

Is the ELI leaf an evergreen?

Assessing the value of an international logo for quality lighting products

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ABSTRACT

The IFC/GEF Efficient Lighting Initiative (ELI) seeks to increase the penetration of energy-efficient lighting technologies in Argentina, Peru, South Africa, the Philippines, the Czech Republic, Hungary, and Latvia. ELI developed a “toolkit” of five different market enhancement activities that each country program could adapt to fit its own market conditions. One of these tools is a public education and marketing initiative built around the ELI “Green Leaf” logo.

After a brief introduction of ELI, this paper discusses the strategic objectives of the logo within the global ELI program. These include providing market pull to motivate manufacturers to produce high-quality CFLs, and introducing as a market push a logo that allows consumers to identify high-quality CFLs. After explaining how ELI settled on the “Green Leaf” for its logo, the paper briefly mentions the quality criteria CFLs need to meet in order to qualify for the logo. The paper then summarizes the logo’s use in each of the seven country programs, and the response to the logo from large and small manufacturers.

The paper closes by providing a critical analysis of the following questions. Under what market conditions can

the ELI logo be effective? What value has ELI created for its logo? Is the value such that at the close of ELI (end 2002 - early 2003) one or more institutions could become caretakers of the logo? What would be the profile of such institutions? How would they administer and benefit from the logo?

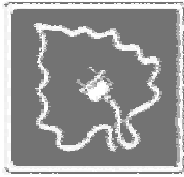
GEF Efficient Lighting Initiative (ELI) an experimental multi-country program

The IFC/GEF Efficient Lighting Initiative (ELI) grew out of successful experience with other efficient lighting programs, particularly the IFC/GEF Poland Efficient Lighting Project (PELP)¹. At the time PELP was designed, compact fluorescent lamps (CFLs) were expensive, substantially larger than incandescent lamps, not well-known, and consumer demand for them was low. PELP sought to break this vicious circle of high prices and low demand on two fronts: through a subsidy to manufacturers of high-quality products PELP lowered CFL prices, and, through a mass-media campaign PELP increased consumer awareness of the lamps.

PELP hired a Polish advertising agency to create a logo with an energy/environment message (see Figure 1). Participating manufacturers placed the PELP logo on their packaging in order to help consumers identify the subsidized, high-quality product.

PELP’s campaign led to sales of 1.2 million PELP-labeled CFLs, and had an overall impact on the market estimated to be a saving of 2,320 GWh, leading to 2.8 million metric tons of CO₂ avoided, at a cost of \$1.39 (1.5 Euros) per ton.

1. PELP was financed by the Global Environment Facility (GEF) and implemented through the International Finance Corporation (IFC).

Figure 1: The ELI logo

As news of PELP's success spread, groups from many different countries approached IFC with requests for a similar program. In response, IFC designed the IFC/GEF Efficient Lighting Initiative (ELI), a \$15 million (15.5 million Euros) multi-country project, sponsored by the GEF, to reduce greenhouse gas emissions by increasing the use of energy-efficient lighting. ELI takes place in Argentina, the Czech Republic, Hungary, Latvia, Peru, the Philippines, and South Africa; implementation was phased in during 1999-2000, and countries will complete their activities in between late 2002 and 2003.

Each of the seven local implementing teams began by conducting a detailed assessment of their country's markets for energy-efficient lighting technologies, and of barriers to the further development of these markets. The market assessment was conducted through surveys and focus groups, as well as discussions with manufacturers and retailers. ELI then designed activities that would stimulate competition by catalyzing active, informed, and rational consumer behavior in pursuit of high performance efficient technology while enabling providers of high quality products to more easily reach this stimulated market. The intent is to increase consumer access to appealing and reliable efficient lighting technologies. ELI has built alliances with local manufacturers, retailers, electric utilities, and NGOs and is using these alliances to harness and strengthen market forces to deliver affordable and reliable efficient lighting products and services.

The program designs drew upon an ELI "toolkit" of five basic market transformation approaches:²

- Public Education, Marketing, Training and Standards,
- Electric Utility Programs,
- Financing Mechanisms,
- Market Aggregation, and
- Targeted Subsidies.

Country teams' use of the five tools varied according to the local market conditions, opportunities to leverage partnerships and financing, and the orientation, experience and capability of the local implementers.

