CLEAN DEVELOPMENT MECHANISM

CDM-SSCWG40

Meeting report

Small-Scale Working Group fortieth meeting

Version 01.0

Date of meeting: 16 to 19 April 2013

Place of meeting: Bonn, Germany

United Nations
Framework Convention on
Climate Change

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Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Quorum

1. The new Chair of the Small-Scale Working Group (SSC WG), Mr. Martin Cames, who was elected by the Executive Board of the clean development mechanism (hereinafter referred to as the Board) at its seventy-first meeting, opened the meeting.

2. The members of the SSC WG expressed deep appreciation to the outgoing Chair Mr. Peer Stiansen and Vice-Chair Ms. Fatou Gaye for their excellent contributions to the work of the SSC WG. The SSC WG members welcomed the new Chair Mr. Martin Cames and Vice-Chair Mr. Washington Zhakata.

3. Mr. A.K. Perumal has informed the secretariat that he is unable to continue as a member of the SSC WG. The Chair on behalf of the SSC WG expressed their gratitude for his excellent contribution and support to the SSC WG.

4. The Chair noted that all members attended the meeting (see table 1). Mr. Daniel Perczyk attended only the first two days of the meeting.

Table 1. Attendance list

Chair/Vice-Chair	Members
Mr. Martin Cames (Chair)	Mr. Felix Babatunde Dayo
Mr. Washington Zhakata (Vice-Chair)	Mr. Gilberto Bandeira de Melo
	Ms. Carolyn Luce
	Mr. Daniel Perczyk
	Mr. Steven Schiller
	Mr. Michiel ten Hoopen

Agenda item 1.2. Adoption of the agenda

5. The agenda was adopted as proposed, except for one item: PSB-004 was removed from the agenda, because of the timeline required as per procedure.

Agenda item 2. Governance and management matters

Agenda item 2.1. Membership issues

6. The SSC WG considered information provided by members with respect to any potential conflict of interest.

Agenda item 2.2. Performance management

7. The secretariat provided the SSC WG with an update on the workplan for 2013 (approved at EB 72, annex 4 to the report).

Agenda item 2.3. Matters related to the SSC WG

8. The Chair briefed the SSC WG on the outcome of the seventieth, seventy-first and seventy-second meetings of the Board.

9. Mr. Daniel Perczyk briefed the SSC WG on the outcome of the last meeting of the Methodologies Panel (MP 58).

10. The SSC WG noted the satisfactory completion of the desk reviews undertaken for the proposed new methodologies SSC-NM086, SSC-NM087 and SSC-NM088 considered at the meeting.

Agenda item 2.3.1. Matters related to the Board and its support structure

11. The SSC WG noted that the date for the next (41st) SSC WG meeting is tentatively scheduled from 26 to 29 August 2013.

12. Project participants, designated national authorities (DNAs) and other stakeholders may note the following upcoming deadlines:

    (a) The deadline for the submission of proposed new methodologies (PNMs) to be considered at the 41st SSC WG meeting is 17 June 2013, 24:00 GMT;

    (b) The deadline for the submission of requests for revision to be considered at the 41st SSC WG meeting is 17 June 2013, 24:00 GMT;

    (c) The deadline for the submission of requests for clarification to be considered at the 41st SSC WG meeting is 15 July 2013, 24:00 GMT.

Agenda item 3. Regulatory matters

Agenda item 3.1. Standards/tools

Agenda item 3.1.1. Consideration of proposed new small-scale methodologies

13. The status, case history and final recommendations proposed by the SSC WG for consideration by the Board are made available on the UNFCCC CDM website at: <http://cdm.unfccc.int/methodologies/SSCmethodologies/NewSSCMethodologies/index.html>.

14. The relevant procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01.0) is available on the UNFCCC CDM website at: <http://cdm.unfccc.int/Reference/Procedures/index.html#meth>.

15. The SSC WG considered the proposed new methodological standards listed in table 2 below, as well as desk reviews and public inputs received, where applicable.

