Global Environment Facility



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May 4, 2006

Dear Sir:

I am following up on my initial communication to you in March on the GEF Resource Allocation Framework (RAF). The purpose of this letter is to provide you with information that will enable you to begin to program GEF resources for Afghanistan in the biodiversity and climate change focal areas for the next replenishment period of the GEF (July 1, 2006 – June 30, 2010).

The RAF defines the level of resources that are available for GEF programs in biodiversity and climate change in each eligible country for a four-year replenishment period. In each focal area, an eligible country will either (i) have an individual indicative allocation or (ii) be part of a group of countries with a group indicative allocation, subject to a country level upper limit.

Attached to this letter is a set of guidelines for country Operational Focal Points that explain how to manage GEF resources under the RAF for the biodiversity and climate change focal areas. I would like to reiterate my suggestion in my first letter regarding your lead role in facilitating a consultation process involving key stakeholders, including the convention focal points, other relevant ministries, NGOs, civil society, the private sector, and the GEF Implementing and Executing Agencies, to identify country priorities to program GEF resources.

When the current negotiations for the fourth replenishment of the GEF (GEF-4) are completed, the GEF Secretariat will provide you with final indicative allocations available to your country for the upcoming four-year period. In the meantime, to help you begin the transition process, I am providing you with a preliminary amount based on GEF-3 figures for planning purposes only. These amounts are net of the GEF Implementing and Executing Agencies' fees for managing the project cycle.

- ✓ Biodiversity :
- ✓ Part of a group with upper limit of \$ XX million and group allocation of \$ YY million
- ✓ Climate Change :
- ✓ Country specific individual allocation of \$ ZZ million

I am also providing you with lists of project concepts that are under various stages of preparation in your country, as described in the attached guidelines. You may also consider additional concepts that are not in these lists. During the next few months I encourage you to begin to identifying concepts through a national consultative process for further preparation and approval in GEF-4 based on the four-year indicative allocation/upper limit applicable to your country.

As soon as the GEF-4 replenishment negotiations are completed, I will inform you of the final indicative allocations/upper limits applicable to your country. These amounts could be higher or lower than the preliminary amounts that I provided earlier. Your endorsement of project concepts for further preparation and approval in GEF-4 should be based on these final indicative allocations. Should you have any project concepts that will be ready for approval in the first few work programs, I would encourage you to provide an initial list of endorsed project concepts to the GEF Secretariat by September 15, 2006. You can, of course, update the list of endorsed concepts under development throughout the four-year GEF-4 replenishment period.

We look forward to working closely with you in the months ahead as we implement the RAF. My staff is available to provide additional information or to answer any questions you may have and can be reached at <u>focalpoints@thegef.org</u>.

Sincerely,

Leonard Good Chief Executive Officer and Chairman

cc:

Executive Coordinators of GEF Implementing and Executing Agencies