

Third Funders' Forum for the Systematic Observations Financing Facility

Virtual Meeting
27 September 2021

Summary of the Chairperson

Date: 14 October 2021



WMO OMM
World Meteorological Organization
Organisation météorologique mondiale



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Third Funders' Forum for the Systematic Observations Financing Facility (SOFF)

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Summary of the Chairperson

I. Introduction

1. The third meeting of the forum of potential funders for the SOFF was convened virtually by the World Meteorological Organization (WMO), by the United Nations Development Program (UNDP) and by the United Nations Environmental Program (UNEP) on 27 September 2021, 12:00-15:00h CEST.
2. Delegations from 26 potential funders attended the meeting, including delegations from the European Commission and the Nordic Development Fund. Twenty-one delegations from SOFF stakeholder organizations participated, including from beneficiary countries, members of the Alliance for Hydromet Development, the CSO community and scientific and technical SOFF partners. WMO, UNDP and UNEP leadership and staff joined the meeting. Johannes Linn, SOFF Global Facilitator, chaired the event. (See the list of participants in Annex I).
3. The purpose of the meeting was to seek feedback and guidance from potential funders and other stakeholders on the Draft SOFF Terms of Reference Report; and to address the way forward to the SOFF Final Forum on 28 October 2021 and the announcement of SOFF at COP26 in November 2021 and for the subsequent start-up of SOFF.
4. The UN Secretary-General, His Excellency António Guterres, opened the event with a pre-recorded intervention stressing the importance of earth-based weather observations and expressing his support for SOFF. WMO President Prof Gerhard Adrian, UNEP Executive Director Inger Andersen, UNDP Administrator Achim Steiner, and UNDP Executive Coordinator and Director Pradeep Kurukulasuriya, welcomed the participants and pledged to work together with all stakeholders in making SOFF a success and exhorted potential funders to finance SOFF.
5. Global leaders joined the UN co-founders in making the call for SOFF. Ms Mami Mitzutori, Special Representative of the Secretary-General for Disaster Risk Reduction and head of UNDRR made a statement in support of SOFF. Ambassador Carlos Fuller, on behalf of the Least Developed Country Group and the Alliance of Small Island States, and Ms Patricia Espinosa, UNFCCC Executive Secretary, delivered statements in support of SOFF highlighting the urgency of closing the observations gap in light of the rapidly increasing climate impacts, and urging funders to support the creation of SOFF.
6. The agenda for the meeting was structured in three segments dealing with (a) SOFF rationale and call for action; (b) SOFF governance and operational approach; and (c) SOFF programmatic and funding approach (See Annex II).

II. Presentations

7. Mr Lars Peter Riishøjgaard, Director WMO Earth Science Branch, Ms Laura Tuck, SOFF Global Facilitator and Mr Markus Repnik, Director of WMO Development Partnerships introduced the three agenda items (see links to all the information about the Forum in Annex III). The main aspects highlighted in their presentations were the following:

Rationale for SOFF and call for action:

8. Observations play a foundational role in the meteorological value chain for global and local weather and climate monitoring and prediction. These in turn underpin the effectiveness of weather and climate

services for resilient development and climate adaptation. There are persistent and worsening gaps in observational data coverage in Small Island Developing States (SIDS) and Least Developed Countries (LDCs) largely due to insufficient financial means and weak capacity. The traditional response to this problem has suffered from a lack of a global approach, lack of an appropriate measure of success, lack of a long-term approach to strengthen capacity, lack of coordinated and integrated implementation and lack of a realistic financing model.

9. SOFF responds to these long-standing weaknesses by pursuing a globally coordinated approach with sustained data exchange as a measure of success, providing long-term innovative finance (including results-based finance to substantially contribute to operations and maintenance costs), enhancing technical competency and coordination (national met offices' peer-to-peer approach for technical assistance), and leveraging knowledge and resources from many partners. The SOFF theory of change articulates the link of actions over three implementation phases (readiness, investment and compliance) with the outcome of sustained GBON compliance and resulting improvements in weather and climate prediction products that underpin the achievement of SOFF's overarching goal of strengthened climate adaptation and resilient development.
10. SOFF responds to a global call for better observations. Major global agreements highlight the need to address the observations data gap, including the SDGs, the Paris Agreement, and the Sendai Framework. In response to this call for action, WMO Members decided to commit to the implementation of the Global Basic Observing Network (GBON), which establishes a uniform minimum set of basic surface-based observations, the Alliance for Hydromet Development called for the establishment of SOFF as a priority action, and many countries and global leaders are calling for the creation of SOFF.

