

Ready for the future

"AS CHAIR, I'M PROUD TO BE LEAVING BEHIND A LIGHTREC THAT IS EXCELLENTLY POSITIONED FOR THE FUTURE AS THE DESIGNATED ADVOCATE FOR PRODUCERS IN THE LIGHTING INDUSTRY."

This is the final introduction I'll be writing as the chair of LightRec's Board. After working for the last two on establishing and shaping the new coordinating organisation OPEN – which became responsible for the collection and recycling of e-waste on March 1st, 2021 – it's time to pass the baton. As chair, I'm proud to be leaving behind a LightRec that is excellently positioned for the future as the designated advocate for producers in the lighting industry. The pandemic has clearly shown just how robust our collection system is. Now that we're headed back toward the 'light' and society is reopening step by step, we can conclude that we've managed to keep up our collection efforts in the COVID year of 2020, despite the many logistical setbacks and some marketing projects that had to be postponed. I thank everyone who contributed to this, particularly our collection partners Wecycle. I look back on intense but satisfying years, and I was grateful to work with so many of you to realise our shared mission: providing solutions to our members and maximising the collection of lamps and luminaires.

Maurice Spee, Chairman of the Board of LightRec

Highlights 2020



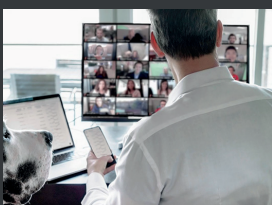
Collection of luminaires is accelerating

In 2020, collection rates were practically at the same level as 2019. In the context of lockdowns and difficult conditions for collection, this is a satisfying result. In addition, the collection rate of luminaires increased by 10% relative to 2019. This shows that the collection of luminaires is accelerating. Since there are concrete plans to start a "Luminaires project" together with OPEN, inspired by the MDF deal, we expect this growth to continue over the next few years.



AVV Lamps remains the foundation of collection efforts

LightRec is financed through the waste management contribution agreement (AVV) for the product category of lamps. This binding agreement lasts through the end of 2022 and will continue to form the foundation for light collection efforts. Starting in 2023, a new binding agreement applies under an AVV for all e-waste products granted to the OPEN foundation. The collection of luminaires already falls under this 'general' agreement, which mandates that the costs of collection and processing of e-waste are divided proportionally among all producers and importers. All parties have underwritten the importance of this 'level playing field'.



A year of lockdowns

2020 was the year in which the Netherlands was first confronted with lengthy lockdowns, with a massive impact on social life. That made the past year particularly challenging for some of our members – especially the smaller specialist retailers who depend on a regular clientele and personal advice. LightRec was also forced to shake up its marketing calendar, moving some campaigns forward and postponing others, since our campaigns wouldn't be of much use to retailers who were forced to close their doors. Nevertheless, the POM (Put On Market) shows that the revenue of the lighting industry did not fall dramatically in 2020. The same is true for collection rates. The pandemic's impact on the lighting industry as a whole has been, in conclusion, less than feared.



Expansion of luminaires regulation: POM continues to rise

Since 2018, consumer luminaires are subject to collection and recycling regulations. In 2019, it became clear that this led to a doubling of the targeted total amount of lamps and luminaires put on market, the so-called POM. This development continued in 2020: while the rise was less spectacular than the previous year, the POM increased to 31,932 tonnes (2019: 28,787). A period of time will pass before substantial volumes of consumer luminaires become available for recycling. As a result, the collection target of 65% is not yet achievable.

Challenges and ambitions for 2021

Consumer luminaires

When Brussels decided that collection and recycling regulations would apply to consumer luminaires, LightRec was given a new goal – not just in terms of collection, but especially in terms of communication. After all, consumers are largely not yet aware that they should separate their luminaires for recycling. In short: the collection of consumer luminaires is starting from scratch. It's become clear that many consumer luminaires get a second or third life, through thrift shops, for example. They're only thrown out when they're really worn out. LightRec aims to increase the collection rates of consumer luminaires through dedicated campaigns. These campaigns will be closely aligned with the coordinating OPEN foundation, which will be the primary party responsible for the collection and recycling of luminaires.

