*</sup>Pledges data is prepared by SOFF Secretariat. Pledges not committed by 30 May 2023 have been converted to USD using the UN Operational Rates of Exchange effective since 1 June 2023: https://treasury.un.org/operationalrates/OperationalRates.php

Table 2: Commitments and deposits as of June 2023 in USD

| Contributors                 | Commitments | Deposits    |
|------------------------------|-------------|-------------|
| Austrian Development Agency  | 4,149,590   | 2,037,658   |
| Denmark, Government of       | 3,501,896   | 3,501,896   |
| Finland, Government of       | 2,110,394** | 1,055,197   |
| Iceland, Government of       | 500,000     | 100,000     |
| Ireland, Government of       | 1,259,655   | 1,259,655   |
| Netherlands, Government of   |             |             |
| Nordic Development Fund      | 10,042,250  | 10,042,250  |
| Norway, Government of        | 2,520,288   | 2,520,288   |
| Spain, Government of***      | 3,194,700   | 3,194,700   |
| United States, Government of | 13,337,000  |             |
| Grand Total                  | 40,615,773  | 23,711, 644 |

<sup>\*\*</sup>New addendum with Finland has been signed for additional contribution of 1M EUR

<sup>\*\*\*</sup> Deposited and to be applied to SOFF account



#### Annex I: SOFF collaboration with the Adaptation Fund – Joint Action

#### **Collaboration context**

**Mandates**: The Adaptation Fund serves as a financing instrument of the UNFCCC. The Adaptation Fund invests in a broad range of adaptation projects and programmes. Its work is guided by its Medium-Term Strategy 2023-2027 and its Implementation Plan in support of this Strategy. Closing the GBON through SOFF plays a foundational role for science-based adaptation decisions.

**Governance structure**: The Adaptation Fund is set-up as a <u>World Bank Financial Intermediary Fund</u>. It is supervised and managed by the <u>Adaptation Fund Board</u> comprised of 16 members and 16 alternates. SIDS and LDCs are represented in the Adaptation Fund Board and the SOFF Steering Committee. The United States is represented in both governing bodies, at the Adaptation Fund as alternate Board member. The Adaptation Fund Secretariat is based in Washington, DC, and the Trustee is the World Bank's IBRD. The Adaptation Fund is member of the SOFF Advisory Board.

**Beneficiary countries**: There is a significant overlap of beneficiary countries, albeit the Adaptation Fund beneficiary countries do not fully align with SOFF eligible countries that follows OECD ODA recipient list for middle-income countries, and the UN designation for LDC and SIDS. The AF eligible countries includes "developing country Parties to the Paris Agreement that are particularly vulnerable to the adverse effects of climate change" as per decision 3/CMP.16.

**Funding contributions**: The Adaptation Fund receives contributions from governments, the private sector, and individuals, totalling \$ 1.46 billion, including last year's pledges at COP27, when the AF received nearly \$243 million. Five of the current SOFF funders are also contributing to the Adaptation Fund (Austria, Finland, Ireland, Norway and Spain).

**Implementing entities**: The Adaptation fund has a wide range and number of 55 national, regional, and multilateral <u>implementing entities</u>. All SOFF Implementing Entities are Implementing Entities of the Adaptation Fund, with the exception of the IsDB.

**Instruments**: The Adaptation Fund has an array of financing instruments.

- The AF deploys project preparation grants as well as investment grants up to \$10 million.
- Additionally, AF has innovation funding from small grants to large innovation projects, and additionally the Climate Innovation Accelerator, to be implemented by UNDP and UNEP
- The Adaptation Fund provides grants up to \$5 million through its Enhanced Direct Access Projects.

<sup>&</sup>lt;sup>7</sup> The AFB includes (a) Two representatives from each of the five United Nations regional groups; (b) One representative of the small island developing States; (c) One representative of the least developed country Parties; (d) Two other representatives from the Parties included in Annex I to the Convention (Annex I Parties); (e) Two other representatives from the Parties not included in Annex I to the Convention (non-Annex I Parties). An alternate is elected for each representative.

<sup>&</sup>lt;sup>8</sup> The World Bank performs two core functions: it sells the Certified Emission Reduction certificates that help support the fund and manages the Adaptation Fund trust fund.



