

EPR eco-modulated fees

Testing eco-modulation

– results of a 3-year study involving 10 countries -

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EucoLight

European Association of lighting
WEEE compliance schemes

Context

- To test the impact of fee modulation on the lighting sector, EucoLight, undertook a survey.
- The association was aware that a number of WEEE schemes across Europe had voluntarily chosen to eco-modulate their fees, with lower fees applied to LED lamps, and higher fees applied to fluorescent products, whilst others had maintained the same fee for all lamps.
- As these differential fees applied for a number of years, it was possible to compare changes in EEE POM for those WEEE schemes that did, and did not, ecomodulate.
- (It is worth noting that in many cases, we understand that this price differentiation was driven by attempts to attract new participants rather than by any differences in recycling costs.)

Method

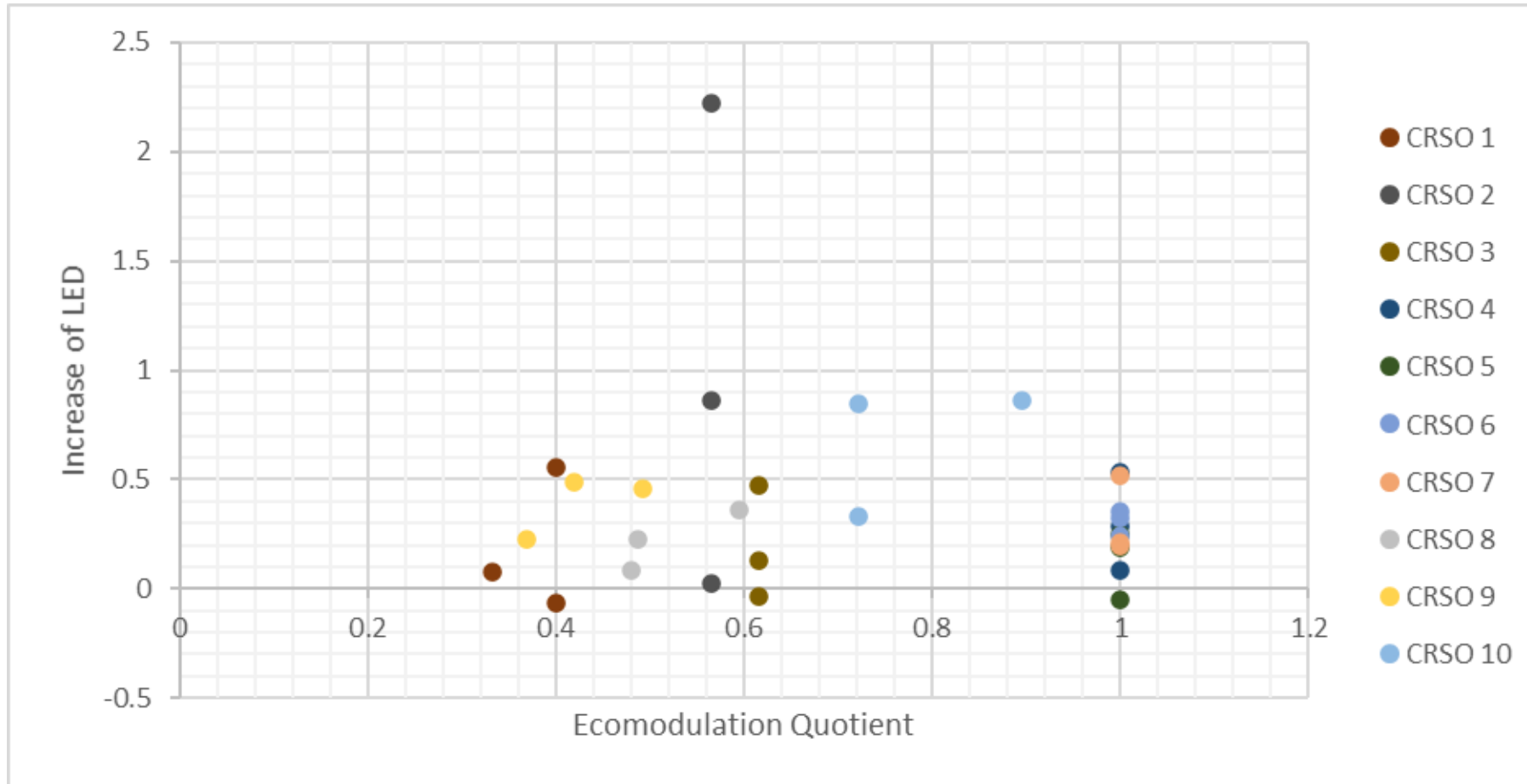
- The study therefore compared the rate of growth of LED put on market, against the extent to which the LED fee was ecomodulated – what was termed the ecomodulation quotient. The ecomodulation quotient was calculated as:

$$\text{Ecomodulation quotient} = \frac{\text{LED lamp unit price}}{\text{Conventional lamp unit price}}$$

- If eco-modulation works for LED and fluorescent lamps, then the study would have shown higher levels of growth of LED EEE POM in those countries where eco-modulation was applied, with faster growth, the greater the extent that fees are modulated. That is, the lower the ecomodulation quotient, the higher the rate of growth of LED EEE POM.

Survey

In fact, the study showed no such correlation. The graph below shows the results for each of 10 WEEE schemes (CRSOs - Collection and Recycling Service Organisations), each the largest lighting scheme in its national territory. If eco-modulation had worked, the line of best fit should be a clear diagonal from top left to bottom right.



Conclusion

We therefore conclude that over 3 years, and in 10 different countries, eco-modulation of WEEE fees has had no impact on LED EEE POM

Contact details

marc.guiraud@eucolight.org

Tel: +32 487 344 876

www.eucolight.org