Table 2. Status of consideration of proposed new methodological standards

Nr.	Submission/issue	Title	Status/ recommendation[1]	Paragraph
1.	SSC-NM081-rev	Emissions reductions from displacement of production of traditional building material by manufacture and installation of gypcrete wall panels	WIP	17(a)
2.	SSC-NM085	Strategic Supplementation of a Large Ruminant Dairy Sector for the Reduction of Methane	WIP	17(b)
3.	SSC-NM086	Capture of an external current of fossil CO2 for urea production in an integrated ammonia-urea manufacturing plant	Preliminary recommendation	17(c)
4.	SSC-NM087	Flare gas recovery in gas treating facilities	WIP	17(d)
5.	SSC-NM088	Destruction of hazardous waste containing carbon using plasma technology and recovery of energy (thermal and/or electrical) using syngas generated	Preliminary recommendation	17(e)
6.	Draft new methodology	SSC-II.R: Energy efficiency space heating measures for residential buildings	Recommend approval	16(a), annex 1

16. The SSC WG recommended that the Board approve the following draft new methodology:

(a) "SSC-II.R: Energy efficiency space heating measures for residential buildings", taking into account the feedback received from a call for public input launched at the seventieth meeting of the Board, as contained in annex 1 to this report. The development of this draft new top-down methodology was conducted based on

[1] Recommendations on the proposed new methodologies from the SSC WG:
A (recommended for approval), C (recommended for non-approval) are final recommendations to the Board, WIP (work-in-process) are cases that will continue to be considered at the next meeting of the SSC WG. Preliminary recommendations are technical clarifications requested by the SSC WG from project participants before finalizing its recommendation to the Board.

the 2012 workplan of the SSC WG. The proposed draft new methodology is applicable to project activities that are intended to reduce greenhouse gas (GHG) emissions through energy efficient space heating measures. Consideration of suppressed demand is also incorporated in the draft methodology.

17. The SSC WG recommended that the Board take note of the following proposed new methodologies, which are work-in-progress (WIP) and will continue to be considered by the SSC WG at a future meeting:[2]

(a) "SSC-NM081-rev: Emissions reductions from displacement of production of traditional building material by manufacture and installation of gypcrete wall panels". The SSC WG considered a revised draft of the methodology and discussed all issues related to this proposed new methodology;

(b) "SSC-NM085: Strategic Supplementation of a Large Ruminant Dairy Sector for the Reduction of Methane". The SSC WG is still considering the proposed new methodology with the assistance of external experts. In particular, the SSC WG is assessing whether reliable methods can be defined for measuring or modelling: (a) the methane emissions from enteric fermentation of ruminant; (b) emission reduction related to livestock productivity;

(c) "SSC-NM086: Capture of an external current of fossil CO_2 for urea production in an integrated ammonia-urea manufacturing plant". In response to the proposed new methodology SSC-NM086, the SSC WG agreed to continue considering the methodology. Under the methodology, CO_2 is captured from an external fossil fuel source and combined with excess ammonia to produce urea. The SSC WG also agreed to seek further inputs from the project proponent on a number of issues such as permanence of emission reduction from the use of CO_2 from external fossil fuel source, equivalence of services, use of default values and project emissions;

(d) "SSC-NM087: Flare gas recovery in gas treating facilities". In response to the proposed new methodology SSC-NM087, the SSC WG considered a revised draft of the methodology and discussed all issues related to this proposed new methodology;

(e) "SSC-NM088: Destruction of hazardous waste containing carbon using plasma technology and recovery of energy (thermal and/or electrical) using syngas generated". The SSC WG agreed to seek further inputs from the project proponent on a number of issues such as incineration and energy recovery in the baseline.

Agenda item 3.1.2. Consideration of revisions of methodological standards

18. The SSC WG considered submissions requesting revisions to approved small-scale (SSC) methodologies. The detailed responses provided by the SSC WG are made publicly available at: <http://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications>.

[2] Some cases may be dealt with in electronic meetings.

