

**MODERNIZATION OF ENVIRONMENTAL MANAGEMENT FOR COMPETITIVENESS  
(PN-L1013)**

**PROJECT PROCUREMENT PLAN**

**Model A: for specific projects**

**General Information**

**Country:** Panama

**Borrower:** Republic of Panama

**Executing agency:** Autoridad Nacional del Ambiente [National Environment Authority] (ANAM)

**Project name:** Modernization of Environmental Management for Competitiveness

**Project and loan contract numbers:** PN-L1013

**Brief description of the project's objectives and components:** To support the consolidation and modernization of environmental management and the capacities of ANAM to respond to the growing environmental management challenges of competitiveness. Three interrelated components will be implemented: (i) consolidation of the national environmental management framework, (ii) strategic subnational institution-strengthening for environmental management, and (iii) integrated water resource management.

**Estimated date of project approval by the Board of Executive Directors:** November 2007

**Estimated date of signature of the loan contract:** December 2007

**Estimated date of the final disbursement:** December 2012

**A. Introduction**

Procurements for the proposed project will be carried out in accordance with the *Policies for the Procurement of Goods and Works Financed by the Inter-American Development Bank* (document GN-2349-7), of July 2006; and the *Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank* (document GN-2350-7), of July 2006, and with the provisions established in the loan contract and this procurement plan.

**B. Procurement plan**

The procurement plan for "Modernizing Environmental Management for Competitiveness," covering 18 months of program execution<sup>1</sup> from the first quarter of 2008 to the second

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<sup>1</sup> The first 18 months of project execution are counted from the date of publication of the general procurement notice, or the first specific procurement notice published following approval of the loan, whichever is earlier.

quarter of 2009, has been agreed between the Bank and the National Environment Authority of Panama. The plan, which is summarized in Appendix 1, indicates the procedure to be used for the procurement of goods, the contracting of works or services, and the method of selecting consultants, for each contract or group of contracts. It also indicates cases requiring prequalification; the estimated cost of each contract or group of contracts; the requirement for prior or post review by the Bank; and estimated dates for the publication of specific procurement notices and completion of the contracts included in this program. The procurement plan will be updated annually or whenever necessary or as required by the Bank. The detailed procurement plan is available at:

*ANAM*  
*Panama City*  
*Panama*  
*Telephone 507-315-0855 (4489)*

The procurement plan is available at the executing agency's website ([www.anam.gob.pa](http://www.anam.gob.pa)). It can also be found on the Bank's website: [Project Procurement Information](#)

### **C. Project procurement**

The following is a general description of the procurement planned for the proposed program.

**Works procurement:** No works are to be contracted under the program.

**Goods procurement:** The goods to be procured for this program include: computer hardware and laboratory and field sampling equipment.

Project goods requiring international competitive bidding (ICB) will be procured using the standard bidding documents issued by the Bank. Procurement subject to national competitive bidding (NCB) will be undertaken using national bidding documents agreed upon with the Bank *[or satisfactory to the Bank in the absence of an agreement]*.

**Procurement of nonconsulting services:** Publication services (mainly after the first 18 months).

**Procurement of consulting services:** Consulting services for the program include: top-level international and national specialists in SEAs and EIAs, specialists in formulating administrative procedures for environmental management instruments, specialists in preparing laboratory standards and accreditation, and specialists in economic instruments.

The consulting firms to be hired for the program will be selected using the standard request for proposals (RFP) issued by the Bank, or an RFP satisfactory to the Bank in cases where the standard RFP is not applicable. Individual consultants will be selected bearing in mind the provisions established in chapter V of the policy in document GN-2350-7.

Short lists of consultants for consulting services estimated to cost less than US\$200,000 equivalent per contract may consist entirely of national firms.