Working toward the 65% target

The overarching challenge for 2021 and the following years is to grow the collection volume towards 65% of the new products put on market (POM). For conventional lighting, this goal would not be problematic. However, LED lamps and luminaires are changing the landscape. While many LED lamps are sold, very few are as of yet collected, because of their long lifespan. This negatively impacts the collection rates for lamps as a whole. The same applies to LED luminaires, which also drag down the luminaire collection rates. Both of these developments are compounded by the inclusion of consumer luminaires, which have instantly doubled the total POM while collection is only just getting started. For these reasons, a collection volume of 65% is not yet within reach. However, because it takes longer for LED lamps to need replacement, the total volume of lamps put on market can be expected to fall in the future (as the market is gradually saturated). That also reduces the collection volume required to achieve the 65% target.

Fulfilling a dual role

At present, LightRec is still responsible for the collection of lamps, based on the existing binding agreement (AVV lamps). The new coordinating organisation OPEN has become responsible for the collection and recycling of luminaires on March 1, 2021, based on a separate AVV. As it stands, LightRec has two roles: collecting as many lamps as possible, while also engaging with OPEN as an advocate for our members in the lighting industry. We do this through our representative in the OPEN board, who can exercise a great degree of autonomy when making decisions that directly affect LightRec's membership. This ensures that LightRec can represent the interests of its current members in the future, in the same way it has always done. For instance, we want to continue to manage the financial reserves accumulated through the contributions of producers and importers over the years and use these funds to co-finance collection efforts through the OPEN foundation. In this way, we expect to keep the future remittances of producers to OPEN competitive, for both lamps and luminaires. Our reserves will also be deployed to initiate and manage projects within OPEN that are specifically aimed at collecting lamps and monitoring laws and regulations, such as those concerning circularity.

A strong international lobby

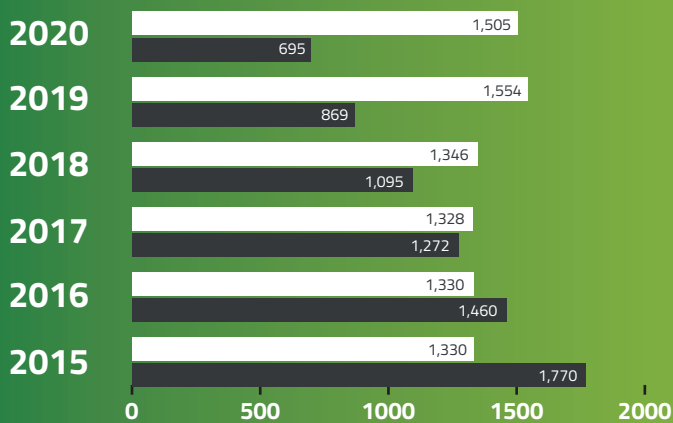
LightRec is directly represented in the board of EucoLight, the European network of foundations that are tasked with the collection and recycling of WEEE-lamps and lighting products. On behalf of its twenty members, EucoLight concerns itself with everything related to the WEEE compliance scheme, regulation and standards for the collection and recycling of WEEE lighting. EucoLight manages a number of highly socially relevant dossiers, including the pushback against so-called online freeriding. It has been found that dominant online retailer platforms offer suppliers a way to sell lamps and luminaires, without requiring them to be members of a producers' organisation – allowing them to avoid contributing to the collection and recycling infrastructure. In this way, they may be labelled 'freeriders': they benefit from a collection system that is legally compliant, but don't carry the burden associated with Extended Producer Responsibility (EPR).

