

**REPORT OF THE THIRTEENTH MEETING  
OF THE SMALL-SCALE WORKING GROUP**

UNFCCC Headquarters, Bonn, Germany  
07 - 09 November 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 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>>.

<b>Proposed new methodologies</b>		
<b>Submission number</b>	<b>Title</b>	<b>Recommendation</b>
SSC_124	E-Diesel for Stationary or Mobile Sources	(See paragraph 12)
SSC_126	Energy efficiency measures through centralization of utility provisions of an industrial facility	(See paragraph 13)
SSC_128	Emission reductions by low greenhouse gas emitting transportation modes	(See paragraph 14)
SSC_130	Plant Oil Production for Transportation Usage	(See paragraph 4)
SSC_131	Promotion of natural refrigerants in air-conditioning and refrigeration systems	(See paragraph 15)
SSC_135	Urea offset programmes for inoculant application in soybean-corn rotations on acidic soils on existing crop land	(See paragraph 16)

<b>Requests for revisions</b>		
SSC_132	Request for revision of AMS III.H. - Bottling of biogas	(See paragraph 7)
SSC_134	Request for revision of AMS III.H. - N <sub>2</sub> O emission reductions	(See paragraph 8)
SSC_137	Request for revision of AMS III.H. - Retrofit methane capture	(See paragraph 9)
SSC_138	Request for revision of AMS III.H. - Dissolved methane	(See paragraph 10)

<b>Requests for clarifications</b>		
SSC_125	Clarification on the technology/measure of methodology III.C.	(See paragraph 17)
SSC_127	Clarification of applicability of "Tool to determine methane emissions avoided from dumping waste in a solid waste disposal site"	(See paragraph 11)
SSC_129	Fuel Switch in Household Energy Use – Implementation of Vegetable Oil Cooker PROTOS, Indonesia	(See paragraph 18)
SSC_133	Procedure for determining DOC, sludge	(See paragraph 19)
SSC_136	Change of fuel mix under AMS II.B.	(See paragraph 20)
SSC_139	Request for clarification to demonstrate a non debundling of projects involving railway	(See paragraph 21)

### **C. Proposed new methodologies**

**4. Proposal for a new type I methodology for plant-oil production and use for transport applications:** In response to the submission SSC\_130 (linked to SSC\_118 and SSC\_099) the SSC WG agreed to recommend a new methodology titled ‘SSC I.F. Plant oil production and use for transport applications’ for project activities that produce plant oil and use it in vehicles, either directly in converted vehicles or as blends with diesel in vehicles without engine conversions. The recommended methodology is contained in annex 1.

5. Further the SSC WG noted that in accordance with the guidance from the Board, project activities for renewable energy generation including biofuels for transport applications, belong to type I with a limit of 15 MW rated capacity of equipment. The SSC WG agreed to bring to the attention of the Board that a relatively small number of vehicles can be included in a type I transport project activity which may in some instances result in the proposed project activity not attaining the critical size to be viable. In comparison, a transport sector project activity under type III for example introducing low emission vehicles to existing fleets applying the approved methodology AMS III.C. with an eligibility limit of 60 ktCO<sub>2e</sub> annual emission reductions, may not have the same limitation.

**6. Proposal for a new type III methodology for low emission vehicles to commercial fleets:** As requested by the Board at its thirty-fifth meeting, the SSC WG agreed to recommend a revised proposal for a new methodology for activities introducing low-greenhouse gas emitting vehicles for commercial passenger and freight transport, operating on a number of identified fixed routes. The proposed methodology titled ‘SSC III.S. Introduction of low emission vehicles to commercial vehicle fleets’ is contained in annex 2.

### **D. Revisions & requests for revision of approved methodologies**

**7. Request for revision of AMS III.H. (SSC\_132):** The SSC WG agreed to recommend a revision to AMS III.H. as contained in annex 3 in response to the submission SSC\_132 to expand the applicability of the methodology to allow for the bottling of recovered methane. Currently the methodology requires that the recovered methane is either flared or used for heat and/or electricity generation.

**8. Request for revision of AMS III.H. (SSC\_134):** The SSC WG noted that the submission SSC\_134 requested a revision of AMS III.H. to include avoided N<sub>2</sub>O emissions resulting from treatment of sewage water in the emission reduction calculations. The SSC WG agreed to request further information about the proposed project activity from the project participants, such as a clear description of the project boundary and further details on the baseline emissions. It also noted, as stated in the 2006 IPCC Guidelines for National Greenhouse Gas Inventories that default IPCC emission factor for N<sub>2</sub>O emissions from domestic wastewater is based on limited field data and on specific assumptions regarding the occurrence of nitrification and denitrification in rivers and in estuaries. A detailed response can be found at row SSC\_134 at <<http://cdm.unfccc.int/goto/SSCclar>>.