While ELI is active in the commercial lighting, street-lighting, public lighting, and residential lighting markets,

this paper draws from ELI's experience with the promotion of CFLs for residential use. In five of the seven ELI countries, the ELI logo, and the quality criteria it represents, is the cornerstone of these promotions.

The Strategic Role of the Logo in the ELI Toolkit

ELI operates in a global market characterized by

- rapid technological innovation yielding cost reductions and improved lighting product performance,
- the existence of hundreds of low cost manufacturers of electronic lighting devices,
- the proliferation of thousands of one-off product labels, whose quality and reliability vary widely,
- a trend toward lower-cost lamps with shorter rated lives,
- rapid growth of global sales (estimated at a 13-fold increase between 1988 and 2001 to over 600 million units sold per year following a 15% increase in sales globally during 2001)³
- the persistent global dominance of three large brands of lighting products.

Even as the "Big three" have sustained their dominance of the global market, their role as manufacturers of the products sold in the market -- whether under their own brand or as other labels -- has diminished in importance. In essence, their primary role is that of marketing companies, trading on the reliability implied by their brands as a security blanket for consumers who have little other information to guide their product choices.

In this context, the ELI logo provides an important vehicle to stimulate a more level playing field to enable competition in a market with high barriers to entry. Supported by a substantial marketing, advertising, and public education effort, as well as by a global certification procedure used to identify "ELI-qualified" products, the logo provides a banner under which smaller manufacturers of quality products, who lack substantial marketing and distribution resources, can compete in the market based on price and product features. While ELI has issued performance specifications for seven different product types⁴, clearly the most important market for this sort of consumer-focused product certification role is CFLs, with a specific focus on residential users; the logo allows them to select high-quality CFLs.

Practicalities: How a CFL model can become ELI-qualified and use the logo

ELI developed a set of CFL quality specifications based on various existing technical specifications, including Energy Star. The specifications cover power characteristics, operating characteristics, and light characteristics; the

2. The "toolkit" drew upon experience from previous GEF-supported energy-efficient lighting programs in Poland, Mexico, Jamaica, and Thailand, as well as non-GEF-funded activities other countries.

3. Scholand, Michael, Vital Signs, Worldwatch Institute, May 2002.

4. Compact fluorescent lamps (CFLs), Indoor CFL Luminaires, Outdoor Residential Luminaires, Linear Fluorescent Systems, Public Lighting, Traffic Signals.

Table 1: Compact Fluorescent Lamps Qualified as Complying with the ELI Voluntary Technical Specifications (as of January 2002).

| Manufacturer | # of models qualified |
|------------------|-----------------------|
| Applo | 4 |
| CE lighting | 1 |
| General Electric | 18 |
| GFL | 4 |
| Lohuis | 7 |
| Lumin8 | 1 |
| Maxlite | 9 |
| OSRAM | 16 |
| Philips | 30 |
| Safeway | 1 |
| Sindanol | 1 |
| Ultralite | 1 |
| Totals | 93 |

specifications are listed in full on the ELI web site (www.efficientlighting.net). After being reviewed by technical experts in each ELI countries, as well as by international experts, the specifications were posted on the ELI web site. In 2000, ELI sent a notice to its database of manufacturers, to inform them of ELI's plans to promote high-quality CFLs, which met the specifications, and to invite them to submit product models for which they wished to receive ELI qualification.

Interested manufacturers submit tests from accredited labs, proving that their candidate models meet the ELI specifications. ELI verifies this material and, if no irregularities are found, adds that manufacturer's model to the web site's list of ELI-Qualified models. ELI is currently undertaking random testing of qualified CFLs in order to verify that manufacturers are living up to their claims (and to encourage them to do so!). It is worth noting that it is specific models, and not brands or manufacturers that receive

ELI qualification. Table 1 shows the total number of ELI-qualified manufacturers and models; Table 2 lists, for each ELI country, the manufacturers who have used the ELI logo on their packaging and advertising material.

ELI-qualified models are allowed to feature the ELI logo on product packaging and advertising, and to participate in competitive procurements that ELI has organized. In Argentina, the Czech Republic, Peru, the Philippines, and South Africa, ELI advertising and/or Point-of-Sale material draws consumers to the logo as a sign of a high-quality product. The practical aspects of placing the logo on packaging has varied. In South Africa and Peru, ELI printed the logo on stickers and gave manufacturers the stickers to apply to their boxes. In the Philippines, manufacturers printed the stickers at their own cost, and then applied them to product packaging. As will be discussed below, manufacturers are now moving towards printing the logo directly on product packages.

