



Eighth Steering Committee 18-19 June 2024

Update on Multilateral Development Banks serving as SOFF Implementing Entities

Draft Decision 8.5

Systematic Observations
Financing Facility

**Weather
and climate
data for
resilience**



Draft Decision 8.5: Update on Multilateral Development Banks serving as SOFF Implementing Entities.

The SOFF Steering Committee

Recalls [Decision 7.4](#) “Adoption of actions on Multilateral Development Banks serving as SOFF Implementing Entities.”

Acknowledges the importance of African Development Bank, Asian Development Bank, Inter-American Development Bank, Islamic Development Bank and World Bank serving as SOFF Implementing Entities and their ability to link and leverage SOFF investments with their country or regional programs for larger country support packages.

Welcomes that the Islamic Development Bank has already signed the legal agreement with the UNMPTF Office, that World Bank and Inter-American Development Bank have reached an agreement on the terms and conditions of the engagement and are concluding the signature of the Framework Agreement with the UNMPTF Office, and that negotiations between the African Development Bank and the UNMPTF Office have further advanced.

Notes that at the 6th SOFF Steering Committee two Investment funding decisions for Belize and South Sudan were approved subject to African Development Bank and Inter-American Development Bank signing the Framework Agreement with UNMPTF Office by 15 February 2024 ([Decision 6.3](#)), that through [Decision 7.4](#) the deadline for signing the UNMPTF Framework agreement was extended until 30 April 2024.

Further notes that both, the Inter-American Development Bank and the African Development Bank have not yet formally signed the legal agreements, despite the negotiation progress stated above.

Approves the final extension of the deadline for signature of the UNMPTF Framework Agreement for the African Development Bank and Inter-American Development Bank until 31 August 2024.

Requests the World Bank, Inter-American Development Bank and African Development Bank to sign the UNMPTF Framework agreement.

Encourages the Asian Development Bank to finalize the legal agreement negotiations with the UNMPTF.

[Purpose of this Document](#)

The purpose of this document is to provide an update on the status of the five Multilateral Development Banks expected to serve as SOFF Implementing Entities and to approve a final extension of the deadline for signature of the Framework Agreement between UNMPTF and African Development Bank and the Inter-American Development Bank.

Update on Multilateral Development Banks serving as SOFF Implementing Entities

1. The Role of Multilateral Development Banks as SOFF Implementing Entities

In line with the [SOFF Terms of Reference](#) (section 7.6), [SOFF Operational Manual](#) (section 4.4.2) and [Steering Committee Decision 5.6](#) major multilateral development partners are expected to serve as SOFF Implementing Entities for the SOFF Investment Phase. Of the nine SOFF Implementing Entities, five are Multilateral Development Banks (MDBs) and four of them are currently actively engaged in SOFF (African Development Bank, Inter-American Development Bank, Islamic Development Bank, World Bank).

The role of MDBs in SOFF implementation is essential for co-financing and leveraging MDB investments as well as resources from other funds to which the MDBs serve as accredited entities. The blending of SOFF resources with larger investments is crucial to ensure beneficiary countries can benefit from a comprehensive, integrated and coherent package of support, beyond SOFF support.

SOFF serves as an innovator among UN Multi-Partner Trust Funds (UNMPTF) with a cumulative portfolio of USD 18.9 billion. SOFF is the first fund in its portfolio that has several MDBs expected to serve as Implementing Entities. While SOFF is paving the way for a potential future broader engagement between MDBs and the UNMPTF, it is also affected by complicated legal negotiations between the MDBs and the UNMPTF Office that are taking more time than initially envisioned.

MDBs are committed to the implementation of the Early Warnings for All Initiative. At the UN Secretary Generals Climate Ambition Summit in September 2023, MDBs committed to supporting implementation of EW4All. The [declaration of support for Early Warnings For All](#) was endorsed by the World Bank, Inter-American Development Bank, Asian Development Bank, African Development Bank, Islamic Development Bank, Caribbean Development Bank, European Investment Bank, the Council of European Development Bank and European Bank for Reconstruction and Development. SOFF is a means to operationalize this commitment.

Out of the so far 62 programmed SOFF countries MDBs are expected to serve as Implementing Entity in 29 countries. To date, two funding requests with MDBs have been approved through [Decision 6.3](#). (Belize with Inter-American Development Bank as Implementing Entity and South Sudan with African Development Bank as Implementing Entity) but are pending signature of the Framework Agreement between these MDBs and the UNMPTF.

Table 1 provides an overview about the countries that requested to work with MDBs as SOFF Implementing Entities (Sudan on hold).

Table 1. SOFF beneficiary countries that opted to work with MDBs as Implementing Entity.

| Implementing Entity | Country | Peer Advisor |
|---------------------------------|----------------------------------|-------------------------|
| African Development Bank | Burkina Faso | Spain - Nigeria |
| | Democratic Republic of the Congo | Switzerland |
| | Liberia | Nigeria |
| | Madagascar | Germany |
| | South Sudan | Austria |
| | Comoros | Morocco |
| | Mauritius | South Africa - India |
| | Niger | Nigeria |
| | Seychelles | South Africa |
| Inter-American Development Bank | Belize | United Kingdom |
| | Ecuador | Switzerland - Argentina |
| | Guyana | Austria |
| | Bahamas | Finland |
| | Barbados | Finland |
| | Guatemala* | Spain |
| | Haiti | Switzerland |
| | Jamaica | Finland |
| | Saint Kitts and Nevis | Finland |
| | Trinidad and Tobago | Finland |
| Islamic Development Bank | Senegal | Netherlands |
| | Uganda | Netherlands |
| | Bangladesh | Norway |
| World Bank | Fiji | Australia |
| | Samoa | Australia |
| | Cambodia | United Kingdom |
| | Lao People's Democratic Republic | Austria - China |
| | Tonga | New Zealand |
| | Vanuatu | New Zealand |
| | Tajikistan | Finland |

*Guatemala was programmed with the third batch of SOFF beneficiary countries for Readiness support, but the funding request is still pending.

| | |
|--|--------------------------------|
| | EW4All initial focus countries |
|--|--------------------------------|

2. Status of UNMPTF Framework Agreements with MDBs

As of May 2024, the Islamic Development Bank has signed the Framework Agreement with the UNMPTF. The World Bank and Interamerican Development Bank have both agreed upon the conditions for signing and the final administrative processes are ongoing. Negotiations with the African Development Bank are at an advanced stage. The UNMPTF agreement with Asian Development Bank is pending. Table 2 below outlines the status of legal agreements for the five MDBs.

Table 2. Status of UNMPTF Framework Agreement for MDBs.

| MDB | Status of UNMPTF Framework Agreement |
|---------------------------------|---|
| Islamic Development Bank | Completed |
| World Bank | Negotiations completed, pending signature |
| Inter-American Development Bank | Negotiations completed, pending signature |
| African Development Bank | Negotiations at advanced stage, pending signature |
| Asian Development Bank | Pending agreement |

At the 6th SOFF Steering Committee, the funding decisions for Belize and South Sudan were approved subject to African Development Bank and Inter-American Development Bank signing the Framework Agreement with UNMPTF Office by 15 February 2024. At the 7th SOFF Steering Committee meeting, the deadline for this agreement was extended based on the then expected time to respond to any legal complexities in securing this agreement. SOFF is paving the way for MDB engagement with the UNMPTF. The extent of the efforts required was not originally foreseen, but after significant time from all parties, the negotiations are now complete for IDB and World Bank and they are ready for signature. Negotiations between AfDB and UNMPTF Office are at an advanced stage, while the agreement with the Asian Development bank is pending.