19. The relevant procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” (version 01) is available on the UNFCCC CDM website at: <http://cdm.unfccc.int/Reference/Procedures/index.html#meth>.

20. The SSC WG considered revisions of methodological standards as listed in table 3 and 4 below.

Table 3. Status of consideration of submissions for requests for revision to methodological standards

Submission no.	AMS	Request	Status/ recommendation	Paragraph
SSC_663	AMS-III.AN	Revision to expand AMS-III.AN to a project facility with less than three years operational data	Not to revise	23(a)
SSC_671	AMS-II.G	Revision of calculations to include multiple types of cook stoves under AMS-II.G	To launch a call for public input on the revised methodology	25(a), annex 5
SSC_679	AMS-III.AR	Revision of AMS-III.AR to simplify monitoring requirements for project lamp	Not to revise	23(b)

Table 4. Status of consideration of revisions to methodological standards

Issue	AMS	Mandate	Status/ recommendation	Paragraph
Suppressed demand: draft revision of methodologies to address suppressed demand	AMS-I.B	Concept note on the treatment of suppressed demand in approved small-scale methodologies; EB 67, annex 15 to the annotations	Call for public input	25(b), annex 6
Options to deal with frequent issuance requests when monitoring requirements are not provided in SSC methodologies & Draft guidelines for providing technology information	AMS-II.G	Top-down revision to improve and simplify methodologies and tools	To launch a call for public input	25(a), annex 5
Revision	AMS-II.D	Top-down revision, workplan 2013, MAP project 146	To launch a call for public input	25(c), annex 7
Proposal for revision	AMS-III.BG	Top-down revision to improve and simplify methodologies and tools	To initiate a revision	22(a), annex 3
Length of the crediting period	AMS-II.J, AMS-II.L, AMS-II.M, AMS-II.N, AMS-III.AR	EB 70 report, paragraph 71	To revise AMS-II.J AMS-II.L, AMS-II.M, AMS-II.N need further consideration Not to revise AMS-III.AR	21(a), annex 2 24(a) 24(b) 24(c) 23(b, c)

Issue	AMS	Mandate	Status/ recommendation	Paragraph
Proposal for revision triggered by request for clarification SSC_673	AMS-III.AV	Top-down revisions to improve and simplify methodologies and tools	To initiate a revision	22(b), annex 4
Consultation on the revision	Simplified programme of activity (PoA) standard and sampling standards	2013 workplan of the SSC WG	SSC WG provided feedback	27(a)

21. In consideration of the request for revision and the top-down work undertaken to improve the methodological standards, the SSC WG recommended that the Board approve the proposed revisions of the following approved SSC methodology:

    (a) "AMS-II.J: Demand-side activities for efficient lighting technologies", as contained in annex 2 to this report. The proposed revision aims to remove limitations that restrict the methodology to a fixed crediting period.

22. In consideration of top-down work undertaken to improve the methodological standards, the SSC WG recommends that the Board consider the proposal to revise the following approved SSC methodologies:

    (a) "AMS-III.BG: Emission reduction through sustainable charcoal production and consumption", as contained in annex 3 to this report. The proposed revision aims to correct a mistake in the value of the NCV of charcoal from IPCC 2006, Volume 2, Table 1.2;

    (b) "AMS-III.AV: Low greenhouse gas emitting safe drinking water purification systems", as contained in annex 4 to this report. In response to the request for clarification SSC_673, the proposed revision aims to broaden the applicability of the methodology to water kiosks that treat water using one or more of the following technologies: chlorination, combined flocculant/disinfection powders and solar disinfection.

