



2021 RESILIENCE LEARNING MONTH EVENT SUMMARY

ADB

The Systematic Observations Financing Facility (SOFF): Exploring opportunities for ADB

14 December 2021, Tuesday
3-4 p.m. Manila Time (GMT+8)
Zoom



The Systematic Observations Financing Facility (SOFF), established at COP26 in Glasgow, aims to mobilize \$200 million in grant funds to support least developed countries (LDCs) and small island developing States (SIDS) improve their weather observation infrastructure. The support includes (i) TA resources to undertake initial assessments; (ii) grant resources to establish observation infrastructure; and (iii) results-based financing to support maintenance of observation infrastructure.

ADB, as a member of the Alliance of Hydromet Development, is considering becoming a SOFF implementing entity. Markus Repnik, Director of Development Partnerships at the World Meteorological Organization (WMO) and Lorena Santamaria, Program Officer, WMO presented the SOFF and discussed opportunities to access this innovative finance for weather and climate observations

We're trying to fix a perennial problem, namely, huge data gaps in terms of basic weather and climate observation coming from LDCs and SIDS.

MARKUS REPNIK

Director, Development Partnerships, WMO

SPEAKERS



MARKUS REPNIK

Director,
Development Partnerships,
World Meteorological
Organization



LORENA SANTAMARIA

Program Officer,
World Meteorological Organization

MODERATOR



STEVEN J. GOLDFINCH

Disaster Risk
Management Specialist,
Asian Development Bank

KEY MESSAGES

- The world's poorest countries currently take on the full costs of investment and operations of basic observation infrastructure. Grants and loans are timebound and too often focus on the investment phase only.
- SOFF recognizes that basic and foundational weather and climate information is a global public good. Therefore, SOFF aims to provide a new financing model for basic weather observation without placing the burden solely on LDCs and SIDS.
- SOFF aims at ensuring the long-term generation and international exchange of basic surface-based observations. It focuses exclusively on the initial part of the meteorological value chain – the foundation for effective weather and climate information services policy and investment decisions.
- In October 2021, all members of WMO committed to increasing exchange of data among each other. This includes the global basic observing network (GBON). This provides a framework for technical and financial support and regulates requirements. SOFF is based on this agreement.
- The SOFF value proposition is based on GBON regulations, supports results-based and long-term finance, including support to annual O&M costs. It provides a platform for peer-to-peer technical assistance by advanced met offices and will underpin 'last mile' investments.
- SOFF channels support through implementing entities to national meteorological and hydrological services. Selected implementing entities in Asia and the Pacific are expected to include ADB, World Bank, WFP, UNEP and UNDP. SOFF draws on a pool of 25-30 advanced met offices to act as peer advisors.
- SOFF activities must be fully integrated into large operations of implementing entities, such as ADB (subject to becoming an implementing entity). Prioritization criteria includes closing the most significant data gaps, maximizing delivery capacity through implementing entities, and leveraging blended finance opportunities (including GCF).
- SOFF opportunities for ADB include grant financing and free technical assistance for LDCs and SIDS, increased effectiveness of ADB climate adaptation and resilient development projects, and support to further position ADB viz. implementing international agreements (GBON) and the Paris Agreement.
- There are three phases of support under the SOFF (i) technical assistance for the readiness phase, up to \$200,000 per country, (ii) technical assistance for the investment phase, to be defined with the implementing entity, and (iii) \$100,000 for the compliance phase. In terms of project investment, this is needs-based to close the GBON gap, but likely in the low millions on average. The SOFF financing target for the first 3 years is \$200 million with up to 50 countries benefiting.
- The SOFF will consider the first batch of countries to support in September 2022. ADB is expected to secure 'implementing entity' status in Q2 2022

FURTHER INFORMATION

Session video recording. <https://web.microsoftstream.com/video/4fa2c4d2-fef9-43d4-9b98-e8e156a210fc>

Systematic Observations Financing Facility (SOFF). <https://alliancehydromet.org/systematic-observations-financing-facility/>

Alliance of Hydromet Development. <https://alliancehydromet.org/>