REPORT OF THE ELEVENTH MEETING
OF THE SMALL-SCALE WORKING GROUP

UNFCCC Headquarters, Bonn, Germany
4 - 6 July 2007

RECOMMENDATIONS BY THE SSC WG TO THE EXECUTIVE BOARD

A. Opening of the meeting and adoption of the agenda

1. The Chair of the Small Scale Working Group (SSC WG), Ms. Ulrika Raab opened the meeting.

2. The agenda was adopted as proposed.

B. Revision of the simplified modalities and procedures for small-scale CDM project activities

3. The SSC WG considered submissions requesting revision of or clarifications on approved SSC methodologies[1] as well as requests for creation of new methodologies. The detailed responses provided by the SSC WG are made publicly available at: <http://cdm.unfccc.int/goto/SSCclar>.

Proposed new methodologies		
Submission number	**Title**	**Recommendation**
SSC_099	Plant-oil production for transport usage	(See paragraph 14)
SSC_100	Urea offset program for inoculant application	(See paragraph 13)
SSC_102	Integrated methane capture and hydrogen production plant	(See paragraph 11)
SSC_104	Methane avoidance in animal waste management systems (AWMS) through separation of volatile solids	(See paragraph 12)
SSC_105	Demand-side GHG emission reduction project activities through reduction in Ordinary Portland Cement consumption during concrete mix preparation	(See paragraph 9)
SSC_106	New category for recovery and utilisation of waste gases for heating	(See paragraph 10)

Requests for revisions		
SSC_098	Request for revision of AMS III.H	(See paragraph 5)

Requests for clarifications		
SSC_097	How to establish coherent applicability conditions for AMS I.C, AMS I.D and AMS II.B	Clarified (see paragraph 15)
SSC_101	Clarification on the applicability and the baseline definition of AMS I.D	Clarified (see paragraph 16)
SSC_103	Request for clarification on application of the year "x" in the formula for methane generation potential under AMS III.G, which resulted in a recommended revision of AMS III.G, as contained in annex 6	Clarified (see paragraph 17)

[1] The terms 'methodology' and 'category' are analogous in the context of this report

C. Proposed new methodologies

4. **Simplified methodologies for calculating emission reductions for small-scale project activities that propose switch from non renewable to renewable biomass:** As requested by the Board at its thirty second meeting (paragraph 51, EB 32), the SSC WG recommended the following revised methodologies as contained in annexes 1 and 2, for consideration at the thirty-fourth meeting of the Board.

(a) SSC I.E. Switch from Non-Renewable Biomass for Thermal Applications by the User

(b) SSC II.G. Energy Efficiency Measures in Thermal Applications of Non-Renewable Biomass

The revisions provide further guidance on technical issues including leakage and differentiation of renewable and non-renewable biomass.

D. Revisions & requests for revision of approved methodologies[2]

5. **Request for revision of AMS III.H:** Currently AMS III.H is applicable to project activities that substitute the existing wastewater treatment facility with a less GHG intensive technology. The SSC WG noted that the submission SSC_098 requested to expand the applicability of AMS III.H to include project activities that install greenfield wastewater treatment facilities (e.g., anaerobic lagoon) with methane recovery and combustion instead of conventional common practice wastewater treatment facilities with no methane recovery. The SSC WG agreed that further improvements in the proposed approach would be required before a recommendation to the Board can be made and agreed to continue to work on a generic approach to determine the baseline scenario for new plants, based on the proposal with a view to finalizing the recommendation at its twelfth meeting.

6. **Revision of AMS III.M**: As requested by the Board, the SSC WG agreed to recommend a revision of the applicability of AMS III.M to include project activities that involve the import of caustic soda from a production facility located in another non Annex I country, as contained in annex 3.

7. **Revision of AMS I.B:** The SSC WG agreed to recommend a revision of AMS I.B to clarify the applicability of the methodology for irrigation applications as contained in annex 4. The proposed revisions also provide guidance for situations where electricity is a co-product of the project activity providing mechanical energy for the user.

8. **Revision of AMS I.A:** The SSC WG agreed to recommend a revision of AMS I.A to clarify the applicability of the methodology and to maintain consistency with the proposed revision of AMS I.B, as contained in annex 5.