The ELI logo is (or is in the process of becoming) a registered trademark, or the local equivalent, in all seven ELI countries. The IFC is currently the owner of the trademark.

What the logo means: the ELI identity

Early in the development of the program we met with international social marketing experts and advertising agencies to discuss establishing a consistent global marketing approach, but ultimately we chose to customize the national campaigns on a country-by-country basis. The messages, and the media for their delivery, are therefore completely responsive to the individual country market conditions. We opted for providing absolute flexibility to the local implementation teams, as a principle of the ELI program implementation. In response to a very strongly advocated request from the Argentina team, we even allowed a slight modification to the logo itself: enabling the Argentine logo to add a third prong to the electric plug depicted in the logo used in that country's program – a mod-

Table 2: ELI- Qualified Manufacturers Using the ELI Logo in their Packaging and/or Promotions (as of February 2002).

| Argentina | Czech Republic | Hungary | Latvia | Peru | The Philippines | South Africa |
|---------------------------------------|------------------------|---------|--------|---------------------------------------|--|--|
| GE OSRAM Philips Maxlite [1] | GE OSRAM Philips | NA | NA | GE Maxlite OSRAM Philips [2] | GE Maxlite OSRAM Philips Ultralite | Applo[3] GE Lohuis[4] Maxlite OSRAM Philips Sindanol[3] Pick&Pay[5] Woolworth's[5] |

[1] Maxlite has begun assembling lamps but they are not yet on shelves (as of February 2002)

[2] A new manufacturer, Indoasian, has entered the Peruvian market and is currently (February 2002) seeking ELI certification for its products.

[3] local importer of Chinese product

[4]Dutch manufacturer with a South African agent

[5] The House Brand (actually manufactured by Philips) of these retailers has received ELI qualification.

ification the team leaders there felt was important for local authenticity.

On a global basis, several unifying themes have emerged from the country campaigns which are consistent with the strategic objective intended for the logo. The ELI logo stands for:

- Quality,
- Reliability, and
- Economy.

These themes support the logo's role as a tool to address issues of poor quality product proliferation, and consumer uncertainty about reliability. They provide a foundation against which individual manufacturer's campaigns can be built around themes of advanced technology, modernity, superior performance, among others.⁵ They also support the consistent marketing theme which emerged across the individual ELI countries: *the economic benefits of efficient lighting*.

Risks and implications of using a logo

Establishing a successful logo is clearly an expensive and risky undertaking. Creating an effective logo requires a receptive industry and appropriate market conditions. Unleashing a logo in conjunction with a short-term (2-3 year) program is also risky in terms of the longer-term market impact and opportunities for abuse. While the logo was a fundamental component of the ELI strategy globally from the beginning, we considered carefully these risks and issues in several dimensions:

- *Branding*: we determined that it would be too costly to establish and maintain an ELI "brand" and accompanying certification program. While the ELI logo has been adopted in some of the ELI countries in conjunction with large-scale tri-media promotions, and ELI has invested in building a substantial roster of CFL products which carry the logo, the global ELI team decided at the outset of the program implementation phase that we are not seeking to build an ELI brand and that product would be "ELI-qualified," rather than "certified".
- *The problem of proliferating logos*: With several quality-based logos and support programs in place around the globe, why invest in creating another one? After a global search, we concluded that the one pre-existing logo which could relatively easily be adapted for use in the ELI program was the Energy Star logo out of the United States. However, when ELI approached the US Environmental Protection Agency (EPA), keepers of Energy Star, approximately 9 months before the launch of the ELI

program, we determined that the EPA would be unable to agree to terms of a cooperative agreement defining the use of the logo in time for ELI's launch.⁶

