



13 July 2010

Dear Mr. Toure,

Subject: Full-Size Project: Nigeria: Less burnt for a clean earth: Minimization of dioxin emission from open burning sources in Nigeria – PIMS No. 4221 - ATLAS BU: NGA10 - Proposal No.: 00059851 - Project No.: 00075041

I am pleased to delegate to you the authority to sign the above-mentioned *FSP* project document on behalf of UNDP. You are also kindly requested to obtain the representative's signature for the Government of Nigeria on the cover page, then commence the implementation of the project. The project, which amounts to a total of US\$ 4,150,000, has received its final approval in accordance with the established GEF procedures (CEO approval/endorsement attached as relevant).

Once the project document is signed, you may request issuance of an *Authorized Spending Limit (ASL)* by submitting an Atlas-generated *Annual Work Plan (AWP)* based on the *Total Budget and Annual Work Plan* in the attached project document, along with a copy of the signed cover page, to Mr. Jacques Van Engel, Senior Programme Coordinator, MPU/Chemicals. Please note that this project has already been assigned an Atlas ID: *Business Unit NGA10, Proposal 00059851 and Project No. 00075041*. Comments on the AWP will be provided within 5 working days by MPU/Chemicals as relevant.

Any budget revisions should be forwarded to MPU/Chemicals with an explanation of the changes proposed. In this connection, please note that MPU/Chemicals is not in a position to increase the project budget above the amount already approved by the GEF Council. Therefore, any over-expenditure on this project would have to be absorbed by other Country Office resources.

As an Implementing Agency of the GEF, UNDP earns a fee upon approval of each main project (Full-Size, Medium-Size or Enabling Activities). The fee is used to cover the costs incurred by UNDP, both at Headquarters and in the Country Office. The Country Office portion is for services related to supporting project development and providing implementation oversight as detailed in Annex 2. The total fee that your office will receive over the lifetime of the project will be US\$ 128,400 payable in annual installments; this fee will be paid directly by UNDP-EEG to the XB account of the Country Office. The first installment will be effected upon receipt of the signed main project document cover page in MPU/Chemicals. The second and all subsequent annual fee installments will depend on the satisfactory delivery of the services described in Annex 2 and thus will be directly linked to project expenditure and delivery. Note that the amount to be received by your office includes the cost of services generated by the Initiation Plan under the *GEF Project Development Facility (PDF)/Project Preparation Grant (PPG)* window.

Mr. Daouda Toure
Resident Representative
UNDP Nigeria

Please note that the Implementing Agency Fee (GMS) is intended to cover the costs of project support, supervision and oversight, not project execution. Where a government, as executing agency, requests UNDP to provide specific services as a part of project execution, then the government party is responsible for reimbursing UNDP in accordance with UNDP policies on cost recovery. In such a case your office must maintain appropriate separation between implementation support and oversight, and execution services, in accordance with the UNDP Internal Control Framework.

As specified in the project document, a detailed project management plan will need to be prepared by the Project Manager in order to support timely implementation of the activities. This management plan will specify the actions, timelines and responsibilities for review at the inception workshop. It will be completed and updated throughout the life of the project as relevant in accordance with the various annual reviews such as steering committees, tri-partite reviews, etc. The plan will include all the support activities to be undertaken by the Country Office as listed in Annex 2. It should also highlight the delivery milestones and identify responsible Country Office staff at the programmatic and operational level.


We take the opportunity to draw your attention to the following mandatory requirements for all GEF-funded projects:

- ❖ Any changes contemplated with respect to the project objectives and outcomes will have to be discussed with and approved by MPU/Chemicals, as they will have to be reported to GEF.
- ❖ All GEF-funded projects are subject to a mid-term and a final evaluation conducted according to Terms of Reference circulated to MPU/Chemicals and approved on a no-objection basis.
- ❖ All GEF-funded projects will be audited in accordance with UNDP Financial Regulations and Rules and Audit policies. UNDP-EEG reserves the right to withhold fee payments and to suspend the project if this requirement is not met in a timely fashion.

Should you need clarification on the GEF Project Cycle and requirements, please consult the UNDP-GEF Programming Manual at <http://intra.undp.org/gef>.

In concluding, I would like to assure you of the UNDP-EEG Team's and my personal commitment to successful implementation of the project. Should you have any concerns or questions, please do not hesitate to contact me.