#### **D. Bank review of procurement decisions**

The following contracts will be subject to ex ante review by the Bank in accordance with Appendix 1 of the policies for the procurement of works and goods and the selection of consultants, respectively:

- a. Goods contracts with an estimated total cost of US\$50,000 equivalent or more.
- b. Contracts for nonconsulting services with an estimated total cost of US\$50,000 equivalent or more.
- c. All direct contracting.
- d. Contracts for consulting services with firms with an estimated total cost of US\$200,000 equivalent or more.
- e. Contracts with individual consultants with an estimated total cost of US\$50,000 equivalent or more.
- f. All single-source selection of consulting firms.

Other contracts will be subject to ex post review by the Bank, in accordance with the aforementioned Appendix 1 of the policies.

**PROGRAM PROCUREMENT THRESHOLDS (US\$)**

	<b>ICB</b>	<b>NCB</b>	<b>Shopping</b>
<b>Works</b>	≥3,000,000	250,000–3,000,000	<250,000
<b>Goods</b>	≥250,000	50,000–250,000	<50,000
<b>Consulting services</b>	≥200,000		

#### **E. Domestic preference**

Not applicable.

## APPENDIX 1

### PROCUREMENT PLAN<sup>2</sup>

**Country:** Panama

**Executing agency:** National Environment Authority

**Project name:** Modernization of Environmental Management for Competitiveness

**Project and loan contract numbers:**<sup>3</sup> PN-L1013

**Brief description of the project's objectives and components:**

To support the consolidation and modernization of environmental management and the capacities of ANAM to respond to the growing challenges of competitiveness. The program comprises three interrelated components: (i) consolidation of the national environmental management framework; (ii) strategic subnational institution-strengthening for environmental management; and (iii) integrated water resource management.

**Estimated date of project approval<sup>4</sup> by the Board of Executive Directors:** October 2007

**Estimated date of signature of the loan contract:** December 2007

**Estimated date of the final disbursement:** December 2012

**Address of the executing agency office responsible for the procurement plan:**

Autoridad Nacional del Ambiente

Sede Principal Edificio 804, Albbrook, Apartado C-0843- Balboa, Ancón

República de Panamá

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<sup>2</sup> All project contracts should be included, even if not financed by the Bank, indicating the source of funding in each case.

<sup>3</sup> The loan contract number should be entered as soon as one has been assigned.

<sup>4</sup> Because this document must be prepared during the project analysis phase, the dates given initially for approval of the operation, signature of the contract, and the final disbursement are merely estimates. They must be revised when the definitive dates are known.

Ref. no. <sup>5</sup>	Description of contract and estimated procurement cost	Procurement method <sup>6</sup>	Review (ex ante or ex post)	Source of financing and percentage		Pre-qualification (Yes/No)	Estimated dates		Status (pending, in process, awarded, canceled)	Comments
				IBD %	Local / Other %		Publication of specific procurement notice	Completion of contract		
	<b>1. Goods</b>									
	○ <b>Good 1. Information system equipment (US\$560,000)</b>	<b>ICB</b>	Ex ante	100	0	No	1st quarter 2008	2nd quarter 2008	Pending	
	○ <b>Good 2. Hydrometric network equipment, including transmission and maintenance systems (US\$1,000,000)</b>	<b>ICB</b>	Ex ante	55	45	No	2nd quarter 2008	1st quarter 2009	Pending	
	○ <b>Good 3. Field equipment for environmental monitoring (US\$630,000)</b>	<b>ICB</b>	Ex ante	0	100	No	2nd quarter 2008	4th quarter 2008	Pending	

<sup>5</sup> If a number of similar individual contracts were to be executed in different places or at different times, these can be grouped together under a single heading, with an explanation in the comments column indicating the average individual contract amount and the period during which they would be executed. For example, an education project that includes school construction might include an item “school construction” for a total of US\$20 million, and an explanation in the comments column such as: “This encompasses some 200 contracts for school construction averaging US\$100,000 each, to be awarded individually by participating municipal governments over a three-year period between January 2006 and December 2008.”