- *Establishing and maintaining credibility*: Transparency and consistency are critical in our dealings with the industry.
- *Protecting the logo identity*: With product counterfeiting rampant in some ELI markets – particularly in the Philippines, where a porous border and limited government enforcement enables black market products to proliferate – the unauthorized use of the ELI logo is of great concern. ELI has been careful to build collaborative relations with legitimate manufacturers and appropriate government agencies in anticipation of the potential need to jointly address this issue. As ELI's random testing program ramps up, instances of logo counterfeiting should be identified early. To date, none have been found. In the meantime, ELI offers a focal point for a unified industry / government effort to better control this pre-existing problem of an influx of low-quality products and a consumer population relatively unprepared to discern poor quality or counterfeit product.
- *Sustaining the logo*: we were concerned that, in launching a new logo within a program with a finite life of three years, we would build expectations among manufacturers which couldn't be met, that we might inevitably confuse the market, and that -- having created value in the market for the logo -- we might leave the market without a controlling authority to police the logo's use by rogue manufacturers and marketers. In response to this eventuality, we have developed strategic partnerships with local governmental and non-governmental institutions in each of the countries where ELI operates. These institutions play roles in the implementation of the program, and could play a continuing role in the guardianship of the logo. In Argentina and the Philippines, the development of national performance standards has progressed with substantial input from the local ELI team – typically securing the harmonization of local standards with the ELI standard. As ELI enters its final year of implementation, this is a critical time for defining the roles of different national, regional, and institutional institutions in administering, marketing, managing, and policing the use of the logo once the ELI program has reached the end of its implementation. We have budgeted resources to help seed the post-program legacy efforts to be undertaken by those institutions and any potential global partners identified during this time.

5. Even though the ELI logo speaks explicitly to the environmental benefits of efficient lighting (the green leaf generally conjures images of a healthy environment), the environment was judged to be a less important motivator of consumer behavior for the target audiences in the ELI campaigns. While we explored opportunities for modifying the logo in order to project a graphic image of economy and ecology, we ultimately decided that the green leaf maintained a universal appeal which could be augmented by national marketing campaigns which supported the economy and other themes in a culture-specific manner.

6. The European Union has developed an labeling scheme for lamps that rates their efficiency on a scale of "A" to "G". While this label informs consumers about efficiency, it does not provide information on quality. Therefore, ELI decided not to pursue the use of this label.

Overview of ELI's Investments and Partnerships

ELI has invested over \$3.7 million (4.07 Euros) in CFL promotions, and has built partnerships with the three major CFL manufacturers as well as with five smaller manufacturers, with electric utilities in four countries, and with major retailers in four countries. In five ELI countries, discussions are underway with local institutions to act as local custodians of the ELI logo. These efforts are discussed briefly below, and listed in more detail in Annex 1.

In five of the seven ELI countries (Argentina, the Czech Republic, Peru, the Philippines, and South Africa), market conditions were such that ELI's strategy for increasing the CFL market made use of the ELI logo.⁷ In these countries, ELI has invested over \$3.7 million resources in promoting CFLs and the ELI logo through print, television, radio, outdoor media, and PR events. This includes promotions of \$1 million (1.1 million Euros) each in Argentina, Peru, and the Philippines, \$300,000 (3.3 million Euros) in the Czech Republic, and \$420,000 (460,000 Euros) in South Africa. The promotion in the Philippines featured one of the nation's most popular comedians, Michael V. In order to help with name recognition, the South African promotion was conducted in partnership with the well-known Nelson Mandela Children's Fund. The Czech advertising campaign, a cartoon opposing a 'greedy and fat' incandescent lamp that 'eats' a lot of electricity to a 'thin and elegant' CFL that eats very little, won the first prize for creativity among Czech advertisements for the year 2001.

ELI has built strong partnerships with many different local organizations. ELI has a close relationship with standards institutes in all its countries of operation. In Argentina, Peru, the Philippines and South Africa, ELI has worked closely with electric utilities in order to help them develop programs that offer their customers ELI-qualified CFLs, at discounted prices or through a pay-on-the-bill lease. This helps open new markets for CFLs, particularly among poorer customers. In the Czech Republic, Peru, the Philippines and South Africa, ELI has provided education and point-of-sale (POS) material to large and small retailers. The POS material, which prominently features the ELI logo, encourages customers to purchase ELI-qualified products.

The results of these campaigns are not known yet (monitoring activities are underway) but anecdotal evidence from manufacturers and retailers suggest that consumers are now looking for the ELI logo as a sign of a high-quality product.⁸

ELI has had initial discussions with organizations who might be the local post-ELI custodians of the ELI logo. Candidate organizations include the Argentine Standards Institute (IRAM), a consumer organization or the Ministry of Trade and Industry (Czech Republic), a government

agency -currently being restructured- or a local NGO (Peru), UNDP/GEF Philippines Efficient Lighting Market Transformation Program (Philippines), and Eskom (South Africa).

