



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):	Clarification on the requirement to store scrapped refrigerators prior to verification
Indicative methodology to which your submission relates (refer the items of Appendix B of the Simplified Modalities and Procedures), if applicable.	AMS-III.X, version 1
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:

Paragraph 25 of AMS III.X. requires that scrapped refrigerators should be stored until independent monitoring can confirm that the number of project activity equipment distributed by the project and the number of scrapped equipment correspond with each other. We would like the SSC Working Group to clarify how this provision is to be interpreted by project participants and DOEs in practice.

Given that the methodology requires demanufacturing of baseline refrigerators, as well as recycling of refrigerator materials and advanced recovery of fluorinated gases, which costs approximately EUR 20 per refrigerator, the recycling facility will keep detailed records on all refrigerators delivered and demanufactured under this program, so that it can be paid for its services. These records will be stored electronically and available for independent verification. Furthermore, recycled steel, aluminium and copper are sold, and the quantities of material correspond to the number of refrigerators recycled. The sales records for recycled materials are also to be stored and would be available for independent verification. Note that the methodology requirements related to recovery of fluorinated gases from insulation foam require state-of-the-art facilities that will have modern electronic data management systems (no such plants currently exist in any host country and will need to be newly built). Therefore, we would like the SSC WG to clarify whether it is sufficient for the recycling facility to store and make available for independent verification the following records, without having to store the physical refrigerators prior to sending them to the recycling facility:

- The number of refrigerators sent to the recycling facility under each CPA is recorded by the recycling facility at the time of off-loading. This number can be cross-checked with records on the number of refrigerators distributed under the CPA, as well as transportation records and records of recycled materials sales.
- More detailed data on the following subsets of refrigerators (which are required to conform with other requirements of the monitoring plan):
 - o Each HFC-134a containing refrigerator (including identification of the transport batch of

refrigerators, the model name of the refrigerator and the serial number when these can be found on the refrigerator)

o Baseline refrigerators selected for bench testing the specific electricity consumption of the baseline refrigerators.

Unlike other SSC methodologies that involve scrapping of equipment, this methodology will require a contractual arrangement between the CPA implementer and a recycling facility and will therefore have a clear paper trail, which is a much more reliable basis for verification of destruction than someone going to a warehouse once and checking how many fridges are in it. Under these circumstances, we do not think that storing refrigerators prior to their demanufacturing will reduce leakage compared with just proceeding directly with demanufacturing (on the contrary, storing a large number of refrigerators would rather encourage black market activities).

A strict interpretation of the “storage” provision in the methodology would make it impossible for a DOE to perform this check at the same time it verifies annual emission reductions claims and would impose a significant cost to store large numbers of refrigerators before sending them to the recycling facility, without any obvious advantage (and, more likely, a worse outcome) in terms of reducing leakage.

We would therefore like the SSC WG agree to clarify whether storing the data on the refrigerators recorded at the recycling facility and making it available for verification by a DOE would meet the requirement in paragraph 25, keeping in mind that the methodology requires state-of-the-art recycling facilities that will be equipped with modern electronic data management systems.

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:

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 compliance with paragraph 25 of AMS-III.X requires that:

- The replaced refrigerators (baseline refrigerators) are scrapped and scrapping is documented;
- An independent check confirms that the number of refrigerators distributed by the project and the number of baseline refrigerators scrapped correspond to each other.

Taking into account that demanufacturing, including recycling of refrigerator materials and recovery of baseline refrigerant (e.g., HFC-134a) and foam blowing agent, is an integral part of the project activity under AMS-III.X, the SSC WG agreed to clarify that monitoring and recording the following data will suffice to meet the requirements of paragraph 25:

- The number of baseline refrigerators entering the recycling facility from each CPA recorded by the recycling facility at the time of off-loading. This number shall be cross-checked with:
 - o Records of the number of project refrigerators distributed under the CPA (e.g., sale invoices etc.);
 - o Transportation records (e.g., delivery notes);

- Make and serial number of baseline refrigerators, when available;
- The quantity of recycled steel, aluminium and copper (the quantities of material shall correspond to the number of refrigerators scrapped). The sales records for recycled materials shall be available for independent verification.



Signature of SSC WG Chair

(Hugh Sealy)

Date: 13/08/2009



Signature of SSC WG Vice-Chair

(Peer Stiansen)

Date: 13/08/2009

Information to be completed by the secretariat

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