

Speaker: Yonatan Gur (DRO)

Title: Framework Agreements for Procurement: A Model and Design Recommendations

(joint with Gabriel Weintraub)

Abstract: Framework agreements (FAs) are procurement mechanisms that are used to satisfy demand that arises randomly over time. We develop the first model of suppliers' risks in FAs, focusing on cost uncertainty. Our results provide important prescriptions that are being used by the Chilean government to improve their FAs' design.