

MINISTRY OF NATURE, ENVIRONMENT AND TOURISM OF MONGOLIA

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MS. MONIQUE BARBUT CEO & CHAIRPERSON 1818 H Street, NW Washington, DC 20433 USA Telephone: (202)473-0508 Fax: (202)522-3240/3245 E-mail: gef@TheGEF.org

Dear Ms.M.Barbut

Subject: Endorsement of MSP proposal on "Building Energy Efficiency Project"

The Government of Mongolia strongly supports the medium size project proposal and endorses the submission of "Building Energy Efficiency Project" proposal to the PDF Block B grant in amount of 975.000 US\$.

The proposed project has a great significance for the country because the project is directly addressing priority areas for the energy sector GHG emissions management and represents important activities in terms of addressing proper management of energy –efficient building technologies and services in the country.

In the meantime, we would like to inform you that the Government of Mongolia has ratified the UNFCCC in 1993 and completed an initial inventory of the GHG emissions and identified options for reducing emissions from the energy sector. The proposed BEEP project targets the reduction of GHG emissions through the transformation of the Mongolian buildings market towards more energy-efficient building technologies and services, private house insulation through enhanced energy efficiency financing mechanisms.

The proposal is consistent with GEF Operational Programme OP-5: Removal of Barriers to Energy Efficiency and Energy Conservation and meets national development priorities in environment conservation and poverty reduction as well as climate change strategic objective of promoting widespread adoption on energy efficient technologies and practices in buildings. In addition, the BEEP receives great support, commitment and participation from various stakeholders, especially from the private sector providing 2 million matching fund.

The Government of Mongolia assures its support to the project by making in-kind contribution.

I appreciate your decision for approving this project proposal.

Cc: Ms.Debora Comini, UN Resident Coordinator and UNDP Resident Representative.

Sincerely yours,

A.ENKHBAT

HEAD OF ECOLOGICALLY CLEAN TECHNOLOGY AND SCIENCE DIVISION. GEF OPERATIONAL FOCAL POINT