

CDM-SSCWG53

Meeting report

Small-Scale Working Group fifty-third meeting

Version 01.1

Date of meeting: 20 to 23 March 2017

Place of meeting: Bonn, Germany



United Nations
Framework Convention on
Climate Change

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Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Opening

1. The Chair of the Small Scale Working Group (SSC WG), Ms. Diana Harutyunyan, appointed by the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board) at its ninety-third meeting, opened the meeting. The members of the SSC WG welcomed the new Chair and Vice-Chair Mr. Amjad Abdulla and expressed deep appreciation to the outgoing Chair Mr. Balisi Gopolang and Vice-Chair Ms. Diana Harutyunyan for their excellent contributions to the work of the SSC WG.
2. The SSC WG noted that Mr. Bamshad Houshyani was unable to attend the first day of the meeting and Mr. Amjad Abdulla (Vice-Chair) was unable to attend the last two days of the meeting. The member and the Vice-Chair provided proper justification for their absence. Table 1. below represents the attendance of members at the meeting held from 20 to 23 March 2017.

Table 1. Attendance list

Chair/Vice-Chair	Members
Ms. Diana Harutyunyan (Chair)	Mr. Ben Atkinson
Mr. Amjad Abdulla (Vice-Chair)	Mr. Daniel Perczyk
	Mr. Felix Babatunde Dayo
	Mr. Gilberto Bandeira De Melo
	Mr. Bamshad Houshyani

Agenda item 1.2. Adoption of the agenda

3. The agenda of the meeting was adopted without amendments.
4. The SSC WG considered information provided by members and the Chair and Vice-Chair with respect to any potential conflict of interest. Statements on conflicts of interest can be viewed on the UNFCCC CDM website.¹

Agenda item 2. Governance and management matters

Agenda item 2.1. Matters related to the SSC WG

5. The SSC WG took note of the workplan for the SSC WG for 2017, which was developed based on the mandates from the Board.
6. The SSC WG took note of the outcomes of the ninety-second and ninety-third meetings of the Board relevant to the work of the SSC WG.
7. The SSC WG took note of the new CDM regulatory documents ("CDM project standard", "CDM validation and verification standard" and "CDM project cycle procedure for project

¹ <https://cdm.unfccc.int/Panels/ssc_wg/index.html>

activities" and the equivalent set for programmes of activities) adopted by the Board at its ninety-third meeting (EB 93 report, annexes 4–10).

Agenda item 2.2. Upcoming deadlines of relevance to stakeholders

8. The SSC WG took note that their 54th meeting (SSC WG 54) is scheduled from 17 to 20 July 2017.
9. Project participants (PPs), designated national authorities (DNAs) and other stakeholders may note the following upcoming deadlines:
 - (a) The deadline for the submission of proposed new methodologies (PNMs) to be considered at the 54th meeting of the SSC WG is 22 May 2017 (i.e. eight weeks prior to the meeting);
 - (b) The deadline for the submission of requests for revision to be considered at the 54th meeting of the SSC WG is 22 May 2017 (i.e. eight weeks prior to the meeting);
 - (c) The deadline for the submission of requests for clarification to be considered at the 54th meeting of the SSC WG is 5 June 2017 (i.e. six weeks prior to the meeting).

Agenda item 3. Regulatory matters

10. During the meeting, the SSC WG took advantage of the parallel meeting of the Methodologies Panel (MP) and worked together with the MP and the secretariat on recommendations to be undertaken jointly, as mandated by the Board. In addition, the SSC WG provided input to the MP whenever requested and sought MP feedback when needed. In this regard, the joint work is captured as follows:
 - (a) Joint recommendations of the SSC WG and the MP are annexed to the MP report and are identified as joint recommendations;
 - (b) Joint recommendations involving the SSC WG, the MP and the secretariat are annexed to the annotated agenda of the Board's ninety-fourth meeting;
 - (c) Input provided by one body to the other is reflected in the relevant paragraphs of this report.
11. Information on cases, that is their status, outcome and history, is made publicly available for standardized baselines², small-scale methodologies³ and methodological tools on the UNFCCC CDM website. For information related to small-scale methodologies see the multiple links under the 'Small-scale methodologies' heading and for information on methodological tools look under the heading 'Large-scale methodologies'.
12. The relevant reference documents, "Procedure: Development, revision, clarification and update of standardized baselines" (version 04.0) and "Procedure: Development, revision and clarification of baseline and monitoring methodologies and methodological tools" (version 02.0) are available from the UNFCCC CDM website⁴.

