WORKSHOP ON PUBLIC PROCUREMENT AND CONCESSION DESIGN: THEORY AND APPLICATIONS

21st and 22nd MARCH
8:30 am - 6:00 pm
SAO PAULO - SP

Sao Paulo School of Economics
FGV Foundation
R. Itapeva, 474 | 6th floor - Bela Vista, Sao Paulo
Workshop on Public Procurement and Concession Design: Theory and Applications

Hosted by
Sao Paulo School of Economics – FGV

Sponsored by
EESP-FGV  GV Market Design  FGV Projetos  IPEA  CAPES  FAPESP

Sao Paulo, March 21-22, 2014

Program

Friday, March 21, 2014

8.30 – 9.00  Registration and Welcome Coffee
           Welcoming Remarks

Session 1: Transaction Costs and Renegotiation in Procurement
Chair:
Leandro Arozamena (Universidad Torcuato Di Tella)
9.00-9.50 “Strategic Bidding and Contract Renegotiation”
Hojin Jun (University of Oklahoma), *Georgia Kosmopoulou (National Science Foundation and the University of Oklahoma), Carlos Lamarche (University of Kentucky,) and Richard Sicotte(University of Vermont)
Discussant: Paola Valbonesi (University of Padova)

9.50-10.40 “Bid Distribution and Transaction Costs”
*Mats A. Bergman (Södertörn University College) and Johan Y. Stake (Södertörn University)
Discussant: Esbien Chong (ADIS-University of Paris Sud 11)

10.40-11:00 Coffee break

Session 2: Regulation and PPP
Chair:
Enlinson Mattos (Sao Paulo School of Economics)
11.00-11.50 “Knowledge Spillovers in Cost-Reduction Incentives”
Luis Aguier (Institute for Prospective Technological Studies (IPTS) and Universidad Carlos III de Madrid,) and *Philippe Gagnepain (Paris School of Economics-Université Paris 1 and CEPR)
Discussant: Timothy P. Hubbard (Colby College)
11.50-12.40  “Is there a PPP interest Rate Premium?”
Eduardo Engel (Yale University and Universidad de Chile), *Ronald Fischer (Universidad de Chile) and Alexander Galetovic (Universidad de los Andes)
Discussant: Stephane Straub (Toulouse School of Economics)

12.40-14:10 Lunch
Venue: Wall Street Suites
Rua Itapeva, 636
São Paulo
(Exclusive for keynote speakers, presenters, discussants, session chairs, organizers and invited guests)

Session 3: Procurement and Auctions
Chair: Daniel Monte (São Paulo School of Economics)
14.10-15.00 “Repeated Procurement and Regulation under Imperfect Observability: The Dynamics of Incentive Contracts Revisited”
*Thomas Jeitschko (Michigan State University)
Discussant: Roberto Burguet (Institute for Economic Analysis (CSIC) and Barcelona GSE)

15.00-15.50 “Sequential Procurement Auctions and Their Effect on Investment Decisions”
Gonzalo Cisternas (Princeton University) and *Nicolás Figueroa (Universidad de Chile)
Discussant: Malin Arve (University of Mannheim)

15.50-16.40 “Relational Contract and Competitive Screening”
Giacomo Calzolari (University of Bologna,) and *Giancarlo Spagnolo (SITE-Stockholm, U. Rome 'Tor Vergata', CEPR)
Discussant: Ariane Lambert-Mogiliansky (Paris School of Economics)

16.40-17:00 Coffee break

Keynote:
Keynote Lecture: David Martimort
Chair: Stephane Straub (Toulouse School of Economics)
17.00-18.00 “A Theory of Contracts with Limited Enforcement”
*David Martimort (Paris School of Economics-EHESS), Aggy Semenov (University of Ottawa) and Lars Stole (University of Chicago Booth School of Business)

19.30-23.00 Conference Dinner
Venue: Restaurante Capim Santo
Alameda Min. Rocha Azevedo, 471 - Cerqueira César
São Paulo, SP
(Exclusive for keynote speakers, presenters, discussants, session chairs, organizers and invited guests)
Bus departures from Wall Street Suites Hotel at 19.00 to Restaurante Capim Santo
Saturday, March 22, 2014

9.00 – 9.30 | Welcome Coffee

Session 4: Policy Evaluation
Chair: Paulo Furquim de Azevedo (Sao Paulo School of Economics)

