



## 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)*

<i>Date of SSC WG meeting:</i>	As per procedures for fast track clarifications
<i>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</i>	Inclusion of Montreal Protocol gases in the baseline under AMS II.C.
<i>Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.</i>	Query related to AMS II.C.
<i>Name of the authors of the query:</i>	Thomas Grammig, Institution: GTZ  E-mail: thomas.grammig@proklima.net, policy@optonline.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.

The proposed project activity is for replacement of inefficient domestic refrigerators using fluorinated-gas (mainly CFC refrigerants) with efficient CFC-free refrigerators.

Low-income households are targeted by the project activity, which is being prepared as a program of activities (PoA).

A clarification is requested concerning which greenhouse gases should be included in the project boundary, the baseline and emission reduction calculations when applying approved methodology AMS II.C. for the proposed project activity.

This request for clarification is in the context of a recent decision of the Board as below (paragraph 17, EB 34) as below:

“17. With reference to a proposed methodology, the Board considered the analysis of implication of different options proposed by the Meth Panel with regard to accounting emissions of GHGs and also implications on gases covered under the Montreal Protocol. The Board agreed that:

- (a) The project boundary shall encompass all anthropogenic emissions by sources of greenhouse gases, as defined in paragraph 1 of the Convention but not included in Annex A of the Kyoto Protocol, under the control of the project participants that are significant and reasonably attributable to the CDM project activity.
- (b) The leakage emissions from greenhouse gases, as defined in paragraph 1 of the Convention but not included in Annex A of the Kyoto Protocol, should be accounted, if the CDM project activity results in an increase of such emissions.
- (c) The global warming potentials used to calculate the carbon dioxide equivalence of anthropogenic emissions by sources of greenhouse gases not listed in Annex A, shall be those accepted by the Intergovernmental Panel on Climate Change in its third assessment report.”

It is the understanding of the stakeholder making the submission that all greenhouse gases in Article 1 of the Convention but not included in Annex A of the Kyoto Protocol should be included in the project boundary (as stated in the EB decision) and, hence, in the baseline and in the calculation of emission reductions, when applying AMS II.C. A confirmation from the SSC WG is requested in this regard.

The query is also relevant for a proposed new methodology (SSC\_151), which currently calls for excluding the use of CFC- and HCFC-based refrigerant gases in the baseline, which would appear to be inconsistent with the EB 34 decision.

#### **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](http://cdm.unfccc.int/Reference/Procedures/MethSSC_proc01_EB34a06.pdf).

#### **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 clarify that when applying approved small scale methodology AMS II.C. or for that matter any other approved small scale methodology:

- Consistent with the decision of EB 34 (paragraph 17), the leakage/project emissions of all greenhouse gases, those included in Annex A of the Kyoto Protocol (KP) as well as those defined in paragraph 1 of the Convention, should be accounted for, if the CDM project activity results in an increase in emissions of those gases. For that purpose all the greenhouse gases, defined in Annex A of KP as well as paragraph 1 of the Convention, should be included in the boundary of the project activity. Therefore if a proposed CDM project activity is likely to result in leakage/project emissions of fluorinated gases (e.g. CFC refrigerants), those gases shall be included in the boundary and the leakage/project emissions shall be deducted from the emission reductions from the project activity.
- Consistent with paragraph 44 of the Modalities and Procedures for the CDM that states that "a baseline shall cover emissions from all gases, sectors and source categories listed in Annex A within the project boundary", only gases listed in Annex A of KP shall be included in baseline emission calculations. CFC and HCFC gases are not included in Annex A of KP, and hence shall not be considered for baseline calculations.

It shall be noted that the decision of EB 34 was in the context of approved methodology AM0060 "Power saving through replacement by energy efficient chillers" (based on NM0197-rev) that is applicable to project activities that replace an existing chiller by a more efficient new chiller. AM0060 includes only gases listed in annex A of KP in the baseline calculations. For project activity emissions (project/leakage emissions) the approved methodology includes, all GHGs defined under article 1 paragraph 5 of the Convention (this includes GHGs listed in Annex A of the Kyoto Protocol as well as GHGs controlled under the Montreal Protocol).

The SSC WG is of the opinion, the proposed new methodology (SSC\_151), that calls for excluding the use of CFC- and HCFC-based refrigerant gases in the baseline, has correctly interpreted EB34 decision.



Signature of SSC WG Chair .....

(Ulrika Raab)

Date: 23/01/2008



Signature of SSC WG Vice-Chair .....

(Richard Muyungi)

Date: 23/01/2008

**Information to be completed by the secretariat**

SSC-Submission number	SSC_152
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