



**Approved baseline and monitoring methodology /  
methodological tool clarification response form  
(Version 03.0)**

**INFORMATION TO BE COMPLETED BY THE SECRETARIAT OR PANEL / WG**

<b>Date and number of Panel / WG meeting:</b>	15–18 June 2020 / MP 82
<b>Title/Subject of the request for clarification:</b>	Clarification on market share and double counting under AMS-III.C.
<b>Reference number of the request for clarification:</b>	SSC_784
<b>Exact reference (number, title and version) of the methodology or methodological tool to which the request for clarification applies:</b>	AMS-III.C.: Emission reductions by electric and hybrid vehicles --- Version 15.0
<b>Fast track or Regular track:</b>	<input type="checkbox"/> Fast track <input checked="" type="checkbox"/> Regular track

**Summary of the request for clarification**

**Original text from the Stakeholder:**

**Market Share(M/S( 5%)**

- Guideline by AMS-III.C

Demonstrate ex ante that the market share of project electric/hybrid vehicles is equal to or smaller than 5 per cent of the vehicles of the same category (e.g. if project vehicles are electric scooters, market share of electric two wheelers is equal to or smaller than 5 per cent of all motorized two wheelers, irrespective of the manufacturer) in the region.

- Clarification request

1. It needs to provide more clarity in account for M/S(e.g. EV M/S = total registered EV / total registered vehicles).

2. If the M/S is over 5% after the project is registered, do we still claim the emission reduction? (AMS-III.C just explains ex ante demonstration.)

3. Major E/V markets, which have more than 5% M/S, still have challenging settings – particularly in expanding basic infrastructures. We find them still being in early stage of market development. Therefore, we reckon that the M/S threshold (5%) should be increased to better determine initial stage of general markets.

**Double counting of emission reductions**

- Guideline by AMS-III.C

The project proponent shall demonstrate that double counting of emission reductions will not occur e.g. via a contractual agreement with the end-user(s), maintenance of comprehensive inventory of project vehicles or unique identification of the vehicles owned by end-user(s). The steps undertaken to avoid double counting shall be documented in the PDD.

- Clarification request

1. We are wondering if E/V battery producers, whose technology is the key element to determine emissions reduction, are also able to claim the ownership of emissions reductions. Our claim is based on the 61th EB meeting as follow. The statement does not embrace battery producers;

According to the 61th EB Meeting report 55(d), emission reductions may be claimed by manufacturers/retailers/owners of electric/hybrid vehicles as long as it is ensured that double counting of

emission reductions will not occur.

2. We are also wondering how to avoid double counting. Is double counting avoided only by issuing identification codes to all EV that involved in the project without contractual agreement with all potential stakeholders who may claim the ownership of emission reductions?

#### **Clarification by the secretariat or Panel / WG**

The Meth Panel would like to thank the author of the submission and clarifies that:

##### **Market Share (M/S):**

1. The Meth Panel has noted that the concept of market share (i.e. annual sales) and market saturation (cumulative stock of equipment) are being used in an interchangeable way under the CDM, and it is developing harmonised definitions and guidance for recommendation to the Board (please refer to the concept note "Consistent use of market share, market saturation, market penetration and penetration rate", Annex 17 of the 80<sup>th</sup> meeting of the Meth Panel). In the meantime, the proponent may determine the market share under AMS-III.C as the ratio, in the region where the project will be implemented, between (i) the annual registration of new EVs under the project vehicle's 'category' (determined, for example, through new EV sales data or new EV registration data) and (ii) the number of sales of all vehicles in the project vehicle category in the same year determined, for example, through annual registration data of new vehicles. For the definition of *vehicle category*, the proponent may refer to paragraphs 10 and 11 of the methodology.
2. Yes. Emission reductions are claimed based on the outcome of the monitoring as required by the methodology; the market share is used to demonstrate additionality and, therefore, need not be monitored during the crediting period.
3. 5 per cent threshold was determined based on many factors, including the 90% confidence threshold for small-scale methodologies, taking into account inputs from the "Practitioner Workshop on the Improvement of CDM Methodologies for Transportation". Kindly note that the additionality under methodology AMS-III.C can also be demonstrated through Option 1 under section 5.2 (i.e. demonstration of barriers).

##### **Double-counting:**

1. The methodology does not restrict the E/V battery producers to be a project participant. A broad range of entities can become project participants, including battery suppliers as long as there are procedures in place to avoid double-counting as indicated in paragraph 7 of AMS-III.C version 15.0.
2. Paragraph 7 of AMS-III.C, version 15, provides examples of approaches to avoid double-counting, e.g. a contractual agreement with the end-user(s), maintenance of comprehensive inventory of project vehicles or unique identification of the vehicles owned by end-user(s). Additional approaches proposed by the project participants, if any, shall be documented in the PDD and validated by a DOE.

#### **Version(s) of the approved methodology / methodological tool to which the clarification is applicable:**

AMS-III.C.: Emission reductions by electric and hybrid vehicles --- Version 15.0

-----

#### **Document information**

<i>Version</i>	<i>Date</i>	<i>Description</i>
03.0	13 May 2016	Revised to include the row "Version(s) of the approved methodology / methodological tool to which the clarification is applicable"
02.0	18 July 2013	Revised to remove the row "Date and signature of the chair and vice chair of Panel/WG (in case of clarification by Panel/WG)"

**CDM-AMCR-FORM**

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	4 July 2013	<p>Initial publication. This document supersedes and replaces the following documents:</p> <ul style="list-style-type: none"><li>• Recommendation Form for Small Scale Methodologies (F-CDM-SSCwg) (Version 01.1)</li><li>• Recommendation Form for Small Scale A/R Methodologies and Procedures (F-CDM-SSC-AR) (Version 01.1)</li></ul>

Decision Class: Regulatory

Document Type: Form, Clarification

Business Function: Methodology

Keywords: applying methodologies and tools