

Proposal Letter

November 13, 2006

To : Oepoyo Prakoso
Co-processing Solutions
Marketing/Communication Engineer

PT. Holcim Indonesia Tbk,
Narogong Plant
Jl. Raya Narogong Km 7.
Bogor 16820, Indonesia

Subject: Quotation of consulting services for Review of CDM Project Design Document, Assistance to Validation and DNA approval for PT. HOLCIM

Dear Pak Oepoyo,

Based on our recent discussion on 3 November 2006, we understand that your company, HOLCIM is currently developing CDM project for Utilization of Alternative Fuels in HOLCIM's Cement Manufacturing Facilities in Indonesia and would be interested to get some external support to review the Project Design Document (PDD), and assistance to validation and DNA approval for this project. HOLCIM would also be interested in getting some assistance in preparation of Monitoring reports for Verification Process of post-CDM registration activity. DP SOLUSI welcomes the opportunity to propose its expertise and capacity to assist HOLCIM in the following tasks:

1. Activity 1: Review of the PDD
2. Activity 2: Assistance to validation and DNA approval
3. Activity 3: Assistance to verification including preparation of monitoring report

APPROACH

Activity 1: Review of the PDD

We would review the PDD which has been prepared internally by HOLCIM Group to see whether the PDD has addressed the following issues/items:

- The contribution of the project to sustainable development based on the compliance of the project to with the national sustainability criteria
- The availability of CO₂-neutral fuel supply
- Additionality: The contribution of CDM revenues to the financial viability of the project
- Monitoring plan

We would provide our comments directly on the PDD and maintain close communication with HOLCIM to ensure the completeness of the PDD upon the submission to the Designated Operation Entity (DOE) for validation. All documents and comments/report prepared by DP SOLUSI are subject to review and approval by HOLCIM.

Activity 2: Assistance to Validation and DNA Approval

Validation: Prior to Validator's visit, DP SOLUSI together with HOLCIM will review the Validator's desk review and comments to prepare necessary documents and responses. During 2 to 3-day validation process, DPSOLUSI will accompany HOLCIM in responding to validator's questions. DP SOLUSI will also assist HOLCIM in completing and revising the PDD after validator's visit.

DNA Approval: DP SOLUSI will assist HOLCIM in completing the DNA application and work together with HOLCIM team to prepare the required documentations. Should any meetings and presentation upon the DNA members are necessary, DP SOLUSI will assist HOLCIM in preparing the required presentation and will attend the meetings, if required. All documents and comments/report prepared by DP SOLUSI are subject to review and approval by HOLCIM.

Activity 3: Assistance to verification including preparation of monitoring report

DP SOLUSI would propose to assist HOLCIM in preparation of monitoring report. During verification process, DPSOLUSI will accompany HOLCIM in responding to verifier's questions. DP SOLUSI will also assist HOLCIM in completing and revising the monitoring report after the verifier's visit.

PROPOSED BUDGET

DP SOLUSI proposes a lump-sum budget for this project (excluding VAT) is divided according to activities proposed as follows:

Activity 1	US\$ 1,650
Activity 2	US\$ 5,700
Activity 3	US\$ 6,800

The estimated cost breakdown is given in the attachment I.

Thank you for the opportunity to propose these services. Should any questions arise, you may wish to contact us through email: chitra_dpsolusi@cbn.net.id or through phone/fax: ++62(0)21 5256619/52901140, or cell: (+62) (0) 812 1050 784.

Sincerely,



Architrandi Priambodo
President Director

PT Dwarakarsa Priamarta (DP SOLUSI)
Jl. Pondok Labu 1B/11A
Jakarta 12450

Jl. Villa/7, Gatot Subroto
Jakarta 12930
INDONESIA

ATTACHMENT I: COST BREAK DOWN

Items	Unit cost (US\$/day)	Activity 1: Review of the PDD		Activity 2: Assistance to Validation and DNA approval		Activity 3: Assistance to verification including preparation of monitoring report	
		Day	Cost	Day	Cost	Day	Cost
Personnel/Labour							
Environmental Advisor	300		0	4	1200	6	1800
CDM Specialist	300	5	1500	10	3000	10	3000
Technical analyst	120		0	10	1200	12	1440
Administrative staff	30	5	150	10	300	12	360
Total labour (US\$)			1650		5700		6600
EXPENSES	Unit Cost (US\$)	Activity 1: Review of the PDD		Activity 2: Assistance to Validation and DNA approval		Activity 3: Assistance to verification including preparation of monitoring report	
		Day	Cost	Day	Cost	Day	Cost
<i>Trip to Cilacap</i>							
Local transport	50			2	100	2	100
Accommodation	50			2	100	2	100
Total			N/A		200		200
Total Labour+expenses			1650		5900		6800