**9. Request for revision of AMS III.H. (SSC\_137):** The SSC WG noted that the submission SSC\_137 requested a revision of AMS III.H. to include improvements (through retrofit) of the efficiency of methane capture and/or flaring systems at existing anaerobic wastewater treatment plants or anaerobic sludge treatment plants. The SSC WG agreed that the proposed method to establish the efficiency of the existing methane recovery and flaring equipment in the baseline through a limited number of measurements may not provide a sufficiently accurate estimate of baseline emissions. Therefore further improvements in the proposed approach would be required from the project participants before a recommendation to the Board can be made. A detailed response can be found at row SSC\_137 at <<http://cdm.unfccc.int/goto/SSCclar>>.

**10. Request for revision of AMS III.H. (SSC\_138):** The SSC WG agreed to recommend a revision to AMS III.H. as contained in annex 3 in response to the submission SSC\_138 to clarify in which cases

the emissions from dissolved methane in the treated wastewater should be taken into account and in which cases it can be ignored in the emission reduction calculations.

11. **Revision of AMS.III.E. (SSC\_127):** The SSC WG agreed to recommend a revision of AMS III.E. to clarify the applicable MCF (methane correction factor) and k (decay rate of the waste) values to use for biomass stockpiles in the baseline emissions calculation as contained in annex 4. In doing so, the working group also defined what constitutes a biomass stockpile and recommended methods to factor in the longevity of storage (permanence) of biomass in the stockpiles in baseline emission calculations.

#### **E. Response to request for new methodologies**

12. **Proposal for a new methodology for E-diesel use in stationary or mobile applications:** The SSC WG noted that the submission SSC\_124 was requesting a methodology for the use of ethanol-diesel blends (E-diesel) in stationary or mobile applications. The SSC WG agreed that treatment of fuel efficiency of the vehicles in the project and baseline needs further refinement. Further guidance on identification of the source of ethanol and related emissions associated with the production of the ethanol would also be required from the project participants. The SSC WG also requested the project proponent to consider broadening the scope of the methodology to include gasohol. A detailed response can be found at row SSC\_124 at <<http://cdm.unfccc.int/goto/SSCclar>>.

13. **Proposal for a new type II methodology for energy efficiency measures through centralization of utility provisions of an industrial facility:** The SSC WG noted that the submission SSC\_126 was requesting a methodology for project activities that centralize various energy producing utilities and implement more efficient technologies to produce energy and cooling in addition to switching fossil fuels. The SSC WG agreed further guidance for identification of the baseline would be required in the proposed methodology from the project participants. In addition direct emissions of the refrigerants used in the baseline compression system chillers need to be accounted for in accordance with the guidance provided by the Board at its thirty-fourth meeting (EB 34, paragraph 17). A detailed response can be found at row SSC\_126 at <<http://cdm.unfccc.int/goto/SSCclar>>.

14. **Proposal for a new type III methodology for emission reductions by low greenhouse gas emitting transportation modes:** The SSC WG noted that the submission SSC\_128 was requesting a methodology for project activities that implement a new transportation media to accomplish a modal shift in transportation resulting in reduced emissions per unit quantity of goods transported. The underlying project activity is the construction of a pipeline system for the transportation of refinery products over a length of distance. In the absence of the project activity the refinery products would have been transported by rail. The SSC WG agreed to request further information from the project proponents, such as the consideration of project emissions related to microtunneling and other operations for the construction of the pipeline. A detailed response can be found at row SSC\_128 at <<http://cdm.unfccc.int/goto/SSCclar>>.

15. **Request for a new type III methodology for avoidance of fluorinated gas fugitive emissions in the refrigeration and air conditioning sector:** The SSC WG noted that the submission SSC\_131 (linked to SSC\_095, SSC\_087, SSC\_066, SSC\_057 and SSC\_052) was for project activities that shift from the use of HFC refrigerants (e.g. HFC 134a) to alternate refrigerants such as hydrocarbons with negligible global warming potential and ozone depletion potential in refrigeration and air conditioning sector such as mobile air conditioning, domestic refrigeration, industrial and commercial refrigeration activities. In response to the answer of the SSC WG to SSC\_095, the project participants had only made minor revisions to the proposed methodology without any corresponding amendments in the draft PDD making it impossible to determine how the issues related to loss of baseline refrigerant during recovery, recycling and reuse are addressed. Further clarifications from the project participants were requested as detailed in the response found at row SSC\_131 at <<http://cdm.unfccc.int/goto/SSCclar>>.