² <http://cdm.unfccc.int/methodologies/standard_base/index.html>

³ <<http://cdm.unfccc.int/methodologies/index.html>>

⁴ <<https://cdm.unfccc.int/Reference/Procedures/index.html#meth>>

13. The SSC WG took note of the overview of the top-down and proposed bottom-up standardized baselines.
14. The SSC WG took note of the update on relevant work carried out by consultants and desk reviews finalized since the 52nd meeting of the SSC WG.

Agenda item 3.1. Standards/tools

15. The SSC WG and the MP jointly recommended that the Board approve the draft methodological tool TOOL00XX: "Tool to determine standardized baseline for energy efficient refrigerators and air conditioners" as contained in annex 1 to the MP 72 report. The rationale for the recommendation of the draft new tool is contained in the Information note "Determination of standardized baselines for energy efficient appliances - refrigerators and air conditioners" in annex 2 and a road testing of the draft tool is contained annex 3 to the MP 72 report, respectively. This work was carried out in response to the mandate given by the Board at its eighty-fifth meeting (EB 85 report, para. 39) for the development of standards with a methodological framework for specific project types for the development of standardized baselines. The SSC WG and the MP recommended that the Board take note that it is preferable to develop a new methodology instead of revising approved methodologies related to refrigerators and air conditioners to incorporate the application of the proposed tool. In this regard, the SSC WG and MP recommended that the Board provide a mandate to develop a new methodology for refrigerators and air conditioner applications that is compatible with the tool.
16. The SSC WG, the MP and the secretariat agreed to continue working on the development of standards with a methodological framework for the development of standardized baselines in the sector "energy efficiency in buildings". This work is being carried out in response to the mandate given by the Board at its eighty-fifth meeting (EB 85 report, para. 39).
17. The SSC WG provided input to the MP which agreed to launch a call for public inputs on the new draft methodological TOOL00XX "Tool to calculate baseline, project and leakage emissions from the use of refrigerants", as contained in annex 4 to the MP 72 report. This work was carried out in response to the mandate given by the Board at its eighty-fifth meeting (EB 85 report, para. 39) related to the analysis of requirements in methodologies with regard to consideration of baseline and/or project emissions from refrigerants used in refrigeration and air conditioning equipment.

Agenda item 3.1.1. Consideration of new standardized baselines

18. The SSC WG considered the proposed standardized baselines, as contained in table 2 below, and where applicable, took external expertise and public input into account.

Table 2. Status of submissions for proposed standardized baselines

Reference	Title	Status/ recommen- dation ^(a)	Paragraph
ASB0002 (PSB0001)	Fuel switch, technology switch and methane destruction in the charcoal sector of Uganda	Work-in-progress	19
PSB0020	Electrification of rural communities in Ethiopia using renewable energy	Work-in-progress	20
PSB0039	Standardized baseline for the sector of brick production in Colombia	Work-in-progress	21

19. The SSC WG considered the request to update ASB0002 “Fuel switch, technology switch and methane destruction in the charcoal sector of Uganda” submitted by the DNA of Uganda and provided feedback on the approach outlined in the submission.
20. The SSC WG considered the information provided by the DNA and the pending issues that still need to be resolved by the proponent of the submission of PSB0020 “Electrification of rural communities in Ethiopia using renewable energy” and agreed to communicate the following issues to the DNA:
 - (a) The rationale behind the design of tranche 2 and 3 is based on the assumption that the baseline will be small diesel generator sets supplying end users in the tranche. Therefore, utilizing national grid transmission and distribution loss estimates in the estimation of the power of the baseline system is not consistent with the rationale behind the design of the tranche approach. The emission factor of such a baseline system is likely to be smaller, for example 0.8 as specified under AMS-I.A;
 - (b) In order to determine country-specific emission factors under tranche 2 and 3, baseline data (e.g., survey study) that corresponds to tranche 2 and 3 would be needed;
 - (c) The SSC WG is also of the view that using any general equation for sizing diesel generator sets or determining load factors for developing country-specific standardized baselines would be challenging. Given the fact that baseline circumstances are different for tranche 2 and for tranche 3, it would be erroneous to apply the equation proposed for the calculation of power using grid T&D losses, without considering country-specific off-grid parameters;
 - (d) The SSC WG is also of the view that the development of any kind of approach where country-specific data can be used to derive standardized baselines (e.g. grid tool) shall be guided through the provisions in the methodology, which can then be consistently applied by any standardized baseline developer.
21. The SSC WG considered the information provided by the DNA and the pending issues that still need to be resolved by the DNA of the submission of PSB0039 “Standardized baseline for the sector of brick production in Colombia” and agreed to communicate with the DNA on the pending issues.

