



Systematic Observations Financing Facility **First Funders' Forum**

Agenda item 3 - SOFF design and implementation

Markus Repnik, Director Development Partnerships

- SOFF basic design
- SOFF institutional set up
- SOFF implementation and funding needs

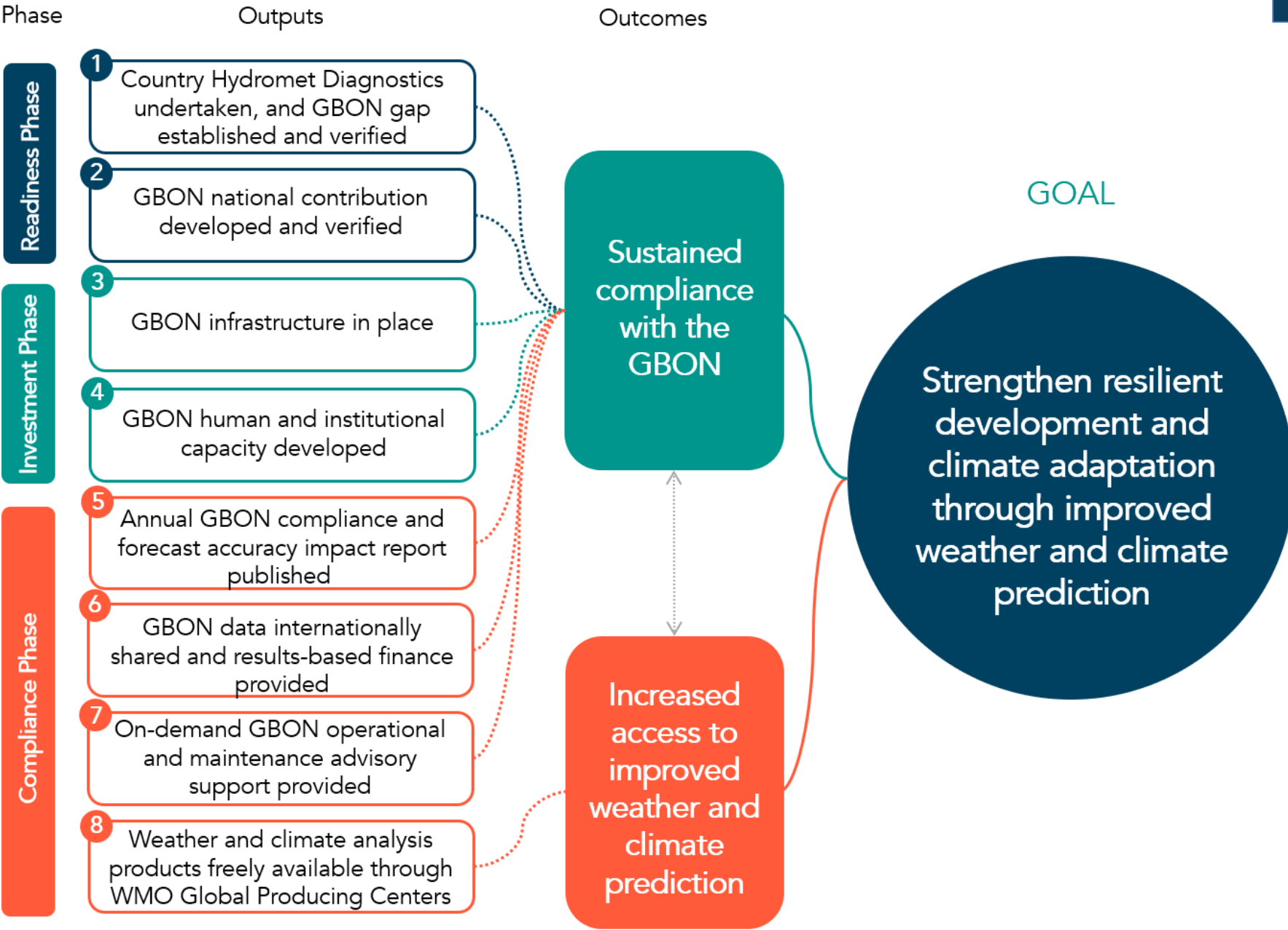
SOFF value proposition

SOFF will provide grants and technical assistance to countries with the largest capacity gaps for the long-term generation and international exchange of basic surface-based weather and climate observations.

