

Letter of Invitation

Country: PANAMA
Project: IMPACT OF PANAMA CANAL ON PANAMA'S ECONOMY
Sector: Consulting
Abstract: Design an Institutional Measurement and Estimation Module and develop an analytical tool for the Economic Impact of the Panama Canal and related activities on the Republic of Panama
Tech Coop: ATN/JF-11091-PN

The Government of Panama has obtained a technical cooperation from the Inter-American Development Bank (IDB) to carry out a consulting work/study that will result in the design of an institutional measurement and estimation module and the development of an analytical tool system for the Panama Canal and related activities on the national economy, as part of a general inter-institutional initiative. The eligibility rules and procedures for procurement of consulting firms as stated in the agreement between the IDB and the country will govern the process to receive expressions of interest from interested parties. Autoridad del Canal de Panamá (ACP) will be the executing agency for the project.

The ACP invites qualified firms from IDB eligible member countries to express interest to participate in the pre-selection of firms to carry out consulting work/study on "IMPACT OF PANAMA CANAL ON PANAMA'S ECONOMY".

The objectives of this study are as follows:

- a. To measure accurately and precisely, as well as forecast, the economic impact of the Panama Canal and Related Activities on the Panamanian economy.
- b. To design methods, processes and methodologies for a future implementation of an Institutional Measurement and Estimation Module for the impact of the Panama Canal and Related activities on the Panamanian economy, as part of the Panama National Accounts. This design shall include, but not be limited to, complete processes and methods, detailed flowcharts and methodologies for all related government agencies to be able to implement in the future proposed data collection processes and data sharing to provide updated and accurate results for all stakeholders. It is intended that government agencies linked to the Panama Canal and Related activities have an active role on this design, through a close collaboration effort within the framework of an inter-institutional initiative, in order to lay the foundations for a permanent measurement system of the economic activities of interest
- c. To design and implement a software and hardware-based simulation/forecasting model as an analytical tool to support the design of the Institutional Measurement and Estimation Module for the economic impact of the Panama Canal and Related

activities on the Panamanian Economy. This analytical tool shall use the *Panama Canal Economic Impact Model and Study* developed in 2006, as a baseline. However, this analytical tool shall also measure and estimate impacts of the Panama Canal and related activities that might have not been estimated using the Original Model. Hence, as a basis for the design of the Institutional Measurement and Estimation Module, the 2006 model shall be completely revised and updated, using various analytical tools such as input/output matrices, network analysis, and econometric estimation.

- d. To promote the use of the results to complement financial planning, pricing policies, marketing efforts and decision-making processes at the Ministry of Finance, the General Controller's Office, the Maritime Authority, the ACP, and other government agencies.
- e. To guarantee the sustainability of the data collection and analysis processes, by "improving in-house technical capacity" across participating agencies.
- f. To share and disseminate knowledge and attained results with the local think-tank community and general public. The analytical tool shall provide updated results that accurately portray the economic impact of the Panama Canal and Related activities to all stakeholders. The final results of the design of the Institutional Measurement and Estimation Module and the analytical tool will also be made available to a range of other government agencies. Detailed results are going to be released with some reservations.

Firms and consultants interested in this consulting work/study may obtain further information and review prequalification documents from the ACP web site. The IDB's procurement policies can be reviewed at www.iadb.org

Temporary joint ventures or consortiums are permitted. Firms may associate with each other in the form of a joint venture or a sub consultancy agreement to complement their respective areas of expertise, make available a bigger pool of experts, and provide better approaches and methodologies. The joint venture should appoint one of the firms to represent the association and shall submit a signed agreement that constitutes the joint venture.

All interested parties will be evaluated on the basis of the following minimum qualifications. In the case of temporary joint ventures or consortiums, the combined experience of partner firms will be assessed to comply with the minimum requirements. The nationality of a firm is that of the firm appointed to represent the joint venture. To assess the financial capacity of partner firms, each one should provide its financial statements. Firms not meeting the following minimum qualifications are asked not to submit a response. The minimum qualifications are as follows:

- To possess a minimum of five (5) years of hands-on consulting experience in the areas of National accounts, transportation economics, and applied macroeconomic and microeconomic modeling,

- To have experience in the development of economic impact and/or feasibility studies
- To have experience in the development of projects related to applied economic modeling, national accounts and transportation in Latin America
- To have at least five (5) years of experience related to organizing multidisciplinary teams for economic related consulting projects and coordination efforts among several government agencies and/or among teams across different institutions
- To possess experience in projects or studies financed by multilateral organizations.
- To have financial capacity (to be shown by banking references and financial statements)
- To possess direct knowledge and work experience in Panama.

Prequalification responses must be submitted in English or Spanish, enclosed in a sealed envelope clearly marked on the top right hand corner "Application to Pre-qualify for IMPACT OF PANAMA CANAL ON PANAMA'S ECONOMY" at the address below at or before 1500 hours (Panama time) November 11, 2008. Late applications shall not be considered.

Neither ACP nor the IDB will be responsible for any costs or expenses incurred by applicants in connection with the preparation or delivery of applications.

Applicants will be informed in due course of the result of their applications. Only applicants preselected under this prequalification process will be invited to bid under the international competitive bidding procedures for the above-mentioned consulting services.

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