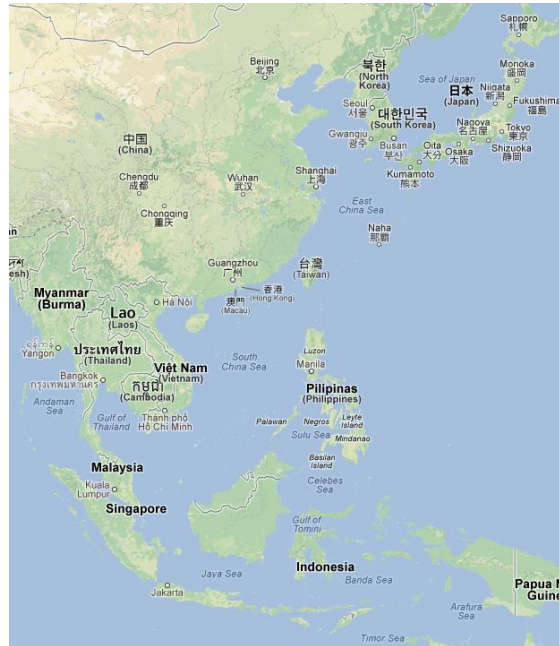


Regional Workshop

Green Public Procurement and Eco-Labeling

- Life Cycle Costing (LCC) -



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Phuket, May 2013

Andreas Manhart

Comparison of two product alternatives

Laserprinter



Canon i-SENSYS
LBP 5360

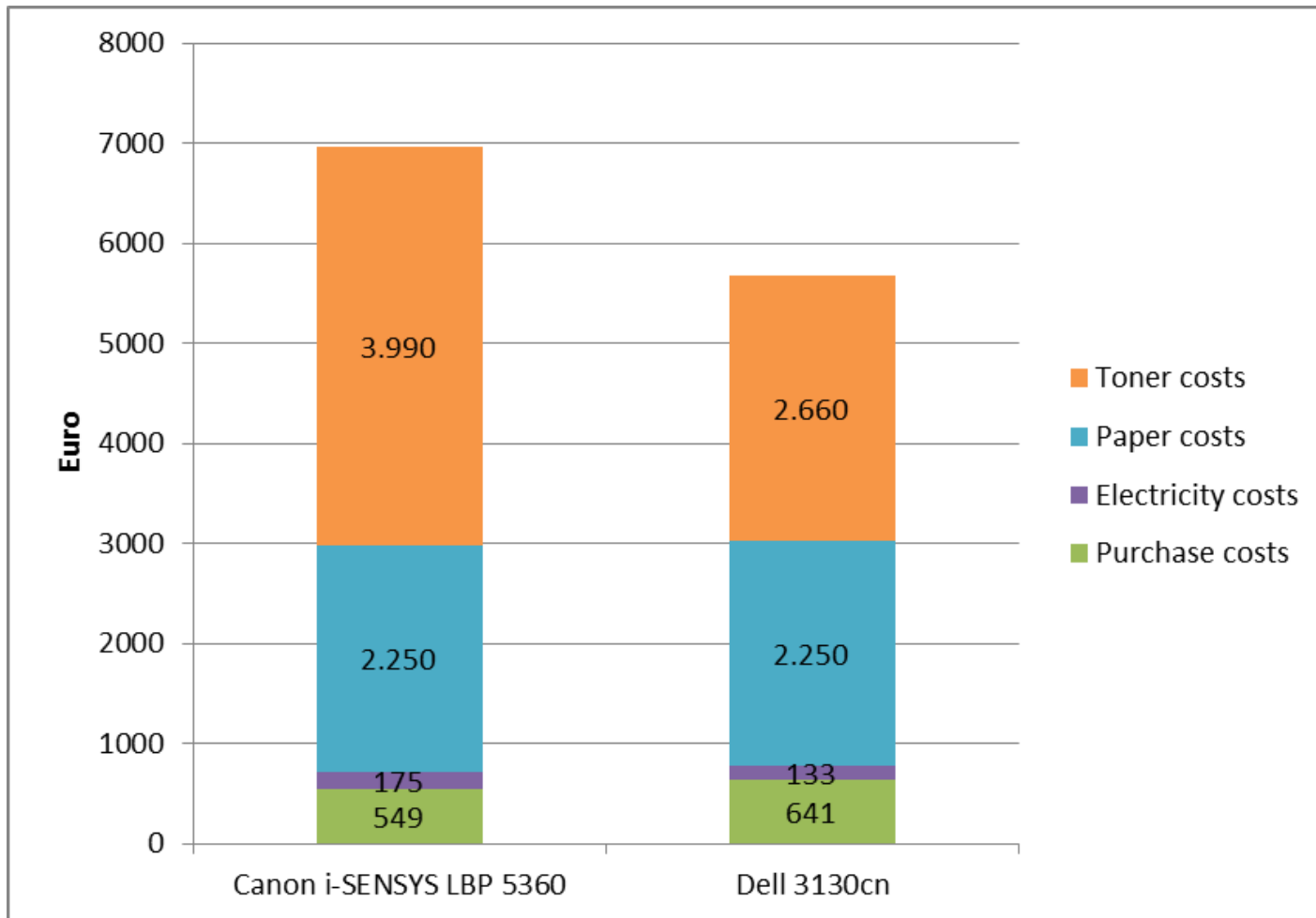


Dell 3130cn

Relevant (cost) data

	unit	Canon i-SENSYS LBP 5360	Dell 3130cn
Life time	years	5	5
Purchase			
Purchase costs	Euro	549	641

LCC Results



- ➡ **Energy efficient appliances are usually more expensive in comparison to equivalent conventional appliances**
- ➡ **But: their operating costs are often lower**
- ➡ **Operating costs are usually not known by consumers and they are not included in the purchase decision**

- ➔ **LCC can be used to put higher purchasing prices into a realistic perspective.**
- ➔ **Energy-efficient products often show monetary benefits (higher purchasing prices - lower operating costs).**
- ➔ **This could be used to convince consumers and to promote efficient appliances on the market.**
- ➔ **LCC at consumer level could be helpful for achieving a faster market penetration for energy-efficient products.**
- ➔ **But: For consumer information, little practical experiences available.**
- ➔ **In GPP: Important to justify the purchase of “green” but more expensive products.**

**Thank you very much
for your attention!**

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Definition

- **Assessment of all costs which are connected to the entire life cycle of a certain product. The costs are directly covered by one or more actors within this life cycle (Hunkeler et al. 2008).**
- **LCC includes costs of installation, operation, maintenance and decommission.**
- **By using this methodology consumers are able to compare and evaluate alternative products and they can assess their economic viability.**