

Draft Paper on Cooperation between the Climate Risks and Early Warning Systems (CREWS), the Green Climate Fund (GCF) and other Climate Financing Institutions

1. At its Third Meeting, 29 June 2017, the CREWS Steering Committee identified the need for a short paper to reflect the links between CREWS, the Green Climate Fund (GCF) and other climate financing mechanisms.
2. The objective of this paper is to present how CREWS can increase its impact through working with relevant climate finance institutions in:
 - i. **Leveraging additional resources** for Least Developed Countries (LDCs) and small island developing States (SIDS), tapping into climate finance;
 - ii. **Increasing the efficiency and effectiveness of climate finance.** This includes supporting LDCs and SIDS sub-national, national and regional direct access entities to access climate finance to strengthening early warning systems ;
 - iii. **Carrying out long term programming, monitoring and showing results** - including the measure of the impacts of investments and the promotion of coherence between diverse sources of climate finance on resilience and early warning systems.

Challenges

3. Investments to strengthen hydrometeorology capacity over the years have had variable impacts. A number of National Meteorological and Hydrological Services (NMHSs), particularly LDCs in Africa and SIDS, continue to operate with low capacity, funding and visibility.
4. Programmes supported by climate financing mechanisms are, in many cases, focused on strengthening observation systems and other infrastructure investment. Financial viability of infrastructure and equipment is a common challenge.
5. Insufficient emphasis goes on the challenges countries face in marketing their products, maintaining their observation networks and retaining qualified staff. This affects their ability to develop regulatory agreements to deliver quality products, to access regional and global data and operational guidance.
6. Programmes requires long term-engagement and upstream work with the project proponents and the beneficiary countries to elaborate credible project exit strategies and financially viable operation and maintenance plans.
7. The impacts of investments need to be measured to demonstrate progress in the issuance of early warning and related climate and weather services to the populations and institutions who need them, demonstrating the socio-economic benefits, in a way that aligns with key international agreements.

8. Lessons from successes are insufficiently learnt and institutionalized. This is particularly true for solutions in early warning systems that are innovative or require specific adaptation to a given local context.

Opportunities

a. GCF and CREWS

9. GCF and CREWS share the common objective of increasing resilience in developing countries and reduction of climate and disaster risks.
10. CREWS mission contribute to the overall Adaptation Strategic Impact area of the GCF. The result management framework of GCF emphasizes early warning systems and climate information as one of the backbones of its resilience and adaptation investments. As of December 2017, the GCF has approved US\$ 492 million in projects that support early warning systems and climate information.
11. While no formal agreement exists between the secretariats, they communicate regularly and exchange information on their portfolios complementarity and collaboration opportunities.
12. Two of the CREWS Implementing partners have formal agreements with the GCF.
13. The World Bank is an accredited entity of GCF and as of December 2017 the portfolio of hydrometeorological services under the GCF, , totals approximately US\$ 50 million¹, with a number of additional countries in the pipeline.
14. WMO is in advanced conversation with the GCF to provide technical expertise to the GCF Secretariat to develop the concept, methodology and implementation approach to articulate the *climate rationale* of all GCF-funded projects and activities. The climate rationale provides the scientific underpinning for evidence-based climate action decision making and the theory of change of all activities funded by the GCF. It ensures that the set of causal linkages between climate and climate impacts and between climate action and societal benefits is fully grounded in the best available climate data and science concerning the most relevant climatic factors.
15. In this new capacity, WMO will play an advisory role to accredited entities, including through CREWS investments to articulate the climate rationales of the projects and strengthen the role of NHMSs in accessing climate finance.

b. Other Climate Financing mechanisms

16. Other climate financing mechanisms have portfolios related to early warning systems, climate and weather services which would benefit from a closer alignment with CREWS.

¹ - FP 012 – Strengthening Climate Resilience in Sub-Saharan Africa: Mali Country Project (\$22.75M in Grants), this project is co-financed by CREWS;
- FP 014 – Climate Adaptation and Mitigation Program for the Aral Sea Basin -CAMP4ASB (\$19M in Grants);
- FP 066 – Marshall Islands – Pacific Resilience Program (\$25M in Grants);
- FP 074 – Strengthening Climate Resilience in Sub-Saharan Africa: Burkina Faso Country Project (\$22.5M in Grants).

