



Republic of the Philippines  
**DEPARTMENT OF FINANCE**

Roxas Boulevard Corner Pablo Ocampo, Sr. Street  
 Manila 1004

21 March 2005

**Mr. JOACHIM VON AMSBERG**  
 Country Director  
 East Asia and the Pacific Region  
 The World Bank Country Office, Philippines  
 23F The Taipan Place  
 Emerald Avenue, Pasig City

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Dear Mr. Von Amsberg,

Reference is made to the letter of the Department of Environment and Natural Resources (DENR) requesting for possible grant fund assistance under the World Bank's Global Environment Facility (GEF) for the preparation of the biodiversity conservation component of the proposed Environment and Natural Resources Management Program-Sector Investment and Maintenance Loan (ENRMP-SIM).

The DENR's capacity to implement an effective ENRMP-SIM remains constrained by its institutional structure and the level of its budget. To help achieve its broad thrusts of ensuring an effective and efficient policy, regulatory and investment framework in the sector, a grant assistance fund is deemed necessary.

In consideration of the strategic value this grant assistance will provide the sector, the Department of Finance favorably endorses the request of DENR for funding assistance. Furthermore, this GEF component will mainly provide grant resources for the development and piloting of policies, operational systems and schemes that are focused on biodiversity conservation and are expected to contribute to global benefits.

We look forward to the Bank's favorable consideration on the matter. Best regards.

Very truly yours,

*[Signature]*  
**ROBERTO B. TAN**  
 Assistant Secretary