E. Response to request for new methodologies[2]

9. **Request for a new category for demand-side GHG emission reduction through reduction in Ordinary Portland Cement consumption during concrete mix preparation:** The SSC WG noted that the submission SSC_105 requested a new category for demand-side GHG emission reduction project activities through reduction in cement consumption during concrete mix preparation. The proposed category is intended for project activities that reduce the use of Ordinary Portland Cement (OPC) at construction project sites where concrete mix would be prepared. In particular, the technology involves the use of alternative cementitious material(s) and/or water reducing mixtures in the concrete mix preparation, thereby reducing the requirement for OPC. The SSC WG noted that the GHG emission reduction pathway inherent in the methodology is reasonable, however noted an earlier recommendation by the Meth Panel on a similar case (NM0116), which was not approved by the Board. The working

[2] This constitutes a summary only of the responses to project participants. Detailed responses can be found at <http://cdm.unfccc.int/goto/SSCclar>.

group agreed to further work on the proposal to ensure consistency with previous decisions in their recommendation to the Board.

10. **Request for a new category for recovery and utilisation of waste gases for heating:** The SSC WG noted that the submission SSC_106 requested a new category for project activities in industrial facilities that entail recovery and utilization of process generated waste gas as a thermal energy source for industrial processes. The SSC WG noted that the proposed approach is to calculate baseline emissions using the amount of energy contained in the waste gas recovered and is not based on the energy produced with the waste gas. The SSC WG agreed to continue to work on developing a methodology for waste gas/heat recovery and use, with a broader applicability. In doing so the SSC WG agreed that elements of approved large-scale methodology ACM0012 and the submission SSC_106 should be taken into account.

11. **Proposal for a new type III methodology-Integrated Methane Capture and Hydrogen Production Plant:** In response to the submission SSC_102, the SSC WG agreed to seek further clarifications from the project participants for example, concerning the monitoring of the biogas use for hydrogen production and thermal energy generation and the monitoring of biogas that is flared.

12. **Proposal for a new type III methodology for methane avoidance in animal waste management systems (AWMS) through the prevention of decay of separated volatile solids**: The SSC WG considered the submission SSC_104 and in response agreed that direct weighing of the separated solids is required to ensure accurate estimation of the emission reductions. Therefore methodology cannot be recommended for approval without the inclusion of direct weighing of separated solids.

13. **Proposal for a new type III methodology for urea offset program for inoculant application:** The SSC WG considered the submission SSC_100 and agreed that there are a considerable number of issues to be addressed and will continue to consider the submission with a view to concluding at its twelfth meeting.

14. **Proposal for a new type III methodology for plant-oil production for transport usage**: The SSC WG considered the submission SSC_099 and agreed that there are a considerable number of issues to be addressed and will continue to consider the submission with a view to concluding at its twelfth meeting.

F. Response to request for clarification[3]

15. The SSC WG noted that submission SSC_097 requested a clarification on the correct methodology to apply to a co-fired cogeneration project activity involving replacement of existing boilers with more efficient ones as well as the installation of an efficient 5 MW turbo generator in the place of an existing 5 MW generator. The SSC WG agreed to clarify that the proposed project activity should apply a type I category.

16. The SSC WG noted that submission SSC_101 requested clarifications on the applicability AMS I.D for a specific hydro project displacing off grid diesel electricity generation. The SSC WG agreed that AMS I.D is applicable for the project activity and the emission factor for a diesel generator system, as given in paragraph 8 of (table I.D.1) of AMS I.D i.e. 0.8 kg CO_2e/kWh can be used for project baseline calculations.

17. The SSC WG noted that submission SSC_103 requested a clarification on a parameter of the 'Tool to determine methane emissions avoided from dumping waste at a solid waste disposal site'

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referred to in AMS III.G. The emissions in year y in the tool are calculated as the sum of emissions from waste deposited in the land fill in each year x, where x runs from the first year of the crediting period (x=1) to the year for which avoided emissions are calculated (x=y). The submission stated that the pre-existing amount of waste deposited before the crediting period are not fully accounted for in the tool. The SSC WG therefore agreed to recommend a revision of AMS III.G to include emissions from the pre-existing waste in the baseline calculations, as contained in annex 6.

G. Schedule of meetings

18. The SSC WG agreed to schedule its twelveth meeting from 19 - 21 September 2007 taking into account the schedule of the Board and depending on the small-scale methodology submissions received.

External annexes to the eleventh meeting of the SSC WG

Annex 1: Draft simplified methodology**:** SSC I.E. Switch from Non-Renewable Biomass for Thermal Applications by the User

Annex 2: Draft simplified methodology**:** SSC II.G. Energy Efficiency Measures in Thermal Applications of Non-Renewable Biomass

Annex 3: Revision of AMS III.M

Annex 4: Revision of AMS I.B

Annex 5: Revision of AMS I.A

Annex 6: Revision of AMS III.G