9.30-10.20 “Highway Procurement and the Stimulus Package: Identification and Estimation of Dynamic Auctions with Unobserved Heterogeneity”
*Jorge Balat (Johns Hopkins University)
Discussant: Leonardo Rezende (PUC-Rio)

10.20-11.10 “Efficacy of a Bidder Training Program: Lessons from LINC”
Dakshina de Silva (Lancaster University), *Timothy Hubbard (Colby College) and Georgia Kosmopoulou (National Science Foundation and the University of Oklahoma)
Discussant: Fabio Miessi (University of Sao Paulo)

11.10-11:30 Coffee break

Session 5: Procurement Contracting Strategies
Chair: Braz Camargo (Sao Paulo School of Economics)

11.30-12.20 “The Role of Reputation when Awarding Contracts: Empirical Evidence from a Vendor Rating System”
*Francesco Decarolis (Boston University), Riccardo Pacini(U. Rome ’Tor Vergata’) and Giancarlo Spagnolo (SITE-Stockholm, U. Rome ’Tor Vergata’, CEPR)
Discussant: Claudio Lucinda (University of Sao Paulo)

*Dakshina de Silva (Lancaster University) and Viplav Saini (Oberlin College)
Discussant: Georgia Kosmopoulou (National Science Foundation and the University of Oklahoma)

13.10-14:30 Lunch
Venue: Wall Street Suites
Rua Itapeva, 636
Sao Paulo
(Exclusive for keynote speakers, presenters, discussants, session chairs, organizers and invited guests)

Session 6: Auction Theory
Chair: Marian Moszoro (Berkeley-Haas and Kozminsky University)

Cuibong Fan (Shanghai University of Finance and Economics), Byoung Heon Jun (Korea University), and *Elmar Wolfstetter (Humboldt-University)
Discussant: Emmanuelle Auriol (Toulouse School of Economics)
15.20-16.10 “Bayesian and Dominant Strategy Mechanisms in Multidimensional Independent Private-Values Models”
*Alejandro Manelli* (Arizona State University) and Daniel R. Vincent (University of Maryland)
Discussant: Humberto Moreira (Graduate School of Economics – FGV)

16.10-17.00 “Favoritism and Anonymity in Auctions”
Leandro Arozamena (Universidad Torcuato Di Tella) and *Federico Weinschelbaum* (Universidad de San Andrés)
Discussant: Juan-José Ganuza (Universitat Pompeu Fabra)

18.30-20.30 Farewell Cocktail
Venue: Wall Street Suites
Rua Itapeva, 636
São Paulo
(Exclusive for keynote speakers, presenters, discussants, session chairs, organizers and invited guests)

Asterisk (*) and bold name indicate the presenter

Keynote speakers have 60 minutes to present. Speakers have will have 50 minutes; including 40 minutes for presentation, 7 minutes for discussion, and 3 minutes for general discussion and questions.

**Local Organizers:**
Klenio Barbosa, Eduardo Fiuza, Lucia Helena Salgado

**Scientific Committee:**
Gian Luigi Albano (Head of Research Department, Consip)
Leandro Arozamena (Universidad Torcuato Di Tella)
Klenio Barbosa (Sao Paulo School of Economics - FGV)
Roberto Burguet (Institute for Economic Analysis (CSIC) and Barcelona GSE)
Decio Coviello (HEC Montreal)
Dakshina de Silva (Lancaster University)
Claudio Ferraz (PUC-Rio)
Humberto Moreira (Graduate School of Economics – FGV)
Leonardo Rezende (PUC-Rio)
Giancarlo Spagnolo (SITE-Stockholm, U. Rome ‘Tor Vergata’, CEPR)
Stephane Straub (Toulouse School of Economics)

**Conference Venue:**
Sao Paulo:
Getulio Vargas Foundation (FGV)
Rua Itapeva, 474
São Paulo – SP – BRAZIL
## Workshop Participants