Agenda item 3.1.2. Consideration of new small-scale methodological standards/tools

22. The SSC WG considered the proposed new methodologies listed in table 3 below, and where applicable, took external expertise and public input into account.

Table 3. Status of consideration of new small-scale methodological standards/tools

Submission/ mandate	Title	Status/ recommen- dation	Paragraph / annex
SSC-NM100	Emissions reductions for vehicle fleets through efficiency improvements and carbon dioxide decomposition and reforming retrofits	Recommendation (negative)	23
SSC-NM096	Supply side energy efficiency intervention through demand side reactive power compensation	Withdrawn	24

23. The SSC WG recommended the Board not to approve the bottom-up submission of SSC-NM100 "Emissions reductions for vehicle fleets through efficiency improvements and carbon dioxide decomposition and reforming retrofits". The key issues were, among other things, that a detailed explanation of the type of technology and its components to be implemented were not sufficiently provided and that the impact of the technology on the reductions of CO₂ emissions were not adequately demonstrated.
24. The SSC WG took note that the submission of SSC-NM096 "Supply side energy efficiency intervention through demand side reactive power compensation" has been withdrawn by the proponent.

Agenda item 3.1.3. Consideration of revisions of small-scale methodologies and tools

25. The SSC WG considered bottom-up and top-down revisions of approved small-scale methodologies (AMS), as listed in table 4 below, taking into account the input from the MP as well as external expertise and public input received, where applicable.

Table 4. Status of consideration of revisions to small-scale methodological standards/tools

Issue	AM/AT	Mandat e	Title of the request	Status/ recommen- dation	Para- grap h
Revision	N/A	EB 85 report, para. 42 (b)	To revise small-scale tools with updated additionality positive lists	Approval	26

Issue	AM/AT	Mandate	Title of the request	Status/recommendation	Paragraph
Revision	AMS-I.E ver 7.0 and AMS-II.G ver 8.0	EB 90 report, para. 59	Analysis of AMS-I.E “Switch from non-renewable biomass for thermal applications by the user” and AMS-II.G “Energy efficiency measures in thermal applications of non-renewable biomass” followed by revision of the methodologies	Work-in-progress	27
Revision	AMS-I.E ver 7.0	EB 89 report, para. 46	Analysis for inclusion of bio-ethanol for cook stoves under AMS-I.E “Switch from non-renewable biomass for thermal applications by the user”	Work-in-progress	28
Revision	AMS-III.F ver 12.0 and AMS-III.Y ver 4.0	EB 92 report, para. 46	To revise methodologies AMS-III.Y and AMS-III.F as proposed in the concept note “Exploration of methodological options for developing ‘agriculture CDM’”	Call for public input	29
Revision	SSC_723	N/A	To revise AMS-III.AJ ver 06.0 to include recovery and recycling of metals (aluminium and steel) from municipal solid wastes	Approval	30
Revision	AMS-III.BK ver 0.2	EB 92 report, para. 46	AMS-III.BK “Strategic feed supplementation in smallholder dairy sector to increase productivity”	Work-in-progress	31
Revision	TOOL 04 ver 8.0	EB 92 report, para. 43	To revise methodological tool “Emissions from solid waste disposal sites”.	Approval	32

26. The SSC WG recommended that the Board approve the revision of TOOL21 “Demonstration of additionality of small-scale project activities” (version 11.0) to expand the positive list of technologies, as contained in annex 1 to this report. This

recommendation is supported by the analysis contained in the Information note "Considerations on small- and microscale additionality provisions", as contained in [annex 2](#) to this report and was consulted on with the call for public input held from 11 July 2016 to 26 July 2016. The work was carried out in response to the mandate from the Board at its eighty-seventh meeting (EB 87 report, para. 49) and eighty-fifth meeting (EB 85 report, para. 42). In addition, the SSC WG considered related matters in paragraph 45 below.