23. In consideration of the request for revision and the top-down work undertaken to improve the methodological standards, the SSC WG recommended that the Board not revise the following approved SSC methodologies:

    (a) "AMS-III.AN: Fossil Fuel Switch in existing manufacturing industries (version 02)". In response to the request for revision "SSC_663: Revision to expand AMS-III.AN to a project facility with less than three years of operational data", to revise the applicability condition under paragraph 2(c) of AMS III.AN (version 02), the SSC WG would like to point out that the three years of operational history of the existing facility is required not only to have adequate operational data for determining the baseline emissions for the project activity, but also to demonstrate that the baseline scenario is in fact an existing operating project activity and is not a new Greenfield project. Regarding the second request of this

submission related to including a reference to the "Tool to calculate baseline, project and/or leakage emissions from electricity consumption" in AMS-III.AN for calculating project emissions, the SSC WG agreed to include this change in a future revision of the methodology;

(b) "AMS-III.AR: Substituting fossil fuel based lighting with LED/CFL lighting systems". In response to the request for revision "SSC_679: Revision of AMS-III.AR to simplify monitoring requirements for project lamps". The author of the submission suggested a revision of the methodology with the aim to simplify monitoring requirements for project lamps. The SSC WG is of the opinion that further justifications and more concrete proposals are required to ensure that changes to the methodology's monitoring requirements will improve the efficacy of project implementation as well as conservatively and reliably determined emission reductions. However, the SSC WG agreed to consider further input on the monitoring requirements from the project proponents and other stakeholders so that if any changes are made to the methodology they are applicable to a wide range of implementation/distribution strategies;

(c) "AMS-III.AR: Substituting fossil fuel based lighting with LED/CFL lighting systems". In consideration of the request by the Board to remove limitations that restrict the methodologies to a fixed crediting period (EB 70 report, para. 71), the SSC WG agreed that the current version of the methodology does not limit the crediting period.

24. The SSC WG recommended that the Board take note of the following revisions, which will continue to be considered by the SSC WG at the next meeting:

(a) "AMS-II.L: Demand-side activities for efficient outdoor and street lighting technologies". The proposed revision aims to remove limitations that restrict the methodology to a fixed crediting period;

(b) "AMS-II.M: Demand-side energy efficiency activities for installation of low-flow hot water savings devices". The proposed revision aims to remove limitations that restrict the methodology to a fixed crediting period;

(c) "AMS-II.N: Demand-side energy efficiency activities for installation of energy efficient lighting and/or controls in buildings". The proposed revision aims to remove limitations that restrict the methodology to a fixed crediting period.

25. In consideration of the request for revision and the top-down work undertaken to improve the methodological standards, the SSC WG recommended that the Board launch a call for public input to the proposed revisions of the following approved SSC methodologies:

(a) "AMS-II.G: Energy efficiency measures in thermal applications of non-renewable biomass", in response to the submitted request for revision SSC_671, the submitted request for clarification SSC_674 and the top-down work undertaken to improve the methodology, as contained in annex 5 to this report. The revision aims to address various issues including the guidance for providing technology information in the project design document (PDD) and provisions on how to deal with frequent issuance requests;

(b) "AMS-I.B: Mechanical energy for the user with or without electrical energy". In continuation of the top-down work initiated in 2012 to incorporate provisions to

address suppressed demand in selected SSC methodologies, the SSC WG has conducted an initial discussion on the top-down revision of the methodology and prepared a list of questions for specific public input, as contained in annex 6 to this report. The revision aims to introduce standardized approaches for determining baseline and estimating emission reductions taking into account suppressed demand issues;

26. The SSC WG recommended that the Board take note that the SSC WG launched a call for public in relation to the revision of the following approved SSC methodology, as agreed by the Board in its work programme:

    (a) "AMS-II.D: Energy efficiency and fuel switching measures for industrial facilities". In response to the workplan of the SSC WG for 2013 (MAP project 146), the SSC WG has conducted an initial discussion on the top-down revision of the methodology and prepared a list of questions for specific public input, as contained in annex 7 to this report. The revision aims to cover the inclusion of standardized approaches and the simplification and further clarification of existing requirements.

Agenda item 3.1.3. Consultation on issues related to standards/tools

27. In response to requests for consultation on approved standards and tools, contained in the 2013 workplan of the SSC WG, the SSC WG recommended that the Board take note that the SSC WG provided feedback on:

    (a) Simplified programme of activity (PoA) standard and sampling standards.

