

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

January 18, 2008

To: Mr. Steve Gorman
GEF Executive Coordinator
World Bank
Washington DC 20433

Subject: Endorsement Letter for project "Sustainable Development in Poor Rural Areas (Poverty 5)"

In my capacity as GEF Operational Focal Point for China, I confirm that the above project proposal (a) is in accordance with the government's national priorities and the commitments made by China under the relevant global environmental conventions and (b) has been discussed with relevant stakeholders, including the global environmental convention focal points, in accordance with GEF's policy on public involvement.

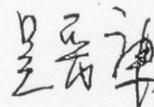
Accordingly, I am pleased to endorse the preparation of the above project proposal with the support of World Bank. If approved, the proposal will be prepared and implemented by the State Council/Leading Group for Poverty Reduction; Provinces of Shaanxi, Henan and Chongqing. Further, I request World Bank to provide a copy of the project document for review before it is submitted to the GEF Secretariat for CEO endorsement.

I understand that the total GEF financing being requested for this project is \$5,000,000, inclusive of Project Preparation Grant (PPG) and Agency fee (10%) to World Bank for project cycle management services associated with this project.

Land Degradation: \$ 2,000,000

Climate Change: \$3,000,000

Sincerely,



Wu Jinkang
GEF National Operational Focal Point
International Department
Ministry of Finance, PRC