

# NEGOTIATED PROCUREMENT: ADJACENT OR CONTIGUOUS

## Overview

This mode of procurement may be adopted in cases of Adjacent or Contiguous Projects, where the subject contract is adjacent or contiguous to an ongoing Infrastructure Project, or involves Consulting Services in which the consultants possess unique experience and expertise necessary to deliver the required services.



## Conditions

This mode of Negotiated Procurement may be adopted, provided the following conditions are present:

- a) That the original contract is the result of a Competitive Bidding, Competitive Dialogue, and Limited Source Bidding;
- b) The subject contract to be negotiated has similar or related Scope of Work or Terms of Reference;
- c) It is within the contracting capacity of the contractor or consultant;
- d) For Infrastructure Projects, in determining the Single Largest Completed Contract (SLCC), Net Financial Contracting Capacity (NFCC), and PCAB license, the sum of the value of the remaining works for the existing contract and the ABC of the contiguous or adjacent work shall be considered;
- e) The contractor or consultant uses the same prices or lower unit prices as in the original contract less mobilization cost;
- f) The amount involved does not exceed the amount of the ongoing project;
- g) The contractor or consultant has no negative slippage or delay in the original contract; and
- h) The negotiations for the procurement commenced before the expiry of the original contract.

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In Infrastructure Projects, the phrase adjacent or contiguous refers to projects that are in actual physical contact with each other or in the immediate vicinity such that the required equipment and other resources can easily be mobilized; while in Consulting Services, it pertains to the linkage or relationship of the subject matters, outputs or deliverables required.

If there is a necessity to introduce new items which are related to the scope of work of the original contract, the Procuring Entity shall ensure that the unit prices of the new items are equal to or lower than the prevailing market prices.