

Cynthia Hendrayani

From: Erik M. Dugstad [erik.dugstad@econ.no]
Sent: Monday, November 28, 2005 3:48 PM
To: amaknawi@kencanagroup.co.id
Cc: endah@pelangi.or.id
Subject: Danish CDM facility - due diligence before final shortlist

Dear Mr. Albert Maknawi, Project Manager CDM, Sawindo Kencana

We are very happy to inform that we are considering your proposal for final shortlisting for the Danish CDM Facility, and then subsequent negotiations between you and the Royal Danish Embassy.

Before the final decision is made by the Royal Danish Embassy, Pelangi and ECON Analysis will perform "due diligence" on your proposals. ECON Analysis is the international consultant to the Danish CDM Facility, and ECON will be doing most of the due diligence work. For this I hope to have your cooperation so that we are able to make a final proposal for shortlist to the Royal Danish Embassy within the 10th on December.

For the due diligence we will request as much available information on the project as possible. All information will be treated confidentially, and we are happy to sign on to a specific confidentiality agreement. You may contact Mr Erik M. Dugstad at 021 5221930 or 0815 8155048 if you have questions or concerns that you would like to raise. You may also contact Mrs Nur Endah Shofiani at the Royal Danish Embassy on 021 5761478 ext. 114 .

The information that we would like to request, subject to availability, is as follows:

Project information:

- Feasibility/Pre-feasibility study (or other project description)
- Financial analysis of project (IRR calculations w/wo CERs)
- Copy of AMDAL approval
- Information on similar projects (undertaken by the company)

Company information:

- Annual report (accounts and auditors note)
- Current credit rating (if available)
- Latest quarterly report
- "Capacity statement" for similar type of projects (Available human resources etc)
- Certification of tax compliance

Please send already available information to the address below or to the Royal Danish Embassy, Lt. 25, Menara Rajawali, Mega Kuningan, Jakarta Selatan. The due diligence will be conducted in dialog with you, and **I would very much appreciate if we could schedule a meeting this week.**

Best regards,

Erik M. Dugstad
Senior Economist, International Energy & Environment

ECON Analysis - www.econ.no

Contact details:

Mr. Erik M. Dugstad
Patra Kuningan VIII no 3
Jakarta Selatan 12950
Indonesia
Phone: + 62 21 5221930 (fax on request)
Mobile: + 62 815 8155048
E-mail: erik.dugstad@econ.no