Agenda item 3.1.4. Consideration of requests for clarification

28. The SSC WG considered submissions requesting clarifications to approved SSC methodologies. The detailed responses provided by the SSC WG are made publicly available at: <http://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications>.

29. The SSC WG requested the Board to take note of the responses prepared for requests for clarification to approved SSC methodologies and as available on the UNFCCC CDM website for cases specified as "clarified" in table 5 below.

Table 5. Status of consideration of revisions to methodological standards

Submission no.	AMS	Title of request	Status	Paragraph
SSC_661		Clarification on the applicability of the "Guidelines For Demonstrating Additionality Of Microscale Project Activities" to a biomass cogeneration project	Clarified - fast track	30
SSC_662	AMS-I.C	Clarification on the determination of the baseline scenario of a Greenfield biomass based cogeneration project under AMS-I.C	Clarified - fast track	31
SSC_664	AMS-III.H	Clarification on methane correction factors for treated water used for irrigation under AMS-III.H ver. 16	Clarified	32
SSC_666	AMS-III.F	Clarification on the applicability of the tool "Project and leakage emissions from composting" and the "Guidelines on the consideration of suppressed demand in CDM methodologies" to AMS-III.F ver. 10	Clarified - fast track	33
SSC_667	AMS-III.D	Clarification on the monitoring of the average animal weight and on the calculation of project emissions due to transportation in methodology AMS-III.D	Clarified	34

Submission no.	AMS	Title of request	Status	Paragraph
SSC_668	AMS-I.J	Clarification on a combination of methods for determining energy savings under AMS-I.J	Clarified	35
SSC_669	AMS-I.B	Selection of baseline scenario for project involving capacity expansion under AMS-I.B	Clarified - fast track	36
SSC_670	AMS-II.J	Clarification on the calculation of lamp failure rate (LFR) under AMS-II.J	Clarified - fast track	37
SSC_672	AMS-III.AV	Clarification on the inclusion of chlorine dispensers under AMS-III.AV version 3	Clarified	38
SSC_673	AMS-III.AV	Clarification on the definition of point-of-entry treatment systems and their eligibility under AMS-III.AV version 3	Clarified	39
SSC_674	AMS-II.G	Clarification on the use of qualitative surveys to determine the amount of woody biomass under AMS-II.G	Clarified	40
SSC_675	AMS-I.C	Clarification on monitoring of biomass transportation under AMS-I.C	Clarified	41
SSC_676	AMS-I.C	Clarification on threshold capacity determination for co-generation project under AMS-I.C	Clarified	42

Submission no.	AMS	Title of request	Status	Paragraph
SSC_677	AMS-I.C	Applicability of AMS-I.C to project activity displacing technology that uses electricity instead of fossil-fuels	Clarified	43
SSC_678	AMS-II.E/ AMS-II.Q	Clarification on applicability of AMS-II.E versus AMS-II.Q to energy efficiency measures in commercial buildings	Clarified	44

30. In response to the submission SSC_661, requesting clarification on the applicability of the "Guidelines for demonstrating additionality of microscale project activities" to a biomass cogeneration project, the SSC WG agreed to clarify that a project activity with an installed capacity less than or equal to 1500 kW that supplies energy services to small and medium sized enterprises (SMEs), can apply paragraph 2(c) of the guidelines, if other requirements as specified in the "Guidelines for demonstrating additionality of microscale project activities" and in the applied methodology AMS-I.C are met. The response to this clarification was provided under the fast track procedure.

31. In response to submission SSC_662 requesting clarification on determination of the baseline scenario of a Greenfield biomass-based cogeneration project under "AMS-I.C: Thermal energy production with or without electricity", the SSC WG agreed to clarify that paragraph 19 of AMS-I.C (version 19) specifies various baseline scenarios, but does not preclude project activities involving different entities (e.g. entity A produces and supplies renewable-based heat/power to entity B). The SSC WG further clarified that the baseline emissions calculation for electricity that is supplied to a grid shall be carried out following the procedure specified in paragraphs 21 and 25 of AMS-I.C. The response to this clarification was provided under the fast track procedure.