Collected lamps and luminaires

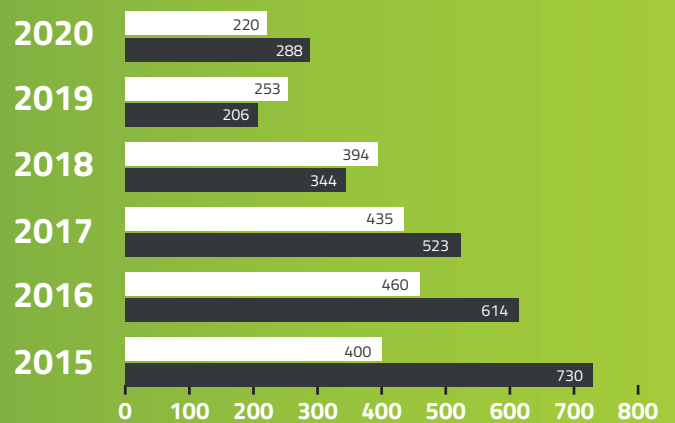
2015-2020 (in tonnes)

● Collected ● Put on market

Fluorescent tubes



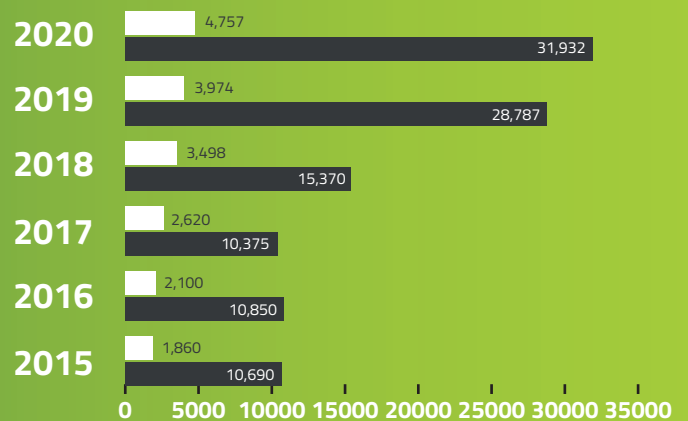
Energy-saving and other lamps



LED





Luminaires*





* Before August 2018: only professional luminaires (construction and demolition industry).

From August 2018: also very large volumes of consumer luminaires (legally required since August 2018).

 Costs	Budget 2021*	Actual 2020	Actual 2019	Actual 2018
	(€)	(€)	(€)	(€)
Costs for collection, transport and recycling	2,550,000	3,191,131	2,873,602	2,549,272
Other costs (including Action plan Lightrec)	678,250	175,817	68,016	59,525
Total	3,228,250	3,366,948	2,941,618	2,608,797

 Collected volume	Budget 2021*	Actual 2020	Actual 2019	Actual 2018
	(in tonnes)	(in tonnes)	(in tonnes)	(in tonnes)
Fluorescent tubes	1,617	1,505	1,555	1,116
Energy saving and other lamps	206	220	253	636
LED lamps	92	42	31	0
Luminaires	-	4,896	3,974	3,498
Total	1,915	6,663	5,813	5,250

 Marketing expenses and publicity campaigns	Budget 2021	Actual 2020	Actual 2019	Actual 2018
	(€)	(€)	(€)	(€)
Wecycle publicity campaigns	65,400	101,885	97,704	192,912
Communication	175,000	97,817	166,217	195,305
Total	240,400	199,702	263,921	388,217

 Consumer and professional campaigns	Budget 2021	Actual 2020	Actual 2019	Actual 2018
	(€)	(€)	(€)	(€)
Installer / professional campaigns	425,000	387,092	492,574	443,399
Retail / consumer campaigns	852,500	1,381,610	1,316,979	1,136,793
Total	1,277,500	1,768,702	1,809,553	1,580,192

* As the AVV of the OPEN Foundation has come into force in 2021, all producers of fittings are now members of the OPEN Foundation. Lighting manufacturers remain members of the LightRec Foundation Netherlands. For this reason, starting January 2021, LightRec's budget only covers lights and not fittings.