




F-CDM-RtB

 <b>CDM: FORM FOR SUBMISSION OF “LETTER TO THE BOARD” (Version 01.1)</b> <i>(To be used only by the Project Participants and other Stakeholders for submitting Letter to the Board as per Modalities and Procedures for Direct Communication with Stakeholders)</i>	
Name of the stakeholder <sup>1</sup> submitting this form (individual/organisation):	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Address and Contact details of the individual submitting this Letter:	Address: 5th Floor, Toyosu Front, 3-2-20 Toyosu, Koto-ku, Tokyo 135-0061, Japan Telephone number: +81-3-6213-6399 E-mail Address: watanabe-hajime@sc.mufg.jp
Title/Subject (give a short title or specify the subject of your submission)	Request for resubmission of a request for post-registration change in the start date of the crediting period
Please mention whether the Submitter of the Form is:	<input checked="" type="checkbox"/> Project participant <input type="checkbox"/> Other Stakeholder, please specify
Specify whether you want the Letter to be treated as confidential <sup>2</sup> :	<input type="checkbox"/> To be treated as confidential <input checked="" type="checkbox"/> To be publicly available (UNFCCC CDM web site)
<b>Purpose of the Letter to the Board:</b>	
Please use the space below to describe the purpose for submitting Letter to the Board. (Please tick only one of the four types in each submission )	
<input checked="" type="checkbox"/> <b>Type I:</b> <input type="checkbox"/> <b>Request Clarification</b> <input checked="" type="checkbox"/> <b>Revision of Existing Rules</b> <input type="checkbox"/> Standards. Please specify reference <input checked="" type="checkbox"/> Procedures. Please specify reference <a href="#">Procedure for requesting post-registration changes to the start date of the crediting period</a> <input type="checkbox"/> Guidance. Please specify reference <input type="checkbox"/> Forms. Please specify reference <input type="checkbox"/> Others. Please specify reference <input type="checkbox"/> <b>Type II: Request for Introduction of New Rules</b> <input type="checkbox"/> <b>Type III: Provision of Information and Suggestions on Policy Issues</b>	

<sup>1</sup> Note that DNAs and DOEs shall not use this form to submit letter to the Board.

<sup>2</sup> Note that the Board may decide to make this Letter and the Response publicly available



<p>Please use the space below to describe in detail the issue that needs to be clarified/ revised or on which the response is requested from the Board as highlighted above. In doing this please describe the exact reference source including the version (if any).</p>	
<p>&gt;&gt;</p> <p>The project participants of “Angkor Bio Cogen Rice Husk Power Project (Ref# 0363)” located in Cambodia would like to request the EB to allow for re-submission of a request to post-registration change to the start date of the crediting period so that the Project can benefit from the special attention given to Least Developed Countries (LDCs) provided in Paragraph 8 (b) of the “Procedure for Requesting Post-registration Changes to the Start Date of the Crediting Period -Version 02” which was not available in the previous version of the Procedure referred to at the time of the original submission of the request made in 2009.</p>	
<p>Please use the space below to any mention any suggestions or information that you want to provide to the Board. In doing this please describe the exact reference source including the version (if any).</p>	
<p>&gt;&gt;</p> <p>Details of the request as well as support letters from the Cambodian DNA and Asian Development Bank are attached for reference.</p>	
<p>If necessary, list attached files containing relevant information (if any)</p>	<ul style="list-style-type: none"> <li>“Request for resubmission of a request for post-registration change in the start date of the crediting period for Angkor Bio Cogen Rice Husk Power Plant Project in Cambodia (Project0363 AngkorBioCogen letter.pdf)</li> </ul>
<p><b>Section below to be filled in by UNFCCC secretariat</b></p>	
<p>Date when the form was received at UNFCCC secretariat</p>	<p>28-10-2011</p>
<p> </p>	

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**History of document**

Version	Date	Nature of revision
01.1	09 August 2011	Editorial revision.
01	04 August 2011	Initial publication date.
<p><b>Decision Class:</b> Regulatory  <b>Document Type:</b> Form  <b>Business Function:</b> Governance</p>		

Mr. Martin Hession, Chair of the CDM Executive Board

c/o UNFCCC Secretariat

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7 October 2011

**Request for resubmission of a request for post-registration change in the start date of the crediting period of Angkor Bio Cogen Rice Husk Power Project in Cambodia**

Dear Mr Hession,

We are very pleased to submit this letter regarding the re-submission of a request for a change to the start date of the crediting period for “Angkor Bio Cogen Rice Husk Power Project (Ref# 0363)” located in Cambodia in order to take advantage of Paragraph 8 (b) of the “Procedure for Requesting Post-registration Changes to the Start Date of the Crediting Period -Version 02” (The Procedure) that provides special attention to projects in Least Developed Countries (LDCs) but was not available at the time of the original submission of the request. Specifically, instead of the two-year delay granted after the original submission, we would like to request a four-year delay allowed under the current version of the Procedure. We kindly ask that this request to be considered at the 65<sup>th</sup> meeting of the CDM Executive Board.