32. In response to submission SSC_664, requesting clarification on methane correction factors for treated water used for irrigation under AMS-III.H (version 16), the SSC WG agreed to clarify that a methane correction factor (MCF) of 0.1 may be used for determining the project methane emissions from treated wastewater discharged for irrigation purposes, provided that the relevant national or international standard with respect to the use of water or treated wastewater in irrigation is followed. This clarification will be incorporated at the next opportunity for recommending revisions to the methodology.

33. In response to submission SSC_666, requesting clarification on the applicability of the tool "Project and leakage emissions from composting" and the "Guidelines on the consideration of suppressed demand in CDM methodologies" to "AMS-III.F: Avoidance of methane emissions through composting (version 10)", the SSC WG agreed to clarify that since the methodology AMS-III.F does not refer to the tool "Project and leakage

emissions from composting", its application is not mandatory. The response to this clarification was provided under the fast track procedure.

34. In response to submission SSC_667 requesting clarification on the monitoring of the average animal weight and on the calculation of project emissions from transportation in the methodology "AMS-III.D: Methane recovery in animal manure management systems", the SSC WG agreed to clarify that default values adjusted for a site-specific average animal weight is an option available under any conditions, as long as it is clearly explained and documented. The parameter W_{site} need not be monitored if default values from developed countries are used. If parameter W_{site} is monitored, project proponents should demonstrate their proposed monitoring design to a validating designated operational entity (DOE). Project proponents may use sampling procedures to estimate this variable as per the "Standard for sampling and surveys for CDM project activities and Programmes of Activities". They may also refer to the guidance provided in the approved methodology "ACM0010: Consolidated baseline methodology for GHG emission reductions from manure management systems (version 7.0)". The SSC WG further agreed to clarify that emissions from incremental transportation should be estimated as per the relevant procedures in "AMS-III.AO: Introduction of Bio-CNG in transportation applications".

35. In response to submission SSC_668 requesting clarification on a combination of methods for determining energy savings under "AMS-I.J: Solar water heating systems (SWH)", the SSC WG agreed to clarify that the same savings determination method (i.e. System Metering, Model Based Method, or Stipulated Energy Saving Method as per paragraph 10 of the methodology) does not have to be used for every solar water heating system in a project or CPA, but the same method has to be used for every project that has been defined a priori to have specific and unique characteristics in terms of the application or type of SWH system. For example, one savings determination method may be used for low-income households and another method used for middle- and upper-income households if very specific criteria for defining each type of household are defined in the PDD. The choice of a method shall be made ex ante and specified in the PDD and cannot be changed during the crediting period.

36. In response to submission SSC_669 requesting clarification on the selection of a baseline scenario for a project involving capacity expansion under "AMS-I.B: Mechanical energy for the user with or without electrical energy", the SSC WG agreed to clarify, among other issues, that the criteria for suppressed demand scenario should be dealt with in the context of specific methodologies, rather than in the context of a specific project. The SSC WG also clarified with regard to the list of methodologies given in the "Concept note on the treatment of suppressed demand in approved small-scale methodologies", (annex 15 of the annotations to the agenda of EB 67) that it is simply an indicative list of methodologies for which a revision may be considered in order to integrate the concept of suppressed demand, in accordance with the "Guidelines on the consideration of suppressed demand in the CDM methodologies". However, this list in no way implies a compulsory course of action. The response was clarified under the fast track procedure.

37. In response to submission SSC_670 requesting clarification on the calculation of lamp failure rate (LFR) under "AMS-II.J: Demand-side activities for efficient lighting technologies", the SSC WG agreed to clarify that the LFR should be calculated from the date of completion of the installation of all equipment. The SSC WG further agreed to clarify that for the period before the subsequent ex post LFR monitoring survey is

undertaken, the LFR value estimated ex ante can be used for $LFR_{i,y}$ without having to consider any ex post adjustment. The response was clarified under the fast track procedure.

