Global Environment Facility

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September 13, 2002

Dear Council Member,

UNDP, as the Implementing Agency for the project, China: Demonstration of Fuel Cell Bus Commercialization in China (Phase II-Part I), has submitted the attached proposed project document for CEO endorsement prior to final approval of the project document in accordance with UNDP procedures.

The Secretariat has reviewed the project document. It is consistent with the proposal approved by the Council in May 2001 and the proposed project remains consistent with the Instrument and GEF policies and procedures. The attached explanation prepared by UNDP satisfactorily details how the additional Council comments made in May 2002 and those of the STAP have been addressed. I am, therefore, endorsing the project document.

We have today posted the proposed project document on the GEF website at www.gefweb.org. If you do not have access to the Web, you may request the local field office of the World Bank or UNDP to download the document for you. Alternatively, you may request a copy of the document from the Secretariat. If you make such a request, please confirm for us your current mailing address.

> Sincerely, MMM

Mohamed T. El-Ashry
Chief Executive Officer and Chairman

Alternate, Implementing Agencies, STAP

cc: