



GLOBAL ENVIRONMENT FACILITY  
INVESTING IN OUR PLANET

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August 3, 2010

Mr. Nessim Ahmad, Director  
Asian Development Bank  
Metro Manila, Philippines

Dear Mr. Ahmad:

I am pleased to inform you that I am endorsing the project proposal entitled *China: PRC-GEF Partnership: Forestry and Ecological Restoration in Three Northwest Provinces (formerly Silk Road Ecosystem Restoration Project)* under the *China: PRC-GEF Partnership on Land Degradation in Dryland Ecosystems Program (PROGRAM)*, for \$5,119,546 in financing from the GEF Trust Fund (GEFTF). I take note that the amount I am endorsing differs from the original amount of \$5,120,000 approved by Council at the time of work program inclusion. Correspondingly, I am also amending your Agency fee to \$545,454. I understand that this project proposal will be submitted for approval in accordance with the ADB procedures. I note that a project preparation grant (PPG) of \$335,000 was previously approved for preparation of this project and that a report on the use of those funds has been submitted to the Secretariat. Taking into account the PPG, the entire GEF grant for the project is \$5,454,546.

I am also endorsing the fee of \$545,454 for project cycle management services.

I am endorsing this project on the understanding that the project will meet the following milestones:

- (i) A report on the status of the project at mid-term will be submitted to the Secretariat no later than June 2013; and
- (ii) The closing date of the project grant will be no later than September 2015 and a terminal evaluation/project completion report will be submitted to the Secretariat within 6 months of such closing date.

You are requested to ensure that the GEF Secretariat is informed when each of these milestones has been met. If any milestone is not or will not be achieved, you are requested to inform me as early as possible. After consultations with your Agency, I may agree to revised milestones or recommend to your Agency the cancellation or suspension of the project, and I will communicate to the beneficiary country and your Agency the basis for such a recommendation.

Please ensure that your grant agreements continue to fully reflect this understanding. A copy of the project review sheet is attached for your records.

Sincerely,

Attachment: GEFSEC Review Sheet  
Copy: Country Operational Focal Point, GEF Agencies, STAP, Trustee