



## UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

VIENNA INTERNATIONAL CENTRE

P.O. BOX 300, A-1400 VIENNA, AUSTRIA

TELEPHONE: (+43 1) 260 26-0

FAX: (+43 1) 269 26 69

[www.unido.org](http://www.unido.org)

[unido@unido.org](mailto:unido@unido.org)

20 September 2005

Subject: UNEP/UNIDO/GEF project - Renewable Energy Based Electricity Generation for Isolated Mini-Grids in Zambia

Dear Dr. Hamlin,

This is to confirm UNIDO's in principle commitment to provide \$ 500,000 in-kind/cash (tentatively \$ 350,000 in-kind and \$ 150,000 in cash) as co-financing in the above mentioned project document that has been forwarded to UNEP for onward submission to GEF. In this regard, please refer to Annex 1 B of, where budget details on various components (including a summary of financial structure of the project) have been given. As already mentioned in the document, UNIDO funds (in kind) will be provided primarily to meet the costs on activities such as experts' professional time provided over a period of 5 years, and in cash for meeting costs on setting up of a demonstration pilot and organizing stakeholders/experts meeting.

In anticipation of GEF approval to the project, as a part of start-up activities, UNIDO has already earmarked about \$ 150,000 in cash in 2005 to meet the costs on a) setting up of a 25 kW biomass gasifier pilot plant in Zambia to act as a demonstration cum training purposes under its project to promote Renewable Energy Entrepreneurship Development for Augmenting Youth Employment in Zambia; and b) organizing a regional meeting (Experts Group Meeting) at Nairobi on 14-15 December 2005 jointly with UNEP to sensitize the decisions makers and energy experts in Zambia and other neighbouring countries on the significance and potential of biomass technologies (gasification and cogeneration) for meeting energy needs of rural areas in these countries.

Thanking you and with best regards,

Yours sincerely

A handwritten signature in black ink, appearing to read "A. C. Gurkok".

C. Gurkok

Director, Energy and Cleaner Production Branch  
PTC Division

To

Dr. Tom Hamlin  
Climate Change Task Manager  
UNEP, Tour Mirabeau,  
39/43 quai André Citroën  
75739 Paris cedex 15  
France