

# Update note for Fifth Funders' Forum 7 April 2022

Systematic Observations Financing Facility

Weather and climate data for resilience





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# 1. Fourth SOFF Funders' Forum

The upcoming SOFF Funders' Forum follows the <u>fourth SOFF Funders' Forum</u>, which took place 28 October 2021 in virtual format. Twenty-seven potential funders attended the meeting. In addition, fourteen delegations from SOFF stakeholder organizations participated, including from beneficiary countries, members of the <u>Alliance for Hydromet Development</u>, the CSO community and scientific and technical SOFF partners. WMO, UNDP and UNEP leadership and staff joined the meeting.

Delegates welcomed the quality of the <u>SOFF Terms of Reference</u> report and indicated that SOFF represents an important, innovative and well-articulated initiative. The Terms of Reference represent the basis for the creation of SOFF and pledges from the initial group of founding donors. Seventeen potential funder delegations expressed their strong support to SOFF. They stated that their authorities are preparing to pledge, are considering ways of supporting SOFF, and/or endorsing the establishment of the SOFF while exploring possible future financial engagement.

# 2. COP26 and follow up

#### SOFF established as UN Multi-Partner Trust Fund

WMO, UNDP and UNEP legally established SOFF as a <u>United Nations Multi-Partner Trust Fund</u> (UNMPTF) at a <u>high-level event at COP26</u>. Senior-level speakers including several Prime Ministers and Ministers at the SOFF event at the Nordic pavilion in Glasgow. More than 13,000 participants joined virtually on UN TV and <u>UN Youtube channels</u>. The event created significant public interest with more than 1,000 online, print media and TV reports across the globe. Austria, Denmark, the Nordic Development Fund, Norway, and Portugal indicated their intentions to contribute financially to the SOFF UNMPTF and several other countries committed to explore potential funding options and support.

# The UNFCCC Subsidiary Body for Scientific and Technological Advice (SBSTA) encouraged SOFF support

During COP26, the <u>SBSTA</u> welcomed the major new agreements of the World Meteorological Congress: the <u>Unified Data Policy</u>, the <u>Global Basic Observing Network</u> (GBON) and <u>SOFF</u>. SBSTA encouraged Parties and relevant organizations to support SOFF to enhance and sustain GBON implementation in developing countries, including the Small Island Developing States and the Least Developed Countries. This is the first time that SBSTA has welcomed and encouraged funding of a concrete mechanism to strengthen systematic observations in developing countries. The SBSTA conclusion further positions SOFF as an essential element of the ambitious global climate action agenda.

#### **Glasgow Climate Pact – Science and Urgency**

The <u>Glasgow Climate Pact</u> includes a section explicitly focused on the importance and urgency of best available science for effective climate action, including the contributions of the Working Group I to the 6th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) and the WMO global and regional reports on the state of the climate.

This recognition provides a unique opportunity to step up global efforts to increase the contribution of systematic observations to the science underpinning the Paris Agreement and to recognize the limitations and gaps in the current state of systematic observation and the implications of these gaps, particularly for the most vulnerable countries and their adaptation efforts.



#### **Reflections from Working Group I and II to the IPCC Sixth Assessment Report**

The two recent reports of IPCC Working Group I and II showcase the progress in monitoring and understanding the climate. One of the high-level conclusions of the WG I report is that "evidence of observed changes in extremes and, in particular, their attribution to human influence, has strengthened."

However, in some parts of the world, developing countries in particular, the lack of observational data both in terms of the ongoing exchange of observations and access to long-term records - limits the ability of many countries to monitor their local climate, to understand risk, and to design and plan meaningful adaptation measures. Providing robust risk assessments within a time frame and at scales relevant to a decision-making context demands access to good observational data and well-evaluated climate models. The lack of data further exacerbates the vulnerability of many countries in the world.

