CDM: Recommendation Form for Small Scale Methodologies (version 01)

(To be used for presenting questions/proposals/amendments to the simplified methodologies for small-scale CDM project activity categories)

Date of SSC WG meeting:	As per procedures for fast track clarifications
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Inclusion of HFC emission reductions in the baseline under AMS II.C
Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.	AMS II.C
Name of the authors of the query:	Thomas Grammig Institution: GTZ Thomas.grammig@proklima.net, policy@optionline.net

Summary of the query:

Please use the space below to summarize the query related to SSC methodologies/categories SSC Modalities and Procedures provide recommendation/analysis of the SSC WG.

A program of activities (PoA) that involves replacement of inefficient fluorinated gas-containing household refrigerators by efficient, HFC/CFC-free refrigerators is the context under which the following clarifications are requested:

- Whether Kyoto F-gases (e.g., HFC 134a used as a refrigerant) can be included in the baseline and emission reduction calculations when applying approved methodology AMS II.C, in the case where old refrigerators exchanged under the project activity are recycled and replaced with HFC-free models. If yes, would this require a request for revision, or could we use AMS II.C in its present form?
- AMS II.C is intended for refrigerators and the two emission reduction components - HFC recovery and energy efficiency, occur in the same activity, i.e. refrigerator replacement. Would it be possible to submit a new SSC category for household refrigerators that would include emission reductions from both energy efficiency and HFC recovery (energy efficiency would be Type II and HFCs would be Type III, similar to other methods that contain a mix of types, energy efficiency and methane for instance)?

If the answers to both the bullets are "no", the stakeholders are of the opinion that it will be impossible to implement the proposed project activity as a SSC PoA, since only one methodology can be applied to each PoA. The stakeholders also estimate that the PoA is financially marginal without credit for the legitimate HFC emission reductions.

Recommendation by the SSC WG:

Please use the space below to provide amendments/change (in your expert view, if necessary).

This recommendation is as per the procedures for fast track clarifications as specified in paragraph 8 of the 'procedures for the submission and consideration of request for clarification of approved small-scale methodologies' found at http://cdm.unfccc.int/Reference/Procedures/MethSSC_proc01_EB34a06.pdf.

Answer to authors of query by the SSC WG:

The small-scale working group of the CDM Executive Board would like to thank the author for the submission.

The SSC WG agreed to clarify that AMS II.C in its current form covers the baseline situations where:

- The energy displaced is a fossil fuel, and/or
- The energy displaced is electricity.

Avoided emissions of Kyoto F-gases (e.g., HFC 134a used as a refrigerant), although an eligible component activity under the CDM, is not covered by 'AMS II.C Demand-side energy efficiency activities for specific technologies'.

AMS II.C is aimed at products or systems using less energy to do the same or better job than conventional products or systems. Thus the reference is to technologies and measures that reduce the amount of electricity and/or fuel required to do the same work. Component avoiding direct emission of refrigerants is therefore not compatible with this concept of energy efficiency implied in the methodology.

However, the SSC WG recognizes that it may be necessary, among others, in the refrigeration and air conditioning sector, to include more than one eligible component activities under a SSC CDM project activity or SSC CDM program activities (CPA) under a PoA, for a viable project or a PoA.

The SSC WG encourages the project proponent to submit a new SSC methodology[1] for household refrigerators that would include emission reductions from both energy efficiency and avoided HFC emissions under the same methodology.

Signature of SSC WG Chair ……..

(Ulrika Raab)

Date: 09/04/2008

Signature of SSC WG Vice-Chair ……..

(Kamel Djemouai)

Date: 09/04/2008

Information to be completed by the secretariat	
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[1] The stakeholder may wish to note paragraph 15 of EB 35 which states "The Board clarified that methodologies are approved for application both to CDM project activity and to CDM programme activities (CPA) under a Programme of Activities (PoA). The Board also clarified that proposed new methodologies submitted for consideration by the Board should clearly define the activity to which the proposed methodology is applicable."