38. In response to submission SSC_672 requesting clarification on the inclusion of chlorine dispensers under "AMS-III.AV: Low greenhouse gas emitting water purification systems", the SSC WG agreed to clarify that chlorine dispensers are eligible under AMS-III.AV, in which chemical disinfection methods, including chlorination, are included as acceptable water purification technologies. The author of the submission may also wish to refer to submission SSC_673 for further clarification provided by the SSC WG on relevant issues.

39. In response to submission SSC_673 requesting clarification on the definition of point-of-entry treatment systems and their eligibility under AMS-III.AV (version 3), the SSC WG agreed to clarify that the methodology is applicable to the following cases, as the technologies described can provide protection against recontamination: (a) point-of-entry chlorination at a water kiosk or community centre; and (b) bottling of safe water in disinfected containers after point-of-entry treatment at a water kiosk or community centre, that is treatment of contaminated water at a community centre by using pre-filtration combined with solar energy-powered UV disinfection, bottling into disinfected and sealed containers. The SSC WG further recommended that the methodology be revised to clarify that these types of projects can apply the methodology (see paragraph 22(c)).

40. In response to submission SSC_674 requesting clarification on the use of qualitative surveys to determine the amount of woody biomass under "AMS-II.G: Energy efficiency measures in thermal applications of non-renewable biomass", the SSC WG agreed to clarify that under methodology AMS-II.G, questionnaire-based surveys may be used to determine the parameter $B_{y,new,survey}$ as long as it is possible from the results of the survey questions to clearly differentiate the quantity of woody biomass being used by each device in use in the project household. In other words, if more than one cookstove, or another device that consumes woody biomass, is in use in project households, then the survey needs to be capable of distinguishing the quantity of biomass used by the project stove and any of the other devices in use. Otherwise, another method must be used.

41. In response to submission SSC_675 requesting clarification on the monitoring of biomass transportation under "AMS-I.C: Thermal energy production with or without electricity", the SSC WG agreed to clarify that the leakage due to competing use of biomass shall be assessed once ex ante at the beginning of each crediting period following the "General guidance on leakage in biomass project activities" (EB 47, annex 28). Furthermore, as per paragraph 15(e) of AMS-I.C (version 19), the project boundary shall include emissions associated with biomass transportation, if the trip distance is greater than 200 kilometres, unless all associated emissions are accounted for as leakage emissions. This means that trip distance needs to be monitored throughout the crediting period. The SSC WG agreed to clarify that the monitoring aspects of the trip distance of biomass transportation and the calculation of project/leakage emissions associated with biomass transportation using the tool "Project and leakage emissions from transportation of freight" shall be reflected in a future revision of the methodology.

42. In response to submission SSC_676 requesting clarification on the threshold capacity determination for co-generation project under AMS-I.C, the SSC WG agreed to clarify that the total installed capacity of the specific project activity, for the purpose of determining the threshold limit under AMS-I.C, is the sum of the installed capacity of: (i) the new project boiler of 38.94 MWth; and (ii) the PRS boiler of 15.95 MWth. The SSC WG further agreed to clarify that if the project activity includes emission reductions from electrical energy components only, paragraph 6(c) of the methodology AMS-I.C (version 19) applies. In this case the threshold limit shall be calculated based on the total installed capacity of the electrical generator only and need not take into account the thermal capacities of the biomass boilers.

43. In response to submission SSC_677 requesting clarification on the applicability of AMS-I.C to a project activity displacing a baseline technology that uses grid electricity instead of direct use of fossil fuels, the SSC WG agreed to clarify that the described project activity, provided that all other requirements of the methodology are met, is applicable under AMS-I.C and the grid emission factor can be used to estimate baseline emissions.