Neighbors of ELI countries have made inquiries about using the logo in their own CFL promotions. The Vietnam Energy-Efficient Public Lighting Project, funded by the GEF and implemented by the UNDP, plans to adopt the ELI global specifications and qualification system in their own market transformation efforts. In Latin America, the financing branch of the Comunidad Andina de Naciones (Community of Andean Nations) expressed interest in extending the ELI program to other countries, among them, Venezuela.

Manufacturers' responses to the ELI logo

Manufacturers' response to ELI has been strong, as summarized in Table 2. In Argentina, the Czech Republic, Peru, the Philippines, and South Africa, ELI countries, the three major CFL manufacturers (GE, OSRAM, Philips) have ELI-qualified products on the market, and have applied the ELI label to them. Smaller manufacturers such as Maxlite (Argentina, Peru, Philippines, South Africa), Ultralite (Philippines), and Applo, Lohuis, and Sindanol (South Africa) are also labeling their ELI-qualified products. In addition, Philips manufactures the house-brand for two large South African retailers, Woolworth's and Pick and Pay, and their boxes carry the ELI logo.

Initially, manufacturers applied a sticker with the ELI logo to their packaging. Gradually, manufacturers' national or regional manufacturing offices are opting to print the ELI logo directly on their packaging. This is a strong indicator of manufacturers' confidence in the value of the ELI logo.

The campaigns took interesting turns. For example, in Peru, the unbranded CFLs sought to take advantage of ELI's advertising campaign by further lowering their prices. The combination of ELI's large advertising campaign, and pressure from very low prices for unbranded CFLs stimulated a significant price decrease on branded products. Prices went from \$12-25 (13.2 - 27.5 Euros) per unit in 1999 to \$2.5 - 6 (2.75 - 6.6 Euros) per unit now, and at least one manufacturer expects prices to go down to \$2 - 2.50 (2.2 - 2.75 Euros) within 3 years.

Because the Czech market assessment suggested that consumers did not perceive CFL quality to be a problem, the Czech advertising campaign did not emphasize the logo (although it was used in Point-of-Sale displays). However, manufacturers of qualified products took the initiative (with ELI's assent) to apply the logo to product packages, and to display the logo on advertisements, be-

7. The logo has not yet featured in Latvian CFL campaigns because these have so far been limited to pilots in small towns and cities. In Hungary, a consumer survey suggested that consumers did not perceive that CFLs quality was as problem. Furthermore, the ELI campaign for the 2001-2002 lighting season was regional, not national, and it was difficult for manufacturers to apply the logo on a regional basis.

8. A survey in the Philippines found that 15% of randomly chosen respondents total research respondents were aware of the ELI logo; this compares favorably to 20% of the population being aware of a local quality mark (ICC), which has existed for much longer than the ELI logo and is placed on a wider range of products.

cause they felt that the logo would help differentiate their products from the competition.

In the Philippines, the three major manufacturers have expressed continued interest in the use of the ELI logo to push the sales of their premium models after a year of having ELI logo decals on permitted models. In the case of Philips for example, there is a serious proposal to incorporate the ELI logo on the layout of their hologram-packaging intended for the broad Asian market. Osram is aggressively co-marketing the ELI logo with their Point-of-Sale promotional materials and print advertisements, over and above having the Green Leaf on their product packaging. A smaller manufacturer, Ultralamp, not only applied the logo, but in fact dedicated a whole panel of their packaging to explaining what ELI is.

The campaigns have encountered a few difficulties, but they were not significant. For example, an audit of South African shops found that one manufacturer placed the ELI sticker on products that did not meet the ELI specifications. ELI immediately got in touch with the manufacturer and issued a stern warning. Within a week, the manufacturer removed these products from retail shelves. A different problem, cited by smaller local manufacturers, is that they found the process for receiving ELI qualification slow and cumbersome.

We entered the program wary that the ELI logo might present a threat to the dominant players in the market. The logo and its accompanying campaign could be construed as a competing mark which might give smaller, competitors with high quality products a marketing umbrella to step onto a stage which they could not otherwise afford to mount. However, we have found both the smaller players and the more established firms equally supportive of the logo; though for different reasons.