#### Beyond the 100 billion: financing a sustainable and resilient future

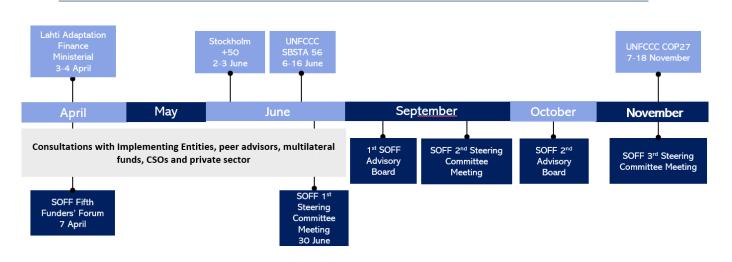
In the context of COP26, Lord Nicholas Stern (London School of Economics, Chair of the Grantham Research Institute on Climate Change and the Environment), produced jointly with Amar Bhattacharya (Brookings Institution) a policy note "Beyond the 100 billion: financing a sustainable and resilient future". The note, published prominently in connection with COP26, highlights critical actions for a credible route to mobilise the trillions of dollars needed to achieve the Paris goal. Among these actions, the authors recommend that donors step up their financing of the multilateral concessional funds, and specifically for SOFF, which is featured as a multilateral instrument that "fill[s] important gaps on climate action and need[s] urgent funding".

### 3. SOFF start-up phase

The SOFF co-founders, WMO, UNDP and UNEP, launched the SOFF start-up phase 1 January 2022. The objectives of the start-up phase are to: establish the SOFF Secretariat; prepare the first Steering Committee meeting to be held at the end of the start-up period; prepare SOFF operations; and continue stakeholder consultations and fundraising. A coordination mechanism has been established between the SOFF co-founders (WMO, UNEP, UNDP, UNMPTF) that includes bi-weekly meetings to conduct the start-up phase activity in a coordinated manner.

The SOFF Secretariat, hosted by WMO in Geneva, has been established. The small team from WMO's Development Partnerships Office that spearheaded and coordinated SOFF development has been assigned to the SOFF Secretariat. WMO is covering the SOFF Secretariat costs during the start-up phase, with support from Switzerland, Italy and Korea. The Secretariat is working under WMO's Infrastructure Department to facilitate close collaboration and aligned work with the WMO GBON Technical Team for the preparation of SOFF operational activities. The following section provides an overview of the SOFF start-up activities and 2022 milestones.





# 4. SOFF 2022 main activities and milestones

#### **Steering Committee**

The Steering Committee is the SOFF decision-making body. It is comprised of decision-making and nondecision-making members. Decision-making members are all funding partners and WMO. Non-decision making members with voice include UNDP and UNEP as the co-chairs of the Advisory Board, one representative from the Least Developed Countries (LDC) Group and one from the Alliance of Small Island States (AOSIS) to ensure that SOFF responds to beneficiary countries' needs, a representative from Trustee to provide financial information and advice (UN MPTF Office), and the head of the SOFF Secretariat. In order to closely link the CREWS and SOFF initiatives, it is proposed that a representative from the CREWS initiative will be part of the SOFF Steering Committee in a non-decision-making role.

Three Steering Committee meetings are envisioned for 2022.

The first meeting is scheduled to take place 29-30 June in physical format, also allowing for virtual attendance. It is envisioned that the meeting will be hosted by a SOFF founding funder. The meeting will signal the formal opening for business of SOFF. It will consider and adopt the SOFF governance framework and approve the first year work program and budget. It will provide feedback on the draft Operational Manual. Additionally, the Steering Committee will adopt a SOFF resource mobilization and advocacy strategy going forward. The proposed draft Agenda for the first Steering Committee is attached as Annex I.

A second Steering Committee meeting is expected to take place in virtual format late September. This meeting is expected to adopt the SOFF Operational Manual and make funding decisions for a first limited number of countries.

The third Steering Committee is expected to be held at the margins of COP27 in a physical format, also allowing for virtual attendance. Ideally, this meeting would be held back-to-back with the CREWS Steering Committee meeting, using the same venue and logistics. Funding decisions for additional countries to receive SOFF support are expected to be approved.

#### **Advisory Board**

The Advisory Board is the body that recommends and provides strategic advice to the SOFF. Its objectives are to ensure that SOFF responds to beneficiary countries' needs; that it creates synergies with major adaptation and resilience initiatives, linking SOFF with the "last mile" policy and investment decisions; and that the SOFF strategic direction evolves as GBON evolves. It meets virtually ahead of each Steering



Committee meeting to prepare recommendations for the Steering Committee. It is co-chaired by UNDP and UNEP.

