



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>	22–25 August 2011, SSC WG 33
<i>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</i>	Clarification on the applicability of AMS-III.S for Introduction of low-emission vessels/technologies to commercial vessel fleets under maritime sectors.
<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.S “Introduction of low-emission vehicles/technologies to commercial vehicle fleets”
<i>Name of the authors of the query:</i>	Robert Osman Institution: Dayang Shipping Services yellosman10@yahoo.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 PP

We are shipping company that provide transportation services (passenger and goods) using vessel/boat/barge/ship to our clients. We intend to introduce low greenhouse gas emitting vehicles (vessel/boat/barge/ship) and also retrofitting the existing vehicles by switching to natural gas from diesel.

1. Clarification is needed on the applicability of the methodology AMS-III.S for the both type of project activities and whether the methodology can be used for vessel/boat/barge/ship instead of land vehicles mentioned in paragraph 3. Both project activities can fulfil the other eligibilities as per methodology.
2. Clarification is needed whether the methodology can apply to national boundary, regional boundary or international boundary.

Additional information submitted 27 Jul 2011:

- Project activity:
 1. Introducing low GHG emitting vehicles (vessel/boat/ship/barge) using a new engine.
 2. Retrofitting an existing diesel engine for the OSV (offshore supply vessel).
- There are 2 options still under consideration for introducing low GHG emitting vehicles, a new dual fuel engine can run on both LNG and ordinary marine diesel oil in any proportion or 100% run by LNG.
- The methodology can apply to national boundary (Malaysia maritime zone) only or can cover regional boundary or international boundary? The sentence “The conditions which govern the operation of the fleet (e.g. tariffs, regulations) should be homogeneous within the project boundary” should be explained further.
- Clarification also needed whether this type of project can use the PoA approach which include all the project activities that applicable with the AMS-III.S 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 32 of the meeting report of the SSC WG 33
<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 clarify that the AMS-III.S may be applied for a project activity involving the introduction of low greenhouse gas emitting marine vessels and retrofitting of water borne vehicles to switch from high to low greenhouse gas intensive fossil fuel (e.g. diesel to natural gas) used solely for domestic water borne transport as defined by IPCC 2006, vol.2, chapter 3, provided that the other requirement of the methodology are also met.

Domestic water borne transport, restricted to national boundaries only, can be considered eligible as stipulated under other transportation methodologies (see for example footnotes 3 and 2 of AMS-III.AK and AMS-III.T, respectively) which complies with paragraph 58 of the EB 25 report that states that “the project activities/parts of project activities resulting in emission reductions from reduced consumption of bunker fuels (e.g. fuel savings on account of shortening of shipping route on international waters) are not eligible under the CDM”.

The SSC WG points out that in the specific context of domestic water borne transportation the “comparability of routes” should be demonstrated showing that maritime vessels are operated under similar conditions that are specific for maritime transportation, for example ocean/river currents and others.

With reference to the requirement of AMS-III.S that conditions which govern the operation of the fleet (e.g. tariffs, regulations) should be homogeneous within the project boundary, the SSC WG agreed to clarify that the same fuel subsidies/taxes and regulations/restrictions on shipping are applicable to all vessels included in the project boundary.

This methodology is applicable to PoAs and the additional requirements for PoAs stipulated in the methodology should be followed for example consideration of leakage emissions in the case of fossil fuel switch project as per paragraph 21 of AMS-III.S.

Signed by the Chair, Ms. Fatou Gaye

Date: 25/08/2011

Signed by the Vice-Chair, Mr. Peer Stiansen

Date: 25/08/2011

Information to be completed by the secretariat

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