



Technical Workshop

LCC as a tool for Sustainable Public Procurement

Wrap up and next steps

1. Key Notes

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2. Introduction to SCP Policy Framework in Malaysia

SCP Policy Framework in Malaysia and GGP Short-Term Action Plan 2013-2014 (Dr. Gerhard Weihs and Mr. Khairul Naim Adham, SCP Policy Malaysia)

3. Motivation and Expectation from technical Workshop

All Participants

4. Technical Inputs

3.1 Life-Cycle-Costing (LCC) Methodological Concept, Application and Experiences in Europe (Mr. Siddharth Prakash (Oeko-Institut e.V., Germany)

3.2 Excel Tool for using LCC-CO₂ Emission in Public Procurement (Mr. Siddharth Prakash (Oeko-Institut e.V., Germany)

4. Group Works/Exercises and Discussion

(detailed in handy drive)

Exercise I: Calculating of LCC in Public Procurement
„Fluorescent Lamp“ (jointly conducted)



Exercise II: Calculating of LCC in Public Procurement
„Air-Condition“ and **„Refridgerator“**
(individual/country specific)



4. Group Works/Exercises and Discussion

(detailed in handy drive)

Exercise III: Calculating of LCC in Public Procurement
„ Office Equipment with Print function“
(individual/country specific)



5. Technical Inputs

3.1 Life-Cycle-Costing (LCC) in the retail sector – potential of LCC in labeling initiatives in SEA region

(Mr. Siddharth Prakash (Oeko-Institut e.V., Germany)

- **Energy label** is not sufficient
individual benefit is not visible
not self explaining difference between A, A+, A++ etc
- **LCC Labeling**
Savings should be relatively high (absolute numbers)
Unclear or overload of information should be avoided
operating costs should be communicated
Standard measuring procedure necessary to be able to compare results

6. Group Works/Exercises and Discussion

6.1. Policy and Framework

1. which policy should be adapted for using LCC as a procurement tool and who is responsible for this?

GPP Policies and laws, MoF, MoE, MoEnergy, Budget Bureau

2. What could be challenges to implement LCC as a procurement tool?

a) lack of technical expertise and knowledge,

b) lack of reliable data,

c) lack of readiness/willingness from private sector to provide LCC information

d) limitation of LCC as practical tool

e) conflict with current procurement law

3. How can these challenges be overcome?

a) Trainings,

b) setup of technical specifications, focal point need to be defined

c) change from voluntary to mandatory regulations and provide incentives to private sector

d) combination of different tools i.e. LCC + ECO Labels

e) amend the law

6. Group Works/Exercises and Discussion

6.2. Promotion and Marketing of LCC in public authorities

1. Which incentives would be useful to market LCC as a procurement tool?

Competitions, KPI , Awards, Bonus systems

2. How the success of using LCC could be measured?

Sale volume of efficient products has increased, Budget savings can be calculated, Reduction of CO2 emissions can be evaluated.

3. What are the requirements for procurer to using LCC?

LCC Concept, Database for green labelled products and services, Awareness Raising

6. Group Works/Exercises and Discussion

6.3. LCC in Retail Sector

1. What would be a suitable way of LCC labeling in your country?

simple, understandable, focus on operational costs

Integration in existing tools, such as ECO-Directory

2. Who would be the key player (Driver) in implementation?

Governmental Institutions, private sector, NGO's

3. Which instruments/tools could be used to raising awareness of the endconsumer (general public and public procurer)?

Public campaigns, economical incentives, Workshop-Training (Public procurers only), Mission Statements from Organisations, certification by third party organisations, Integration in existing ECO Labels

7. Next steps

List of potential topics/activities for further cooperation

- Preparation of technical specification for public procurement tenders and evaluation of those
- Development of communication tools and strategies to promote LCC, ECO Labels and GPP in public authorities
- LCC/Eco - Labeling Workshop with Retailer/Producer to promote consumer information