44. In response to submission SSC_678 requesting clarification on the applicability of "AMS-II.E: Energy efficiency and fuel switching measures for buildings versus "AMS-II.Q: Energy efficiency and/or energy supply projects in commercial buildings to energy efficiency measures in commercial buildings", the SSC WG agreed to clarify that both AMS-II.E and AMS-II.Q are applicable to energy efficiency measures in buildings. The SSC WG agreed that AMS-II.Q is more appropriate for the underlying project activity. However, the SSC WG is also aware that the computer simulation approach is not explicitly excluded from AMS-II.E. Therefore, the SSC WG agreed to clarify that the guidance in AMS-II.Q could be used in conjunction with methodology AMS-II.E, at the discretion of the project proponent. The SSC WG may provide more clarity for the applicability of AMS-II.E and AMS-II.Q in the future.

Agenda item 3.2. Guidelines

Agenda item 3.2.1. Consideration of revisions of guidelines

45. The SSC WG recommended that the Board consider the proposal to revise the "Guideline on demonstrating additionality of microscale project activities" as contained in annex 8 to this report. The revision is proposed to update a reference to the procedure "Submission and consideration of microscale renewable technologies for automatic additionality", as part of the routine operation of the SSC WG.

46. The SSC WG recommended that the Board reject the revision of the "Guidelines on assessment of debundling for SSC project activities", in response to submission SSC_680. The author of the request for revision suggests that for projects that include a managing entity/facilitator as one of the project participants, for the purposes of the debundling assessment, this managing entity shall not be considered a project participant. The SSC WG agreed that the definition of project participant contained in the "Glossary of CDM terms" should continue to apply to paragraph 2 of the "Guidelines on assessment of debundling for SSC project activities".

Agenda item 3.2.2. Consultation on issues related to guidelines

47. The SSC WG recommended that the Board take note of the following:

    (a) Concerning the "Guidelines on the demonstration of additionality of small-scale project activities": the Board, at its sixty-eighth meeting, requested the SSC WG to analyse options to determine when the technologies included in the positive list will graduate (e.g. penetration rates, time horizons) to become mature technologies warranting a revision of the positive list. Furthermore, in response to the request, the SSC WG agreed, at its 39th meeting, to seek expert inputs in addition to the work undertaken by the SSC WG and the secretariat on graduation and expansion of the approved positive list of technologies. The SSC WG considered an initial input and agreed to continue the consideration at the next meeting;

    (b) Concerning the "Guidelines for development of thresholds for baseline and additionality for standardized baselines": in line with the objectives of the SSC WG workplan 2013, the SSC WG provided feedback to the secretariat on the draft guideline for setting baseline and additionality thresholds used for standardized baselines;

    (c) Concerning "Monitoring guidance": in line with the objectives of the SSC WG workplan 2013, the SSC WG was consulted and provided feedback to the secretariat on the "Draft concept note on the Monitoring Guidelines".

Agenda item 4. Conclusion of the meeting

Agenda item 4.1. Adoption of the report

48. The SSC WG adopted the report and concluded its 40th meeting. The report and annexes will be made available on the UNFCCC website.

Agenda item 4.2. Closure of the meeting

49. The Chair of the SSC WG closed the meeting.

Annexes to the report

Annexes to the external report of the 40th meeting of the Small-Scale Working Group

Annex 1 - SSC-II.R:
Energy efficiency space heating measures for residential buildings

Annex 2 - Draft revision of AMS-II.J:
Demand-side activities for efficient lighting technologies

Annex 3 - Proposed draft revision of AMS-III.BG:
Emission reduction through sustainable charcoal production and consumption

Annex 4 - Proposed draft revision of AMS-III.AV:
Low greenhouse gas emitting safe drinking water purification systems

Annex 5 - Information note with questions for public inputs in relation to the top-down revision of AMS-II.G: Energy efficiency measures in thermal applications of non-renewable biomass

Annex 6 - Information note with questions for public inputs in relation to the top-down revision of AMS-I.B: Mechanical energy for the user with or without electrical energy

Annex 7 - Information note with questions for public inputs in relation to the revision of AMS-II.D: Energy efficiency and fuel switching measures for industrial facilities

Annex 8 - Proposed draft revision of:
Guideline on demonstrating additionality of microscale project activities

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