



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:	24–27 February 2009, SSC WG 19
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Revision of AMS-III.X for restricted eligibility based on fraction of HFC-134a in total emissions reductions
Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.	AMS-III.X
Name of the authors of the query:	Anne Arquit Niederberger Institution: Policy Solutions policy.solutions@comcast.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.

Original text from PP:

In the process of approving AMS-III.X at its 44th Session, the CDM Executive Board added an eligibility condition to the methodology, which had not been included in the methodology as recommended by the Small-Scale Working Group, namely Para. 3 (m):

The emission reductions from the avoided direct emissions of refrigerants shall be not greater than 15% of the total emission reduction in any given year of the crediting period.

The SSC Working Group is hereby requested to revise AMS-III.X to delete this provision from the methodology, because this eligibility criterion narrows the applicability of the methodology unnecessarily, which is counter to the wishes of the Parties. This was expressed most recently at CMP4, which noted “the importance of maintaining the broad applicability of small-scale methodologies in order to ensure the relative ease of implementation of small-scale project activities while maintaining environmental integrity”. The CMP4 decision went on to explicitly request the Executive Board “...to approve more methodologies with broad applicability conditions...”

There is no justification related to “environmental integrity” that would indicate the need to limit the relative share of HFC-134a reductions relative to total greenhouse gas emission reductions to be credited under the methodology – and the 15% limit set by the EB is in any case completely arbitrary. This is underscored by the fact that the share of HFC-134a in total emission reductions varies with grid emission factor: if there is a higher grid emission factor (say 0.700 tCO₂/MWh, instead of 0.320 tCO₂/MWh), then the share from HFC-134a is lower and vice versa. The share of total emission reductions from HFC-134a reductions has no impact on the environmental integrity of the methodology.

Based on calculations with a range of grid emission factors and plausible refrigerator efficiency improvements, we conclude that project activities that replace only refrigerators that use HFC-134a as a refrigerant (as opposed to refrigerators that use a mix of HFC-134a and other substances) would typically not meet this applicability criterion – for which we see no methodological justification. This narrow

applicability would appear to go against the wishes of the Parties and the EB itself to make methodologies as widely applicable as possible.

We therefore request Paragraph 3 (m) to be deleted from the methodology.

Recommendation by the SSC WG:

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

Please refer to paragraph 13 of the meeting report of the SSC WG 19
(http://cdm.unfccc.int/Panels/ssc_wg).

Answer to authors of query by the SSC WG:

Please use the space below to provide answer to the authors of the above query

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

The SSC WG agreed to indicate that cap on emission reductions from refrigerant component has been introduced in the methodology following evaluation of relevant issues (e.g. low fugitive refrigerant emission rates in sealed systems such as domestic refrigerators, uncertainties related to estimation of refrigerant baseline emissions). For example, AMS-III.X relies on monitoring of reclaimed HFC 134a refrigerant together with a qualitative assessment of baseline service practices to establish the corresponding refrigerant fugitive emissions in the baseline, i.e. whether the target group of the project are low income households who continue to use second hand refrigerators, and whether the service is being done by the informal sector. This approach of AMS-III.X is a simplified one as compared to approved methodologies in RAC sector such as AM 0071 with more robust procedures that require establishing quantitative baseline fugitive refrigerant emission rates through documented service practices related to target refrigerators. Considering that both IPCC 2006 and RTOC 2006¹ provide modest values for first order estimates of leakage rates for the sealed refrigerator systems such as residential refrigerators (including service related emissions), the SSC WG is of the opinion that it is appropriate to have a cap on claimable emission reductions from the refrigerant component considering the associated uncertainties in AMS-III.X.

However, since projects are expected to have all of the refrigerators replaced in the first or second year of a project, the cap of 15% per year specified in the methodology may result in a much lower average annual limitation during the crediting period (e.g. 1.5% to 3% assuming a ten year crediting period). Project proponent may thus consider proposing a revision of AMS-III.X to account for this issue through perhaps a justifiable crediting period cap.

¹ Report of the Refrigerant Technical Option Committee of UNEP (2006) states “In Non-Article 5 countries the rate of sealed system failures is estimated to be a manufacturing defect driven cumulative 1% during the first five years, and an additional cumulative 1% during the typical remaining 15 years of useful life. In Article 5 countries (sec: non annex I of KP) these rates are estimated to be cumulative 3% and cumulative 7% for the initial 5 years and the remaining 15 years respectively /UNEP98/. The dispersed nature of the field service infrastructure for domestic refrigerators and freezers hampers reporting of service statistics. Each sealed system failure results in the discharge or recovery of the original refrigerant and recharging with new or reclaimed refrigerant. Consequently, the failure rates above are useful to provide first order estimates for refrigerant field service demand when integrated with OEM historic production statistics.”



Signature of SSC WG Chair

(Hugh Sealy)

Date: 27/02/2009



Signature of SSC WG Vice-Chair

(Peer Stiansen)

Date: 27/02/2009

Information to be completed by the secretariat

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