<table>
<thead>
<tr>
<th>Name</th>
<th>Affiliation</th>
<th>Email</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leandro Arozamena</td>
<td>Universidad Torcuato Di Tella</td>
<td><a href="mailto:larozamena@utdt.edu">larozamena@utdt.edu</a></td>
<td>C</td>
</tr>
<tr>
<td>Malin Arve</td>
<td>University of Mannheim</td>
<td><a href="mailto:marve@mail.uni-mannheim.de">marve@mail.uni-mannheim.de</a></td>
<td>D</td>
</tr>
<tr>
<td>Emmanuelle Auriol</td>
<td>Toulouse School of Economics</td>
<td><a href="mailto:emmanuelle.auriol@tse-fr.eu">emmanuelle.auriol@tse-fr.eu</a></td>
<td>D</td>
</tr>
<tr>
<td>Paulo Furquim de Azevedo</td>
<td>Sao Paulo School of Economics - FGV</td>
<td><a href="mailto:paulo.azevedo@fgv.br">paulo.azevedo@fgv.br</a></td>
<td>C</td>
</tr>
<tr>
<td>Jorge Balat</td>
<td>Johns Hopkins University</td>
<td><a href="mailto:jorge.balat@jhu.edu">jorge.balat@jhu.edu</a></td>
<td>P</td>
</tr>
<tr>
<td>Klenio Barbosa</td>
<td>Sao Paulo School of Economics - FGV</td>
<td><a href="mailto:klenio.barbosa@fgv.br">klenio.barbosa@fgv.br</a></td>
<td>C, O</td>
</tr>
<tr>
<td>Mats Bergman</td>
<td>Södertörn University College</td>
<td><a href="mailto:mats.bergman@sh.se">mats.bergman@sh.se</a></td>
<td>P</td>
</tr>
<tr>
<td>Roberto Burguet</td>
<td>Institute for Economic Analysis (CSIC) and Barcelona GSE</td>
<td><a href="mailto:roberto.burguet@iae.csic.es">roberto.burguet@iae.csic.es</a></td>
<td>D</td>
</tr>
<tr>
<td>Braz Camargo</td>
<td>Sao Paulo School of Economics - FGV</td>
<td><a href="mailto:braz.camargo@fgv.br">braz.camargo@fgv.br</a></td>
<td>C</td>
</tr>
<tr>
<td>Eshien Chong</td>
<td>ADIS-University of Paris Sud 11</td>
<td><a href="mailto:chong.iae@univ-paris1.fr">chong.iae@univ-paris1.fr</a></td>
<td>D</td>
</tr>
<tr>
<td>Francesco Decarolis</td>
<td>Boston University</td>
<td><a href="mailto:fdc@bu.edu">fdc@bu.edu</a></td>
<td>P, C</td>
</tr>
<tr>
<td>Dakshina de Silva</td>
<td>Lancaster University</td>
<td><a href="mailto:d.desilva@lancaster.ac.uk">d.desilva@lancaster.ac.uk</a></td>
<td>P, C</td>
</tr>
<tr>
<td>Nicolás Figueroa</td>
<td>Universidad de Chile</td>
<td><a href="mailto:nicolasf@dii.uchile.cl">nicolasf@dii.uchile.cl</a></td>
<td>P</td>
</tr>
<tr>
<td>Ronald Fischer</td>
<td>Universidad de Chile</td>
<td><a href="mailto:rfischerb@gmail.com">rfischerb@gmail.com</a></td>
<td>P</td>
</tr>
<tr>
<td>Eduardo Fiuza</td>
<td>IPEA</td>
<td><a href="mailto:eduardo.fiuza@ipea.gov.br">eduardo.fiuza@ipea.gov.br</a></td>
<td>O</td>
</tr>
<tr>
<td>Juan-José Ganuza</td>
<td>Universitat Pompeu Fabra</td>
<td><a href="mailto:juanjo.ganuza@upf.edu">juanjo.ganuza@upf.edu</a></td>
<td>D</td>
</tr>
<tr>
<td>Philippe Gagnepain</td>
<td>Paris School of Economics-Université Paris 1 and CEPR</td>
<td><a href="mailto:philippe.gagnepain@univ-paris1.fr">philippe.gagnepain@univ-paris1.fr</a></td>
<td>P</td>
</tr>
<tr>
<td>Timothy Hubbard</td>
<td>Colby College</td>
<td><a href="mailto:timothy.hubbard@colby.edu">timothy.hubbard@colby.edu</a></td>
<td>P,D</td>
</tr>
<tr>
<td>Thomas Jeitschko</td>
<td>Michigan State University</td>
<td><a href="mailto:jeitschk@msu.edu">jeitschk@msu.edu</a></td>
