

MINISTRY OF NATURE AND ENVIRONMENT OF MONGOLIA

210620a Baga toiruu 44, Zasgiin gazriin III bair, Sukhbaatar duureg, Ulaanbaatar, MONGOLIA Tel: (976-11) 31-22-69, Fax: (976-11) 32-14-01 E- mail: monenv@mail.mn

Date 2006.03.02 Ref. 0/449

Subject: Endorsement of the proposal on "Mongolia: Heating and building Energy Efficiency" project proposal

Please be informed that the Government of Mongolia strongly supports and endorses the submission of "Mongolia: Heating and Building energy efficiency" project proposal.

The proposed project has a great significance for our country because efficient heat supply is vital for the social and economic well-being during the long and cold season. Heat supply is exclusively coal based, it is a major contributor to urban air pollution problems and is major source of greenhouse gas emissions. Heat supply network of district heating system is inadequate and deteriorating with heavy energy and water loses.

Thus, the project proposal is consistent with GEF Operational Programme 5 – "Removal of barriers to energy efficiency and energy conservation" and meets environmental protection policies stipulated in the Government Action Plan. The Government of Mongolia will support the project by making in-kind contribution.

I appreciate your decision for approving this project proposal.

Sincerely yours,

Mrs. J. Batsukh,

Director,

International cooperation Department Ministry of Nature and Environment GEF Focal Point in Mongolia

Mr. Leonardo Good CEO & Chairman

1818 H Street, NW, MSN G 6-602 Washington, DC 20433 USA Telephone: (202) 473-0508

Fax: (202) 522-3240/3245 E-mail: gef@TheGEF.org Good, Leonard - CEO & Chairman

473-3202