Predictably, the smaller manufacturers have found that the logo provides credibility for their relatively unknown brands. By receiving ELI approval, not only are they able to directly participate in ELI-sponsored bulk purchases and other activities, but they receive a certification of quality which consumers have learned to recognize through the extensive ELI marketing campaigns.

Not so predictably, the more established, high name recognition manufacturer-marketers have also come to value the logo at an increasing level. As the relationship between ELI and these companies has developed, and the program has successfully delivered on its commitments, built a market identity, and demonstrated a commitment to principles of fair competition, the logo has gained value in their eyes. Perhaps most importantly, these companies keenly feel the threat posed by the proliferation of poor quality and counterfeit products. ELI's education campaign plays an important role in building a market of discerning consumers able to value high-quality products. In the context

of a market littered with very low-cost poor-quality products, the big producers clearly value the benefit of a credible, third party (non-manufacturer sponsored) logo able to differentiate quality while isolating poor quality products. They seem to feel that they can deal with the long-term threat to market share potentially represented by smaller, quality producers able to undersell them on a price basis, but unable to compete on a mass marketing basis. The greater threat is that represented by poor-quality products which can kill the market for many years to come.

The Opportunity Presented by the ELI Logo: Taking it From Here

ELI has created substantial value for the logo, as evidenced by the widespread uptake of the logo by serious manufacturers and retailers of quality products, and by the initial indications of impressive and substantial effectiveness of the logo-based programs within the ELI countries.⁹ In the context of a rapidly-growing global market for CFLs, and of a large untapped market for the technology, the stakes are high for producers of this high value product. Widespread consumer inability to make informed choices makes them vulnerable to the one-off, unbranded, low quality products which increasingly haunt the market. The specter of poor-quality product ruining a fledgling market of such great potential creates value for a quality mark which can address this threat.

The potential for taking the ELI logo global at this time is great, and IFC is currently (Spring 2002) seeking candidates post-ELI custodian(s) of the logo. With a network of local institutions in place in the ELI countries able and willing to support the logo, and an identity well-established in those countries, a launching pad is in place. The fuel for a global launch includes relationships established with global manufacturers who have already expressed interest in extending the life of the logo and adopting it to other geographic areas in their distribution network. While manufacturers' willingness to pay for the use of the logo is undocumented, the time is ripe to explore that possibility and the terms under which it would be attractive to them. The post-ELI custodian of the ELI logo would be responsible for, among other things, updating the quality specifications to reflect changes in markets and technology; updating the list of ELI-qualified products; undertaking periodic random testing of ELI-qualified lamps; and coordinating promotional activities with participating countries.

9. Actual (independently developed) program impact data are not available at this time. ELI has pioneered a comprehensive monitoring and evaluation approach involving a global team of evaluators active in mapping the program's implementation and market transformation impacts since the inception of the program. A post-program market impact study will be undertaken two years after the conclusion of the program activities (scheduled to be undertaken in late 2004) based on market assessment baseline data developed at the program outset.

The ELI program will also have financial reserves available at the conclusion of the country program activities (individual country programs will close between December 2002 and mid-2003) to seed an effort to sustain and extend the logo beyond the program life.¹⁰ However, IFC will only be willing to expend these resources if the institution or institutions involved are able to make a long-term institutional commitment of their own, provide a viable plan for sustaining that effort, and demonstrate their capability to execute the plan.

Author's note:

IFC invites inquiries from institutions able to play a role on a global or regional basis in building on the value ELI has created for the logo. Of particular interest will be institutions able to fulfill a global caretaker role, building on their existing competencies to develop and integrate a network of global partners fulfilling a variety of marketing, quality control, oversight, administration, enforcement, and policy roles. Interested parties may contact the ELI Global Manager, Russell Sturm, at rsturm@ifc.org.

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ANNEX: OVERVIEW OF ELI'S LOGO-RELATED ACTIVITIES, BY COUNTRY

The bullet point list below summarizes ELI's primary CFL promotion activities, by country, as well as each country's current plans for a local post-ELI custodian for the logo.

Argentina

- The ELI logo and quality message feature prominently in a \$1,000,000 (1.1 million Euros) advertising campaign.

- In order to increase consumer's confidence in the ELI logo, the better-known logo of the Argentine Standardization Institute (IRAM) appears next to the ELI logo on packages and promotional material.
- Arrangement with the distribution utility Edesur for manufacturers to set up CFL sales booths in Edesur's bill-paying center (approximately 7,000 visitors daily).
- Ongoing negotiations with IRAM to make the ELI standard and logo an IRAM national standard.

