

## **Eleventh Steering Committee** 19-21 May 2025

# **Approach to Managing Country Funding Requests**

Decision 11.6

Systematic Observations

Financing Facility

Weather and climate data for resilience





## **Decision 11.6: Approach to Managing Country Funding Requests**

The SOFF Steering Committee

## **Acknowledges**

- The commitment of countries to deliver their share to the Global Basic Observing Network (GBON) with SOFF support.
- The efforts of SOFF to respond to country demand, while recognizing the current financial constraints affecting the SOFF UN Fund.

#### Recalls

- Decision 8.4.2 that endorsed an approach for responding to Investment funding requests in the context of limited financial resources.
- The request from the SOFF Steering Committee to further develop the approach to prioritizing all country funding requests.

**Recognizes** the importance of ensuring that funding is prioritized in the SOFF UN Fund to support Compliance activities, while balancing the needs of current investments in Readiness and Investment phases.

**Endorses** the approach to managing country funding requests for the remainder of the First Implementation Period, namely:

- To put programming of new countries on hold until further decisions by the SOFF Steering Committee.
- To put approval of new Readiness funding requests on hold until further decisions by the SOFF Steering Committee.
- To create a SOFF Investment phase pipeline following the prioritization criteria and process.
- To outline the details of Compliance Phase in a Compliance Framework, which will be presented for consultation at the 12<sup>th</sup> SOFF Steering Committee meeting and endorsement at the 13<sup>th</sup> SOFF Steering Committee meeting.

## **Requests** the SOFF Secretariat

- To seek inputs from countries and operational partners about the approach to managing country funding requests, with possibility of further refinement of the approach at a future Steering Committee meeting.
- To make the SOFF Investment phase pipeline publicly available on the SOFF website.



## **Purpose of this Document**

This document outlines the approach to managing SOFF country funding requests during the remainder of the extended First Implementation Period, given the current resource constraints of SOFF. It builds upon Decision 8.4.2 which endorsed an approach for responding to Investment funding requests in the context of limited financial resources and introduces an expanded approach to also cover SOFF programming and Readiness phase funding and expected Compliance phase funding.



## **Approach to Managing Country Funding Requests**

## 1. Context

The updated SOFF work programme, adopted through <u>Decision 6.6</u>, set a target of 75 countries receiving Readiness support and 50 countries benefitting from Investment support by the end of the First Implementation Period. Since March 2023, the SOFF Steering Committee has approved the programming of 66 countries, Readiness funding requests for 61 countries, and Investment funding requests for 15 countries, demonstrating high speed of operations in response to the significant demands from countries to receive SOFF support.

To address the gap between demand for SOFF support and availability of financial resources, the SOFF Steering Committee, through <u>Decision 8.4.2</u>, endorsed an approach for responding to future Investment funding requests in the context of limited financial resources. This approach comprises three elements:

- Prioritization of Investment funding requests applying the SOFF programming criteria as adopted by <u>Decision 1.4</u>, putting particular emphasis on closing the most significant data gaps and creating leverage.
- Investment funding requests submitted for Steering Committee consideration but not approved due to funding constraints, will be retained in the SOFF Investment phase pipeline, and resubmitted for consideration of future Steering Committee meetings.
- Countries and their Implementing Entities can revise their Investment funding requests in the pipeline before resubmission.

As Decision 8.4.2 only addressed Investment funding requests, the need for additional details and clarity on the broader approach to consideration and prioritization of country funding requests was identified at the 10<sup>th</sup> Steering Committee meeting. In response to this and in line with Decision 11.3 which proposes to extend the First Implementation Period until June 2027, this document outlines a more comprehensive approach to all country funding requests across the three SOFF phases for the remainder of the extended First Implementation Period.

## 2. Approach to managing country funding requests

## 2.1. Programming

SOFF is committed to respond to country demand by programming additional countries with the aim to meet the target of 75 approved Readiness funding requests by the end of the extended First Implementation Period if resources allow. To date, 66 countries have been programmed, with nine remaining countries to be programmed. Due to current



resource constraints, programming of these nine countries will be put on hold, pending future decisions of the SOFF Steering Committee.

## 2.2. Readiness phase

Readiness funding requests for programmed countries will be reviewed and presented to the SOFF Steering Committee in the form of an INF document. The approval of these additional funding requests will be on hold, pending future decisions by the SOFF Steering Committee.

#### 2.3. Investment phase

At each SOFF Steering Committee meeting, the SOFF Secretariat will bring forward a batch of Investment Funding requests reviewed by the SOFF Secretariat in the form of an INF document. The funding requests will be prioritized by applying the following criteria:

- Technical feasibility
  - o Compliance with quality and completeness requirements.
  - Alignment with the SOFF programming criteria, with particular emphasis on closing the most significant gaps and creating leverage, as endorsed by the SOFF Steering Committee in Decision 8.4.2.
- Project timing and scheduling
  - o Advancement of activities outlined in the National Contribution Plan that are time-sensitive and necessary to prevent the plan from becoming outdated.
  - Application of a phased approach to investments whenever feasible.
- Financial considerations
  - o Tapping of co-financing opportunities as available.
- Risk assessment
  - Lower risk profiles as assessed through the risk matrix in the funding request.

Following the SOFF Steering Committee's endorsement of the prioritization of Investment funding requests, the batch will be included in the Investment phase pipeline. This approach ensures that funding requests endorsed first will be funded first, as sufficient resources become available, to acknowledge the work of countries and their SOFF operational partners and to reduce the risk of information becoming outdated.

Countries and their SOFF Implementing Entities will have the option to revise the funding requests in the pipeline until it is presented to the SOFF Steering Committee for an approval decision depending on availability of funding in the SOFF Trust Fund. Revised funding requests with minor revisions will retain their place in the pipeline.



Decisions to approve new Investment Funding request will be informed by the resources available in the SOFF Trust Fund for expected future Compliance phase payments. In advance of each funding decision, the SOFF Secretariat will present SOFF Steering Committee members with an overview of anticipated Compliance phase funding needs.

The SOFF Investment phase pipeline endorsed by the SOFF Steering Committee will be made available on the SOFF website to enhance transparency and to support decision-making of countries and their Implementing Entities and peer advisors in preparing future funding requests.

## 2.4. Compliance phase

It is projected that the first countries currently in the Investment phase will seek approval of Compliance phase payments earliest in the first half of 2028, as outlined in Decision 11.3. The process for submission and approval of funding requests for Compliance phase will be outlined in a Compliance Framework, which will be presented for consultation at 12<sup>th</sup> SOFF Steering Committee meeting and endorsement at the 13<sup>th</sup> SOFF Steering Committee meeting.

Compliance phase payments are expected to be prioritized, while balancing the needs of investments in Readiness and Investment phases. In order to fully deliver activities across all phases, the Compliance Framework will clearly define the approach for setting aside resources for future Compliance phase payments.