



Global Environment Facility

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October 08, 2008

Mr. Yannick Glemarec
GEF Executive Coordinator
United Nations Development Programme
One United Nations Plaza
New York, NY 10017

Dear Mr. Glemarec:

After reviewing the Project Identification Form (the "PIF") and the Request for Project Preparation Grant (PPG) submitted for ***India: Improving Energy Efficiency in the Indian Railway System - under the Programmatic Framework for Energy Efficiency***, I am pleased to clear the PIF for an indicative amount of \$5,200,000 for possible inclusion in the next work program. I am also approving your request for PPG for \$100,000 to be funded under the GEF Trust Fund (GEFTF) and authorizing you to begin preparation of the project proposal and taking into account the attached comments made by the GEF Secretariat based on the project concept's eligibility for funding and conformity with GEF strategies. However, the final grant amount will be confirmed at the time of CEO endorsement, taking into account the Secretariat's review of the final project document's consistency with GEF policies and procedures, including the cost-effectiveness of the financing plan.

All PIFs cleared for inclusion in the work program will be posted on the website for four weeks prior to Council meeting.

Should Council Members raise significant policy or strategic concerns about the concept, the Secretariat will undertake consultations with the beneficiary country and your Agency about revisions to address the Council Members' concerns or whether to cancel the project proposal and to recommend that the associated PPG, if any, be cancelled.

The PPG request is approved on the basis of the following understandings and milestones:

- (i) During preparation of the full-sized project proposal, the comments of the GEF Council, the GEF Secretariat, the STAP, the GEF Agencies and the relevant Convention Secretariat, will be taken into account;
- (ii) A final full-sized project document will be submitted for CEO endorsement no later than November 2009; and

- (iii) A report on the use of the GEF project preparation grant will be submitted to the GEF Secretariat when submitting the final project document for CEO endorsement.

If any of these understandings or milestones is not achieved, you are requested to inform me as early as possible so that I may consult with the beneficiary country and your agency. Thereafter, I may agree to revised milestones or take a decision to cancel the project proposal from the pipeline and to recommend to the agency that the associated project preparation grant be cancelled.

Please ensure that your grant agreements continue to fully reflect these understandings.

I am attaching a copy of the project tracking sheet for your records.

Sincerely,

A handwritten signature in cursive script, appearing to read "Monique Barbut", with a stylized flourish at the end.

Monique Barbut
Chief Executive Officer and Chairperson

Attachment: GEF Project Tracking Sheet
GEFSEC Review Sheet

Copy to: Country Operational Focal Point
GEF Agencies
STAP, Trustee

India: IND Improving Energy Efficiency in the Indian Railway System - under the Programmatic Framework for Energy Efficiency

Authority	Amount	Initial Cost	Requested amount	Signature	Date
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██████████ \$5.200 \$26.200 ██████████

Program Manager	Recommendation	<u>Osamu Mizuno</u>
Team leader	Clearance	<u>Robert K Dixon</u> 8 Oct 2008
CEO	Approval	<u>Monique Barbut</u> 8/10/2008

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15/8

██████████ \$0.100 \$0.250 ██████████

Program Manager	Recommendation	<u>Osamu Mizuno</u>
Team leader	Clearance	<u>Robert K Dixon</u> 8 Oct 2008
CEO	Approval	<u>Monique Barbut</u> #Error 8/OCT/2008

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15/8

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Program Manager	Recommendation	<u>Osamu Mizuno</u>
Team leader	Clearance	<u>Robert Dixon</u>
CEO	Approval	<u>Monique Barbut</u>

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Need to circulate to Council for >second review prior to CEO endorsement (4 weeks review period) Yes

>CEO endorsement (second review waived) Yes

Program Manager	Recommendation	<u>Osamu Mizuno</u>
Team leader	Clearance	<u>Robert Dixon</u>

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Program Manager	Recommendation	<u>Osamu Mizuno</u>
Team leader	Clearance	<u>Robert Dixon</u>
CEO	Approval	<u>Monique Barbut</u>

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Implementing Agency Approval

Cummulative GEF Contribution _____