**16. Proposal for a new type III methodology for urea offset program for inoculant application:**

The SSC WG noted that the submission SSC\_135 (linked to SSC\_113 and SSC\_100) was for a project activity displacing urea fertiliser application to croplands by way of inoculant application in order to provide the required plant nitrogen requirements. Taking into account expert inputs on the topic, the SSC WG agreed that the methodology cannot be recommended for approval. It noted, based on the analysis of the underlying project activity in the draft PDD provided, that there were high uncertainties associated with the avoidance of N<sub>2</sub>O emissions that can be achieved by shifting from urea fertiliser application to inoculant application to meet plant nitrogen needs of a soyabean-corn rotation crop. A detailed response can be found at row SSC\_135 at <<http://cdm.unfccc.int/goto/SSCclar>>.

**F. Response to request for clarification**

17. The SSC WG noted that submission SSC\_125 requested a clarification on the applicability of AMS III.C., whether a project retrofitting old tricycle taxis for improved emission performance can apply the methodology. The SSC WG agreed to clarify that AMS III.C. is not applicable to the proposed project activity, as activities involving retrofit of a component of the vehicle are not covered under the approved methodology. The project participant may however, consider proposing a new type II methodology. A detailed response can be found at row SSC\_125 at <<http://cdm.unfccc.int/goto/SSCclar>>.

18. The SSC WG noted that submission SSC\_129 requested a clarification on the applicability of AMS I.C. to project activities, which involve a fuel switch from kerosene to vegetable oil extracted from local oil plants. The SSC WG agreed to clarify that the approved methodology AMS I.C. is not applicable to the proposed project activity as issues related to double counting, leakage and project emissions from the production of plant oil that need to be taken into account in the proposed project activities are not addressed in AMS I.C. The SSC WG noted that the project participant may consider proposing a new type I methodology based on the elements of AMS I.C. and including issues related to leakage, double counting and project emissions. A detailed response can be found at row SSC\_129 at <<http://cdm.unfccc.int/goto/SSCclar>>.

19. **Request for clarification on AMS III.H.:** The SSC WG agreed to recommend a revision to AMS III.H. as contained in annex 3 in response to the submission SSC\_133 to clarify the use of default IPCC factors for the degradable organic content of sludge.

20. The SSC WG noted that submission SSC\_136 requested a clarification on the applicability of AMS II.B. to project activities, which change the fuel mix used in energy generating units in addition to achieving energy efficiency in energy generation. The SSC WG agreed to clarify that the approved methodology AMS II.B. is not applicable to the proposed project activity as there is no guidance in the methodology regarding determination of the fossil fuel that would have been used in the absence of the project activity. The SSC WG noted that the project participant may consider proposing a new methodology, taking into account the guidance from the Board at its eighth meeting (paragraph 10 of Annex 1 of EB8) on capacity increases in the project scenario as compared to the baseline situation. A detailed response can be found at row SSC\_136 at <<http://cdm.unfccc.int/goto/SSCclar>>.

21. The SSC WG noted that submission SSC\_139 (linked to SSC\_121) requested a clarification on the debundling check for a project activity in the transport sector involving improvements in the efficiency of railway engines. In accordance with the guidance of the thirty-fifth meeting of the Board (paragraphs 58 and 59, EB 35) the SSC WG clarified that when determining the occurrence of debundling for project activities in the transport sector, the condition that the project boundary is within 1 km of the project boundary of the proposed small-scale activity at the closest point, shall be excluded. A detailed response can be found at row SSC\_139 at <<http://cdm.unfccc.int/goto/SSCclar>>.

**G. Schedule of meetings**

22. The SSC WG agreed to schedule its fourteenth meeting from 11 - 13 February 2008 taking into account the schedule of the Board.

**External annexes to the thirteenth meeting of the SSC WG**

- Annex 1: SSC I.F. Plant oil production and use for transport applications
- Annex 2: SSC III.S. Introduction of low emission vehicles to commercial vehicle fleets
- Annex 3: Revision of AMS III.H. Methane recovery in wastewater treatment
- Annex 4: Revision of AMS III.E. Avoidance of methane production from biomass decay through controlled combustion