<sup>6</sup> **ICB**: International competitive bidding; **LIB**: limited international bidding; **NCB**: national competitive bidding; **PC**: price comparison; **DC**: direct contracting; **FA**: force account; **PSA**: Procurement through Specialized Agencies; **PA**: Procurement Agents; **IA**: Inspection Agents; **PLFI**: Procurement in Loans to Financial Intermediaries; **BOO/BOT/BOOT**: Build, Own, Operate/Build, Operate, Transfer/Build, Own, Operate, Transfer; **PBP**: Performance-Based Procurement; **PLGB**: Procurement under Loans Guaranteed by the Bank; **PCP**: Community participation procurement. **Consulting Firms**: **QCBS**: Quality- and Cost-Based Selection **QBS**: Quality-Based Selection **FBS**: Selection under a Fixed Budget; **LCS**: Least-Cost Selection; **CQS**: Selection based on the Consultants’ Qualifications; **SSS**: Single-Source Selection.

Ref. no. <sup>5</sup>	Description of contract and estimated procurement cost	Procurement method <sup>6</sup>	Review (ex ante or ex post)	Source of financing and percentage		Pre-qualification (Yes/No)	Estimated dates		Status (pending, in process, awarded, canceled)	Comments
				IBD %	Local / Other %		Publication of specific procurement notice	Completion of contract		
	○ <b>Good 4: Mobile unit (environmental culture) (US\$125,000)</b>	NCB	Ex ante	80	20	No	3rd quarter 2008	3rd quarter 2009	Pending	
	○ <b>Good 5: Basic equipment for DIGICH (US\$30,000)</b>	PC	Ex post		100	No	1st quarter 2008	2nd quarter 2008	Pending	
	<b>2. Non-consulting services</b>									
	Service 1: Publications (various) US\$260,000	PC	Ex post	70	30	No	4th quarter 2008	4th quarter 2010	Pending	
	Service 2: Publication of Environmental Atlas US\$100,000	PC	Ex post	0	100	No	1st quarter 2009	4th quarter 2009	Pending	

Ref. no. <sup>5</sup>	Description of contract and estimated procurement cost	Procurement method <sup>6</sup>	Review (ex ante or ex post)	Source of financing and percentage		Pre-qualification (Yes/No)	Estimated dates		Status (pending, in process, awarded, canceled)	Comments
				IBD %	Local / Other %		Publication of specific procurement notice	Completion of contract		
3.	Consulting services									
	○ Consultancy 1: SEA development, including consulting and training (US\$400,000)	QBS	Ex ante	100		No	1st quarter 2008	3rd quarter 2010	Pending	
	○ Consultancy 2: EIA modernization, including manuals, good practice guidelines, training, and dissemination of outcomes (US\$600,000)	QBS	Ex ante	100		No	2nd quarter 2008	4th quarter 2008	Pending	
	○ Consultancy 3: Design of information systems (US\$180,000)	QBS	Ex post	100		No	1st quarter 2008	3rd quarter 2009	Pending	
	○ Consultancy 4: SIA strengthening (US\$94,000)	QBS	Ex post	100		No	1st quarter 2009	1st quarter 2010	Pending	
	○ Consultancy 5: Noise standard, including preparation and training (US\$100,000)	QBS	Ex post	100		No	2nd quarter 2008	2nd quarter 2010	Pending	
	○ Consultancy 6: Hazardous waste standard, including preparation, publication, and training (US\$250,000)	QBS	Ex ante	100		No	1st quarter 2011	1st quarter 2012	Pending	
	○ Consultancy 7: Vibrations standard, including preparation, publication, and training (US\$110,000)	QBS	Ex post	100		No	2nd quarter 2009	2nd quarter 2010	Pending	