<td>P</td>
</tr>
<tr>
<td>Georgia Kosmopoulou</td>
<td>National Science Foundation and the University of Oklahoma</td>
<td><a href="mailto:georgiak@ou.edu">georgiak@ou.edu</a></td>
<td>P, D</td>
</tr>
<tr>
<td>Ariane Lambert-Mogiliansky</td>
<td>Paris School of Economics</td>
<td><a href="mailto:alambert@psc.ens.fr">alambert@psc.ens.fr</a></td>
<td>D</td>
</tr>
<tr>
<td>Claudio Lucinda</td>
<td>University of Sao Paulo</td>
<td><a href="mailto:claudiolucinda@fearp.usp.br">claudiolucinda@fearp.usp.br</a></td>
<td>D</td>
</tr>
<tr>
<td>Alejandro Manelli</td>
<td>Arizona State University</td>
<td><a href="mailto:ale@asu.edu">ale@asu.edu</a></td>
<td>P</td>
</tr>
<tr>
<td>David Martimort</td>
<td>Paris School of Economics-EHESS</td>
<td><a href="mailto:d.martimort@parischoolofeconomics.eu">d.martimort@parischoolofeconomics.eu</a></td>
<td>K</td>
</tr>
<tr>
<td>Enlinson Mattos</td>
<td>Sao Paulo School of Economics - FGV</td>
<td><a href="mailto:enlinson.mattos@fgv.br">enlinson.mattos@fgv.br</a></td>
<td>C</td>
</tr>
<tr>
<td>Fabio Miessi</td>
<td>University of Sao Paulo</td>
<td><a href="mailto:fmiessi@gmail.com">fmiessi@gmail.com</a></td>
<td>D</td>
</tr>
<tr>
<td>Daniel Monte</td>
<td>Sao Paulo School of Economics - FGV</td>
<td><a href="mailto:daniel.monte@fgv.br">daniel.monte@fgv.br</a></td>
<td>C</td>
</tr>
<tr>
<td>Name</td>
<td>Institution</td>
<td>Email</td>
<td>Role</td>
</tr>
<tr>
<td>---------------------------</td>
<td>--------------------------------------------------</td>
<td>------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>Humberto Moreira</td>
<td>Graduate School of Economics - FGV</td>
<td><a href="mailto:humberto@fgv.br">humberto@fgv.br</a></td>
<td>D</td>
</tr>
<tr>
<td>Marian Moszoro</td>
<td>Berkeley-Haas and Kozminski University</td>
<td><a href="mailto:mmoszoro@berkeley.edu">mmoszoro@berkeley.edu</a></td>
<td>C</td>
</tr>
<tr>
<td>Leonardo Rezende</td>
<td>PUC-Rio</td>
<td><a href="mailto:lrezende@econ.puc-rio.br">lrezende@econ.puc-rio.br</a></td>
<td>D</td>
</tr>
<tr>
<td>Stephane Straub</td>
<td>Toulouse School of Economics</td>
<td><a href="mailto:stephane.straub@ut-capitole.fr">stephane.straub@ut-capitole.fr</a></td>
<td>D, C</td>
</tr>
<tr>
<td>Giancarlo Spagnolo</td>
<td>SITE-Stockholm, U. Rome ‘Tor Vergata’, CEPR</td>
<td><a href="mailto:giancarlo.spagnolo@hhs.se">giancarlo.spagnolo@hhs.se</a></td>
<td>D</td>
</tr>
<tr>
<td>Lucia Helena Salgado</td>
<td>IPEA</td>
<td><a href="mailto:lucia.salgado@ipea.gov.br">lucia.salgado@ipea.gov.br</a></td>
<td>O</td>
</tr>
<tr>
<td>Paola Valbonesi</td>
<td>University of Padova</td>
<td><a href="mailto:paola.valbonesi@unipd.it">paola.valbonesi@unipd.it</a></td>
<td>D</td>
</tr>
<tr>
<td>Federico Weinschelbaum</td>
<td>Universidad de San Andrés</td>
<td><a href="mailto:fweinsch@udesa.edu.ar">fweinsch@udesa.edu.ar</a></td>
<td>P</td>
</tr>
<tr>
<td>Elmar Wolfstetter</td>
<td>Humboldt-University</td>
<td><a href="mailto:wolfstetter@gmail.com">wolfstetter@gmail.com</a></td>
<td>P</td>
</tr>
</tbody>
</table>

P = paper presenter  
D = discussant  
C = session chair  
K= keynote speaker  
O=local organizer