 CDM: Form for Submissions on Small Scale Methodologies and Procedures (version 03) <i>(To be used for presenting questions/proposals/amendments related to the simplified methodologies for small-scale CDM project activity categories)</i>	
Name:	Mr. Rainer Winter Institution: TÜV NORD CERT GmbH
Affiliation ¹ :	<input type="checkbox"/> DNA <input checked="" type="checkbox"/> DOE <input type="checkbox"/> PP <input type="checkbox"/> Stakeholder
Title/Subject (max. 200 characters):	Consideration of Leakage through Production Emissions and Vehicle Capacity in Programmes of Activities (PoA)
Purpose of the submission:	<input checked="" type="checkbox"/> Query on an approved SSC methodology or small scale procedures ² (Fill in field 1. below) <input type="checkbox"/> Request for Revision of an approved SSC methodology (Fill in fields 2. and 3. below) <input type="checkbox"/> Proposal for a new SSC methodology (Fill in fields 4. and 5. below)
Approved SSC methodologies ² to which your submission relates to, if applicable.	SSC-methodology III.C./Version 11
Contact Information (e-mail addresses to which the answers are to be delivered and phone contacts for possible dialogue on the submission).	cdm@tuev-nord.de +49 201 825 3329
Information for completing the form Describe the questions related to the SSC Methodologies, Modalities and Procedures below. If the questions are related to a project under development or implementation, you may describe the context in which they arose.	
Query on an approved SSC methodology or SSC procedures	
1. If you have questions relating to the application of an approved small-scale methodology (AMS) please specify and provide reference to the exact technology/measure below. If you have questions related to procedures for SSC project activities please clarify below:	

¹ Designated National Authority (DNA); Designated Operational Entity (DOE); Project Participant (PP), and Stakeholder.

² The list of all approved small-scale methodologies (AMS) can be found at <http://cdm.unfccc.int> and go to CDM: small scale CDM methodologies.

SSC-methodology III.C./Version 11 appears to be applicable when old fossil fuel based vehicles are replaced by new more efficient fossil fuel based vehicles as is the case in PoA "Egypt Vehicle Scrapping and Recycling Program". If the PoA mentioned above should utilize another methodology the issues presented below might still be of relevance in other cases.

On a broader scope, this request for clarification intends to bring attention to production emissions in the context of PoAs applying for SSC methodologies.

The DOE encountered two issues during validation which are not covered by the methodology.

1. Leakage arising from the production emissions of new vehicles

3/CMP.1, Annex, paragraph 51:

"Leakage is defined as the net change of anthropogenic emissions by sources of greenhouse gases which occurs outside the project boundary, and which is measurable and attributable to the CDM project activity."

EB 5, Annex 3, paragraph 10(d):

"In an operational context, the terms "measurable" and "attributable" in paragraph 51 of the CDM modalities and procedures should be read as "which can be measured" and "directly attributable", respectively."

However, SSC-methodology III.C./Version 11 states explicitly under paragraph 7 that "no leakage calculation is required".

The only leakage mentioned in the SSC-methodology III.C./Version 11 (annex 1) covers fuel switching.

Furthermore, VVM paragraph 76 mentions the following:


"The validation report shall contain information regarding greenhouse gas emissions occurring within the proposed CDM project activity boundary as a result of the implementation of the proposed CDM project activity which are expected to contribute more than 1% of the overall expected average annual emissions reductions, which are not addressed by the applied methodology."

Even though the production emissions well exceed the 1% threshold (e.g. 10-20% estimated by TÜV NORD) vehicle production takes place outside the project boundary. Hence, these emissions would have to be considered as leakage. However, as stated above SSC-methodology III.C./Version 11 does not include this leakage.

In the light of the above paragraphs it is unclear whether the emissions arising from the production of new vehicles are to be accounted for.

2. Replacement of vehicles of different sizes

The methodology lacks guidance on the need for new vehicles to provide the same capacities as those used in the baseline. TÜV NORD would like to point out that replacing larger by smaller vehicles appears questionable. A situation in which two new vehicles are providing the same service previously provided by one old vehicle should either be avoided or accounted for. E.g. one old 24-seat bus may be replaced by a new 12-seat bus. However, if this triggers a second 12-seat bus to offer its transport service outside the project boundary, corresponding leakage does not appear to be covered by the methodology.

Request for revision of an approved SSC methodology	
2. If you are proposing an amendment/revision to an approved small-scale methodology (AMS), please provide justifications below:	
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3. If you are proposing an amendment/revision to an approved small-scale methodology (AMS) please provide the draft methodology with changes highlighted.	
<p>The following documents have been attached to this form:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Draft methodology with changes highlighted in Word and PDF formats <input type="checkbox"/> PDD in PDF format (optional) <input type="checkbox"/> Additional information (please specify if you are providing any information note, published paper or a report in support of the request for revision of the SSC methodology) 	
Proposal for a new SSC methodology	
4. If you are proposing a new small scale methodology, please provide justifications below:	
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5. For submitting a new small scale methodology a filled in form "CDM: form for proposed new small scale methodologies (F-CDM-SSC-NM)" is required.	
<p>The following documents have been attached to this form:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Completely filled in form "CDM: form for proposed new small scale methodologies (F-CDM-SSC-NM)" in Word and PDF formats³ <input type="checkbox"/> A draft PDD (with sections A to C completed): <ul style="list-style-type: none"> <input type="checkbox"/> Relevant annexes to the PDD are provided <input type="checkbox"/> Additional information (please specify if you are providing any information note, published paper or a report in support of the new SSC methodology) 	
Date you are delivering the contribution:	20.07.2010 
Information to be completed by the secretariat	
SSC-Submission number	

³ The current version of the form (F-CDM-SSC-NM) is available on the UNFCCC CDM website (<http://cdm.unfccc.int>).