Contribution to the sustainable development of the host country

Cambodian Designated National Authority (DNA) presents a document regarding sustainable development criteria for proposed CDM activities.1 The instruction in the document indicates that the PDD must outline how the project meets Cambodia’s sustainable development objectives. The following illustrates how the Project meets the four criteria outlined in the instruction.

The Project contributes to environmental protection and improvement in Cambodia and therefore meets the first criteria. The Project’s contribution on reduction in air pollution and sustainable use of land resources are particularly significant. The Project reduces greenhouse gas (GHG) emissions by utilizing renewable energy sources that would have been abandoned. As described in Environmental Impact of Section D, the Project does not cause negative environmental impacts.

The Project brings social benefits to the neighbouring community and meets the second criteria. Angkor Rice Mill and ABC are jointly exploring a possibility of providing a small volume of electricity to a neighbouring village with a relatively small charge. As described in Local Stakeholder Consultation of Section E, ABC invited the members of the neighbouring community to a public consultation meeting on September 18th, 2004 and again on February 22nd, 2005. All the members expressed their support to the Project.

The Project leads to technology transfer as well as know-how transfer to Cambodia and meets the third criteria. The state-of-the-art technology for rice husk power generation for the Project will be procured either from Europe or Japan. Although it is a proven technology in some Southeast Asian countries, the Project will become the first case in Cambodia to utilize the technology (See A. 3.). In regards to know-how transfer, the Project establishes a training program for local engineers so that they can operate the plant on their own in the long run (See A. 3.).

The economic benefits that will be brought by the Project are significant and the Project meets the fourth criteria. The Project displaces the use of diesel oil and contributes greatly to decreasing dependency on fossil fuel and imported oil. It is noteworthy that Cambodia’s renewable energy strategy and plan released by the government recognizes that biomass is a promising renewable energy in Cambodia and urges to explore the potential urgently.2 The Project’s plan is consistent with the objectives of the country’s renewable strategy and plan.