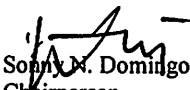


Republic of the Philippines  
**PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES**  
18/F Three Cyberpod Centris, North Tower,  
EDSA cor. Quezon Ave., Quezon City  
Telephone No. 877-4043  
Website: <http://www.pids.gov.ph>

**INVITATION TO SUBMIT RESEARCH PROPOSALS**

1. The Philippine Institute for Development Studies (PIDS) invites all eligible consultants to submit proposals for the provision of consultancy services entitled "*Estimation of the Philippine Macroeconometric Model*"
2. The project aims to re-estimate the annual model that will be used to examine different policy scenarios and impact of shocks. The consultant, under the guidance and technical oversight of a PIDS Senior Research Fellow, shall be the Research Associate for the study, and is expected to work with the project team and provide technical assistance in the re-estimation of the model.
3. The approved budget for the abovementioned research project is PhP672,000.00 and will be implemented for approximately 12 months.
4. To be registered and eligible to be included in the PIDS' database of research consultants, interested proponents must submit the following documents:
  - a) PhilGEPS registration number
  - b) Tax Identification Number (TIN) and Curriculum Vitae (for individual consultants)
  - c) Filled-up accreditation form/registration form\*, which includes information on completed contracts and all on-going government and project contracts, including contracts awarded but not yet started.
  - d) Notarized Affidavit\* containing: statement of Filipino citizenship and supporting documents, i.e., birth certificate, passport, or other documents relative to citizenship; statement of not "blacklisted" or "barred" from bidding by any government agency, office, or corporation, and authority to verify documents.
  - e) *Registered professional authorized by appropriate regulatory body to practice those profession or allied professions, if applicable.*
  - f) BIR Certificate of Registration (for individual consultants)
  - g) DTI/SEC/CDA registration, and Mayor's Permit (for consultancy firms)
  - h) *Audited financial statements for the immediately preceding calendar year stamped "received" by BIR or its duly authorized/accredited institutions (for consultancy firms)*
  - i) Income/Business Tax Return

\*Registration of qualified proponents is on-going. Please secure copies of the registration form and affidavit from the Project Services Department c/o Jan Michael M. Oseo at 18/F Three Cyberpod Centris – North Tower, EDSA cor. Quezon Ave., Quezon City. These documents may also be requested via email at [joseo@mail.pids.gov.ph](mailto:joseo@mail.pids.gov.ph).
5. The Terms of Reference (TOR) of the study, the PIDS Technical and Financial Proposals template, and other pertinent documents may be secured by consultants from the Project Services Department c/o Jan Michael M. Oseo at 18/F Three Cyberpod Centris – North Tower, EDSA cor. Quezon Ave., Quezon City, or via email at [joseo@mail.pids.gov.ph](mailto:joseo@mail.pids.gov.ph).
6. The Institute shall adopt the Quality-Based Evaluation Procedure in the selection of consultants.
7. Deadline for the submission of eligibility requirements and technical and financial proposals for the abovementioned research project is on or before June 27, 2017 addressed to:  
  
Sonny N. Domingo – Chairperson, BAC for Consultancy Services  
c/o The BAC Secretariat (Consultancy Services)  
18/F Three Cyberpod Centris – North Tower, EDSA cor. Quezon Ave., Quezon City
8. PIDS reserves the right to reject any or all the proposals, or declare a failure of bidding, or not award the contract, if there is evidence of collusion including any act which restricts, suppresses or nullifies competition, or if there is a failure to follow the prescribed bidding procedures. PIDS also reserves the right to waive any required formality in the proposals received, and select the proposal which it determines to be the most advantageous to PIDS.

  
Sonny N. Domingo  
Chairperson  
PIDS-BAC for Consultancy Services

# **Philippine Institute for Development Studies**

## **TERMS OF REFERENCE**

### **Estimation of the Philippine Macroeconometric model**

#### **1. Background and Justification**

The PIDS developed and maintained an annual macroeconometric model in the 1980s to the 1990s. It was primarily used to assess impact of policies and to generate forecasts. Macro model has been very useful in simulating impacts of various scenarios. The macroeconometric model will help our policymakers in objectively assessing the impacts of policies as well as domestic and external shocks. The proposed initiative aims to reestimate the annual model that will be used to examine different policy scenarios and impact of shocks. The PIDS study team proposes to focus on four sectors including the monetary, real, external, and public finance sectors. This project will require generation of a consistent time series database, specification of equations, doing policy simulations, generating forecasts, and further finetuning of the model.

#### **2. Scope of Work and Deliverables**

Under the guidance and technical oversight of a PIDS Senior Research Fellow who serves as Project Director, the Consultant shall be the Research Associate for this study. He/She is expected to work with the Project Team and provide technical assistance in the conduct of the following tasks:

- a. Review of literature
- b. Establishment of consistent time series data to be used in the estimation of the model, including documentation for adjustments made to original data
- c. Initial specification of the model structure
- d. Specification of equation for the concerned sectors
- e. Estimation of the equations

#### **3. Qualifications of the Consultant**

The Consultant should have the following qualifications:

- MA degree in Economics or Statistics
- At least five (5) years of relevant experience
- Desirable Qualifications: with technical expertise or research experience in macroeconomic modeling, forecasting, and policy analysis.

#### 4. Timeline and Schedule of Payment Releases

The Consultant will prepare the following outputs based on the schedule below:

<b>Activities and Deliverables</b>	<b>Due Dates</b>	<b>Payment Tranches</b>
Inception Report describing in detail the methodology, work plan and schedule of activities	July 20, 2017	PhP 47,040
Preliminary report on preparatory work including literature review and collection of data	August 21, 2017	PhP 47,040
Progress Report documenting initial specifications of the model structure	September 18, 2017	PhP 63,840
Progress Report documenting the activities conducted as of reporting date	October 16, 2017	PhP 47,040
Progress Report documenting data sources and estimation methodology	November 20, 2017	PhP 47,040
Progress Report documenting the activities conducted as of reporting date	December 20, 2017	PhP 47,040
Progress Report documenting the specification of equations of each of the four sectors	January 25, 2018	PhP 63,840
Progress Report documenting the estimation of the equations	February 26, 2018	PhP 47,040
Progress Report documenting the activities conducted as of reporting date	March 26, 2018	PhP 47,040
Draft Report on estimation methodology and specifications of model structure	April 20, 2018	PhP 47,040
Final Report on estimation methodology and specifications of model structure	May 17, 2018	PhP 84,000
Turnover of data and materials used	June 14, 2018	PhP 84,000

#### 5. Project Duration

The contract period is from July 3, 2017 to June 30, 2018.

#### 6. Project Cost

The estimated cost of this consulting service is Six Hundred Seventy-two Thousand Pesos (PhP672,000.00). This does not include the cost of field visits which will be shouldered by PIDS.