17. For example, an analysis of the portfolios of Global Environment Facility (GEF), Adaptation Fund (AF), Pilot Program for Climate Resilience (PPCR) and GCF, carried out in 2017, revealed about US\$385 million of investment in climate and weather services and early warning systems from a total US\$2.5 billion in adaptation projects, which is about 15% of total adaptation funding.
18. The Nordic Development Fund (NDF) was redesigned, in 2009, to focus on co-financing of climate change and development programmes in low-income countries. NDF current or upcoming co-funded portfolios include elements on hydrometeorological services in Rwanda, Mozambique and the West Africa Coastal Areas Management Programme with the World Bank (WACA). NDF contributes to the ClimDev Africa Special Fund which has a hydrometeorological focus.
19. As of 2017, the Pilot Program for Climate Resilience (PPCR), had a climate and weather services and early warning systems portfolio of about US\$154 million in 15 countries². GEF's related portfolio was about US\$109 million in 40 countries. AF's portfolio was about US\$18 million in 25 countries.
20. Globally, estimates of high-priority investment needs to develop early warning systems and climate and weather services in developing countries exceed US\$ 1.5 billion to US\$ 2 billion, with an additional US\$ 400 million to US\$ 500 million per year required for operating and maintenance costs. Most of the required resources will need to come from national governments and other in-country sources of investment such as the private sector (World Bank, 2013).

CREWS Contribution to GCF and Other Climate Change Financing Mechanisms

21. The following actions are either existing modalities of the CREWS or proposed steps to further strengthen CREWS as a mechanism that leverages and contributes to the effectiveness of climate investment.
- i. Currently, two out of the four CREWS country projects in Africa also receive GCF grants (Mali and Burkina Faso), two a GEF Grant (Niger, DRC) and one a PPCR Grant (Niger). This model should be encouraged in other countries.
 - ii. In countries with CREWS projects, support needs to be provided to harmonize and provide technically sound portfolios of climate and weather services and early warning systems through the work of WMO expert advisory functions with World Bank and other GCF accredited.
 - iii. Further efforts are needed to facilitate linkages between national institutions involved in early warning systems, such as NMHSs and Civil Protection and GCF National Designated Authorities (NDA).

² Mozambique - US\$15 million; Niger - US\$13 million, Pacific - US\$ 5.6 million; Nepal - US\$ 31 million; Haiti - US\$ 5 million; Bangladesh - US\$13 million, Cambodia - US\$13 million, Yemen – US\$19 million, Bolivia US\$7 million, Caribbean US\$8.4 million, Dominica US\$3.8 million, Grenada US\$3.2 million, St Lucia 5.4 million, St Vincent and Grenadines US\$3 million and, Jamaica - US\$ 7.1 million. The PPCR in Uzbekistan co-finances US\$ 18 million of the Central Asia - Hydrometeorology Modernization Project. There was a US\$ 0.5 million PPCR hydrometeorological services investment in Zambia as part of Strengthening Climate Resilience Project. The hydrometeorological component of the Yemen PPCR has been closed due to the ongoing conflict

- iv. The manner in which CREWS delivers on the shift in the way that early warning systems are designed, operated, maintained and support innovation needs to be better documented and shared.
- v. A structured implementation feedback and learning loop is required in the design of country projects (with national counterparts and the Implementing Partners) to create a cycle of improvement, better build upon the comparative advantages of partners, and motivate replication.
- vi. The long-term planning process on early warning systems for LDCs and SIDS needs to be sustained. The indicators developed to reflect the impact of investments in hydrometeorological service, focusing on end-users and life and asset saving actions should contribute to result management frameworks of climate finance entities.
- vii. CREWS Secretariat to prepare regular briefing notes, as appropriate, on the status of projects and potential for scaling-up on early warnings systems to contribute to the participation and deliberation of CREWS Steering Committee Members at GCF and other climate financing mechanisms boards.