- The AF provides grants up to \$14M for regional projects of more than two countries
- The AF supports countries with capacity building under its readiness program through the a) Readiness Package grant of US\$ 150,000 per National Implementing Entity (NIE) to support NIE accreditation to the AF, b) Project Formulation Grants up to US\$ 50,000 per NIE, c) Project Scale up grants up to US\$ 100,000 per project/program and d)
   Technical Assistance grants
- Under its new medium-term strategy (2023-2027), new funding windows are currently being developed including in the areas of locally led adaptation (LLA) and further expand the innovation windows.

**Alliance for Hydromet Development:** The AF was a founding member of the Alliance, that collectively committed to scale up and unite efforts to close the hydromet capacity gap by 2030. The Alliance established the creation of SOFF as a priority commitment.

#### Joint actions for complementarity and sustainability

Capacitating national organizations and Adaptation Fund direct access entities to benefit from improved data and forecast products: In line with the Implementation Plan for Medium-term Strategy of the Adaptation Fund for the period 2023 to 2027, the Adaptation Fund is considering providing readiness resources to strengthen the capacity of national and regional institutions. The Adaptation Fund national entities of countries with SOFF investments will have access to improved forecast products.

The Secretariats of the Adaptation Fund and the SOFF will work together to flesh out how through AF support, national institutions could be capacitated to take advantage of increased weather and climate forecast products, including from the European Centre for Medium-Range Weather Forecasts (ECMWF).

The Council of ECMWF decided in June 2022 to provide real-time, free of cost, forecast products developed by ECMWF to SOFF beneficiary countries, whose full value can only be realized by those with capacity to use the products. An important aspect of this proposal is to create stronger linkages among the relevant national institutions, taking into consideration that in several countries collaboration across ministries and national institutions faces challenges, including for national meteorological services to be included in providing evidence for decision making.

**Ensuring complementarity of investments:** SOFF and AF will explore opportunities to showcase complementarity under the new Medium-Term Strategy 2023-2027 and its Implementation Plan. AF will suggest possible country or regional programs where SOFF investments in sustained observations could underpin AF investments in the latter part of the hydromet value chain.

**Both AF and SOFF secretariats will explore avenue for joint outreach to countries** to enhance complementarity including through joint side events on the margin of global climate conferences (UNFCCC COP, regional climate weeks, AF readiness events, etc.) and present existing areas of collaboration (projects implementation and success stories).

As part of the design of new windows and initiatives under its Medium-Term Strategy 2023-2027, the AF will seek input from SOFF and its partners on possible areas of



complementarity including among others programming, knowledge management and project monitoring missions.

The AF and SOFF Secretariat will work together to assist countries to draw on SOFF resources to close the GBON gap including through AF supported projects that use the SOFF Country Hydromet Diagnostics during design.



## Annex II: SOFF collaboration with the Climate Investment Funds – Joint Action

#### **Collaboration context**

**Mandates:** The Climate Investment Funds (<u>CIF</u>) consists of the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF) that includes several programs.

**Governance structure:** Both the <u>CTF</u> and <u>SCF</u> are World Bank Financial Intermediary Funds, and both are governed by a Trust Fund Committee, consisting of eight recipient and eight contributor countries each. The SCF further designates three Technical Committees to govern its targeted programs: the Forest Investment Program (FIP), Pilot Program for Climate Resilience (PPCR), Scaling Up Renewable Energy Program in Low Income Countries (SREP). PPCR has been significantly investing in hydromet development in various countries.

In addition, there is a sub-Committee, called the Global Climate Action Programs (GCAP) Sub-Committee, which is designated to govern its new Programs, Nature, People and Climate (NPC) and Renewable Energy Integration (REI). Observers include UN agencies and funds, CSOs, private sector, and indigenous people. The CIF Secretariat is housed at the World Bank, and the World Bank's IBRD is the Trustee. The CIF is a member of the SOFF Advisory Board.

**Beneficiary countries**: There are <u>72 beneficiary countries</u> including both low and middle-income countries. All beneficiary countries must be ODA-eligible (according to OECD/DAC guidelines) with active MDB country programs. There is a significant overlap with SOFF beneficiary countries, particularly in Africa and the Caribbean region.

