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Intro -- Foreword -- Acknowledgements -- Abbreviations and acronyms -- Executive summary -- Key findings -- The use of LCC in Hungary -- LCC tools in OECD countries -- Policy recommendations --1. Life-cycle costing as a tool in mainstreaming green public procurement -- References -- Notes -- 2. State-of-the-art in adopting life-cycle costing in Hungary -- 2.1. Hungarian policy and regulatory framework on green public procurement and on LCC --2.1.1. The Hungarian regulatory framework on public procurement gives ample room for the use of green public procurement approaches -- 2.2. Using public procurement to deliver on sustainability is promoted widely -- 2.3. Operational support to contracting authorities on how to implement green public procurement exists -- however, further efforts are needed -- 2.4. Uptake of green public procurement is still lagging behind -- 2.5. Experience with the use of LCC tools in public procurement procedures is almost non-existent -- however, there are some good examples -- 2.5.1. The main reasons for the very low uptake of the LCC methodology in Hungary -- Lack of practical

knowledge and expertise in conducting LCC -- Lack of access to a comprehensive LLC methodology and the insufficiency of supporting

tools -- Unavailability of relevant data for LCC calculations -- Fear of audits risks -- A weak appreciation of the benefits of using LCC in public procurement -- References -- Notes -- 3. Mapping life-cycle costing tools and practices -- 3.1. Mapping of available tools and methodologies to support the use of LCC -- 3.1.1. Availability of LCC tools in the broader GPP policy context -- 3.1.2. Approaches to LCC calculations -- 3.1.3. Economic methodology for LCC calculations --3.1.4. Purchasing categories relevant for LCC -- 3.1.5. Mapping the climate dimension of LCC tools. 3.1.6. Lessons learnt from the tool development process -- 3.2. Comparative analysis of selected spreadsheet-based LCC tools --3.2.1. Findings -- Finding the balance between simplicity and accuracy -- Externalities -- Consumption patterns (operational costs) --Reference data -- User-friendly features -- 3.3. Key takeaways --3.3.1. LCC adoption remains low across many countries, even when there is commitment to GPP -- 3.3.2. Limited availability of tools for

specific product groups -- 3.3.3. Development of LCC tools is a labour-intensive process -- 3.3.4. Difficulty in ensuring the methodological soundness of the tools -- 3.3.5. LCC and TCO practices and approaches are more advanced in the infrastructure/ construction sector -- 3.3.6. Evidence and data on LCC use is scarcely available -- 3.3.7. Standardisation gaps/lack of consensus on how to incorporate environmental costs -- 3.3.8. Time pressure and capacity gaps pose key barriers to wider adoption -- 3.3.9. Tools are necessary but not sufficient condition for success -- References -- Notes -- 4. Recommendations -- 4.1. Political leadership is a key element for commitment to sustainability -- 4.2. Target strategically the efforts in the adoption of LCC -- 4.3. Ensuring the collection of evidence and data on LCC use -- 4.4. Enhancing cooperation for standardisation of parameters and integration of expert knowledge -- 4.5. Ensuring the maintenance of the existing tools and the supporting frameworks --

Sommario/riassunto

This report provides Hungary with key recommendations and policy options to establish comprehensive and user-friendly methodologies and tools for the greater uptake of life-cycle costing (LCC) methodology in public procurement. The report introduces the concept of LCC and its links to the wider sustainable public procurement agenda, and maps the current practices in Hungary and existing LCC tools in other EU and OECD countries, with a view of drawing insights to promote the development and uptake of LCC tools.

Annex A. Identified LCC tools.