05 Annex - Public Procurement

26. CONDITIONS AND METHOD OF ESTABLISHING THE PUBLIC CONTRACT VALUE

CONDITIONS AND METHOD OF ESTABLISHING THE PUBLIC CONTRACT VALUE

This act shall lay down detailed conditions and method of establishing the value of public procurement contracts which shall be applied by the contracting authorities in public procurement procedures as provided for in the Public Procurement Law (hereinafter referred to as the "Law").

I ESTIMATION OF THE PUBLIC CONTRACTS VALUE

- 1. Calculation of the estimated public contract value is based on total remuneration to be paid, with VAT, according to the estimation of the contracting authority.
- 2. The estimated value of goods, services or works corresponds to the total remuneration that is to be paid by the contracting authority for all goods, services, works, immovable assets and other items included in the procurement in question.
- 3. Where it is reasonably expected that the proposed contract is going to be extended, renewed or followed by a new goods, services or works contract, the basis for calculation of the estimated value of such proposed contract shall be the maximum total possible remuneration that shall be paid for the proposed contract, including the maximum total possible remuneration that shall be paid for the contingent contract extension, contract renewal or a new contract.

The estimated value of good, services or works is their estimated value in time of publicaton of the public procurement plan framework contents, prior invitation, that is prior contract notice, pursuant to the Article 33 of the Law it shall:

- 1. The contracting authorities shall not divide the contract subject-matter with an intention of avoiding the application of the public procurement procedures prescribed by the Law.
- 2. Selection of methods for calculation of the the estimated public contrats value shall not be performed with an intention of avoiding the application of the public procurement procedures prescribed by the Law.
- 3. Where, due to the proposed procurement of works, goods or services, several public contracts are awarded simultaneously by the lots, a total estimated value of these lots shall be taken into account.
- 4. If the total value of all lots corresponds to or exceeds the value scales provided in the Article 19 of the Law, then a procedure prescribed by the Law related to the given value scales shall be applied separately for each of the lots.

II ESTIMATION OF THE PUBLIC CONTRACTS FOR PROCUREMENT OF GOODS

In cases of recurrent public contracts, or the public contracts which are intended to be repeated in a certain period of time, the calculation of contract estimated value shall be based upon:

 a) Total actual value of identical successive contracts which had been awarded during previous 12 months or the previous financial year which was, if possible, talilored to take into account the changes of quantity or value which would come during a period of 12 months after the main contract was concluded;

or

b) Total estimated value of successive contracts awarded during the period of 12 months after the first delivery, or during the financial year in case it lasts longer than 12 months.

In cases of the contracts for leasing, rental or purchase of goods at the wage which does not specify a total price, the value which is taken as the basis for calculating the estimated contract value is:

- a) In case of public contracts with the established period of duration, if the period is less than or exactly 12 months, total estimated value for the duration of the contract or, if the duration of the contract is more than 12 months, the total value including the estimated value of the remaining part;
- b) In the case of contracts without the determined period or a period that can not be determined, the monthly value multiplied by 48.

III ESTIMATION OF THE PUBLIC CONTRACTS FOR PROCUREMENT OF SERVICES

In cases of recurrent public contracts, or the public contracts which are intended to be renewed in a certain period of time, the calculation of contract estimated value shall be based upon:

 a) Total actual value of identical successive contracts which had been awarded during previous 12 months or the previous financial year which was, if possible, talilored to take into account the changes of quantity or value which would come during a period of 12 months after the main contract was concluded;

or

b) Total estimated value of successive contracts awarded during the period of 12 months after the first delivery, or during the financial year in case it lasts longer than 12 months.

In the case of public service contracts that do not indicate the total price, the value which is taken as the basis for calculating the estimated contract value is:

- a) In case of public contracts with the established period of duration, if the period is less than or exactly 48 months, total estimated value for the duration of the contract;
- b) In the case of contracts without the determined period or a period longer than 48 months, their monthly value multiplied by 48.

For the purposes of calculating the estimated value of public service contracts relating to insurance, banking or other financial services, or project services, where possible, there shall be taken into account:

- a) In the case of insurance services: the premium to be paid and other forms of compensation;
- b) In the case of banking and other financial services: fees, commissions, shares and other benefits;
- c) In case of project services: fees commissions to be paid and other benefits.

IV ESTIMATION OF THE PUBLIC CONTRACTS FOR PROCUREMENT OF WORKS

As regards the public works contracts, when calculating their estimated values, there shall be taken into account both the price of the works and the total estimated value of the goods that are necessary to perform the works, which have been put at the disposal of the contractor by the contracting authority.

V ESTIMATION OF THE PUBLIC CONTRACTS IN THE CASE OF OPTION CONTRACTS

In cases where the proposed contract contains an option, the basis for calculating the estimated value of the contract is the largest possible amount of purchase, lease, rent, wage-purchase,

including any potential amounts that may arrive to payment due to the execution of the option clause.

VI ESTIMATION OF THE VALUE OF FRAMEWORK AGREEMENT

Regarding the framework agreements, the value to be taken into account is the maximum estimated value with VAT of all contracts which are foreseen for the complete period of the framework agreement.

VII ESTABLISHING THE DATABASE ON PRICES, RAN BY THE PUBLIC PROCUREMENT DIRECTORATE

Assessment is made on the basis of the prices applicable on the day of decision on the initiation and implementation of the public procurement procedure.