**Funding contributions**: Fifteen donor country governments finance CIF: Australia, Canada, Denmark, France, Germany, Italy, Japan, Korea, Netherlands, Norway, Spain, Sweden, Switzerland, UK and U.S. The Clean Technology Fund has a total contribution of almost eight billion and the Strategic Climate Fund a total contribution of more than USD 3.5 billion. Denmark, Netherlands, Norway, Spain, and the U.S. are also funders of SOFF.

**Implementing entities**: The CIF work exclusively with six MDBs as implementing entities. Four of them are also SOFF Implementing Entities: the African Development Bank, Asian Development Bank, Inter-American Development Bank, and World Bank.

**Instruments**: CIF finances investments with grants, concessional loans, and risk mitigation instruments.

**Alliance for Hydromet Development:** The CIF joined the Alliance in October 2020. The Alliance collectively committed to scale up and unite efforts to close the hydromet capacity gap by 2030 and established the creation of SOFF as a priority commitment.

**UN Early Warnings for All:** The CIF through PPCR has been supporting investments to improve weather and climate data, information, and services, covering all five components of the WCIS value chain, with 47% of CIF financial support going towards observations and monitoring, 14% towards data information and management, 14% towards research, forecasting, and modelling, including EWS, 5% towards service development and delivery, and 20% towards training and capacity building. As of December 2022, a total of 2,512 hydromet and early warning services had been built or supported (154 percent of the total target of 1,595). CIF will continue to support selected countries in strengthening EWS and



disaster risk preparedness. Also, CIF is a member M&E Working Group of the EW4ALL initiative.

#### Joint actions for complementarity and sustainability

The CIF had notable investments in observations and monitoring infrastructure. Two countries have been singled out to demonstrate complementarity and how SOFF provides sustainability of past investments.

**SOFF will build on the CIF funded project in Jamaica "Improving Climate Data and Information Management Project"**. The project was implemented by the World Bank and had 6.8M USD of grant financing, and 0.7M USD co-financing from the Jamaican government. The project focused on improving climate data and information services to strengthen adaptive capacities. The SOFF proposed program in the Caribbean, that includes Jamaica, will showcase complementarities with existing hydromet investments and ensure sustainability of GBON observations.

**SOFF will build on the CIF funded project in Niger "Climate Information Development and Forecasting Project".** The project was implemented by the African Development Bank and had 13M USD of approved financing (9.5 non-grant and 3.5 grant), plus 0.85M USD of co-financing by the government of Niger. The project included as main outcomes (i) strengthening weather observation networks; (ii) improving the collection, processing, and archiving of weather and climate data; (iii) making weather and climate products available to users; and (iv) rehabilitating equipment. Niger is one of the countries proposed for SOFF programming under the third batch, and one of the 30 prioritized countries in the UN Early Warnings for All initiative. SOFF investments in Niger will provide support for sustained GBON observations in complementarity with previous investments.

**SOFF and CIF commit to seek for opportunities for collaboration under the new CIF Nature, People and Climate Program**. SOFF will particularly contribute to the second phase "strategy and project pipeline development" with the GBON Gap analysis, the GBON National Contribution Plan, and the Country Hydromet Diagnostics, and to the third phase "Implementational roll-out" by closing the GBON data gap and providing access to improved forecast products in designated countries. Countries selected for the Nature, People and Climate Program are now in the process of preparing investment plan to identify priority investments to focus on. Potential countries include Dominican Republic, Egypt, Fiji, Kenya, Malawi, Mozambique, Namibia, Tanzania, Zambia.



#### Annex III: SOFF collaboration with CREWS – Joint Action

#### **Collaboration context**

**Mandates:** The <u>CREWS Initiative</u> provides financing to LDCs and SIDS that are most vulnerable to the impact of extreme climate events. CREWS aims to increase the availability of, and access to, early warning systems, therefore reducing countries' vulnerability, strengthening resilience and adaptive capacity. Closing the GBON gap through SOFF plays a foundational and complementary role for the effectiveness of early warning systems.

**Governance structure:** CREWS is set-up as a <u>World Bank Financial Intermediary Fund</u>. The Steering Committee is the decision-making body and includes contributors and observers<sup>9</sup>. The Secretariat is administratively hosted by WMO, and the Trustee by the World Bank Group. Finland and the Netherlands are decision-making members of both CREWS and SOFF Steering Committee.