SOFF governance and operational approach:

11. As a UN coalition fund under the umbrella of the UN Multi-Partner Trust Funds, the SOFF governance structure provides for streamlined complementary roles of key partners and stakeholders. The Steering Committee offers funders an opportunity to ensure that the observations gap is efficiently and sustainably closed. The Advisory Board, co-chaired by UNDP and UNEP, assures effective linkages between upstream SOFF support and downstream activities implemented by other partners. The Secretariat, administratively hosted by WMO, provides the support for the operational implementation of SOFF and is accountable to the Steering Committee. WMO serves as the SOFF technical authority, verifying the GBON gap and compliance, assessing the technical veracity of the national GBON contribution plan, and endorsing and supporting peer advisers.
12. SOFF support is structured in three phases: (a) Readiness – provision of peer-to-peer technical support for all developing countries to provide an initial diagnosis of the country's meteorological service, establish the country's GBON gap and develop a plan to close the gap; (b) Investment – infrastructure and institutional capacity for SIDS and LDCs to generate and internationally exchange the GBON data; and (c) Compliance – long-term support to SIDS and LDCs for sustained data exchange with results-based finance for operations and maintenance and with peer-to-peer technical support. Implementation will follow a risk-based approach and prioritization will be guided by well-defined criteria. The private sector will be engaged in implementing SOFF, under four archetypal business models. SOFF will engage in continuous learning, incl. on evolving technology, and GBON compliance impacts.

SOFF programming and funding approach:

13. SOFF implementation will be structured as a 10-year program in three periods: (a) start-up period (approx. 6 months); (b) first implementation period (3 years); and (c) expansion and sustaining period. USD 200 million will be required for the first implementation period, including an initial capitalization of USD 50 million to allow start-up. A results framework has been elaborated for the first implementation period. Following the final endorsement of SOFF by the World Meteorological Congress and the SOFF Final Forum in October 2021, SOFF will be legally established and able to accept funding before the end of 2021, with operations starting after the first Steering Committee meeting in June 2022.

III. Discussion

14. Many delegates welcomed the quality of the Terms of Reference report and of the presentations, which demonstrated significant progress and a well-articulated and mature initiative. Some funder delegates indicated that their authorities are preparing to pledge; others noted that they are exploring ways of supporting SOFF. Funder delegates provided valuable comments, questions and suggestions to further strengthen the SOFF Terms of Reference. The SOFF team assured delegates that all comments and questions will be carefully considered in finalizing the Terms of Reference for the SOFF Final Forum and welcomed further inputs from delegations by 8 October 2021. The SOFF team stands ready for further bilateral conversations to clarify and discuss any remaining questions and feedback.
15. The following issues were raised by funder delegates:
- a. *On complementarities and synergies:* Some delegates sought further clarification on how complementarities and synergies would be assured across the various initiatives, including CREWS and REAP, as well as with anticipatory action and humanitarian response mechanisms. The SOFF team responded that this had been a principal consideration in the design of SOFF, of its governance structure and its operational modalities, including:
 - i. The cooperation among WMO, UNDP and UNEP as co-creators of SOFF;
 - ii. The role of the Advisory Board as a two-way link for SOFF with the downstream activities of the hydromet value chain. The Board membership will include REAP, members of the Alliance for Hydromet Development and other key multilateral organizations (including UNDRR), as well as representatives of recipient countries, the private sector and the CSO community;
 - iii. The participation of CREWS in the SOFF Steering Committee, to ensure complementarity between the two initiatives;
 - iv. Implementation of the Country Hydromet Diagnostics during the Readiness phase and integration of SOFF components into broader hydromet/climate projects.
 - b. *On the specifics of SOFF project preparation and peer-to-peer advisory:* Delegates asked for clarification of and examples of how investments would be prepared, and advisory services organized. Presenters noted that each SOFF investment is expected to be embedded into existing or new projects identified jointly by the beneficiary country and the Implementing Entities. The project proposals will be based on the GBON gap and the GBON plan developed in collaboration with peer advisors and verified by WMO. Peer-to-peer advice will be provided under the Country Support Initiative, which will be fully integrated into SOFF. WMO will endorse peer advisors and provide technical support to the advisors, as needed.
 - c. *On private sector engagement:* A delegate asked for additional information on how SOFF will cooperate with the private sector. The SOFF team noted that it has been working with the Association of the Hydrometeorological Equipment Industry (HMEI) and with representatives of the insurance industry (InsuResilience) in preparing the design of SOFF, as reflected in the Draft Terms of Reference report, including the development of potential business models for the involvement of the private sector in the operation and maintenance of SOFF beneficiary countries' GBON. The private sector will greatly benefit from the free and unrestricted access to improved prediction products and the overall economic benefits of improved weather prediction. HMEI as private sector representative will be participating in the Advisory Board.
 - d. *On SOFF funding and budget requirements:* A delegate asked how the SOFF funding requirement of USD 200 million was calculated and what would be the budgetary requirements for SOFF administration. The SOFF team explained that the estimates of funding requirements were based on a WMO inventory of new and upgraded stations needed as per the GBON requirements, the human and institutional costs for installation, operation and maintenance and technical assistance. Costs were estimated based on global average unit cost as per experts' opinion. Administrative expenses for SOFF will be kept within strict limits, below comparable funds: UNMPTF charges 1 percent as trustee fee; administrative overhead fees for Implementing Entities will be capped at 7 percent; and Secretariat costs will be constrained.