Yours sincerely,



Yannick Glemarec
Executive Coordinator

cc: Mr. Tegegnetwork Gettu, Assistant Secretary-General and Regional Director, RBA
Mr. Jacques Van Engel, MPU/Chemicals, Senior Programme Coordinator

Annexes

- Annex 1** CEO endorsement/approval
Annex 2 Project Support Services (management oversights)

Annex 2: UNDP Environment and Energy Group - Project Support Services

Stage	Country Office	EEG
Identification, Sourcing and Screening of Ideas	Identify project ideas as part of country programming	Provide information on substantive issues and specialized funding opportunities (SOFs)
		Verify soundness and potential eligibility of identified idea
Feasibility Assessment / Due Diligence Review	Assist proponent to formulate project idea / prepare project idea paper	Technical support: provide up-front guidance; sourcing of technical expertise; verification of technical reports and project conceptualization; guidance on SOF expectations and requirements
	Review and appraise project idea	Provide detailed screening against technical, financial, social and risk criteria and provide statement of likely eligibility against identified SOF
	Assist proponent to identify and negotiate with relevant partners, cofinanciers, etc	Assist in identifying technical partners; Validate partner technical abilities.
	Obtain clearances – Government, UNDP, Executing Agency, LPAC, cofinanciers, etc.; monitor project milestones	Obtain clearances – SOF
Development & Preparation	Management and financial oversight of Initiation Plan	Technical support, backstopping and troubleshooting
	Support project development, assist proponent to identify and negotiate with relevant partners, cofinanciers, etc	Technical support: sourcing of technical expertise; verification of technical reports and project conceptualization; guidance on SOF expectations and requirements
	Review, appraise, finalize Project Document	Verify technical soundness, quality of preparation, and match with SOF expectations
	Negotiate and obtain clearances – Government, UNDP, Executing Agency, LPAC, cofinanciers, etc	Negotiate and obtain clearances by SOF
	Respond to information requests, arrange revisions etc.	Respond to information requests, arrange revisions etc.
	Prepare operational and financial reports on development stage as needed	Verify technical soundness, quality of preparation, and match with SOF expectations

Stage	Country Office	EEG	
Implementation	Management Oversight and support	Technical and SOF Oversight and support	
	Project Launch	Technical support in preparing TOR and verifying expertise for technical positions. Verification of technical validity / match with SOF expectations of inception report. Participate in Inception Workshop	
	Policy negotiations	Technical information and support as needed	
	Steering Committee meetings	Technical support, participation as necessary	
	Issuance of AWP, monitor implementation of the work plan and timetable, budget revisions as necessary	Advisory services as required	
	Financial management – Conducting budget revisions, verifying expenditures, advancing funds, issuing combined delivery reports, ensuring no over-expenditure of budget	Allocation of ASLs	
	Technical, managerial and financial backstopping, problem identification & troubleshooting	Technical support and troubleshooting, Support missions as necessary.	
	Annual site visits – at least one site visit per year, report to be circulated no later than 2 weeks after visit completion	Project visits – at least one technical support visit per year.	
	Reviewing, editing, responding to project reports; monitoring project milestones	Technical support, validation, quality assurance	
	Ensuring necessary audits		
	Final budget revision and financial closure (within 12 months after operational completion).	Return of unspent funds	
	Evaluation and Reporting	Preparation and completion of Annual Reports, final reports, tracking substantive indicators	Technical support, progress monitoring, validation, quality assurance
		Organize project review arrangements, such as steering committee meetings, as outlined in project document and agreed with UNDP EEG RSC/RCU	Technical support, participation as necessary
Arrange mid-term, final, and other evaluations – prepare TOR, hire personnel, plan and facilitate mission / meetings / debriefing, circulate draft and final reports.		Technical support in preparing TOR and verifying expertise for technical positions. Verification of technical validity / match with SOF expectations of inception report. Participate in briefing / debriefing	
		Technical analysis, compilation of lessons, validation of results	
		Dissemination of technical findings	

Service standards:

1. initial response to communication within 2 working days
2. full response to communication (with the exception of a response requiring travel) within 10 working days



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

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June 21, 2010

Mr. Yannick Glemarec
GEF Executive Coordinator
United Nations Development Programme
One United Nations Plaza
304 East 45th St.
FF Bldg., 10th floor
New York, NY 10017

Dear Mr. Glemarec:

I am pleased to inform you that I am endorsing the project proposal entitled *Nigeria: Less Burnt for a Clean Earth: Minimization of Dioxin Emission from Open Burning Sources*, for \$4,150,000 in financing from the GEF Trust Fund (GEFTF). I understand that this project proposal will be submitted for approval in accordance with the UNDP procedures. I note that a project preparation grant (PPG) of \$130,000 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 \$4,280,000.