CREWS is a non-decision-making member of the SOFF Steering Committee, represented by its Chair. The Director of the SOFF Secretariat is invited to the Steering Committee meetings of CREWS as an observer.

**Beneficiary countries**: There is a significant alignment of beneficiary countries since ODA eligible LDCs and SIDS are beneficiaries of both CREWS and SOFF. OECD Development Assistance eligible Middle-Income Countries are not covered by CREWS,

**Funding contributions**: CREWS receives its finance from donor governments: Australia, Canada, Finland, France, Germany, Luxembourg, Netherlands, Switzerland and the United Kingdom, and has a total contribution of USD 95,32 million as of May 2023. Finland and the Netherlands are also funders of the SOFF.

**Implementing entities**: CREWS works with three Implementing Partners: the World Bank/GFDRR, WMO and UNDRR. The World Bank is also an Implementing Entity of the SOFF, and GFDRR and UNDRR are members of the SOFF Advisory Board.

**Instruments:** <u>CREWS funding is provided through grants</u>. Funding decisions are aligned with financing from the World Bank, the Green Climate Fund or other climate funds. CREWS grants are on average USD 3-5 M for country projects and of USD 5-7 M for regional projects.

CREWS also has an Accelerated Support Window (ASW). The CREWS ASW is allocating funds towards short-term, targeted expert analyses, assessment, and advisory services to strengthen early warning systems. The ASW was approved by the CREWS Steering Committee at its 2<sup>nd</sup> inter-sessional meeting in November 2021.

The GCF Simplified Approval Process (SAP) and CREWS are preparing a Scaling up Framework that will facilitate access to increased financing for the development of early warning systems for countries (LDCs and SIDS) that are most exposed to the impacts of climate change and have demonstrated successful results with CREWS support. GCF/SAP-CREWS cooperation is expected to become operational later this year.

<sup>9</sup> Decision-making Members include a representative and an alternate from each of the Contributors to the CREWS Trust Fund (i.e., Australia, Canada, Finland, France, Germany, Luxembourg, Netherlands, Switzerland, United Kingdom as Chair). The Observers (non-decision-making members) comprise of a representative of the Trustee, CREWS Secretariat, a representative from each Implementing Partner, as well as Austria, Japan, Mexico, New Zealand, Norway, Spain, the European Commission, UNDP, USAID and SOFF.



**UN Early Warnings for All:** CREWS is aligned, programmatically and strategically, with the call of the UN Secretary-General for all people to be covered by early warnings within five years and share the common objective of increasing resilience in developing countries and reduction of climate and disaster risks.

CREWS and SOFF are two fully complementary and scalable delivery vehicles of the UN Early Warnings for All initiative.

#### Joint actions for complementarity and sustainability

CREWS and SOFF commit to closely work together in EW4All initial group of countries including identifying short-term actions that demonstrate complementarity. Both Secretariats will target a group of countries to showcase speedy and coherent delivery, including Cambodia, Chad, Ethiopia, and Guyana.

## SOFF will build on and complement the <u>CREWS Caribbean</u> program with its proposed Caribbean SOFF regional program:

- Complementing the National Strategic Plans and Frameworks for Weather, Water and Climate Services with SOFF GBON Gap analysis and National contribution plans.
- Supporting the achievement of the Strategic Roadmap for Advancing Multi-hazard Impact-based Early Warning Systems and Services in the Caribbean by closing the GBON Gap.
- Complementing the expected CREWS Caribbean 2.0. with investments to close the GBON gap in the region and providing sustained finance for operations and maintenance of GBON infrastructure. SOFF is expected to support a full regional Caribbean program which will include 16 countries.

**SOFF will build on and complement the ongoing CREWS South-West Indian Ocean regional project** by closing the remaining GBON gap and ensuring sustainability of GBON observations previously financed by CREWS. SOFF is expected to fund a regional Indian Ocean program which will include four additional countries in 2023 (Comoros, Djibouti, Mauritius and Somalia). CREWS and SOFF commit to a fully coordinated country engagement, building on the GCF FP161, which operates in two of the four designated countries (Comoros and Mauritius)

CREWS and SOFF commit to showcase complementarities of their investments where the World Bank, as Implementing Entity of the two mechanisms, is operating in the same country, linking the work with World Bank IDA resources in Fiji, Samoa, Cambodia and Laos.