- e. *On graduation and exit:* Delegates asked about any graduation plans for recipient countries and whether, when and how SOFF will complete its work. The team noted that countries have graduated and will continue to graduate from LDC status according to standard UN criteria. As they do, they will also graduate from SOFF financing under the Investment and Compliance Phases. SOFF is conceived as a 10-year program, at the end of which all SIDS and LDCs are envisaged to be in full GBON compliance. However, there will be a continued justification of grant support for compliance for SIDS and LDCs based on the low-income status and vulnerability of the countries concerned and the global public goods (GPG) nature of observations. In the absence of a more general GPG financing mechanism, and continued capacity and budgetary constraints in the supported countries, suitable means for raising funding would then have to be explored (including regular replenishments) based on SOFF results and impact in the preceding 10 year period.

16. SOFF stakeholder delegations commented:

- i. **Least Developed Countries Group:** The representative of the LDC Group recognized the great benefit SOFF will bring to LDCs. He asked for a representation of LDCs on the SOFF Steering Committee to ensure that the perspective of these countries is fully reflected in the Committee's decisions.
- ii. **Colombia:** The delegation welcomed the rapid creation of the SOFF, reiterated the urgency and importance of improved observations for the Paris Agreement goals, the increasing climate threats that the country faces, and reiterated the call to SOFF potential funders to consider additional funding for other developing countries.
- iii. **European Centre for Medium-range Weather Forecasts (ECMWF):** The ECMWF representative strongly welcomed SOFF since it will substantially contribute to improving the quality of weather and climate prediction furnished by ECMWF for worldwide use. He reiterated that the benefit of investment in observations in currently underserved locations greatly exceeds the benefit of additional investments in locations that are already well served.
- iv. **Group of Earth Observatory (GEO):** The director of GEO noted that SOFF will contribute substantially to GEO's objectives and welcomed GEO's participation in the SOFF Advisory Board.
- v. **Global Network of Civil Society Organizations for Disaster Reduction (GNDR):** The Executive Director of GNDR highlighted that as a future member of the SOFF Advisory Board, GNDR is pleased to partner with SOFF in ensuring that voices of local CSOs are heard in the overall strategic design and operational implementation. The SOFF team noted that GNDR had provided invaluable assistance in organizing regional consultations with CSO representatives in Africa, Latin America and the Caribbean, Asia and the Pacific and would be a valued partner during implementation.

IV. Closing

- 17. In his closing statement, the WMO Secretary-General thanked all participants for their interest and statements of support, and for their very helpful questions and comments. He emphasized that WMO is fully committed to make SOFF a success and that it is working hard, in collaboration with UNDP, UNEP and the UNMPTF Office, to put in place all the arrangements needed so that SOFF can be established as speedily as possible. He assured delegates that the SOFF team will reflect carefully on the issues raised and address them in the final Terms of Reference to be submitted for the SOFF Final Forum 28 October. Finally, he urged all potential funders, to do whatever is possible in the next few weeks before the SOFF Final Forum and COP26 SOFF event to ensure that the minimum financial pledges required to start SOFF operations are going to be secured.
- 18. The Chairperson delivered a provisional summary of the event. He requested any further comments or questions on the draft SOFF Terms of Reference as well as comments on the provisional Chair's summary to be shared with the SOFF team by no later than 8 October 2021. In closing, he thanked all participants, the SOFF team and the supporting staff for their highly productive engagement. With the Final Forum and COP26 only about a month away, he called on potential funders to take the message back to capitals that SOFF is a foundational initiative that deserves financial support in the interest of the