Background

As you are well aware, most projects in Least Developed Countries (LDCs) including Cambodia are prone to delays due to the underdeveloped business environment. The Project addressed in this request is no exception and it has faced numerous challenges prior to commissioning due to the lack of adequate infrastructure in the host country. As described in our previous request for changing the start date of the crediting period made in April 2009, the major delay during the equipment procurement phase was attributable to institutional problems with inexperienced customs clearance in Cambodia and logistical problems due to the political dispute between Thailand and Cambodia over a world heritage site near the Cambodia-Thai border. The delay in the start date of the crediting period from 21 Apr 2007 to 19 Apr 2009 was granted in accordance with the first version of the Procedure as prescribed in Paragraph 7(c), of Annex 31 of EB 24 that allowed for the delay for more than 1 year but no more than two years.

### Current Situation

Unfortunately, the Project has faced many more unforeseen problems in its subsequent stages, causing further delays. The main barriers faced during the design and construction phases are as follows.

#### **1. Lack of supplies**

The power plant installed under the Project includes a suspension-firing reactor. This involves both the furnace to combust the rice husk and a boiler, and it is a new technology by global standards. The complex nature of the technology meant that most components and devices needed to be sourced from various countries outside of Cambodia including not only Thailand, but also Japan and as far as Norway. In addition to the fact that all shipments must come to Cambodia via Thailand, each imported item had its own logistics and customs requirement, causing delays during the construction phase.

#### **2. Lack of adequate human resources**

The difficulty in constructing a complex and new type of power plant resulted in many unforeseen troubles that required skilled workers to resolve. As skilled labor is not available in Cambodia, it was necessary to recruit appropriately skilled resources from Thailand. The EPC contractor, which is based in Thailand, was implementing this technology for the first time. The EPC contractor often had trouble procuring an adequate number of skilled workers in a timely manner as workers were reluctant to travel so far for work.

The degree of difficulty faced during the construction phase is illustrated by the import and installation process of the synchronization control panel. To import this device of which a key part was sourced from Norway, it took 180 days with five days at the Thai-Cambodia border and ten days through Cambodian customs clearance. Installation required five skilled workers which took three months to procure from Thailand.

The lack of human resources also meant that procurement and construction of the different components had to be done sequentially as opposed to in parallel. Moreover, after the completion of assembly and construction, troubles detected during inspection and trial runs required skilled labour and supplies from outside of Cambodia. The requirement for some additional items, such as measuring instruments, control units and valves only became apparent during the final stages of construction as a result of unexpected findings during testing. This led to further delays to procure these unexpected components. With each imported and assembled item facing these difficulties, the delay totaled almost two additional years.

After substantial efforts made on the part of EPC contractor and project participants to overcome these challenges, the Project finally succeeded in starting operation in June 2011, almost four years after the start date under the original plan as stated in the registered PDD and two years after the amended start date in 2009.

Request

As stated above, although the Project was eventually delayed for approximately 4 years, we were not able to take advantage of the Procedure that was later amended in 2010 as per Annex 59 of EB 52 to enable projects in LDCs to request change of the start date of the crediting period for up to 4 years.

Considering the magnitude of challenges the Project has faced and earnest efforts made by the project participants to move the Project forward, we request EB to kindly consider allowing us to renew the request for post-registration change to the start date of the crediting period using Paragraph 8 (b) of the current version of the Procedure, so that the Project can derive maximum benefit of CDM and contribute to sustainable development of Cambodia. The Project, the first CDM project approved by the Cambodian DNA, is a test-case and we believe its success will have positive ramification in the EB's efforts to promote CDM in LDCs.

We are pleased to attach supporting letters from Cambodian DNA and Asian Development Bank.

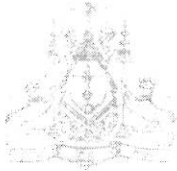
Yours truly,



Adisorn Chieu  
Managing Director  
Angkor Bio Cogen Co., Ltd.



Hajime Watanabe  
Chairman, Clean Energy Finance Committee  
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.



Ministry of Environment

Phnom Penh, 26 October 2011

№: 389/៩

To: Mr. Adisorn Chieu  
Managing Director, Angkor Bio Cogen Co., Ltd.  
#753, Monivong Blvd, Chamkar Mon,  
Phnom Penh, Cambodia

Subject: Host Country second confirmation of change in the start date of the crediting period of the Angkor Bio Cogen Rice Husk Power Project (0363)

Re: Request for support for the change in the start date of the crediting period of the Angkor Bio Cogen Rice Husk Power Project in Cambodia

Dear Mr Adisorn,

The Cambodian Ministry of Environment is the authorized body to act as the Cambodian Designated National Authority (DNA) in accordance with the Royal Government Declaration dated 15 July 2003. In this capacity, I am writing to express the DNA's support for the submission of a request for a change to the start date of the crediting period for the "Angkor Bio Cogen Rice Husk Power Project (Ref# 0363)", and to ask the due consideration of the CDM Executive Board.