SOFF, through its Country Hydromet Diagnostics, will provide additional analytical underpinning for more effective CREWS investments.

As all countries have committed to close the GBON data gap (WMO Resolution 2), the GCF/SAP-CREWS Scaling up Framework will request political commitment from countries to close the GBON data gap by drawing on SOFF support.



## Annex IV: SOFF collaboration with the Global Environment Facility – Joint Action

#### Collaboration context

**Mandates:** The <u>Global Environment Facility (GEF)</u> provides funding to assist developing countries in meeting the objectives of international environmental conventions in three Focal Areas: biodiversity; climate change; and land degradation. It serves as an operating entity of the Financial Mechanism of the UNFCCC.

The GEF-8 Climate Change Strategy is structured to support climate action in developing countries in line with the GEF's role as an operating entity of the Financial Mechanism of the UNFCCC and responding to COP guidance. In the context of the evolving climate finance space, the GEF strategically invests in close coordination with the other major climate funds, with the view to enhance complementarity and maximize synergies.

The GEF's adaptation support in the Least Developed Countries (LDCs) is delivered through the <u>Least Developed Countries Fund</u> (LDCF). The LDCF is the only multilateral fund that focuses exclusively on the unique climate adaptation challenges of LDCs and is embraced by LDCs as their own.

The Special Climate Change Fund (SCCF), one of the world's first multilateral climate adaptation finance instruments, was created at the 2001 Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) to help vulnerable nations address the negative impacts of climate change.

**Governance structure:** The GEF is set-up as a <u>World Bank Financial Intermediary Fund</u>. The governing structure of the GEF includes an Assembly, a Council, <sup>10</sup> a Secretariat, 18 Agencies, a Scientific and Technical Advisory Panel, and an Evaluation Office. The Secretariat is housed at the World Bank. The Trustee is the World Bank's International Bank for Reconstruction and Development. The GEF Secretariat is a member of the SOFF Advisory Board.

**Beneficiary countries**: GEF provides funding to developing countries and countries with economies in transition. While there is a significant overlap, the GEF provides support to more countries than SOFF. SOFF eligible countries are those on the OECD ODA recipient list and those with a UN designation for SIDS and LDCs.

**Funding contributions:** Both developed and developing countries are donors to the GEF Trust Fund. Since its inception the GEF has received contributions from 40 donor countries. It operates on a four-year replenishment model. Total contributions to the GEF amount to more than USD 24 billion. All SOFF funders except for Iceland and the Nordic Development Fund are contributors to the GEF.

After its last replenishment in 2022, 29 donor governments finalized \$5.33 billion in pledges to the GEF for the next four years, an increase of more than 30 percent from its last operating period and a surge of support for international efforts to meet nature and climate targets by 2026.

<sup>&</sup>lt;sup>10</sup> The GEF Council includes 32 countries (14 developed countries, 16 developing countries and 2 economies in transition).



**Implementing entities**: Eighteen organizations serve as GEF Agencies. All SOFF Implementing Entities are GEF Agencies except for the IsDB and the WFP.

**Instruments**: GEF provides grants for beneficiary countries through the System for Transparent Allocation of Resources (STAR) and non-grant instruments (i.e., debt, equity, guarantees), which aim to attract private sector investment. Beneficiary countries currently receive grant support only.

**Alliance for Hydromet Development:** The GEF was a founding member of the Alliance, that collectively committed to scale up and unite efforts to close the hydromet capacity gap by 2030. The Alliance established the creation of SOFF as a priority commitment.

#### Joint actions for complementarity and sustainability

SOFF will build on programs where the GEF, directly or through the LDCF or the SCCF had notable investments in weather observations and monitoring infrastructure. The GEF Secretariat is committed to provide a list of potential candidate countries to showcase complementarity between GEF and SOFF.

**Looking forward, GEF and SOFF commit to seek opportunities for collaboration** and to showcase complementarity of their investments. The GEF Secretariat will look into how the <u>Country Support Program</u> (CSP) could be utilized to provide recipient countries with information about how to access SOFF support, including via its National Dialogues or Introduction Seminars. The GEF and SOFF Secretariat will work together to assist countries to draw on SOFF resources to close the GBON gap.



