



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>	11–14 October 2011, SSC WG 34
<i>Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):</i>	Revision of AMS-III.K to cover the upgrade of open-ended charcoal production facilities and capacity additions
<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.K “Avoidance of methane release from charcoal production by shifting from traditional open-ended methods to mechanized charcoaling process”
<i>Name of the authors of the query:</i>	Graham Paul Institution: EcoMetrix Africa Ltd graham.paul@ecometrix.co.za

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

The revision to AMS.III.K is to clarify that the following project activities are included and eligible in this methodology:

- The project activity may include the replacement of existing traditional open-ended charcoal production facility(ies) with new facility(ies) equipped with recovery and flaring/combustion of methane generated in the production process.

(For example, where the baseline practice and/or legal requirements result in venting the off-gas to the atmosphere, the PP installs a flare or after burner on new kilns during construction on a brownfield site where the existing kilns without this equipment are decommissioned).

- The project activity may include the installation of new kilns equipped with recovery and flaring/combustion of methane generated in the production process at a new or existing charcoal production facility.

(For example, where the baseline practice and/or legal requirements results in venting the off-gas to the atmosphere, the PP installs a flare or after burner on new kilns during construction on a brownfield site adjacent to operating kilns without this equipment. Or, the PP installs a flare or after burner on new kilns during construction on a greenfield site).

- The project activity may include the upgrade or retrofit of existing traditional open-ended charcoal production facility(ies) to facility(ies) equipped with recovery and flaring/combustion of methane generated in the production process.

(For example, the installation of a flare or after burner on existing kilns).

The justification for the revision is:

- The purpose of clarifying the eligibility criteria of this methodology is to create the opportunity for an incentive to capture and destroy methane where no such incentive currently exists. The number of kilns without methane recovery and flaring/combustion equipment in operation in Southern Africa, for example, is extensive as there are no legal requirements or financial incentives that push producers to acquire and utilise this recovery and flaring/combustion equipment.
- Similarly in the context of commissioning a new facility(ies) which includes recovery and flaring/combustion of methane, no incentive currently exists for new plant operators to include this additional equipment in the plant and therefore the additional cost cannot be justified to investors.
- To ensure that paragraph 16 remains in line with paragraph 1 of the original methodology a small edit to paragraph 16 has been made i.e. The project participants will demonstrate annually for project activities described in 1(a) and 1(c) that the amount of charcoal raw material used in the project activity facilities would have been used in charcoal manufacturing sites using traditional open-ended methods without methane recovery in the absence of the project activity.

Some specific items for consideration:

- Page 6 of the methodology, paragraph 17 saying “ In case the project activity involves the replacement of equipment, . . .”, suggests that the methodology is also applicable to other cases like the upgrade or retrofit of equipment.
- Page 1 of the methodology, paragraph 1 says “This category is applicable to project activities that avoid release of methane from traditional open-ended charcoal production methods by producing charcoal in new facility(ies) equipped with” - it is however not clear if upgrades/retrofits into a new improved facility also fall under “new facility(ies)”.

Recommendation by the SSC WG:

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

Please refer to paragraph 14 of the meeting report of the SSC WG 34
<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 recommend a revision of AMS-III.K, as contained in the Annex 2 of the meeting report of the SSC WG 34.

Signed by the Chair, Ms. Fatou Gaye

Date: 14/10/2011

Signed by the Vice-Chair, Mr. Peer Stiansen

Date: 14/10/2011

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