I am also endorsing the fee of \$415,000 for project cycle management services.

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

- (i) The GEF Agency approval will be signed no later than July 2010;
- (ii) A report on the status of the project at mid-term will be submitted to the Secretariat no later than September 2012; and
- (iii) The closing date of the project grant will be no later than September 2014 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.

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

Sincerely

A handwritten signature in black ink, appearing to read 'Barbut', enclosed within a hand-drawn rectangular box with a diagonal slash.

Monique Barbut
CEO and Chairperson
Global Environment Facility

Attachment: GEF Project Tracking Sheet
GEFSEC Review Sheet

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

POPs
OP: Oper Program

PMIS Project ID: 3804
UNDP

GEF Project Tracking System
Project Clearance/Approval

Nigeria: Less Burnt for a Clean Earth: Minimization of Dioxin Emission from Open Burning Sources

Authority	GEF Contribution (US\$)	Total Cost (US\$)	Requested Action	Signature	Date
PIF Clearance	\$4,150,000	\$15,300,000			
Program Manager			Recommendation	<u>Laurent Granel</u>	25 Feb 09
Team Leader			Clearance	<u>Robert Dixon</u>	25 Feb 09
CEO			Approval	<u>Monique Barbut</u>	25 Feb 09
<i>SM 2/26</i> PPG Approval	\$ 130,000	\$ 260,000			
Program Manager	PPG Fees \$13,000		Recommendation	<u>Laurent Granel</u>	
Team Leader			Clearance	<u>Robert Dixon</u>	29 Feb 09
CEO			Approval	<u>Monique Barbut</u>	
<i>SM 6/26</i> Work Program Inclusion	\$4,150,000	\$15,300,000	CEO Clearance/Council Circulation		
Agency Fee (at WPI)	\$415,000				
Council Approval					
Endorsement w/o PPG	\$ 4,150,000	\$23,830,737			
Agency Fee (at CEO Endorsement)	\$ 415,000				
Program Manager			Recommendation	<u>Laurent Granel</u>	10 May 10
Team Leader			Clearance	<u>Robert Dixon</u>	
<i>BB 5/21</i> CEO			Council Notification	<u>Monique Barbut</u>	21 May 2010
<i>SM 6/21</i> CEO			Approval	<u>Monique Barbut</u>	6/21/10

Annex 3 CO Fee allocation and Payment schedule

PIMS4221

Alisa project - 00075041

NGA10

	GEF fee (GMS) %		
PDF (incl. PPG)		130,000	
FSP		4,150,000	
Total PDF & FSP Grant		4,280,000	
Total fee allocated to COs (Note 1)		128,400	
1st Release: Fee for formulation 40% (Note 2)		51,360	1,200%
Following Releases: Fee for implementation 60% (Note 3)		77,040	1,800%
Total fee		128,400	3,000%
			1,238%
			1,856%
			3,094%

	Fee for Formulation (40%)	Fee for Implementation (60%)	Total Fee	Share % (fee for implementation)	% fee based on delivery (impl. Fee / Final PRU (FSP/MSP) budget)
CO	51,360	77,040	128,400	100%	1,856%
Nigeria					
Total	51,360	77,040	128,400	100%	1,856%

Example 1 for CO projection purpose - fee release to COs based on delivery

	% fee based on delivery (impl. Fee / Final PRU (FSP/MSP) budget)	Scenarios									
		2010 Delivery	fee for 2010 delivery	2011 delivery	fee for 2011 delivery	2012 Delivery	Fee for 2012 delivery	2013 Delivery	Fee for 2013 delivery	Total Delivery	Total fee for delivery
CO	1,856%		16,356		17,981		21,784		20,919	4,150,000	77,040
Nigeria											
Total	1,856%	881,060	16,356	968,600	17,981	1,173,480	21,784	1,126,860	20,919	4,150,000	77,040

Note:

1. Total GEF Fee to COs includes the cost of services related to the preparatory assistance phase under the GEF Project Development Facility (PDF)/Project Preparation Grant (PPG) window.
2. The 1st release of GEF fee to COs will be effected upon receipt of the signed main project (FSP/MSP/EA) document cover page in the GEF RCU.
3. Subsequent annual fee releases to COs will depend on the satisfactory delivery of the services described in Annex 2 and will be directly linked to project delivery.
4. Annual fee payments to COs related to delivery are normally done after year end closing. For example, annual fee for 2010 delivery is paid in April 2011.