Ref. no. <sup>5</sup>	Description of contract and estimated procurement cost	Procurement method <sup>6</sup>	Review (ex ante or ex post)	Source of financing and percentage		Pre-qualification (Yes/No)	Estimated dates		Status (pending, in process, awarded, canceled)	Comments
				IBD %	Local / Other %		Publication of specific procurement notice	Completion of contract		
	○ Consultancy 8: Environmental disaster regulations, including preparation, publication, and training (US\$135,000)	QBS	Ex post	100		No	3rd quarter 2011	2nd quarter 2012	Pending	
	○ Consultancy 9: Upgrading the environmental quality laboratory and environmental inspectors (US\$165,000)	QBS	Ex post	100		No	3rd quarter 2008	1st quarter 2009	Pending	
	○ Consultancy 10: Economic instruments (US\$275,000)	QBS	Ex ante	100		No	1st quarter 2008	3rd quarter 2010	Pending	
	○ Consultancy 11: Package 1 of technical assistance and training for regional offices and related municipalities (US\$385,000)	QCBS	Ex ante	100		No	1st quarter 2008	3rd quarter 2009	Pending	
	○ Consultancy 12: Package 2 of technical assistance and training for regional offices and related municipalities (US\$385,000)	QCBS	Ex ante	100		No	2nd quarter 2008	1st quarter 2012	Pending	
	○ Consultancy 12.b: Package 3 of technical assistance and training for regional offices and related municipalities (US\$385,000)	QCBS	Ex ante	100		No	4th quarter 2008	1st quarter 2012	Pending	
	○ Consultancy 13: Organization of environmental awareness forums and training (US\$330,000)	QBS	Ex ante	100		No	2nd quarter 2008	3rd quarter 2012	Pending	
	○ Consultancy 14: Support for restructuring	QBS	Ex post	100		No	3rd quarter 2008	3rd quarter 2009	Pending	



Ref. no. <sup>5</sup>	Description of contract and estimated procurement cost	Procurement method <sup>6</sup>	Review (ex ante or ex post)	Source of financing and percentage		Pre-qualification (Yes/No)	Estimated dates		Status (pending, in process, awarded, canceled)	Comments
				IBD %	Local / Other %		Publication of specific procurement notice	Completion of contract		
	○ <b>CEDESAM (US\$36,000)</b>	QCBS	Ex ante	100		No	1st quarter 2008	1st quarter 2011	Pending	In 2 or 3 lots (by geographic area)
	○ <b>Consultancy 15: Technical assistance package for hydrometric network design and training (US\$250,000)</b>	QCBS	Ex ante	100		No	4th quarter 2009	4th quarter 2011	Pending	
	○ <b>Consultancy 16: Design of the water information system and definition of the ecological flow (US\$400,000)</b>	QCBS	Ex ante	100	100	No	1st quarter 2009	4th quarter 2013	Pending	
	○ <b>Consultancy 17: Technical assistance for watershed management (instruments, strategies, and governance) (US\$1,500,000)</b>	QCBS	Ex ante	100	100	No	1st quarter 2009	4th quarter 2013	Pending	
	○ <b>Consultancy 18: Consultant to support the SIA (US\$60,000)</b>	Comparison of CVs	Ex ante	0		No	1st quarter 2008	1st quarter 2010	Pending	

## **APPENDIX 2**

### **CAPACITY OF THE EXECUTING AGENCY AND SUPERVISION OF PROCUREMENT BY THE BANK**

#### **Assessment of the executing agency's capacity to administer procurement**

ANAM will be responsible for carrying out project procurements. Having assessed the capacity of the executing agency to carry out the procurement actions, the Bank rates the overall risk to the project arising from the administration of procurement as low.

Significant deficiencies identified and corrective actions agreed upon are summarized below:

<b>Deficiencies</b>	<b>Corrective action</b>	<b>Completion date</b>	<b>Comments</b>
Limited knowledge of the Bank's new procurement policies	Training at the outset of the program	In the first six months of the program	

#### **Frequency of procurement supervision**

In addition to prior reviews, the Bank will conduct post reviews of procurement every year. The frequency of post reviews and the thresholds established for the prior review of contracts are consistent with the assessment made of the executing agency's capacity. These thresholds and the frequency of post reviews may be adjusted in the process of updating and revising the procurement plan, depending on the performance of the executing agency and the progress made in adopting the corrective measures described.