CDM: Recommendation form for Small Scale Methodologies (Version 01.1)

(To be used for presenting questions/proposals/amendments to the simplified methodologies for small-scale CDM project activity categories)

Date of SSC WG meeting:	09−12 October 2012, SSC WG 39
Title/Subject (give a small title or specify the subject of your submission, maximum 200 characters):	Revision of AMS-III.BA to cover recycling and recovery of refrigerants and foam blowing agents
Indicative methodology to which your submission relates *(refer the items of Appendix B of the Simplified Modalities and Procedures)*, **if applicable:**	AMS-III.BA "Recovery and recycling of materials from E-waste" AMS-III.X "Energy Efficiency and HFC-134a Recovery in Residential Refrigerators"
Name of the authors of the query:	Luca Nencetti Institution: Carbon Credit Capital, LLC lnencetti@carboncreditcapital.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:

Methodology AMS-III.BA comprises activities of collection and recycling of electronic waste (E-waste) aimed at recovering of materials such as ferrous and non ferrous metals, plastics. Such materials are processed into secondary materials displacing extraction and production of equivalent virgin materials, generating savings of energy and fossil fuels consumption, thus resulting in GHG emission reductions.

1) The definition of E-waste consists of several categories of goods including large and small household appliances, which in turn include refrigeration and cooling equipment. Besides the common metals and plastic, discarded, end of life refrigerators, air conditioners, cooling equipment contain substances (refrigerant gas, lubricants, insulation material) that can be harmful to the environment if released or disposed of incorrectly. Some of these substances have high global warming potential and are covered under the Kyoto Protocol. The reclaim, recovery or destruction of such substances instead of the uncontrolled release therefore represents a permanent GHG emission reduction that can be accounted and verified.

   The purpose of this revision of AMS-III.BA is to introduce the procedures to determine the baseline and GHG emission reduction associated with e-waste recycling activities performing reclaim, recovery or destruction of the afore mentioned materials. More in detail, the recoverable materials include the following substances:

   Chlorofluorocarbon (CFC);

   Hydrochlorofluorocarbon (HCFC);

   Hydrofluorocarbon (HFC)

   Of these, only HFCs are covered under the Kyoto Protocol and can be accounted for in the baseline and emission reduction. HCFCs and CFCs are regulated under the Montreal Protocol as ozone depleting substances (ODS) but cannot be accounted for in the baseline and GHG emission reduction.

   The procedure to account for baseline and emission reduction due to recovery and recycling of HFCs is based on the method, equations and requirements outlined in methodology AMS-III.X to account for the recycling of HFC-134a. This proposed revision of AMS-III.BA does not refer solely to HFC-134a but

refers to a generic HFC refrigerant, which besides R134a could also include other HFC refrigerants such as R407, R410, etc.

2) The revision also proposes to modify the methodology applicability requirement at paragraph 3.(d): since the nature of the activities often requires that the output materials are sold to brokers/traders or auctioned on the commodity market the requirement that the final user of the recycled materials is clearly identified may be in practice too restrictive. It is also unlikely that the valuable materials recovered are either discarded or directed to less profitable purposes than displacing virgin materials.

3) The proposed revision also includes minor correction of typos or sentence grammar noted during the methodology review. All corrections are highlighted.

Additional information from stakeholders

Additional clarifications from stakeholder were requested 28 September 2012 and the response received 02 October 2012. It is available at: <http://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications/04520>.

Recommendation by the SSC WG:

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

Please refer to paragraph 20(a) of the meeting report of the SSC WG 39 <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 query author has suggested modifications to "" *AMS-III.BA Recovery and recycling of materials from E-waste* to claim emission reductions associated "reclaim, recovery or destruction" of refrigerants from various types of appliances. AMS-III.BA addresses collection and recycling activities with the aim of recovering materials and displacing the production of virgin materials resulting in energy savings and greenhouse gas emission reductions. While the SSC WG agrees that reclaiming, recovering or destroying of refrigerants is an important GHG mitigation strategy, the mechanism for the GHG reduction is different than those described in AMS-III.BA (reduced emissions of refrigerants versus lower energy consumption in manufacture of materials).

Thus the proposed modifications may or may not be applicable to include in AMS-III.BA versus preparing a new methodology. In particular the SSC WG is concerned about unintended consequences of the modifications due to applying the methodology. For example the use of an indicated default value (based on refrigerators) for a wide range of refrigerant containing appliances (besides just refrigerators) and that unlike "*AMS-III.X: Energy Efficiency and HFC-134a Recovery in Residential Refrigerators*", it is not known if the new appliances will be using low GWP refrigerants.

Therefore, the SSC WG has agreed to not accept the modifications at this time and to consider, as a possible future project, development of a new, or modifying an existing, methodology for reclaiming, recovering or destroying of appliance refrigerants, perhaps with the input from external experts.

Signature of SSC WG Chair: Mr. Peer Stiansen

Date: 12/10/2012

Signature of SSC WG Vice-Chair: Ms. Fatou Gaye

Date: 12/10/2012

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History of the document

Version	Date	Nature of revision(s)
01.1	12 April 2012	Editorial changes to include new logo and other improvements.
01.0	2005	Initial publication.
Decision Class: Regulatory **Document Type**: Form **Business Function**: Methodology		