27. The SSC WG agreed to continue to work on the analysis of methodologies AMS-I.E "Switch from non-renewable biomass for thermal applications by the user" and AMS-II.G "Energy efficiency measures in thermal applications of non-renewable biomass". The subsequent revision will be carried out in response to the mandate from the Board at its ninetieth meeting (EB 90 report, para. 59).
28. The SSC WG agreed to continue to work on the analysis for inclusion of bio-ethanol for cook stoves under methodology AMS-I.E "Switch from non-renewable biomass for thermal applications by the user". The revision is being carried out in response to the mandate from the Board at its eighty-ninth meeting (EB 89 report, para. 46).
29. The SSC WG, with input from the MP and secretariat, conducted further analysis of the methodologies AMS-III.F and AMS-III.Y, and prepared an information note about the revision of AMS-III.D titled "Analysis of AMS-III.F and AMS-III.Y followed by revision of the methodologies", as contained in [annex 3](#) to this report. A call for public input on the information note will be launched following this meeting. The public input will be taken into account when preparing the revision of AMS-III.D to be recommended to the Board at a future meeting. The work is being carried out in response to the mandate received at the ninety-second meeting of the Board (EB 92 report, para. 46).
30. The SSC WG recommended that the Board approve the revision of AMS-III.AJ "Recovery and recycling of materials from solid wastes", as contained in [annex 4](#) to this report, to broaden its applicability to cover recovery and recycling of metals (aluminium and steel) from municipal solid wastes. This is in response to the request for revision SSC_723. As part of the ongoing work to update the methodologies based on the latest published and scientific information, the SSC WG agreed to request a mandate from the Board to review and update the global default factors contained in the methodology AMS-III.AJ and AMS-III.BA "Recovery and recycling of materials from E-waste" with regard to the recycling of materials.
31. The SSC WG, with input from the MP and secretariat, agreed to continue working on the revision of methodology AMS-III.BK "Strategic feed supplementation in smallholder dairy sector to increase productivity". The work is being carried out in response to the mandate from the Board at its ninety-second meeting (EB 89 report, para. 34).
32. The SSC WG provided input to the MP on the draft revision of the methodological tool "Emissions from solid waste disposal sites" (TOOL04) (ver. 8.0), as contained in [annex 13](#) to the MP 72 report. The revision has been carried out in response to the clarification (CLA_TOOL_0025), where the MP clarified that there will not be any material impact if the first order decay model is used for monthly calculation instead of yearly calculation. Thus, through this revision the tool will provide flexibility to project participants to either calculate monthly or yearly estimation of emission reductions during the monitoring period.
33. The SSC WG discussed the revision of approved methodologies and tools to refer to the latest version of the TOOL05 "Baseline, project and/or leakage emissions from electricity

consumption and monitoring of electricity generation” and TOOL08 “Tool to determine the mass flow of a greenhouse gas in a gaseous stream” with a view to ensuring consistent guidance in the methodologies and the methodological tools, based on the mandate in the 2017 workplan for the SSC WG. The SSC WG agreed to include references to these tools as and when applicable methodologies are revised at future meetings for other reasons, for example bottom-up requests.

Agenda item 3.1.4. Consideration of requests for clarification for small-scale methodologies and tools

34. The SSC WG recommended that the Board approve the response to the request for clarification SSC_728 (Clarification on baseline emissions calculations in AMS-III.AH). During the analysis of the request it was identified that the equations in the methodology AMS-III.AH have errors, and therefore the SSC WG recommended that the Board approve the revision of the methodology, as contained in [annex 5](#) to this report.
35. The SSC WG took note of the requests for clarification of approved methodologies processed as fast-track (see table 5 below).

Table 5. Requests for clarification of approved methodologies

Submission number	AM/AT	Title of the request	Status
SSC_724	AMS-II.G ver 8.0	Clarification on monitoring requirements under AMS-II.G	Clarified by fast track
SSC_725	AMS-II.G ver 8.0	Clarification on efficiency testing for institutional improved cookstoves of different saucepan capacities under AMS-II.G	Clarified by fast track
SSC_726	AMS-II.G ver 8.0	Clarification on the requirements to use simplified approach to test stove efficiency under AMS-II.G	Clarified by fast track
SSC_727	AMS-II.G ver 8.0	Clarification on the test method to demonstrate above 20% stove efficiency under AMS-II.G	Clarified by fast track

Agenda item 3.1.5. Consultation on issues related to methodological standards/concept notes

36. The SSC WG, MP and the secretariat jointly developed the draft concept note “Methodology specific simplified additionality (positive list)” and submitted it to the Board for consideration. The final concept note will be annexed to the annotated agenda of the ninety-fourth meeting of the Board. This work was carried out in response to the mandate received from the Board at its ninety-second meeting (EB 92 report, para. 42).
37. The SSC WG, MP and the secretariat jointly developed the concept note “Cost-effective and context-appropriate approaches for monitoring reporting and verification” and submitted it to the Board for consideration. The final concept note will be annexed to the

annotated agenda of the ninety-fourth meeting of the Board. This work was carried out in response to the CMP requests (6/CMP.11, para. 15 and 3/CMP.12, para. 8) and a mandate received from the Board at its ninety-second meeting (EB 92 report, para. 34).