## Annex V: SOFF collaboration with the Green Climate Fund – Joint Action

#### **Collaboration context**

**Mandates:** The <u>GCF</u> is the world's largest dedicated climate fund helping developing countries to raise and realize their Nationally Determined Contributions (NDC) ambitions towards low-emissions, climate-resilient pathways.. It serves as an Operating Entity of the Financial Mechanism of the UNFCCC. SOFF will enable countries supported by the GCF to make effective evidence-based climate policy and investment decisions, underpinned by GBON data and improved forecast products through SOFF support.

**Governance structure:** The GCF is governed by a <u>24-member Board</u> consisting of 12 from developing and 12 from developed country Parties. The Board is independent and guided by the Conference of the Parties (COP) to the UNFCCC. The Board invites two civil society representatives and two private sector representatives to participate as active observers. The Secretariat is based in Songdo, Korea. The World Bank serves as the Trustee to the Fund.

**Beneficiary countries**: All developing country Parties to the UNFCCC (Non-Annex I Parties) are eligible countries for GCF investments. While there is a significant overlap, GCF beneficiary countries do not fully align with the SOFF eligible countries that follows the OECD ODA recipient list and the UN designation for SIDS and LDCs.

**Funding contributions**: Funding for the GCF originates from <u>public sources</u>, which cannot be earmarked for specific windows or programmes. All the SOFF funders are contributors to the GCF with the exception of the Nordic Development Fund. To date, the GCF has a total contribution of more than USD 18 billion.

The <u>33rd meeting of the GCF Board</u> in July 2022 officially launched the <u>GCF-2 replenishment</u> <u>cycle</u>. The replenishment process consists of a series of consultation sessions which will culminate in a pledging conference in October 2023. GCF-2 will empower climate action in developing countries over the period 2024-2027.

**Implementing entities**: There are currently <u>114 Accredited</u> Entities to the GCF. All SOFF Implementing Entities are GCF Accredited Entities, except the IsDB whose accreditation is ongoing.

**Instruments**: The GCF can structure financial support through a flexible combination of grant, concessional debt, guarantees or equity instruments to leverage blended finance and crowd-in private investment.

**Alliance for Hydromet Development**: The GCF was a founding member of the Alliance launched at COP25, that collectively committed to scale up and unite efforts to close the hydromet capacity gap by 2030. The Alliance established the creation of SOFF as a priority commitment.

**Early Warnings for All:** In July 2023, the GCF Board is expected to approve a new strategic plan for 2024-2027, containing an ambitious and specific commitment to support early warning systems. GCF-SOFF collaboration will increase the effectiveness and impact of GCF-funded early warning and climate projects, and of many other investments that rely on accurate weather and climate data.



A Concept Note is currently under development with UNDP and the EW4All pillar leads, with the purpose of designing a GCF-targeted proposal, in which SOFF is expected to play a foundational role, to support EW4All and to complement and accelerate all ongoing activities.

#### Joint actions for complementarity and sustainability

**SOFF to ensure the sustainability of GCF GBON "legacy" investments by** providing long-term, open-ended financial and technical support for operations and maintenance in eligible countries. Some GCF funded projects that referred to SOFF as a mechanism to ensure sustainability of the observation infrastructure investments will be prioritized:

Pacific (FP 147) - Implemented by UNEP

Indian Ocean (FP 161) - Implemented by AFD

Liberia (SAP 018) - Implemented by AfDB

**Looking forward, GCF and SOFF will work in a full complementary manner** in line with the GCF Sectoral Guide on climate information and early warning systems. SOFF will support countries to achieve GBON compliance while GCF will provide investments in the latter part of the early warnings value chain. Envisioned programs to showcase this complementarity include:

Atlantic SIDS (Cabe Verde, Sao Tome et Principe, Guinea Bissau)

Initial group of countries targeted in the EW4All Concept Note coordinated by UNDP: Antiqua and Barbuda, Cambodia, Chad, Djibouti, Ecuador, Ethiopia, and Fiji.

**SOFF is exploring options for a GCF contribution into the SOFF UNMPTF** to narrow the SOFF EW4All financing gap and sustain operations of previous GCF investments in GBON infrastructure.