recipient countries and the global community. He called on potential funders to ensure the greatest possible support for SOFF in the form of early pledges that would allow SOFF to get off the ground promptly. Early pledging will allow funders to position their SOFF contribution as a part of the increased climate finance ambition expected at COP26. It would also allow them to participate in the first SOFF Steering Committee meeting planned for June 2022 and thus play a key role in shaping the final governance and operational modalities for SOFF. The WMO, UNDP and UNEP leadership, the SOFF team and the Chair stand ready to support delegates in making this case in the coming weeks.

Annex I. Participant list

Statements

António Guterres	United Nations Secretary-General
Gerhard Adrian	WMO President
Petteri Taalas	WMO Secretary General
Achim Steiner	UNDP Administrator
Inger Andersen	UNEP Executive Director
Mami Mizutori	Special Representative of the Secretary General for Disaster Risk Reduction, UNDRR
Patricia Espinosa	Executive Secretary, UNFCCC
Carlos Fuller	Belize's Permanent Representative Designate to the United Nations

WMO/UNDP/UNEP SOFF Team

Johannes Linn	SOFF Global Facilitator, Chairperson
Laura Tuck	SOFF Global Facilitator
Anthony Rea	WMO*
Markus Replik	WMO*
Lars Peter Riishojgaard	WMO*
Pradeep Kurukulasuriya	UNDP*
Benjamin Larroquette	UNDP*
Jian Liu	UNEP*
Brennan Van Dyke	UNEP*
Jochem Zoetelief	UNEP*

Delegations

Ruxandra Voinov	Australia	Potential Funder
Michael Staudinger	Austria	Potential Funder
Erwin Kuenzi	Austria	Potential Funder
Helmut Hojesky	Austria	Potential Funder
Ingrid Pech	Austria	Potential Funder
Jenifer Collette	Canada	Potential Funder
Shannon deGraaf	Canada	Potential Funder
Xin QIAN	China	Potential Funder
Xiaodan Na	China	Potential Funder
Wanzhi Xu	China	Potential Funder
Yutong Li	China	Potential Funder
Xiaoping Hu	China	Potential Funder
Simon Svith	Denmark	Potential Funder
Valentina Villoria	European Commission	Potential Funder
Jochen Luther	European Commission	Potential Funder
Christophe Jacob	European Commission	Potential Funder
Karri Eloheimo	Finland	Potential Funder
Marie-Pierre Meganck	France	Potential Funder
Laurence Frachon	France	Potential Funder
Catherine Borretti	France	Potential Funder
Isabelle Bénet Borretti	France	Potential Funder
Philipp von Carnap	Germany	Potential Funder
Sabine Brickenkamp	Germany	Potential Funder
Britta Horstmann	Germany	Potential Funder
Malte Uphoff	Germany	Potential Funder

