



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>	16–19 August 2010, SSC WG 27
<i>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</i>	Clarification on the project consideration as a Greenfield project
<i>Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.</i>	AMS-III.H “Methane recovery in wastewater treatment”
<i>Name of the authors of the query:</i>	Sithisakdi Apichatthanapath Institution: Carbon Partners Asiatica sithisakdi.apichatthanapath@cp-asiatica.com

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 Stakeholder:

We kindly ask for clarification on the small-scale methodology AMS-III.H with regards to the condition(s) that constitute Greenfield projects (new facilities).

In submitting this query, we noted that the SSC WG responded to a query (SSC_399) regarding the ‘Clarification on the applicability condition of AMS-III.H to Greenfield project’ with the statement that said “The SSC WG agreed to clarify that the point in time for assessing the applicability condition (e.g., applicable technology/measure) of the methodology should be at the start date of the underlying CDM project activity”.

Our query, to be specified in the next section, pertains to a CDM project activity with the following features.

- The project activity will treat wastewater from starch production at a newly built tapioca starch factory.
- The technology to be used for this purpose entails an anaerobic digester (equipped with a biogas recovery), coupled with a post-treatment anaerobic open lagoon system.
- In the absence of the project activity, the wastewater would have only been treated in an anaerobic open lagoon system, which owing to its low-cost and low-operational risk, represents the most conventional and predominant technology in the host country.
- A decision to install the project’s technology was made from the beginning (along with the plan to construct a starch factory). However, wishing to avoid the risk inherent in simultaneous commissioning of the starch factory and the complex biogas digester, the project owner decided to have an interim period during which the wastewater from the starch factory is sent to the traditional lagoon system. It is noted that this deliberate phased implementation distinguishes this case from the project situation that is the subject of SSC_399, which is delayed implementation due to equipment breakdown.

- At full implementation, the CDM project activity will displace the existing traditional lagoons, built as a temporary treatment facility during this interim period, while retaining them as the secondary treatment step.

Our query:

Clarification is sought on whether the above mentioned project activity with either of the conditions as described below is to be considered as a Greenfield project that can apply Clause 18(b) of AMS-III.H., as well as the response to SSC_415 that was recently issued regarding this clause.

Case 1: The project start date is determined as before the factory's commercial operation

Case 2: The project start date is determined as immediately after the start of the factory's commercial operation (within 3-4 months).

Based on our interpretation of the response SSC WG gave to SSC_399, we understand that Case 1 can clearly be regarded as Greenfield, since the lagoon system that treats the wastewater stream from the starch factory does not exist on the CDM project start date. Please kindly confirm.

Case 2 will be less straightforward. Yet, with the short period after the commencement of the starch factory operation, the effluent from the factory would only just start making its way through the new open lagoons. With these young lagoons not yet filled up, they cannot be regarded as an existing lagoon system as such. Combining the project owner's intention for the lagoon system as an interim measure with the response to SSC_399, it seems more reasonable to consider this case as a Greenfield project. Please advise.

We thank the SSC WG for considering our request.

Recommendation by the SSC WG:

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

Please refer to paragraph 24 of the meeting report of the SSC WG 27 (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.

Considering that a number of requests regarding the determination of Greenfield project under AMS-III.H has been received by the SSC WG in recent meetings, the SSC WG agreed to clarify that:

- If it is identified that the baseline situation is the continued use of the existing system, then the existing system must have been in operation for at least the previous three years, before the start date of the project activity, in order to ensure that adequate baseline performance data are available. Otherwise, the baseline determination for the project shall follow the relevant procedure for Greenfield project in the methodology.
- If the underlying submission is considered as a Greenfield project, relevant provisions in AMS-III.H and its related responses from the SSC WG (e.g. SSC_415) will apply.

The SSC WG is of the opinion that the underlying request largely falls under the scope of the work of a DOE, which will validate and judge whether the underlying project(s) is(are) Greenfield or not, according to the above clarifications (subject to approval of this clarification by the Board).

Signed by the Chair, Mr. Peer Stiansen

Date: 19/08/2010

Signed by the Vice-Chair, Mr. Hugh Sealy

Date: 19/08/2010

Information to be completed by the secretariat

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