

DEPARTMENT OF ECONOMIC AFFAIRS

Foderated States of Micronesia P.O. Box PS-12

Palikir, Polapei FM 96941 Phone: (691) 320-4646/5133/2620; Fax: (691) 320-5854/2079

E-mail: famdea@mail.fm

7 February 2007

Mr. Asterio Takesy Director SPREP Apia, Samoa

Fax No: (685) 20231

Attention: Mr. Taito Nakalevu

RE: PACIFIC ADAPTATION TO CLIMATE CHANGE FULL SIZE PROJECT

Dear Mr. Takesy,

On behalf of the Government of the Federated States of Micronesia (FSM) and, in my capacity as GEF Operational Focal Point, the Government of FSM wishes to pledge USD 6.9 million as co-financing support for the PACC project on behalf of the Kosrae Island Resource Management Authority (KIRMA) that is implementing this project. The development activities in the coastal management and associated infrastructure sector under KIRMA will be used as parallel co-financing to build resilience to climate change for the PACC. These co-financing activities include:

- COMPACT Funds
- Japan Grant for road construction Tafunsak-Walung
- Office Space

We look forward to the GEF's approval of this most important project to support our climate change adaptation efforts at the national and community levels.

Sincerely,

Akillino H. Susaia

Secretary/GEF Operational Focal Point

Federated States of Micronesia