

## **Activity 4.2**

Negotiations can be effective as an approach to procurement in the following cases:

1. For high value products and services.
2. When long-term guarantees of supplies are necessary.
3. When the purchase is complex and there are many factors to consider in addition to price.
4. When only one or few suppliers exist or when a particular supplier is preferred to the exclusion of others.
5. When no reference point exists for the contract and the price, completion and technical requirements can only be determined as the result of a clarification process.