中华人民共和国财政部 Ministry of Finance, People's Republic of China

October 12, 2005

Mr. David Dollar Country Director, China East Asia and Pacific Region The World Bank

> China: Endorsement Letter for GEF Project Shandong Second Environment

Dear Mr. David Dollar:

This is to advise you that Ministry of Finance, as the GEF Focal Point for China, would like to endorse the captioned project proposal to be submitted by the World Bank (WB) for GEF support.

The main objective of the Project is to support sustainable improvements to the urban environment in the province through implementation of sector reforms and high priority investments in water supply, wastewater collection and treatment, and solid waste management in selected municipalities.

The Project in China will implement septic tanks policy and establish septic tanks servicing institutions, provide facilities for the preparation of septage collection system, and design and construct waste water treatment plants for joint treatment of sewage and septage.

We are looking forward to a close cooperation with World Bank and a successful implementation of this project.

Best regards,

Sincercly yours,

WU Jinkang

GEF Operational Focal Point in China

San Li He St., Xichengqu, Beijing 100820, People's Republic of China

Tel: (86-10)6855-1171 Fax: (86-10)6855-1125