The Advisory Board brings together the most important SOFF stakeholders. As indicated in the SOFF Terms of Reference it is composed of the co-chairs and up to 15 members. The Advisory Board is expected to include a representative from one of the environment and climate funds of the Alliance for Hydromet Development on a rotating basis, the United Nations Office for Disaster Risk Reduction (UNDRR), the Global Center on Adaptation (GCA), The Risk-informed Early Action Partnership (REAP), InsuResilience, the Global Facility for Disaster Risk Reduction (GFDRR), the Centre for Disaster Protection, the Group on Earth Observations (GEO), a Global Producing Centre on a rotating basis, the Global Network of Civil Society Organizations for Disaster Reduction (GNDR), and the Association of Hydro-Meteorological Equipment Industry (HMEI).

There are two Advisory Board meetings envisioned for 2022. The first one is expected to be held in early September, ahead of the second Steering Committee meeting, and the second is expected for October, ahead of the third Steering Committee meeting. The Advisory Board meetings will review the documents to be presented at the second and third Steering Committee meetings, including in particular the draft SOFF Operational Manual and the proposed country funding decisions. The Advisory Board will summarize its deliberations in recommendations for the Steering Committee.

The SOFF Secretariat has reached out to the proposed Advisory Board members and is scheduling meetings with each member by the end of April. The objectives of these meetings are to seek feedback on the proposed Advisory Board terms of reference; discuss the potential role and specific contribution of each member; and get views on the agenda of the first two Advisory Board meetings and the respective dates.

#### **Beneficiary countries**

Beneficiary countries, represented by the LDC Group, AOSIS, the African Group of Negotiators as well as heads of state and ministers from across the globe, have expressed strong support for SOFF and <u>urged donors to mobilize the resources necessary to establish SOFF</u>. Beneficiary countries will be represented in the SOFF Steering Committee by a representative of the LDC Group and a representative of AOSIS, to ensure SOFF operations respond to countries' needs.

As part of the SOFF start-up phase activities, the SOFF Secretariat will be reaching out to beneficiary countries and working with Implementing Entities and SOFF peer advisors in assisting countries to identify opportunities for SOFF support. Ideally, SOFF funding will be aligned with other ongoing or envisaged hydromet and climate finance activities in the beneficiary countries.

#### **Implementing Entities**

The Implementing Entities are major multilateral development partners that play an important role in hydromet project implementation, including Multilateral Development Banks (the World Bank and the four major regional development banks) and UN organizations (UNDP, UNEP, World Food Programme). All Implementing Entities are members of the Alliance for Hydromet Development and will support SOFF operations in the beneficiary countries.

The SOFF Secretariat is engaging with the initial eight Implementing Entities to develop a solid and diverse portfolio of funding proposals to be presented to the second and third SOFF Steering Committee meetings. This will be achieved through a process of consultations where implementation opportunities will be mapped, including ongoing and planned projects that could increase additional effectiveness by integrating SOFF activities, ensuring complementarity with "last mile" initiatives. Further consultations will be conducted as of beginning of April, and a joint workshop with the Implementing Entities and the SOFF peer advisors envisioned for mid June. The Implementing Entities are advancing in the legal arrangements



with UNMPTF. UNDP, UNEP and the World Bank have already establish their legal arrangements with the UNMPTF to serve as SOFF Implementing Entities, while four more are currently in progress.

#### **Peer advisors**

Peer advisory support is a foundational element for SOFF implementation. The peer advisors are national meteorological offices that serve as providers of SOFF technical assistance. They will provide assistance on a peer-to-peer basis tailored to SOFF needs, focusing on establishing the national GBON gap; supporting the development of the GBON national contribution; conducting the Country Hydromet Diagnostics; advising on the Integration of SOFF into broader hydromet/climate projects; and providing on-demand advisory support during SOFF Investment and Compliance phases.

Following a letter from the WMO Secretary-General to all WMO Members, 26 national meteorological offices have expressed interest in providing peer advisory services on a cost-recovery basis (Annex II). This initial group of peer advisors reflects a wide geographical representation and will also allow for South-South peer support.

Building on the SOFF Terms of Reference, the SOFF Secretariat is developing detailed operational and administrative arrangements for the provision of peer advisory services in consultation with the initial pool of interested peer advisors. The final arrangements will be reflected in the SOFF Operational Manual and the SOFF Operational Guidance Note.