Czech Republic

- The ELI logo is not a central feature of the \$300,000 (330,00 Euros) Czech CFL ad campaign. Nevertheless, Manufacturers of ELI-qualified products (primarily Philips and OSRAM) have taken the initiative (with ELI's assent) of using the logo in their own campaigns as a tool to differentiate their higher-quality products, and the three major manufacturers have labeled their ELI certified products.
- ELI has arranged with in three major DIY stores (OBI, Hornbach and Baumarkt) and two major hypermarkets (TESCO and MAKRO) to place Point of Sale (POS) information on the shelves. The logo appears centrally on the POS material.
- The Czech Energy Efficiency Center is in the early stages of exploring with the Czech National Information Center for Quality Support the possibility of becoming the Czech custodian for the logo.

Hungary

- The logo is part of overall program identity, but not the focus of any campaign. This is because 1) market research found that consumers did not perceive quality to be a problem, and 2) the promotion has so far been limited to two counties (in which CFLs had a low penetration rate).

Latvia

- The logo is part of overall program identity, but not the focus of any campaign, because so far the campaigns have been relatively small-scale and highly localized. The logo may play a role in the larger lighting promotion planned for the 2002-2003 lighting season.

Peru

- ELI-Peru will run a joint promotion for ELI-certified CFLs with the utility, Edelnor (approximately 850,000 residential customers). Now that Edelnor has 'lit the way,' other utilities are also expressing interest in similar arrangements.

10. The future custodian of the ELI logo would be responsible for, among other things, updating the quality specifications to reflect changes in markets and technology; updating the list of ELI-qualified products; undertaking periodic random testing of ELI-qualified lamps; and coordinating promotional activities with participating countries.

- ELI has also reach an agreement with the Metro retail chain (responsible for two-thirds of sales in Lima, whose population is about 8 million people) for a promotion of ELI-certified CFLs.
- ELI-Peru has backed up these utility and retailer promotions with a 3-stage, \$1 million public education campaign, running in print and broadcast media.
- Initially, ELI-Peru had made plans with the PAE (Programa de Ahorro de Energia, or Energy Saving Program) to become the custodian of the logo after the close of ELI. However, government restructuring of PAE casts some uncertainty into this plan. Alternately, a local environmental NGO could be responsible for promotions of the logo on a national basis.

Philippines

- The ELI logo and quality criteria are the focus of a \$1,000,000 Public Relations, Advertising and Advocacy campaign featuring a nationally-known comedian.
- ELI has worked closely with the Electricity Regulatory Commission to ensure that all utilities be required to file DSM plans, and that energy-efficient lighting programs are among the 'default' plans. ELI hopes to soon conclude negotiations with the Philippines' largest utility, Meralco, to undertake a DSM pilot featuring ELI-qualified CFLs.
- ELI is 'scouring every inch' of Metro-Manila in order to educate staff of approximately 10,000 CFL retailers on the advantages of ELI-qualified CFLs, and to provide them with POS materials.
- ELI has begun discussions with The Philippine Efficient Lighting Market Transformation Project¹¹ to become the post-ELI custodian of the logo.

South Africa

- ELI has developed a 4.2 million Rand (US\$ 420,000, or 460,000 Euros)) advertising campaign that promotes CFLs and encourages consumers to look for the ELI logo.
- When faced with the problem of popularizing a logo that was unknown to the public, the South African team came up with an innovative solution: they established a partnership with the Nelson Mandela Children's Fund, a well-known local charity. For each CFL sold, one rand (approximately \$ 0.10 or 0.11 Euros) is contributed to this fund.¹² The Children's Fund logo appears next to the ELI logo on packages of qualified products.

The National utility Eskom has an in-house testing lab and has expressed interest in being the custodian for the ELI logo after the end of the program. Eskom is a cofunder of ELI,¹³ and has a 20-year DSM plan.

11. PELMATP is funded by the GEF and implemented by the United Nations Development Program (UNDP).

12. Of this one rand, ELI contributes 40%, and the manufacturer and retailer each contribute another 30%.

13. ELI-South Africa's budget consists of \$2.5 million from IFC, and \$7.5 million from Eskom.