Karolin Eichler	Germany	Potential Funder
Árni Snorrason	Iceland	Potential Funder
Magnus Sigurdsson	Iceland	Potential Funder
Annalisa Micheletti	Italy	Potential Funder
Adriano Raspanti	Italy	Potential Funder
Josephine Prendergast	Ireland	Potential Funder
Akira Okagaki	Japan	Potential Funder
Daeseok Han	Korea	Potential Funder
Insun Kim	Korea	Potential Funder
Jieun Park	Korea	Potential Funder
Abdulaziz M Alqarawi	Kuwait	Potential Funder
Salah Alansari	Kuwait	Potential Funder
Gé Verver	Netherlands	Potential Funder
Rubert Konijn	Netherlands	Potential Funder
Aage Jorgensen	Nordic Development Fund	Potential Funder
Julie Louise Aaserud	Norway	Potential Funder
Elena Mateescu	Romania	Potential Funder
Iuliana Munteanu	Romania	Potential Funder
Abeer Asiri	Saudi Arabia	Potential Funder
Ayman Ghulam	Saudi Arabia	Potential Funder
Ricardo Squella	Spain	Potential Funder
Ortiz-de-Galisteo	Spain	Potential Funder
Fernando Belda	Spain	Potential Funder
Javier Soria	Spain	Potential Funder
Ilmar Karro	Sweden	Potential Funder
Murat Altinyollar	Turkey	Potential Funder
Ozan Çakır	Turkey	Potential Funder
Mohamed Abdulla Alebri	UAE	Potential Funder
Helen Bye	UK	Potential Funder
Fred Branski	USA	Potential Funder
Jen Eldridge	USA	Potential Funder
Steven Goldfinch	ADB*	Stakeholder
Arghya Sinha Roy	ADB*	Stakeholder
James Kinyangi	AfDB*	Stakeholder
Goudou Dieudonne	AfDB*	Stakeholder
Carlos Fuller	AOSIS	Stakeholder
Tayba Tamang	Bhutan	Stakeholder
Laura Lee	CIF*	Stakeholder
Xianfu Lu	CIF*	Stakeholder
James Kinyangi	ClimDev	Stakeholder
Andrés Felipe Marmolejo Egred	Colombia	Stakeholder
Juan Manuel Saldaña	Colombia	Stakeholder
Sofia Heredia	Colombia	Stakeholder
John Harding	CREWS	Stakeholder
Amir Habchi	EBRD*	Stakeholder
Fabio Venuti	ECMWF	Stakeholder
Umberto Modigliani	ECMWF	Stakeholder
Vincent Gabaglio	EUMETSAT	Stakeholder
Kevin Horsburgh	GCF*	Stakeholder
Steven Ramage	GEO	Stakeholder
Yana Gevorgyan	GEO	Stakeholder
Bijay Kumar	GNDR	Stakeholder
Valeria Drigo	GNDR	Stakeholder
Astrid Zwick	InsuResilience	Stakeholder
Phento Tshering	LDC Group	Stakeholder
Sonam Zangmo	LDC Group	Stakeholder

Ben Webster	REAP	Stakeholder
Richard Bailey	UNDRR	Stakeholder
Jennifer Topping	UNMPTF	Stakeholder
Pierre Pascal Bardoux-Chesneau	UNMPTF	Stakeholder
Montserrat Barroso	WFP*	Stakeholder
Daniel Kull	World Bank*	Stakeholder
Vladimir Tsirkunov	World Bank*	Stakeholder
Abubakr Salih Babiker		WMO
Annick Champagne		WMO
Bing Liu		WMO
Christophe Jacob		WMO
Ede Ijjasz		WMO
Juerg Luterbacher		WMO
Lorena Santamaria-Rojas		WMO
Mario Peiró Espí		WMO
Mark Majodina		WMO
Mary Power		WMO
Michel Nikiema		WMO
Roseline Devillier		WMO
Serena Odianose		WMO

* Members of the Alliance for Hydromet Development

Annex II. Final Agenda of Third Funders' Forum



Systematic Observations
Financing Facility - SOFF

Provisional Agenda SOFF Third Potential Funders' Forum

27 September 2021, 12:00-15:00h CET

Time	Agenda Item	Description
12:00	1. Opening	<ul style="list-style-type: none">• Statement: United Nations Secretary-General• Welcome remarks• Agenda: Discussion and approval
12:35	2. Rationale for SOFF and call for action	Chapters 1 to 6 - SOFF Draft ToR <ul style="list-style-type: none">• Presentation• Statement: Ambassador Carlos Fuller on behalf of SIDS and LDCs• Discussion
13:20	3. SOFF governance and operational approach	Chapters 7 and 8 - SOFF Draft ToR <ul style="list-style-type: none">• Presentation• Statement: Special Representative of the Secretary-General for Disaster Risk Reduction, UNDRR• Discussion
14:10	4. SOFF programmatic and funding approach	Chapter 9 - SOFF Draft ToR <ul style="list-style-type: none">• Presentation• Discussion
14:50	5. Closing	<ul style="list-style-type: none">• Closing remarks• Summation by Chair• Statement: Executive Secretary, UNFCCC

Annex III – Background information for Third Funders’ Forum

- Draft Terms of Reference for the SOFF: <https://alliancehydromet.org/wp-content/uploads/2021/09/SOFF-draft-Terms-of-Reference.pdf>
- Third Funders’ Forum slide presentations: <https://alliancehydromet.org/soff-funders-forum/>
- LDC Group / AOSIS statement: <https://alliancehydromet.org/wp-content/uploads/2021/09/Joint-SOFF-statement-LDC-AOSIS.pdf>
- SOFF statements of support: <https://alliancehydromet.org/systematic-observations-financing-facility/soff-support-statements/>

More information on SOFF can be found at: <https://alliancehydromet.org/systematic-observations-financing-facility/>