#### **Collaboration with multilateral climate and environment funds**

The SOFF Secretariat is engaging with multilateral climate and environment funds and mechanisms, in particular the Adaptation Fund, Climate Investment Funds, the Climate Risk and Early Warning Systems (CREWS), the Green Climate Fund, and the Global Environmental Facility to firm up arrangements for collaboration and mutual leverage and to map out opportunities for SOFF participation in programmes financed by these funds.

#### Consultations

The SOFF Secretariat is continuing the consultations started in 2021 with the Global Network of civil society organizations for Disaster Reduction to ensure that local perspectives are voiced and incorporated into the design of SOFF operations. The consultation has, so far, involved a survey of 50 members across 30 countries and multiple regional roundtables with CSO representatives.

Three regional roundtables will discuss options for CSO participation in SOFF implementation, including awareness-raising, contribution to operations and maintenance of weather stations, safeguarding investments, and fostering synergies with last-mile projects.

The SOFF Secretariat is also organizing further consultations with the private sector in collaboration with the association of the Hydro-Meteorological Equipment Industry. The objective is to further articulate the private sector business models outlined in the SOFF Terms of Reference and to develop guidance for countries, Implementing Entities and SOFF peer advisors on possible public-private business models under which GBON compliance might be achieved.

#### **Operational Manual**

Based on the SOFF Terms of Reference, the SOFF Secretariat is developing the SOFF Operational Manual and a complementary Operational Guidance Note in collaboration and consultation with WMO, UNDP and UNEP as SOFF co-founders, with SOFF peer advisors and with SOFF Implementing Entities. The Operational Manual will contain essential information on SOFF governance, operational arrangements and collaboration arrangements with other development and climate finance institutions. It will also



include a Gender Action Plan, business models for private sector support to SOFF implementation, and an engagement strategy with CSOs.

The governance part of the Operational Manual will be reviewed and adopted by the first SOFF Steering Committee meeting. The remaining parts of the Operational Manual will be discussed at the first Steering Committee meeting and adopted by the second Steering Committee meeting to allow for Advisory Board review and recommendations before adoption. The Operational Manual will be a publicly available document and featured on the SOFF website; the outline of the manual is in Annex III.

# 5. Fundraising

The Government of Austria increased its contribution to the SOFF UNMPTF for the first SOFF implementation period to 4 million Euro and firmed up its pledge on 16 March.

The Board of the Nordic Development Fund on 17 March 2022 approved an <u>allocation of 10 million</u> <u>Euro to the SOFF UNMPTF</u>.

Several other countries are expected to follow Austria and the Nordic Development Fund and become SOFF founding funders in the near future. The SOFF Secretariat has been in conversations with several countries that are preparing or exploring a pledge, including Belgium, Denmark, Finland, Iceland, Ireland, Korea, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, and Turkey.

The fundraising target of the start-up phase is to firm up ten funders by the first SOFF Steering Committee meeting. All funders with a firm pledge by June 2022 will become SOFF founding funders and join the Steering Committee for its first meeting. Signing of the UNMPTF contribution agreement and disbursement can take place at a later stage. The SOFF Secretariat is also working with the initial group of expected funders on the timing of the disbursement of their contributions in order to ensure that the SOFF UMPTF has sufficient liquidity to start operations immediately following the first Steering Committee meeting, and this is expected to be the case.

The SOFF Secretariat will continue resource mobilization under the guidance of the Steering Committee after the Committee's first meeting with the goal of raising a total of USD 200 million for the three-year SOFF initial implementation period. Continued engagement with additional potential funders will be critical. All future contributors to the SOFF UNMPTF will join the SOFF Steering Committee.

The Fifth Potential Funders' Forum is expected to be the last SOFF Funders Forum in the current format. Future outreach to potential funders that are not part of the initial group of founding funders (i.e., not pledging by June and hence not joining the first SOFF Steering Committee meeting) will be guided by the SOFF rescource mobiliation and advocacy strategy, expected to be adopted by the fist Steering Committeee meeting. The Steering Committee may wish to invite potential funders annually to participate in one of its meetings to share information on SOFF progress and impact.

