

WORKSHOP SUMMARY

The Ministry of Environment of Cambodia in collaboration with the Institute for Global Environmental Strategies (IGES) of Japan organized a 2 days Training Workshop on " Project Idea Note and Baseline Calculation for the Clean Development Mechanism" from 15-16 November 2004 at Sunway Hotel, Phnom Penh, Cambodia, as one of the project activities namely "Integrated Capacity Strengthening for the Clean Development Mechanism and Joint Implementation". The workshop objectives were to identify information and knowledge needed to determine an appropriate baseline methodology, to learn know-how to prepare good PINs and calculation of baseline with reference to the model project in Cambodia, and to identify problems and potential CDM projects in Cambodia. Participants attended in the training workshop were from relevant government agencies, the private sector, Non-governmental Organisations and Academic institutions, totally 49.

In the welcome remarks, Mr. Shinichi Iioka, CDM Programme Manager of IGES, gave a brief background about IGES, and its cooperation in the field of Climate Change. He then explained of CDM as a new initiative resulted from international effort to reduce GHG emissions while promoting sustainable development. He also pointed out of hope for success in this effort as Russia ratified the Kyoto protocol. He went on addressing the challenges in application of the approaches, particularly by developing countries, because of the high associated costs, lack of institutional framework and human capacity.

HE. Prach Sun, Secretary of State of the Ministry of Environment, in his opening remark, thanked IGES for continuing support to CDM Capacity Building Project in Cambodia and agreed on the needs for an improved capacity to address challenges as said by Mr. Shinichi. He also acknowledged that implementation of CDM projects in Cambodia is challenging and complex and required participation and collaboration by relevant government agencies, NGOs, private sectors and other stakeholders.

In his presentation on ' ICS-CDM/JI Activities in Cambodia', Mr. Keisuke Iyadomi country officer of IGES, Japan highlighted the opportunity and benefits from CDM and associated constraints for its implementation. He also gave an overview of the ICS-CDM/JI Programme in Asia and the Pacific, where seven countries were covered by the programme. A background on Cambodia in relation to CDM was briefed and work plan for Cambodia was also shown, outlining the start of ICS-CDM/JI with inception workshop in 2003 and a number of activities in progress. They include the development of Climate Change Booklet and a Report on Status and Assessment of the Potential for CDM project in Cambodia. He concluded his presentation with a schedule of detailed activities remained to be done for the project such as a workshop to be held in Tokyo in March 2005 and CDM Investor's Guide to be finalised by the end of the project.

Mr. Ouk Navann, Project Assistant from the Ministry of Environment, then made a presentation on "Opportunities and Requirements for CDM Projects" in connection with Cambodia. The presentation gave a comprehensive overview of the significance of CDM as mechanism for achieving both emission reduction and sustainable development, three basic requirements for country to participate in CDM, CDM project types, market aspects of emission reduction, and rationale for CDM to be implemented in Cambodia. Host country's roles in promoting CDM came as conclusion of the presentation.

Mr. Sum Thy introduced step by step approach for developing a PIN. In his presentation, he outlined the eligible CDM projects, which consist of renewable energy, energy efficiency, fuel switching, agriculture, industrial process, forestry, transports and waste management. He also explained contribution to the sustainable development, emission reduction and additionality of the project, which are the main criteria for CDM project. Finally, he gave a PIN of *Angkor Bio Cogen Power Generation Project* as an example on how to develop a PIN.

A background of two existing CDM initiatives in Mondulokiri were reported by Mr. Norio Ikejima of Merubeni Cooperation, showing the potential for Renewable Energy using combined wind and solar power and Rubber Plantation Project located in isolated rural areas in Modolkiri Province. The renewable project is planned for installation of 115 small hybrid systems with overall installed capacity 1.4MW in 21 communes. He added that the project will benefit to government of Cambodia as improving living standard and preservation of local environment, while Japanese Government will receive carbon credit. Progress of the projects was presented and a tentative schedule for projects to go ahead was also provided.

Dr. Fumio Takahashi then gave a presentation on Cambodian Model Case of Project Idea Note for the Renewable Energy Project in Modulkiri as implemented by Merubeni Cooperation. Key PIN concepts were illustrated and the details of actual PIN items for the project shown. He mentioned that the 1.4 MW wind and solar power project will be implemented in 21 communes and 90 villages with electricity supply 24 hours a day throughout the year to replace electricity from diesel-powered mini-grids. A lower rate of US\$0.10/kWh will be sold to the villagers.

In his second presentation, Dr. Takahashi explained a full process of Baseline Setting and Calculation starting from the selection of Baseline Methodology, Formula and the calculation of Energy and Emission Baselines. As model project is small-size hybrid systems of wind and solar power generation with a total of 1.4 MW for installed capacity, Baseline Type I.A. "Renewable Energy Project/Electricity generation by the user" was applied.

In a lead to group discussion, collective discussion on potential CDM projects in Cambodia was conducted and facilitated by Ms. Briget McIntosh, an Advisor to Climate Change Office. Three projects were identified, namely (1) Energy Production from Waste Wood, (2) Piggery Methane Capture, and (3) Agricultural Residue Energy Production. She then proceeded with explanation and provision of guidance for group exercise. Participants were split into three groups to discuss and formulate PIN responding to the identified project concepts.

On the second day, the groups continued their exercises on Baseline Calculation which were preceded by presentations on Baseline Calculation Methodology and an Explanation on the discussion process made by Ms. Bridget McIntosh and Mr. You Dara respectively. As a result, three PIN documents were formulated and Baseline calculation made using provided information on the three project cases identified.

In closing speech, Ms. Kayo Ikeda, Country Officer, CDM Program, IGES had express her delight to see support for successful organisation of the workshop, the varied participants from different sectors attended the workshop and the very lively discussion and information exchange in the workshop. She said that the two days workshop provided comprehensive and detailed information on the Cambodia's status with regards Kyoto protocol, its policy on CDM, and the technical aspect of CDM, particularly the Project Idea Note and Baseline Setting and Calculation. She finally revealed that ICS-CDM of IGES would hold another workshop on how to convert PIN into a project document in January.

Mr. Sum Thy, Chief of Climate Change Office, in closing remarks and on behalf of the Director of Planning and Legal Affairs of the Ministry of Environment, expressed his hope that the participants understood how to prepare the Project Idea Note and Baseline Setting and Calculation for CDM Project. He noted that the participants had also learnt a lot from resource persons from Marubeni.co., IGES and Cambodian Climate Change Office. He highlighted that the 3 project ideas, namely Methane Capture from Piggery Project, Mekong Wood Waste Project, and Electricity Production from Agricultural Residue identified and discussed during the workshop were very essential and formed part of the successful result of the workshop.