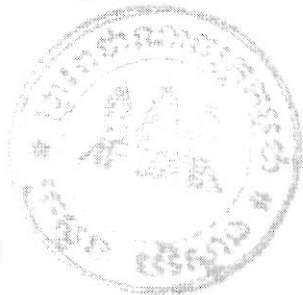
The DNA understands that the Project Entity is seeking a 4-year delay in the start date of the crediting period in line with Paragraph 8 (b) of the current Version 02 of the "Procedure for Requesting Post-registration Changes to the Start Date of the Crediting Period". A 2-year delay in the start date of the crediting period from 21 April 2007 to 19 April 2009 was previously granted in accordance with the version of the Procedure that was current at the time of the submission. However, since that time the allowable delay for projects in Least Developed Countries has been extended to four years and therefore the current request is to extend the previously granted 2-year delay to the maximum allowable 4-years.

By delaying the crediting period start date the Project Entity will be able to access the full benefits of being a CDM project, including maximizing potential CER revenue. This is critical to support the ongoing operation and maintenance of this flagship project. In a host country environment such as Cambodia, operation and maintenance for pioneering projects will likely face ongoing challenges requiring extra efforts for reasons such as difficulty in obtaining spare parts and continuous training to build and maintain capacity of local mechanical and engineering personnel.

The Project is an important project for Cambodia, being one of the few registered CDM projects, as well as one of the only rice-husk based biomass projects in the country of this size. As such it brings significant sustainable development and technology transfer benefits to Cambodia in addition to reducing greenhouse gas emissions. The DNA understands that the reasons for the delay in the project were largely beyond the control of the Project Entity and primarily due to limited infrastructure and technical skills in Cambodia. The DNA understands that the Project Entity made all efforts to develop the project in the shortest timeframe possible and persevered despite numerous barriers faced.

The DNA also confirms that the change in start date of the crediting period will not alter the Project's contribution to sustainable development.

Yours sincerely,  
Secretary of State



Thuk Kroeun Vutha



2011-033-S

Asian Development Bank

7 October 2011

**Mr. Martin Hession**  
Chair of the CDM Executive Board  
c/o UNFCCC Secretariat  
P.O. Box 260124  
D-53153 Bonn, Germany  
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Dear Mr. Hession:

**Post-registration change in the start date of the crediting period of the Angkor Bio Cogen Rice Husk Power Project in Cambodia**

We refer to the submission of a request for a change to the start date of the crediting period for the "Angkor Bio Cogen Rice Husk Power Project (Ref# 0363)" located in Cambodia. We understand that the Project Entity is seeking a 4-year delay in the start date of the crediting period in line with Paragraph 8 (b) of the current Version 02 of the "Procedure for Requesting Post-registration Changes to the Start Date of the Crediting Period". A 2-year delay in the start date of the crediting period from 21 Apr 2007 to 19 Apr 2009 was previously granted in accordance with the version of the Procedure that was in-effect at the time of the submission. However, since that time the allowable delay for projects in least developed countries (LDCs) has been extended to 4 years and therefore the current request is to extend the previously granted 2-year delay to the maximum allowable 4 years.

We wish to inform you that the Project is one of the main Clean Development Mechanism (CDM) reference projects in Cambodia as well as for the group of LDCs among the Asian Development Bank's (ADB's) developing member countries as a whole. The Project has served as demonstrational Project in several workshops by means of which ADB, through its Technical Support Facility under the Carbon Market Program, has extended capacity building to contribute to the increase in the number of CDM projects in LDCs and Small Island Developing States in Asia and the Pacific.

The Project Entity has always been very forthcoming in providing information to ADB for this purpose and in accepting speaking invitations to share their experience with the target audience of such workshops including during a recent September 2011 event in Kathmandu, Nepal, which was jointly hosted by ADB and the Institute for Global Environmental Strategies (IGES) in partnership with the UNFCCC Secretariat. As such, the Project provided valuable lessons learned to understand and overcome the intricacies of project implementation barriers that prevail in the context of LDCs (and Small Island Developing Nations) in Asia and the Pacific. It is encouraging for stakeholders in these countries to see such a first mover Project ultimately succeed in starting operations.

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In view of the above, we would like to express our full support for the attached application and kindly ask the due consideration of the CDM Executive Board.

With best regards,

Gil-Hong Kim



Director Regional and Sustainable Infrastructure Division  
Regional and Sustainable Development Department  
Asian Development Bank