### 6. Important events

#### Lahti Adaptation Finance Ministerial

The Lahti Adaptation Finance Ministerial to be held in Lahti, Finland, 3-4 April, will be the first high-level dialogue focused on adaptation finance in 2022. The objective of the Ministerial is to provide an opportunity to discuss adaptation finance priorities, challenges and solutions, and to agree on a common approach for moving forward. Key outcomes of the discussion will be summarized in the "Lahti Declaration" to be made public at the end of the event.

Ministers and attending senior officials will engage in dialogues across a series of sessions to accelerate climate action. The WMO Secretary-General is expected to attend the Ministerial, jointly with high-level



officials from SOFF potential funder countries. Therefore, the event provides an opportunity to create further SOFF momentum and support.

#### Stockholm+50

On 2-3 June the <u>Stockholm+50 interntional meeting</u> will be convened in Stockholm, Sweden. The event will commemorate 50 years of global environmental action. It aims to act as a springboard to accelerate the implementation of the UN Decade of Action (the Sustainable Development Goals and the 2030 Agenda, the Paris Agreement on climate change, and the post-2020 global Biodiversity Framework) and to encourage the adoption of green post-COVID-19 recovery plans. As part of the event, three Leadership Dialogues are expected to be held to provide concrete recommendations and messages for action at all levels, mobilizing the global community behind strengthened cooperation and accelerated innovative action.

A SOFF high-level is envisioned to be organized to showcase SOFF as a foundational element for Stockholm+50, in particular for the Leadership Dialogue on "Accelerating the implementation of the environmental dimension of Sustainable Development in the context of the Decade of Action". The event would provide an opportunity to the SOFF founding funders to demonstrate their leadership on climate action and SOFF creation.

#### **COP 27**

WMO, UNDP and UNEP, SOFF supporting countries and the COP Presidency are closely engaged in the work programme ahead of COP27. The objective is to ensure that the recognition of the significant disparities in the status of global observations and the need for sustainable finance through SOFF are reflected in COP27 outcomes. WMO in its <u>submission on Research and Systematic Observation Dialogue</u> has prominently positioned SOFF.



#### Annex I. Draft Agenda of First SOFF Steering Committee Meeting

Welcome Election of the Co-Chair Adoption of the agenda and organizational matters Status update Consideration and adoption of SOFF governance structure First year Workplan and Budget for consideration and approval Feedback on draft Operational Manual Advocacy and resource mobilization strategy for consideration and adoption Other matters Date and venue of the Second SOFF Steering Committee Meeting Adoption of the decisions and closure of the meeting



# Annex II. National Meteorological Offices with interest to serve as SOFF peer advisors

	Peer Advisor
1	Argentina
2	Australia
3	Austria
4	Colombia
5	Denmark
6	Egypt
7	Fiji
8	Finland
9	Germany
10	Iceland
11	India
12	Indonesia
13	Ireland
14	Могоссо
15	Netherlands
16	New Zealand
17	Nigeria
18	Norway
19	Portugal
20	South Africa
21	Spain
22	Sweden
23	Switzerland
24	Tanzania
25	Turkey
26	United Kingdom



#### **Annex III. Outline Operational Manual**

- 1. Introduction and purpose of the manual
- 2. Governance

3.

- 2.1 Steering Committee rules and procedures
- 2.2 Advisory Board rules and procedures
- 2.3 SOFF Secretariat ToR and hosting arrangements
- SOFF operational framework
- 3.1 Access to SOFF resources
  - 3.1.1 Eligible countries
  - 3.1.2 SOFF programming
  - 3.1.3 SOFF operational partners' roles, responsibilities and access modalities
- 3.2 SOFF support phases
  - 3.2.1 Readiness
  - 3.2.2 Investment
  - 3.2.3 Compliance
- 3.3 SOFF operational arrangements
  - 3.3.1 GBON technical standards and compliance
  - 3.3.2 Private sector
  - 3.3.3 CSO engagement
  - 3.3.4 Social and environmental standards
  - 3.3.5 Gender
  - 3.3.6 Quality assurance
- 3.4 Monitoring and evaluation
  - 3.4.1 Results framework
  - 3.4.2 Risk management strategy
- 4. Collaboration with development and climate finance funds and mechanisms