SOFF three basic features

- **Investments guided by internationally agreed global design and metrics** – the GBON requirements
- **Data sharing as a measure of success**
- **Long-term, results-based finance** to contribute to operations and maintenance costs, in recognition of the global public good of observations

SOFF results framework



SOFF operational design

Readiness

- Country Hydromet Diagnostics undertaken and GBON gap assessed and verified
- GBON national contribution developed and verified

Investment

- GBON infrastructure in place
- GBON human and institutional capacity developed

Compliance

- GBON data internationally shared and results-based finance provided
- Annual GBON compliance and impact report published

SOFF beneficiaries

- Focus on **Small Island Developing States and Least Developed Countries** for all three phases of SOFF support
- Other **OECD Official Development Assistance** countries eligible to access SOFF readiness support

SOFF operational partners

- **WMO technical authority** – Verify GBON requirements and compliance, and contribute to SOFF impact monitoring
- **Country Support Initiative (CSI)** – Provide peer to peer SOFF technical advisory, incl. Country Hydromet Diagnostics
- **SOFF implementing entities** – Execute SOFF investments and blend SOFF financing with own resources (Multilateral Development Banks and selected UN organizations)
- **WMO Global Producing Centres** – Provide free access to improved weather and climate analysis products and contribute to SOFF impact monitoring

A foundational and complementary partnership

- **SOFF most direct benefit is for investments in weather forecasts, early warning systems and climate services -**
Alliance for Hydromet Development current hydromet portfolio
USD 2.5 billion
- **SOFF improvements in weather and climate prediction will enhance the effectiveness** of major initiatives, incl. InsuResilience, REAP and CREWS.

SOFF basic institutional elements

Trustee

- SOFF fiduciary function
- Contributions will be bundled in a multi-donor trust fund or a financial intermediary fund

Steering Committee

- SOFF decision making body for operational guidelines, funding allocations, country requests
- Expected to be composed of funding partners, beneficiary country representatives and potentially other observers

Specialized Secretariat

- Coordinates and ensures that diverse functions and partners work together coherently
- Reports to and supports work of Steering Committee
- Administers Country Support Initiative
- Issues annual compliance and impact report

SOFF integration into an existing mechanism

- **SOFF – a dedicated mechanism, not a new institution:** SOFF to be integrated into an existing development or climate finance institution/mechanism
- **Criteria for selection of SOFF institutional host:** mandate/scope, diverse sources of financial contributions, transfer-out, ability to host specialized SOFF secretariat, complexity SOFF establishment and operation
- **7 SOFF host options identified:** Adaptation Fund, CIF, CREWS, GCA, GEF, GCF, UNEP with UN Multi-Partner Trust Fund
- **Firming up SOFF host and institutional arrangements:** envisioned by second SOFF funders' forum, decision in collaboration with potential funders

SOFF implementation milestones and funding needs

	SOFF implementation milestones	Estimated Funding Needs USD	Outputs
SOFF initial implementation period	67 SIDS and LDCs	400 M	Up to 28-fold increase of exchanged observations
	Additional OECD ODA eligible countries supported - Readiness Phase		Hydromet baselines assessed and GBON national plans verified
SOFF second implementation period	Results-based finance to SIDS and LDC	50 M per year	Continuous international data sharing
	Potential extension of GBON to other observation domains	TBD	TBD

How will resources be deployed?

Readiness

- Advisory support to countries and SOFF implementing entities through the CSI
- On cost-recovery basis with standardized funding caps per country

Investment

- SOFF implementing entities draw on resources on behalf of countries

Compliance

- Annual results-based finance for verified GBON compliant stations provided to national meteorological service
- Covers averaged 75% of operation and maintenance costs

SOFF monitoring and evaluation

Annual GBON compliance and SOFF impact report

Adaptive management and continuous learning

- As needed, adjustments proposed to Steering Committee
- Self-assessment in third year

External evaluation

- In fourth year to inform SOFF operational design adjustment, for subsequent funding period

SOFF adaptation, evolution and risk mitigation

Evolving science and technology

- SOFF will finance best available and environmentally friendly technology – guided by WMO Infrastructure Commission

Evolving GBON regulatory framework

- SOFF envisioned to evolve as GBON evolves
- Potential future expansion into other earth observation domains

Managing risks

- SOFF implementation confronted with political, institutional, technical risks
- Risks assessment to be presented at second SOFF funders' forum