38. The SSC WG, the MP and the secretariat agreed to continue working on the concept note "Further work on additionality, including probabilistic approaches for additionality", specifically on the guideline on common practice analysis and first-of-its-kind. This work was carried out in response to the mandate received from the Board at its ninetieth meeting (EB 90 report, para. 50(a)).

Agenda item 3.1.6. Post-registration changes

39. The SSC WG took note that no request for post-registration changes to a small-scale project activity and programme of activities had been received since the 52nd meeting of the SSC WG.

Agenda item 3.1.7. Deviations from approved methodologies and tools

40. The SSC WG took note that no request for input to deviations from small-scale methodologies and tools had been received since the 52nd meeting of the SSC WG.

Agenda item 3.2. Other issues

41. The SSC WG, provided input to the MP on the development of guidelines to facilitate the development of CDM project activities and PoAs in the urban context, as mandated by the Board at its ninetieth meeting (EB 90 report, para. 52).
42. The SSC WG, MP and secretariat jointly developed an information note "Methodological Framework: Development of new top-down methodology for 2–3 wheeled personal transportation, including infra-structure for bicycles, e-bikes and tricycles", as contained in annex 14 to the MP 72 report. A call for public input on the information note will be launched following this meeting. The public input will be taken into account when preparing the proposed new top-down methodology to be presented to the SSC WG and MP at a future meeting. This work is done in response to the mandate received from the Board at its eighty-ninth meeting (EB 89 report, para. 33(a)).
43. The SSC WG, MP and the secretariat agreed to continue working on the development of the framework for a new methodology for the improved operation of public transportation (e.g. improved transit logistics, smart traffic systems). This work was carried out in response to the mandate received from the Board at its eighty-ninth meeting (EB 89 report, para. 33(b)).
44. The SSC WG continued to work on the development of the method for estimating the fraction of non-renewable biomass and agreed to launch a call for public inputs on the draft new "Tool to calculate values of fraction of non-renewable biomass", as contained in annex 6 to this report. The work was done in response to the mandate by the Board at its ninetieth meeting (EB90 report, para. 58(c)).
45. The SSC WG and MP jointly provided input to the secretariat concerning whether criteria other than unit size may be used to establish positive lists, in response to the mandate received from the Board at its eighty-fifth meeting (EB 85 report, para. 42(b)). The SSC WG, MP and secretariat agreed that 1% of the SSC threshold is appropriate as compared to its current criterion of 5% of SSC threshold contained in the revised TOOL21:

"Demonstration of additionality of small-scale project activities" (version 10.0), as contained in annex 1 to this report. The detailed analysis and proposals to address the Board mandate are in the information note "Considerations on small- and microscale additionality provisions", as contained in annex 2 to this report. In addition, the SSC WG considered related matters under paragraph 26 above.

Agenda item 4. Conclusion of the meeting

46. The members of the SSC WG adopted the report of the 53rd meeting and closed the meeting.

Annexes to the report

- Annex 1 - Revised TOOL21 "Demonstration of additionality of small-scale project activities"
- Annex 2 - Information note "Considerations on small- and microscale additionality provisions"
- Annex 3 - Information Note "Analysis of AMS-III.F and AMS-III.Y followed by revision of the methodologies"
- Annex 4 - Revised methodology AMS-III.AJ "Recovery and recycling of materials from solid wastes"
- Annex 5 - Revised methodology AMS-III.AH "Shift from high carbon intensive fuel mix ratio to low carbon intensive fuel mix ratio"
- Annex 6 - Methodological Tool "Tool to calculate values of fraction of non-renewable biomass"

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Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.1	12 April 2017	Editorial revision to adjust the title of Table 3 and formatting.
01.0	3 April 2017	SSCWG 53 meeting report.
Decision Class: Operational Document Type: Meeting report Business Function: Governance Keywords: SSCWG, reporting procedures		